



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

February 24, 2026

Dear Chairman Scott, and Ranking Member Warren,

On behalf of the National District Attorneys Association (NDAA), I write to express our opposition to Section 604 of the substitute amendment for H.R. 3633 the Digital Asset Market Clarity Act. While we support efforts to modernize regulatory frameworks for digital assets, we are concerned that the language in 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.

NDAA is the oldest and largest national organization representing state and local prosecutors in the nation. NDAA is a non-partisan, non-profit membership association that provides training, technical assistance, and resources to prosecutors to aid in their pursuit of justice. With over seven-thousand members, NDAA's mission is to be the voice of America's prosecutors and to support their efforts to protect the rights of individuals and the safety of communities.

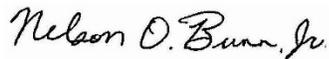
Section 604 of the substitute amendment establishes exemptions for "non-controlling developers or providers" from being considered "money transmitting businesses." This would significantly limit access to critical blockchain-related information on cryptocurrencies and impair the tools currently used to follow the flow of illicit funds. Criminal enterprises—including drug trafficking cartels, child exploitation networks, ransomware groups, organized retail crime rings, and money-laundering operations—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. The language in Section 604 would further exacerbate the growing fraudulent and illicit activity that occurs on these platforms. The provision's limitations on data retention and reporting would further undermine the ability of prosecutors to reconstruct financial trails, often the most important evidence in complex cases involving digital assets.

Prosecutors currently manage cases in which digital assets play a significant role. The ability to trace blockchain financial transactions has been instrumental in dismantling human trafficking rings, recovering stolen funds, and identifying perpetrators of violent and financial crimes. Weakening these investigative capabilities would have real and immediate consequences for public safety.

We respectfully urge the Committee to reconsider Section 604 and engage directly with prosecutors, law enforcement agencies, and subject-matter experts to ensure that any regulatory reforms preserve the investigative tools necessary to combat crime in the digital age. A balanced approach is possible—one that promotes innovation and consumer protection without compromising the safety of our communities or the integrity of our justice system.

Thank you for your attention to this critical matter. We appreciate your desire to pass legislation that supports both responsible digital asset regulation and sound law enforcement.

Sincerely,

A handwritten signature in black ink that reads "Nelson O. Bunn, Jr." in a cursive script.

Nelson Bunn
Executive Director
National District Attorneys Association