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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

March 6, 2025

David O. Sacks
Chair, President's Council of Advisors on Science and Technology
The White House
1600 Pennsylvania Avenue NW,
Washington, DC 20500

Dear Mr. Sacks:

I write today to request information about how you, as President Trump's "Crypto Czar," have addressed your conflicts of interest, and how you will prevent the President and other private individuals from directly profiting off of the Trump Administration's efforts to selectively pump the value of certain crypto assets, drop crypto asset-related enforcement actions, and deregulate the crypto asset industry. These actions have the potential to benefit billionaire investors, Trump Administration insiders, and speculators at the expense of middle-class families.

In December, then President-elect Trump appointed you as the "White House A.I. & Crypto Czar" and tasked you with working "on a legal framework so the Crypto industry has the clarity it has been asking for" and "can thrive in the U.S."¹ On January 23, President Trump established the "President's Working Group on Digital Asset Markets" and designated you, his Special Advisor for AI and Crypto, as Chair.² On March 2, President Trump announced in a Truth Social post that he directed the working group to "move forward on a Crypto Strategic Reserve."³ His post revealed that the reserve would hold a handpicked group of cryptocurrency tokens, including Ripple's XRP, Solana's SOL, and Cardano's ADA.⁴ President Trump announced in a follow-up post that the reserve would also include Bitcoin (BTC) and Ether (ETH).⁵ Immediately after President Trump's posts, cryptocurrency prices soared before falling back to pre-announcement levels.⁶

¹ Truth Social, post, December 5, 2024, <https://truthsocial.com/@realDonaldTrump/posts/113603133222686186>.

² The White House, "Strengthening American Leadership in Digital Financial Technology," Executive Order, January 23, 2025, <https://www.whitehouse.gov/presidential-actions/2025/01/strengthening-american-leadership-in-digital-financial-technology/>; Reuters, "Trump orders crypto working group to draft new regulations, explore national stockpile," Hannah Lang and Trevor Hunnicutt, January 24, 2024, <https://www.reuters.com/business/finance/trump-signs-order-create-cryptocurrency-working-group-2025-01-23/>.

³ Truth Social, post, March 2, 2025, <https://truthsocial.com/@realDonaldTrump/posts/114093526901586124>.

⁴ *Id.*

⁵ Truth Social, post, March 2, 2025, <https://truthsocial.com/@realDonaldTrump/posts/114093946326587357>.

⁶ Associated Press, "Trump sends crypto prices on a short-lived surge after announcement of strategic government reserve," Alan Sunderman, March 3, 2025, <https://apnews.com/article/trump-crypto-bitcoin-digital-assets-reserve->

Tonight, you announced on X that “President Trump signed an executive order to establish a Strategic Bitcoin Reserve . . . capitalized with Bitcoin owned by the federal government that was forfeited as part of criminal or civil asset forfeiture proceedings.”⁷ You also said that the executive order “establishes a U.S. Digital Asset Stockpile, consisting of digital assets other than bitcoin forfeited in criminal or civil proceedings.”⁸ It is unclear whether the stockpile would consist of a selective group of tokens, such as XRP, SOL, ADA, and ETH, or a broader set of tokens.

President Trump’s March 2 announcement, and your ensuing announcement on March 6, have created confusion about the Administration’s crypto plans, and raised serious questions about your history of crypto investments – including investments in all five tokens the President initially proposed for inclusion in a “strategic reserve.” You have directly invested in BTC, ETH, and SOL.⁹ On March 2, following President Trump’s announcement, you stated in a post on X that you “sold all [your] cryptocurrency (including BTC, ETH, and SOL) prior to the start of the administration.”¹⁰ In addition to your personal investments, you have indirectly invested in several cryptocurrencies as Co-Founder and Partner of Craft Ventures,¹¹ an investment firm that “retains stakes in a small number of crypto start-ups.”¹² According to your Craft Ventures’ website, your firm was invested in the cryptocurrency index fund manager Bitwise.¹³ As of January 31, Bitwise’s top five holdings were BTC, ETH, XRP, SOL, and ADA—the same five tokens in President Trump’s announcements.¹⁴ On March 4, your firm’s website was updated “to reflect that it had exited its Bitwise investment in January 2025.”¹⁵ Despite your public statements via X, it remains unclear exactly when you personally divested from BTC, ETH, and SOL, when Craft Ventures divested from Bitwise, and whether people close to you “may have held positions and sold into the recent price surge.”¹⁶

[2f4246434a657f248cd85296f14382f9](https://x.com/davidsacks47/status/1897802280738734236).

