

House Committee on Financial Services
Member Day
Prepared Remarks for Representative Greg Casar (TX-35)
June 24, 2025

Chairman French, Ranking Member Waters, and Members of the Financial Services Committee, thank you for the opportunity to submit this written testimony. As Chair of the Congressional Progressive Caucus, I urge the Financial Services Committee to reject H.R.3633 - Digital Asset Market Clarity (CLARITY) Act in its current form and to reject any future cryptocurrency legislation that does not prohibit President Trump and his family from using memecoins, stablecoins, and other crypto ventures for corrupt self-enrichment.

The CLARITY Act, which advanced out of your committee earlier this month, is a crypto market structure bill that fails to crack down on Trump's crypto corruption. It also weakens investor protections, weakens national security, lets crypto criminals off scot-free, and it hands more power to big banks. As written, the CLARITY Act would pose significant risks to financial stability, national security, and existing investor-protection mechanisms.

The bill does nothing to address Trump's conflicts of interest and personal involvement in the crypto industry. The bill leaves an open avenue for quid pro quo, bribery, and corruption. In light of Trump's executive orders asserting significant control over formerly independent and bipartisan agencies such as the Securities and Exchange Commission, the new rules under this bill would first go to Trump, where he can let his companies know how to prepare before the rest of the industry knows.

The bill is also unclear regarding whether memecoins will be regulated. This would potentially allow memecoins, including Trump's memecoin, to operate with no regulation at all. Trump's memecoin earned a staggering \$350 million from sales and fees in the three weeks alone after it was launched. Early traders to \$TRUMP also made millions, while a far larger number of investors lost more than \$2 billion after the coin crashed.

On May 22, President Trump hosted an exclusive memecoin dinner at his luxury golf resort, in which attendees spent millions of dollars to secure a seat. Several of those investors visited the White House the following afternoon for what was described as a special VIP event. In the 24 hours leading up to the event, the value of Trump's personal cryptocurrency, \$TRUMP, surged. Trump engaged in a brazen pay-for-play scheme in which investors who poured millions into Trump's crypto coin got special access to the president.

If the CLARITY Act is enacted in its current form, President Trump could continue issuing endless cryptocurrencies in order to increase their value for himself, his family, and other insiders.

Beyond the CLARITY Act, I encourage the committee to reject any other cryptocurrency legislation in either chamber that allows President Trump and his family to corruptly enrich themselves, including the GENIUS Act, a Senate proposal which passed last week that would establish a new federal regulatory framework for stablecoins.

A strong stablecoin regulatory framework should prohibit political corruption involving the use of these assets while protecting consumers, preventing illicit use, and safeguarding the financial system. The GENIUS Act fails these standards. Most egregiously, the GENIUS Act contains a massive loophole that allows for Presidential financial conflicts of interest, exacerbating Trump's crypto-related corruption to unprecedented levels by expanding its reach and use by foreign entities to gain influence. While it prohibits Executive Branch employees from issuing stablecoins, it would allow Trump and his family to profit from them.

The Trump family's crypto company World Liberty Financial already issued its own stablecoin called USD1, and Trump and his family's crypto ventures have increased their net worth by \$2.9 billion in half a year. In May, MGX, an investment firm owned by the government of Abu Dhabi, indicated it will make a \$2 billion investment in Binance using Trump stablecoin. Since then, the SEC dismissed its charges against Binance and its founder. Trump also announced \$200 billion in U.S. business deals with the UAE, including cooperation in artificial intelligence. Under the GENIUS Act, Trump would continue to disregard the Emoluments Clause of the Constitution prohibiting self-enrichment while raking in transaction fees every time his stablecoin is used or traded.

These two pieces of legislation—the CLARITY Act and GENIUS Act—contain a wide swath of concerning provisions. Members of the Congressional Progressive Caucus recently voted to officially oppose both measures as currently drafted, which allow the President and his family to enrich themselves, engage in corruption, and sell access to the White House through cryptocurrency. I urge you to take steps within your committee to close these loopholes and advance meaningful legislation with strong safeguards to protect consumers, our economy, and our national security while stopping President Trump's corruption. We must ensure that no one can exploit the position of President of the United States for personal financial gain.