

119TH CONGRESS
1ST SESSION

S. _____

To prohibit certain individuals from engaging in prohibited financial transactions, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. BENNET introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To prohibit certain individuals from engaging in prohibited financial transactions, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Stop Trading Assets
5 Benefitting Lawmakers’ Earnings while Governing Exotic
6 and Novel Investments in the United States Act” or the
7 “STABLE GENIUS Act”.

8 **SEC. 2. PROHIBITED FINANCIAL TRANSACTIONS.**

9 (a) **DEFINITIONS.**—In this section:

1 (1) COVERED ELECTION.—The term “covered
2 election” means an election for the office of—

3 (A) President;

4 (B) Vice President;

5 (C) United States Senator;

6 (D) United States Representative;

7 (E) Delegate to Congress; or

8 (F) Resident Commissioner of Puerto Rico.

9 (2) COVERED INDIVIDUAL.—The term “covered
10 individual” means—

11 (A) the President;

12 (B) the Vice President;

13 (C) a United States Senator

14 (D) a United States Representative;

15 (E) a Delegate to Congress;

16 (F) a Resident Commissioner of Puerto
17 Rico; or

18 (G) a candidate in a covered election.

19 (3) COVERED INVESTMENT.—The term “cov-
20 ered investment” means any digital asset.

21 (4) DIGITAL ASSET.—The term “digital asset”
22 means any digital representation of value that is re-
23 corded on a cryptographically secured distributed
24 ledger or any similar technology.

25 (5) PROHIBITED FINANCIAL TRANSACTION.—

1 (A) IN GENERAL.—The term “prohibited
2 financial transaction” means—

3 (i) any issuance, sponsorship, or en-
4 dorsement of a covered investment;

5 (ii) any purchase, sale, holding, or
6 other conduct that causes a covered indi-
7 vidual to obtain a covered investment;

8 (iii) any acquisition of any financial
9 interest comparable to an interest de-
10 scribed in clause (i) or (ii) through syn-
11 thetic means, such as the use of a deriva-
12 tive, including an option, warrant, or other
13 similar means; or

14 (iv) any acquisition of any financial
15 interest comparable to an interest de-
16 scribed in clause (i) or (ii) as part of an
17 aggregation or compilation of such inter-
18 ests through a mutual fund, exchange-
19 traded fund, or other similar means.

20 (6) QUALIFIED BLIND TRUST.—The term
21 “qualified blind trust” means a qualified blind trust
22 (as defined in section 13104(f)(3) of title 5, United
23 States Code) that has been approved in writing by
24 the applicable supervising ethics office under sub-
25 paragraph (D) of such section 13104(f)(3).

1 (b) PROHIBITED FINANCIAL TRANSACTIONS.—Ex-
2 cept as provided in subsection (c), a covered individual
3 may not engage in any prohibited financial transaction
4 during—

5 (1) the period beginning on the date of filing as
6 a candidate in a covered Federal election and ending
7 on the date of the covered Federal election;

8 (2) the term of service of the covered individual;
9 and

10 (3) the 1-year period beginning on the date on
11 which the service of the covered individual is termi-
12 nated.

13 (c) QUALIFIED BLIND TRUST.—

14 (1) IN GENERAL.—During any of the periods
15 described in subsection (b), for each covered invest-
16 ment owned by a covered individual, the covered in-
17 dividual shall place the covered investment in a
18 qualified blind trust, including by establishing a
19 qualified blind trust for that purpose, if necessary.

20 (2) QUALIFIED BLIND TRUST REQUIRE-
21 MENTS.—A qualified blind trust may not be estab-
22 lished for purposes of complying with this section
23 without the prior approval of the applicable super-
24 vising ethics office. With respect to any such trust
25 so approved, the applicable trustee—

1 (A) shall divest of any such instrument
2 placed in the trust not later than 6 months
3 after the trust is established;

4 (B) shall certify to the applicable super-
5 vising ethics office on an annual basis that the
6 trustee has not provided any information on the
7 trust's assets or transactions to the applicable
8 covered individual; and

9 (C) may not have a close personal or busi-
10 ness relationship with the applicable covered in-
11 dividual.

12 (d) REPORTING REQUIREMENTS.—

13 (1) SUPERVISING ETHICS OFFICES.—Each su-
14 pervising ethics office shall make available on the
15 public website of the supervising ethics office a copy
16 of any qualified blind trust agreement of each cov-
17 ered individual.

18 (2) AMENDMENT.—Section 13101(18) of title
19 5, United States Code, is amended—

20 (A) in subparagraph (C), by striking
21 “and” at the end;

22 (B) in subparagraph (D), by striking the
23 period and inserting “; and”; and

24 (C) by adding at the end the following:

1 “(E) the Federal Election Commission for
2 a candidate in an election for the office of
3 President, Vice President, United States Sen-
4 ator, United States Representative, Delegate to
5 Congress, or Resident Commissioner of Puerto
6 Rico.”.

7 (e) LIABILITY AND IMMUNITY.—For purposes of any
8 immunities to civil or criminal liability, any conduct com-
9 prising or relating to a prohibited financial transaction
10 under this section shall be deemed an unofficial act and
11 beyond the scope of the official duties of the relevant cov-
12 ered individual.

13 (f) CIVIL PENALTIES.—

14 (1) CIVIL ACTION.—The Attorney General may
15 bring a civil action in any appropriate district court
16 of the United States against any covered individual
17 who violates subsection (b).

18 (2) CIVIL PENALTY.—Any covered individual
19 who knowingly violates subsection (b) shall be sub-
20 ject to a civil monetary penalty of not more than
21 \$250,000.

22 (3) DISGORGEMENT.—A covered individual who
23 is found in a civil action under paragraph (1) to
24 have violated subsection (b) shall disgorge to the
25 Treasury of the United States any profit from the

1 unlawful activity that is the subject of that civil ac-
2 tion.

3 (g) CRIMINAL PENALTIES.—

4 (1) IN GENERAL.—It shall be unlawful for a
5 covered individual to—

6 (A) knowingly violate subsection (b); and

7 (B) through such violation—

8 (i) causes an aggregate loss of not less
9 than \$1,000,000 to 1 or more persons in
10 the United States; or

11 (ii) benefits financially, through prof-
12 it, gain, or advantage, directly or indirectly
13 through any family member or business as-
14 sociate of the covered individual, from a
15 prohibited financial transaction.

16 (2) PENALTY.—A covered individual who vio-
17 lates paragraph (1) shall be fined under title 18,
18 United States Code, imprisoned for not more 18
19 than years, or both.