⁷ X, post, March 6, 2025, <https://x.com/davidsacks47/status/1897802280738734236>.

⁸ *Id.*

⁹ Yahoo Finance, “Crypto Czar David Sacks Confirms Selling All Bitcoin, Ethereum, Solana Holdings, Denies 'Large Indirect Holdings',” Khyathi Dalal, March 5, 2025, <https://finance.yahoo.com/news/crypto-czar-david-sacks-confirms-190041167.html>.

¹⁰ X, post, March 2, 2025, <https://x.com/DavidSacks/status/1896398256357384310>.

¹¹ Craft Ventures, “David Sacks,” <https://www.craftventures.com/team/david-sacks>.

¹² Financial Times, “Crypto prices jump as Donald Trump names tokens included in strategic reserve,” Philip Stafford, Eric Platt, and George Hammond, March 2, 2025, <https://www.ft.com/content/9c18e66d-6ab4-45b2-9d86-51909de2db92>.

¹³ Craft Ventures, “Portfolio: Bitwise,” <https://craftventures.com/portfolio/bitwise>.

¹⁴ Bitwise, “Bitwise 10 Crypto Index Fund,” <https://s3.amazonaws.com/static.bitwiseinvestments.com/FactSheet/bitwise10/Bitwise-10-Crypto-Index-Fund-Fact-Sheet.pdf>.

¹⁵ CoinDesk, “David Sacks Quietly Divested From Crypto Company at Center of Conflict of Interest Controversy,” Sam Kessler, March 4, 2025, <https://www.coindesk.com/policy/2025/03/04/david-sacks-quietly-divested-from-crypto-company-at-center-of-conflict-of-interest-controversy>.

¹⁶ Yahoo Finance, “Crypto Czar David Sacks Confirms Selling All Bitcoin, Ethereum, Solana Holdings, Denies 'Large Indirect Holdings',” Khyathi Dalal, March 5, 2025, <https://finance.yahoo.com/news/crypto-czar-david-sacks-confirms-190041167.html>.

The planned Crypto Strategic Reserve is just the most recent example of a Trump Administration crypto policy with the potential to benefit a wealthy, well-connected few at the expense of taxpayers. Just last week, for example, the Securities and Exchange Commission (SEC), chaired by Mark Uyeda, who was chosen as Acting Chair by President Trump, issued a Staff Statement asserting that most meme coins are not securities and, thus, are not subject to federal securities safeguards.¹⁷ Meme coins are known for their high volatility and “rug pulls,” where a coin is “launched and quickly abandoned, leaving investors with steep losses.”¹⁸ Despite these schemes’ clear harm to consumers, the SEC statement could “shield companies and individuals that create meme coins from potential litigation.”¹⁹ Furthermore, the statement has the potential to directly benefit President Trump and First Lady Melania Trump, who launched two meme coins, \$TRUMP and \$MELANIA, during President Trump’s inauguration weekend.²⁰

The SEC has also dropped or paused multiple crypto-related enforcement actions. On February 27, the SEC dismissed a civil enforcement action against Coinbase.²¹ The lawsuit, initiated in June 2023, alleged that Coinbase “made billions of dollars unlawfully facilitating the buying and selling of crypto asset securities” and “deprived investors of significant protections.”²² Tomorrow, just two weeks after the SEC dropped this case, Coinbase CEO Brian Armstrong will attend the White House cryptocurrency summit that you will chair.²³

Additionally, on February 26, the SEC filed a motion to pause its case against Justin Sun, founder of Tron and official adviser to the Trump family-affiliated World Liberty Financial cryptocurrency project.²⁴ The lawsuit, filed in March 2023, accused Mr. Sun of illegally inflating the value of TRX, Tron’s cryptocurrency token, through a fraudulent trading scheme, among other charges.²⁵ The SEC’s request to pause the lawsuit follows Mr. Sun’s \$75 million

¹⁷ U.S. Securities and Exchange Commission, “Staff Statement on Meme Coins,” press release, February 27, 2025, <https://www.sec.gov/newsroom/speeches-statements/staff-statement-meme-coins>.

