



NATIONAL DISTRICT  
ATTORNEYS ASSOCIATION  
THE VOICE OF AMERICA'S PROSECUTORS

The Honorable Tim Scott  
Chairman, Senate Banking  
U.S. Senate  
534 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Elizabeth Warren  
Ranking Member, Senate Banking  
U.S. Senate  
534 Dirksen Senate Office Building  
Washington, DC 20510

May 13, 2026

Dear Chairman Scott, and Ranking Member Warren,

On behalf of the National District Attorneys Association (NDAA), representing over 7,000 prosecutors across the country, I write to express our concerns with H.R. 3633 the Digital Asset Market Clarity Act, specifically Sec. 604, also known as the Blockchain Regulatory Certainty Act.

The most recent version of the bill published on May 11, 2026, includes new language intended to address the concerns prosecutors have raised for months. Specifically, we have strong concerns on the removal of criminal liability for knowingly transporting or transmitting funds that are known to the defendant to have been derived from a criminal offense or are intended to be used to promote or support unlawful activity (Title 18 USC 1960(b)(1)(C)). We appreciate the effort in the latest version to be responsive to these concerns about preserving criminal liability regardless of how money or digital assets are transmitted.

However, this new language does not address our concerns. While we appreciate the provisions that enhance law enforcement investigations of digital assets and we commend the Committee's work to bring clarity and structure to an evolving sector of the global economy, more must be done to ensure that it is as effective for law enforcement as it is transformative for the digital asset ecosystem.

Our concern is that Section 604 would severely impede the ability of law enforcement and prosecutors to investigate, trace, and prosecute criminal activity involving cryptocurrency and other digital assets.

Although there are provisions that enhance law enforcement's investigative work on digital assets, such as Sections 201 through 205, and Sections 301 through 305, the language in Section 604 requires more attention to ensure that law enforcement can continue to combat illicit and nefarious activity in the digital financial market.

As currently written, Section 604 would exclude mixers, tumblers, and decentralized ledgers, among other services commonly found in decentralized finance, from regulations that would apply to money transmitting businesses or persons engaged in money transmitting. Further, Section 604 exempts them from future registration requirements. If passed, this blanket exemption would be problematic for future investigations and could cause a multitude of unintended consequences that could bar law enforcement from going after bad actors in the digital asset space.

Criminal enterprises—including drug trafficking cartels, child exploitation networks, ransomware groups, and organized retail crime rings—have increasingly turned to utilizing cryptocurrency as their form for financial commerce precisely because of its anonymity, global reach, and lack of current reporting and financial regulation.

This has a direct impact on our communities, including constituents that have directly been victimized by bad actors in the cryptocurrency space. We need the proper reporting requirements and regulations in place to keep these actions from contaminating the exploding digital asset market ecosystem. As the bill currently stands, appropriate registration requirements are not only lacking but also expressly prohibited for certain entities most inextricably involved in the illicit crypto ecosystem.

Law enforcement and prosecutors currently handle cases in which digital assets play a significant role. Weakening these investigative capabilities would have real and immediate consequences for public safety and the viability of digital assets.

We respectfully urge the Committee to reject the Digital Asset Market Clarity Act in its current form and engage directly with prosecutors and law enforcement agencies to ensure that any regulation preserves the investigative tools necessary to combat crime in the digital age. A balanced approach is possible—one that promotes innovation without compromising the safety of our communities or the integrity of our justice system.

Thank you for your continued work in this space. We look forward to working with you on this important legislation, and we appreciate your desire to pass legislation that supports both responsible digital asset regulation and sound law enforcement.

Respectfully,

A handwritten signature in black ink, appearing to read "Tim J Cruz", written in a cursive style.

TIMOTHY J. CRUZ  
Plymouth County District Attorney  
President, NDAA

