

No Bailout for Crypto Act **Senator Richard J. Durbin (D-IL)**

While the cryptocurrency industry has made sweeping promises of a decentralized financial system, faster payments, and financial inclusion, reality shows that crypto is volatile, and the industry is riddled with corruption. Unsurprisingly, crypto is unpopular among American consumers. In 2025, only 14% of Americans reported owning cryptocurrencies, while 60% reported that they would never own crypto.

Crypto's low uptake stems from concerns about its inherent unpredictability and riskiness. An October 2024 survey from the Pew Research Center found that 63% of adults in the U.S. "have little to no confidence that current ways to invest in, trade, or use cryptocurrencies are reliable and safe." Further, the value of Bitcoin—the largest and most popular cryptocurrency—has tumbled by nearly 50% from its peak in October 2025. As for previous crypto crashes, a study from the Bank of International Settlements found that \$1.8 trillion worth of crypto asset value was lost in the 2022 crypto crash, spurred by the FTX scandal. Meanwhile, another Pew survey found that, of the 14% of U.S. adults who claim to have invested in, traded, or used a cryptocurrency, 46% report that their investments have done more poorly than expected.

Despite the risk of crypto, President Trump has embraced the scandal-ridden industry. Since returning to office, he pardoned Changpeng Zhao (CZ), the founder of Binance, after CZ helped facilitate a \$2 billion deal between World Liberty Financial, President Trump's crypto venture, and the United Arab Emirates. The Trump Administration also has terminated several lawsuits, investigations, and enforcement actions involving crypto firms accused of violating investor protections and other federal laws. These deregulatory efforts are, in part, being pursued to further enrich President Trump and his family, who have profited \$1.4 billion from their crypto ventures.

When crypto crashes, everyday Americans should not be on the hook for saving a failed industry—as they were when they bailed out big banks, Wall Street, and savings and loans associations during the 2008 financial crisis, and Savings and Loan Crisis of the 1980s and 1990s. These crises cost taxpayers' \$498 billion and \$124 billion, respectively. In fact, nearly two-thirds of Americans oppose a bailout of the crypto industry.

Putting taxpayers on the line for bailing out shady crypto companies increases future risk, incentivizes bad actors, and punishes hardworking Americans despite no wrongdoing of their own.

The *No Bailout for Crypto Act* would:

- Instate a prohibition on federal agencies providing financial assistance, for the purpose of preventing the failure or bankruptcy of the crypto industry or other financial institutions, with respect to digital asset activities;
- Restrict access to any emergency liquidity facility established under section 13(3) of the *Federal Reserve Act* (12 U.S.C. 343) for the crypto industry or other financial institutions, with respect to digital asset activities; and
- Prevent the Secretary of the Treasury from using any amounts in the Exchange Stabilization Fund for the benefit of the crypto industry or other financial institutions, with respect to digital asset activities.