¹⁸ The Wall Street Journal, “Crypto Thought Trump Would Bring It Legitimacy. Then He Launched a Meme Coin.,” Vicky Ge Huan and Caitlin Ostroff, January 21, 2025, https://www.wsj.com/finance/currencies/trump-meme-coin-cryptocurrency-eda5d5d9?mod=livecoverage_web.

¹⁹ The Verge, “Meme coins aren’t subject to securities regulations, says SEC,” Jess Weatherbed, February 28, 2025, <https://www.theverge.com/news/621454/sec-meme-coin-securities-collectibles-guidance>.

²⁰ The Official Trump Meme, “Trump Meme,” <https://gettrumpmemes.com/>; Melania Meme, “Melania Official Meme,” <https://melaniameme.com/>; Reuters, “Trump’s new meme coin soars on his first day in office, lifts other tokens,” Elizabeth Howcroft, Rae Wee, and Michelle Conlin, January 20, 2025, <https://www.reuters.com/technology/trumps-new-crypto-token-jumps-ahead-his-inauguration-2025-01-20/>.

²¹ U.S. Securities and Exchange Commission, “SEC Announces Dismissal of Civil Enforcement Action Against Coinbase,” Press Release, February 27, 2025, <https://www.sec.gov/newsroom/press-releases/2025-47>.

²² U.S. Securities and Exchange Commission, “SEC Charges Coinbase for Operating as an Unregistered Securities Exchange, Broker, and Clearing Agency,” Press Release, June 6, 2023, <https://www.sec.gov/newsroom/press-releases/2023-102>.

²³ Cointelegraph, “Trump’s White House Crypto Summit: Confirmed attendees so far,” Helen Partz, March 5, 2025, <https://cointelegraph.com/news/trump-white-house-crypto-summit-bitcoin-reserve-policy>.

²⁴ Reuters, “US SEC, Tron founder Justin Sun explore resolution of civil fraud case,” Jonathan Stempel, February 26, 2025, <https://www.reuters.com/legal/us-sec-tron-founder-justin-sun-explore-resolution-civil-fraud-case-2025-02-26/>; CNN, “A crypto mogul who invested millions into Trump coins is getting a reprieve on civil fraud charges,” Allison Morrow, February 28, 2025, <https://www.cnn.com/2025/02/28/business/crypto-mogul-trump-coins-civil-fraud-charges/index.html>.

²⁵ Reuters, “US SEC, Tron founder Justin Sun explore resolution of civil fraud case,” Jonathan Stempel, February 26, 2025, <https://www.reuters.com/legal/us-sec-tron-founder-justin-sun-explore-resolution-civil-fraud-case-2025->

investment in World Liberty tokens, which “could set the Trump family up to eventually collect tens of millions of dollars, as the family is entitled to 75% of the tokens’ revenues.”²⁶

Americans deserve strong leaders who will prioritize the public interest ahead of their own bottom lines. I hope you address these obvious concerns about conflicts of interest as you chair tomorrow’s White House cryptocurrency summit. To address these questions, we ask that you immediately make any financial disclosures that you have filed with the government public, to ensure Congress and the American people that you have made appropriate divestments and that you no longer hold investments that present conflicts of interest.

