

MIKE CRAPO, IDAHO
MIKE ROUNDS, SOUTH DAKOTA
THOM TILLIS, NORTH CAROLINA
JOHN KENNEDY, LOUISIANA
BILL HAGERTY, TENNESSEE
CYNTHIA LUMMIS, WYOMING
KATIE BOYD BRITT, ALABAMA
PETE RICKETTS, NEBRASKA
JIM BANKS, INDIANA
KEVIN CRAMER, NORTH DAKOTA
BERNIE MORENO, OHIO
DAVID MCCRICK, PENNSYLVANIA

JACK REED, RHODE ISLAND
MARK R. WARNER, VIRGINIA
CHRIS VAN HOLLEN, MARYLAND
CATHERINE CORTEZ MASTO, NEVADA
TINA SMITH, MINNESOTA
RAPHAEL G. WARNOCK, GEORGIA
ANDY KIM, NEW JERSEY
RUBEN GALLEG, ARIZONA
LISA BLUNT ROCHESTER, DELAWARE
ANGELA D. ALSOBROOKS, MARYLAND

CATHERINE FUCHS, STAFF DIRECTOR
JON DONENBERG, DEMOCRATIC STAFF DIRECTOR

United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

January 12, 2026

The Honorable Paul S. Atkins
Chairman
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

Dear Chair Atkins:

I write to request information regarding the Trump Administration's Executive Order that endangers investors by clearing the way for pension funds and retirement accounts to hold volatile crypto assets.

President Trump's Executive Order comes amid a recent trillion-dollar nosedive in the cryptocurrency market,¹ underscoring concerns about the sector's volatility, weak investor protections, and lack of transparency—and the President's financial conflicts of interest. As the Securities and Exchange Commission (SEC) considers rulemaking on cryptocurrency regulation,² it is essential for policymakers to address the risks that cryptocurrency assets pose to everyday Americans' retirement savings. The order also comes as Congress considers crypto market structure legislation that could create a tokenization loophole through which nearly any financial product offered on the blockchain could sidestep the SEC's authority to regulate securities—risking Americans' retirement savings and investments.³

After reaching an all-time high in October, Bitcoin suffered a lengthy slump—declining by 33% in just over six weeks and “wip[ing] out nearly \$800 billion in value”—and dipped again in December.⁴ Other crypto assets suffered similar declines, reviving important questions about

¹ The Guardian, “Cryptocurrency slump erases 2025 financial gains and Trump-inspired optimism,” Johana Bhuiyan, December 29, 2025, <https://www.theguardian.com/technology/2025/dec/29/crypto-end-of-year-fall-cuts-trump-optimism>.

² Speech by SEC Chairman, Paul S. Atkins, The SEC's Approach to Digital Assets: Inside “Project Crypto,” November 12, 2025, <https://www.sec.gov/newsroom/speeches-statements/atkins-111225-secs-approach-digital-assets-inside-project-crypto>.

³ AFL-CIO, “Letter Opposing Legislation That Would Put Workers' Retirement Funds and the Economy's Financial Stability at Risk,” December 8, 2025, <https://aflcio.org/about/advocacy/legislative-alerts/letter-opposing-legislation-would-put-workers-retirement-funds>.

⁴ CBS News, “Bitcoin has shed almost \$800 billion since its October peak. What's behind the plunge?,” Mary Cunningham, November 21, 2025, <https://www.cbsnews.com/news/bitcoin-btc-price-decline/#:~:text=Bitcoin%20continued%20to%20slide%20on,its%202025%20peak%20last%20month>; The Guardian, “Cryptocurrency slump erases 2025 financial gains and Trump-inspired optimism,” December 29, 2025,

crypto's stability as a long-term asset.⁵ A 2024 Government Accountability Office study found that "crypto assets have uniquely high volatility" and "there is no standard approach for projecting the potential future returns of crypto assets."⁶ President Trump himself echoed this sentiment when he claimed in 2019 that crypto's value was "highly volatile and based on thin air."⁷ He also stated in 2021 that Bitcoin "seems like a scam."⁸

Despite these past comments, President Trump released an Executive Order (EO) entitled "Democratizing Access to Alternative Assets for 401(k) Investors" on August 7, 2025.⁹ The EO will open the floodgates for financial firms to gamble with trillions of dollars of workers' retirement savings by pushing risky assets, including cryptocurrencies, into defined contribution plans.¹⁰ More specifically, the EO directs the Labor Department and other agencies to reevaluate guidance around what is considered a qualified asset under the Employee Retirement Income Security Act (ERISA), in order to bring alternative assets including cryptocurrency into retirement accounts.¹¹ Experts immediately highlighted the dangers of this executive order, noting the threats from crypto's volatility and the heightened risk it poses to retirement accounts.¹²

There is no reason to expect that inviting plans to offer these alternative investments will lead to better outcomes overall for participants—especially considering the higher fees and expenses that typically come with them. But there is ample reason to think these investment options will

<https://www.theguardian.com/technology/2025/dec/29/crypto-end-of-year-fall-cuts-trump-optimism>.

