



May 13, 2026

The Honorable Tim Scott
Chairman
The Honorable Elizabeth Warren
Ranking Member
Committee on Banking, Housing, and Urban Affairs
United States Senate
Washington, DC 20510

RE: Digital Asset Market Clarity Act

Dear Chairman Scott and Ranking Member Warren,

On behalf of the undersigned organizations representing law enforcement professionals and prosecutors, we write to express concerns regarding Section 604 of H.R. 3633, the *Digital Asset Market Clarity Act*. Criminal organizations have long used and increasingly are utilizing digital assets to facilitate and conceal unlawful activity, including narcotics trafficking, fraud, ransomware, child exploitation, organized retail theft, and terrorism-related financing. Law enforcement agencies at every level rely on existing authorities and regulatory frameworks to identify bad actors, follow financial trails, recover illicit proceeds, and protect victims and communities from harm. Enforcement of laws and recovery of illicit gains continue to be incredibly complex for state and local law enforcement given the nature of the assets.

We appreciate that the most recent version of the legislation includes revisions intended to address concerns raised by law enforcement and prosecutors, and we recognize the effort to improve the bill's language. However, we remain concerned that Section 604, in its current form, could create gaps in oversight and accountability that sophisticated criminal actors may exploit. These gaps could make investigations more difficult, limit the ability to trace illicit financial activity, and create new obstacles to holding offenders accountable. In practice, this could hinder efforts to combat a wide range of crimes that increasingly rely on digital assets to move or conceal funds. Simply put, without changes we are concerned criminals will be emboldened to use digital assets to avoid accountability and hide illicit gains.

We respectfully urge the Committee to continue working with law enforcement and prosecutors to further refine Section 604 and address these concerns before moving forward. We believe it is possible to support innovation and growth in the digital asset industry while also ensuring that safeguards, analogous to traditional financial regulatory frameworks, remain in place to protect public safety and preserve effective enforcement tools. Thank you for your continued engagement on this issue, and we look forward to continued collaboration on legislation that promotes both responsible innovation and strong protections for communities and victims.

Respectfully,

Bob Gualtieri
President, Major County Sheriffs
of America
(MCSA)

Drew Evans
President, Association of State
Criminal Investigative Agencies
(ASCIA)

David Rausch
President, International Association
of Chiefs of Police
(IACP)

Michael McHale
President, National Association
of Police Organizations (NAPO)