On the topic [Ethereum censorability monitor](#) a few projects managed to track the degradation of service that censored tx's face when trying to be included in a block. The top project awarded (Neutrality Watch) identified some Lido Node Validators that seems to heavily censor non-OFAC compliant transactions (for example: ParaFi Technologies and Figment).

I couldn't find any follow-up action to address this censorship problem on Lido's part. Considering "Lido DAO's purpose is to keep Ethereum decentralized, accessible to all, and resistant to censorship" ([Lido on Ethereum Scorecard](#)) I think it would make sense to penalize censoring NO's. Maybe deactivating them temporarily by calling deactivateNodeOperator() on the contract NodeOperatorsRegistry would work. For example: The oracle could use a Neutrality Watch API to see who's censoring and pass the penalty using a new itemtype 3 "EXTRA_DATA_TYPE_CENSORING_NOS" of the extra data of struct ReportData in contract AccountingOracle. Then Lido would enforce the penalty.

This is just a quick idea of how the penalization could be implemented and would involve some modifications in a few contracts but considering Lido's purpose it makes sense to pursue this.

Any ideas?