⁵ Axios, "Crypto plunge wipes out nearly \$400 billion in a week," Ben Berkowitz, November 21, 2025, <https://wwwaxios.com/2025/11/21/bitcoin-value-price-crypto-coin-sell-off>.

⁶ Government Accountability Office, "Industry Data Show Low Participant Use of Crypto Assets Although DOL's Data Limitations Persist," November 2024, https://files.gao.gov/reports/GAO-25-106161/index.html?%20_gl=1*ogvqf1* ga*MzU4MTE2NzQyLjE3NTg2NDk1MDY.* ga V393SNS3SR*czE3NTg2NTEzNjQkbzIkZzEk%20dDE3NTg2NTEzNjUkajU5JGwwJGgw.

⁷ PBS News, "Once a crypto skeptic, Trump is now a big fan of the industry," Will Weissert and Alan Suderman, May 22, 2025, <https://www.pbs.org/newshour/politics/once-a-crypto-skeptic-trump-is-now-a-big-fan-of-the-industry#:~:text=How%20Trump%20changed%20his%20mind,%E2%80%9Cseems%20like%20a%20scam.%E2%80%9D>.

⁸ *Id.*, BBC, "Donald Trump calls Bitcoin 'a scam against the dollar,'" Mary-Ann Russo, June 7, 2021, <https://www.bbc.com/news/business-57392734>.

⁹ Executive Order, "DEMOCRATIZING ACCESS TO ALTERNATIVE ASSETS FOR 401(K) INVESTORS", August 7, 2025. <https://www.whitehouse.gov/presidential-actions/2025/08/democratizing-access-to-alternative-assets-for-401k-investors/>.

¹⁰ Letter from Sen. Elizabeth Warren et al., to Secretary of Labor Lori Chavez-DeRemer and Chairman of the Securities and Exchange Commission, Paul S. Atkins, pp. 1, 5, October 28, 2025, https://www.banking.senate.gov/imo/media/doc/Letter%20to%20DOL%20and%20SEC%20re%20401ks%20EO_10.28.2025.pdf.

¹¹ Executive Order, "DEMOCRATIZING ACCESS TO ALTERNATIVE ASSETS FOR 401(K) INVESTORS", August 7, 2025. <https://www.whitehouse.gov/presidential-actions/2025/08/democratizing-access-to-alternative-assets-for-401k-investors/>; Bloomberg Law, "Trump Signs Order Easing Path for Private Assets in 401(k)s." Jennifer A. Dlouhy and Allison McNeely, August 7, 2025, <https://news.bloomberglaw.com/banking-law/trump-to-sign-order-easing-path-for-private-assets-in-401ks>.

¹² Bloomberg Law, "Crypto and Private Equity Won't Make Your 401(k) Great Again," Sean Anderson and Robert Lawless, September 8, 2025, <https://news.bloomberglaw.com/legal-exchange-insights-and-commentary/crypto-and-private-equity-wont-make-your-401k-great-again>.

make things worse by increasing the risk of large losses for participants, most of whom can ill afford them.

President Trump's sudden embrace of the crypto industry appears to be driven by his own conflicts of interest and ability to profit from crypto free-for-all. Since the beginning of his second term, President Trump and his family have amassed over \$1.2 billion in financial gains from crypto.¹³

The opaque nature of the crypto industry and a series of unusual transactions have highlighted the Trump family's potentially corrupt profiteering and dealmaking. The below examples involve crypto deals that appear to be pay-for-play opportunities to win President Trump's favor.

- The \$TRUMP meme coin has reportedly generated over \$300 million in transaction fees for President Trump's family and "other backers."¹⁴ And last April, "the Trump family announced an intimate private dinner with the president" to reward the biggest buyers of the meme coin.¹⁵ As of December 2025, \$TRUMP was down 92% since its peak.¹⁶
- The Trump family has reportedly made tens of millions of dollars from interest on its stablecoins.¹⁷ In May 2025, the investment firm of United Arab Emirates' national security advisor, Sheikh Tahnoon bin Zayed Al Nahyan, made a \$2 billion investment using World Liberty Financial's stablecoin.¹⁸ Weeks later, the Trump Administration approved the sale of advanced AI chips to the UAE, despite concerns that the technology could be shared with China.¹⁹
- A Trump family company, DT Marks DEFI LLC, has reportedly received over \$1 billion from the sale of WLFI governance tokens.²⁰ Significant amounts of that revenue appear to be driven by opaque, insider-linked traders, rather than market demand. As an example, according to the *Wall Street Journal*, the Trump family may have earned more than \$500 million in a recent "unusually circular transaction" involving the same party as both the buyer and the seller of WLFI tokens.²¹

