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U.S. Senate Majority Leader
511 Dirksen Senate Office Building
Washington, D.C., 20510

The Hon. Mike Johnson
Speaker of the U.S. House of Representatives
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The Hon. Chuck Schumer
U.S. Senate Minority Leader
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The Hon. Hakeem Jeffries
Minority Leader, U.S. House of
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2267 Rayburn House Office Building
Washington, D.C., 20515

Leader Thune, Leader Schumer, Speaker Johnson, and Leader Jeffries:

We are a broad and ideologically diverse group of nonpartisan nonprofit organizations and ethics experts dedicated to protecting our government from corruption and ensuring that its institutions and officials act on behalf of the people they serve. It's with this purpose in mind that we write to encourage you to include clear and significant ethical and anti-corruption safeguards in any cryptocurrency legislation.

The country is at an inflection point. Cryptocurrency is a three trillion dollar global industry in desperate need of regulation. However, Congress is now racing towards creating a legal regime that will open the doors to immense public corruption by putting the power to design the industry's legal and regulatory regime in the hands of a President with extensive interests in the market. For the resilience of the cryptocurrency markets, the country's national security, and the health of our democracy, Congress must not let that happen.

Passing market structure legislation without ethics safeguards risks further entrenching a marketplace that unfairly favors products tied to President Trump, his family, and his associates. Bills like the House's Digital Asset Market Clarity (CLARITY) Act (H.R. 3633), which attempts to regulate these fast-evolving assets, ultimately delegate interpretive authority to federal agencies. This is troubling given President Trump's own extensive crypto businesses and growing influence over these bodies. Compounding this issue, key Trump appointees have crypto conflicts of interest of their own. Legislation without ethics teeth risks creating only an illusion of independent market oversight while surrendering significant congressional power to curb executive corruption. This poses a broader threat to our nation's security and the quality of our democracy.

That's why powerful, effective, and common sense ethics guardrails must be a precondition for any legislation attempting to regulate the cryptocurrency market.

To be clear: it is crucial that Congress creates a serious and comprehensive legal regime to bring the opaque market for digital assets into the light. A strong and clear market structure, regulated and enforced by neutral arbiters, with protections for retail investors, will ensure that American consumers can access this increasingly important market with confidence.

Therefore, if Congress wants to provide true structure, protections, and space for safe innovation in digital assets, it must include the following safeguards in digital asset market structure legislation:

1. **Ban the President, Vice President, members of Congress, senior officials, Supreme Court justices, and federal judges—and their spouses and dependent children—from owning or trading cryptocurrency, or from owning a company that issues cryptocurrency and crypto products.** The only way to be certain that corrupt or illicit actors or foreign governments are not able to abuse the crypto ecosystem to purchase influence with American policymakers is divestment and a blanket prohibition. The only way to fully inoculate our government from crypto conflicts of interest is to ensure that no policymaker can engage in crypto transactions in the first place.
2. **Require all senior officials to report any cryptocurrency transactions or holdings, from any source, in public financial disclosures they are required to file under the Ethics in Government Act and the STOCK Act.** In addition to a strict divestment and prohibition requirement, it's critical that public officials disclose any cryptocurrency assets or businesses they acquire during service. This way, the public—and ethics officials—will be able to ensure that policymakers are complying with divestment requirements as well as protect against potential conflicts of interest that may arise from ownership of digital assets. Disclosure would also make it easier for ethics officials and law enforcement to hold public officials accountable—both for violating the prohibition *and* their disclosure requirements.
3. **Create a clear and comprehensive criminal crypto anticorruption enforcement system that serves as a true deterrent, and empower independent ethics bodies to investigate, review, and enforce divestment and disclosure requirements, and impose steep penalties for non-compliance.** Congress should enact civil and criminal penalties, including prison sentences and fines, for individuals or entities found to be using cryptocurrencies for bribery, illicit lobbying, or other forms of public corruption. And Congress must empower the investigative function of each branch of government to enforce this regime, including by independently investigating officials' finances. These independent investigators must be granted expanded powers to audit members' finances and organizations for cryptocurrency compliance by providing access to relevant blockchain data, including public keys, and exchange records. This should also include strengthening protections and providing incentives for public and private whistleblowers,

including government contractors, who report instances of noncompliance or illicit cryptocurrency use in influencing government action or in political finance to the independent investigator. In addition to banning policymakers and their families from owning, trading, or issuing any crypto products, legislation should also ban campaign contributions in the form of cryptocurrencies.

We strongly urge you to include strong, comprehensive, and clear cryptocurrency ethics guidelines in any legislation attempting to regulate this massive, speculative, and opaque industry.

Kind regards,

The Academy of Financial Education
Accountable.US/Accountable.NOW
Americans for Financial Reform
BigMoneyOutVA
Center for Digital Democracy
Center for Economic Integrity
Citizen Works
Clean Elections Texas
Court Accountability Action
Citizens for Responsibility and Ethics in Washington (CREW)
Democracy Defenders Action
End Citizens United
Faiths for Safe Water
Free Speech For People
Government Information Watch
Indivisible
Indivisible Santa Fe
Michiganders for Fair and Transparent Elections
National Community Reinvestment Coalition (NCRC)
National Consumer Law Center, on behalf of its low-income clients
National Consumers League
New Jersey Appleseed Public Interest Law Center
MOVI, Money Out Voters In
Oregonizers
Our Revolution
Project On Government Oversight
Public Citizen
RepresentUs

Prof. James A. Thurber

Norman Ornstein

Richard Painter, law professor and former Chief Ethics Officer in the Bush Administration
(2005-2007)