In addition, I request answers to the following questions by March 14, 2025:

1. You are serving as a “special government employee,” meaning that you are subject to a series of conflict-of-interest laws designed to prevent government officials from enriching themselves at the expense of taxpayers.²⁷ Specifically, 18 U.S.C. § 208 prohibits special government employees from participating “personally and substantially” in any “decision, approval, disapproval, recommendation, the rendering of advice, investigation... judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter” that would have a “direct and predictable effect” on your financial interests.²⁸
 - a. Have you filed financial disclosures with the Office of Government Ethics?
 - b. What is your status as an SGE? Do you intend to serve more than 60 days, and will you be paid above the GS-15 level?
 - c. Since starting your employment with the Trump Administration, have you recused yourself from any particular matters? Please provide a list of all particular matters from which you have recused yourself, along with copies of any written communication regarding those particular matters and recusals.
 - d. Since starting your employment with the Trump Administration, have you received any ethics waivers to permit you to work on particular matters that you would otherwise recuse from? Please provide copies of any waivers issued, along with copies of any written communications regarding those particular matters and waivers.
2. On what exact dates did you divest from BTC, ETH, and SOL? Please provide documentation of those divestments.
3. On what exact dates did Craft Ventures divest from Bitwise? Please provide documentation of those divestments.

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²⁶ CNN, “A crypto mogul who invested millions into Trump coins is getting a reprieve on civil fraud charges,” Allison Morrow, February 28, 2025, <https://www.cnn.com/2025/02/28/business/crypto-mogul-trump-coins-civil-fraud-charges/index.html>.

²⁷ Axios, “Trump picks David Sacks as his AI guy,” Scott Rosenberg, December 6, 2024, <https://www.axios.com/2024/12/06/david-sacks-trump-ai-crypto-czar>.

²⁸ 18 USC 208; U.S. Office of Government Ethics, Memorandum, “Conflict of Interest and the Special Government Employee,” February 15, 2000, [https://www.oge.gov/Web/oge.nsf/Legal%20Docs/445ECB1FB63809DA852585BA005BED9E/\\$FILE/00x1.pdf](https://www.oge.gov/Web/oge.nsf/Legal%20Docs/445ECB1FB63809DA852585BA005BED9E/$FILE/00x1.pdf).

4. What specific plans are in place at the White House to ensure that individuals developing cryptocurrency policy at the White House are in compliance with all federal conflict of interest laws, regulations, and rules? If no plans exist, please explain why not.
5. Who had advanced knowledge of President Trump's Truth Social posts announcing the Crypto Strategic Reserve proposal on March 2? Of those individuals:
 - a. How many were federal employees subject to federal conflict of interest laws?
 - b. How many were private citizens? Of these individuals, what are their relationships to the President?
 - c. Did any own, directly or through indirect investments, XRP, ADA, SOL, BTC, or ETH?
 - d. Did any of those individuals purchase, either directly or through indirect investments, XRP, ADA, SOL, BTC, or ETH in the weeks prior to President Trump's announcement?
6. Who worked with President Trump to determine which cryptocurrency tokens should be included in the March 2 proposed strategic reserve? Of those individuals:
 - a. How many were federal employees subject to federal conflict of interest laws?
 - b. How many were private citizens? Of these individuals, what are their relationships to the President?
 - c. Did any of those individuals own, directly or through indirect investments, XRP, ADA, SOL, BTC, or ETH?
 - d. Did any purchase, either directly or through indirect investments, XRP, ADA, SOL, BTC, or ETH in the week prior to President Trump's announcement?
7. Did anyone direct President Trump to post his follow-up announcement – posted two hours after the original post – in which he noted that bitcoin and ether would also be included in the reserve?
 - a. If so, who?
 - b. Why were these two tokens announced separately?
8. Why did the plans for a strategic crypto reserve appear to change between the March 2 announcement by President Trump and your March 6 tweet announcing the strategic reserve and the U.S. Digital Asset Stockpile?
9. Who worked with President Trump to determine which cryptocurrency tokens should be included in the strategic reserve and the U.S. Digital Asset Stockpile that you announced on March 6? Of those individuals:
 - a. How many were federal employees subject to federal conflict of interest laws?
 - b. How many were private citizens? Of these individuals, what are their relationships to the President?
 - c. Did any of those individuals own, directly or through indirect investments, XRP, ADA, SOL, BTC, or ETH?
 - d. Did any purchase, either directly or through indirect investments, XRP, ADA, SOL, BTC, or ETH in the week prior to President Trump's announcement?

Sincerely,



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