¹³ Center for American Progress, "RELEASE: The Trump Family Has Pocketed More Than \$1.8 Billion in Cash and Gifts Since 2024 Reelection, New Live Tracker Shows," Colin Seeberger, October 23, 2025, <https://www.americanprogress.org/press/release-the-trump-family-has-pocketed-more-than-1-8-billion-in-cash-and-gifts-since-2024-reelection-new-live-tracker-shows/>.

¹⁴ CBS News, "Hoping to get Trump's attention, small business buys millions in cryptocurrency: 'We thought it was worth it,'" Nancy Cordes, Madeleine May, Kerry Breen, May 22, 2025, <https://www.cbsnews.com/news/donald-trump-meme-coin-crypto-dinner>.

¹⁵ *Id.*

¹⁶ Bloomberg, "Donald and Melania Trump's Terrible, Tacky, Seemingly Legal Memecoin Adventure," Zeke Faux and Max Abelson, December 14, 2025, <https://www.bloomberg.com/news/features/2025-12-14/trump-family-crypto-money-how-donald-melania-profited-from-memecoins>.

¹⁷ Center for American Progress, "Trump's Take," <https://www.americanprogress.org/feature/trumps-take>.

¹⁸ New York Times, "Anatomy of Two Giant Deals: The U.A.E. Got Chips. The Trump Team Got Crypto Riches.," Eric Lipton, David Yaffe-Bellany, Bradley Hope, Tripp Mickle and Paul Mozur, September 15, 2025, <https://www.nytimes.com/2025/09/15/us/politics/trump-uae-chips-witkoff-world-liberty.html>.

¹⁹ *Id.*

²⁰ Center for American Progress, "Trump's Take," <https://www.americanprogress.org/feature/trumps-take/>.

For most Americans, their 401(k) represents a lifeline to retirement security rather than a playground for financial risk. Allowing crypto into American retirement accounts creates fertile ground for workers and families to lose big. Given the threats from crypto's volatility, the market's lack of transparency, and potential conflicts of interest, I am concerned that the Trump Administration's decision to allow these risky assets to be part of such critical retirement investments threatens millions of Americans' retirement security. These concerns are exacerbated by the fact that Republicans on the Senate Banking and Agricultural Committees may greenlight crypto market structure legislation that creates a tokenization loophole through which nearly any financial product offered on the blockchain could sidestep the SEC's authority to regulate securities. This has the potential to introduce even more volatility into our capital markets, placing investors further at risk. To understand how the Securities and Exchange Commission (SEC) is preparing to mitigate the risks that will ultimately follow, I ask that you provide answers to the following questions no later than January 27, 2026.

1. The SEC has mandated that publicly traded companies that hold, issue, or invest in cryptocurrencies must provide disclosures on crypto asset liquidity, impairment risks, and market volatility.²² Has the SEC ensured that the valuations reflected in disclosures are fair market value given the volatility crypto securities often experience?
2. Has the SEC's Division of Risk and Analysis assessed the use of manipulative or deceptive practices in crypto markets? If not, does it plan to publish research for retail investor awareness?
3. What investor awareness does SEC Office of Investor Education and Assistance provide for retail investors that may purchase crypto assets traditionally or through retirement plans following the Trump Administration's recent Executive Order?

Sincerely,

²¹ Wall St. Journal, "Trump Family Amasses \$5 Billion Fortune After Crypto Launch," Angus Berwick, September 1, 2025, https://www.wsj.com/finance/currencies/trump-family-amasses-6-billion-fortune-after-crypto-launch-567faec5?gaa_at=eafs&gaa_n=ASWzDAhSKqjBSvOO9n7aoiAjhIBfRtVmzjQWs5cDQ1isjQiMizOcmR9wFMWfY74HVQ%3D&gaa_ts=68bf4288&gaa_sig=vFTRNhjqWxzQMVDR-KcOeGxWEKeMSBwQ-G9OzY4CE5pBrprZG3CdBPkOAq3HEPE4_vDc5upJNlxQbFABrc0emg%3D%3D

²² U.S. Securities and Exchange Commission, Division of Corporate Finance, "Statement: Offerings and Registrations of Securities in the Crypto Asset Markets," April 10, 2025, <https://www.sec.gov/newsroom/speeches-statements/cf-crypto-securities-041025-offerings-registrations-securities-crypto-asset-markets>.



Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs