AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

119TH CONGRESS
2D SESSION

S. 4157

To prohibit bailouts of digital asset market participants, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 19, 2026

Mr. DURBIN (for himself, Ms. WARREN, Mr. WELCH, Mr. SANDERS, Ms. SMITH, and Ms. HIRONO) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

---

A BILL

To prohibit bailouts of digital asset market participants, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''No Bailout for Crypto Act''.

SEC. 2. PROHIBITION ON BAILOUTS OF DIGITAL ASSET MARKET PARTICIPANTS.

(a) DEFINITIONS.—In this section:

(1) BLOCKCHAIN.—The term ''blockchain'' means technology—

(A) through which data is shared across a network that creates a public blockchain of verified transactions or information among network participants; and

(B) in which cryptography is used to link the data described in subparagraph (A)—

(i) to maintain the integrity of the blockchain described in that subparagraph; and

(ii) to execute other functions.

(2) DECENTRALIZED FINANCE TRADING PROTOCOL.—The term ''decentralized finance trading protocol'' means a blockchain system through which multiple participants can execute a financial transaction—

(A) in accordance with an automated rule or algorithm that is predetermined and non-discretionary; and

(B) without reliance on any other person to maintain control of the digital assets of the user during any part of the financial transaction.

(3) DIGITAL ASSET INTERMEDIARY.—The term ''digital asset intermediary'' means any person that provides services that are financial in nature, as defined in section 4(k)(4) of the Bank Holding Company Act (12 U.S.C. 1843(k)(4)), with respect to any digital asset.

(4) FINANCIAL SERVICE PROVIDER.—The term ''financial service provider'' means a financial service provider that is regulated by a Federal banking agency, as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(5) GENIUS ACT TERMS.—The terms ''digital asset'', ''digital asset service provider'', and ''distributed ledger protocol'' have the meanings given those terms, respectively, in section 2 of the GENIUS Act (12 U.S.C. 5901).

(b) PROHIBITION ON FINANCIAL ASSISTANCE.—A Federal agency may not provide financial assistance to a digital asset intermediary, digital asset service provider, distributed ledger protocol, decentralized finance trading protocol, or financial service provider with respect to digital asset activities, to prevent the failure or bankruptcy of the digital asset commodity intermediary.

(c) EMERGENCY LIQUIDITY FACILITIES.—A digital asset intermediary, digital asset service provider, distrib-

uted ledger protocol, decentralized finance trading protocol, or financial service provider with respect to digital asset activities may not have access to any emergency liquidity facility established under section 13(3) of the Federal Reserve Act (12 U.S.C. 343).

(d) EXCHANGE STABILIZATION FUND.—The Secretary of the Treasury may not use any amounts in the Exchange Stabilization Fund established under section 5302 of title 31, United States Code, for the benefit of any digital asset intermediary, digital asset service provider, distributed ledger protocol, decentralized finance trading protocol or financial service provider with respect to digital asset activities.

(e) RULE OF CONSTRUCTION.—The prohibition under subsection (b) shall not alter the Federal Reserve's authority to lend to depository institutions under section 10B of the Federal Reserve Act (12 U.S.C. 347b).

○