

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

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January 24, 2025

Mr. Hayden Adams
Founder and CEO
Uniswap Labs
228 Park Ave S, PMB 44753
New York, NY 10003

Mr. David Marcus
Co-Founder and CEO
Lightspark
8840 Washington Boulevard, Suite 305
Culver City, CA 90232

Mr. Marc Andreessen
Producer
AH Capital Management, LLC
2865 Sand Hill Road, Suite 101
Menlo Park, CA 94025

Mr. Dave Ripley
CEO
Payward, Inc.
237 Kearny St, PMB 102
San Francisco, CA 94108

Mr. Brian Armstrong
Co-Founder and CEO
Coinbase Global, Inc.
One Madison Avenue, Suite 2400
New York, NY 10010

Ms. Kristin Smith
CEO
Blockchain Association
1155 F St. NW, Suite 300
Washington, DC 20004

Dear Mr. Adams, Mr. Andreessen, Mr. Armstrong, Mr. Marcus, Mr. Ripley, and Ms. Smith:

The Committee on Oversight and Government Reform is investigating improper debanking of individuals and entities based on political viewpoints or involvement in certain industries such as cryptocurrency and blockchain. The Committee is interested in engaging with individuals and entities debanked by their financial institutions regarding their experience and the impact of debanking on their business operations.

Recently, investor and entrepreneur Marc Andreessen discussed how thirty tech founders were debanked because they held political positions unaligned with the former Biden Administration.¹ According to reporting, this is not a new development.² As leaders of digital asset corporations and associations, you—or individuals associated with your entities—have spoken publicly about debanking. Outside the tech industry, First Lady Melania Trump, in her recent memoir, also discussed how her preferred financial institution debanked her based on politics.³ The Committee seeks to understand whether this pattern of debanking stems from financial institutions themselves or from government actors. The Committee seeks to ensure that

¹ See generally #2234 – Marc Andreessen, The Joe Rogan Experience (Nov. 26, 2024).

² See Nic Carter, *Marc Andreessen and the CFPB: Debunking the Debanking Debunkers*, Medium (Nov. 30, 2024).

³ MELANIA TRUMP, MELANIA, at 170 (2024).

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entrepreneurs are not unfairly targeted and, by extension, that all Americans are able to participate in U.S. markets without fear of retaliation through illicit measures undertaken by financial institutions or federal regulators.

The Committee previously released a staff report on Operation Chokepoint, the Obama Administration’s playbook to politically force private entities to stop providing services, like banking, to certain industries.⁴ The report identified the Obama Administration Department of Justice’s overt effort “to ‘choke out’ companies the Administration consider[ed] a ‘high risk’ or otherwise objectionable, despite the fact that they are legal businesses.”⁵ The Committee is investigating whether Operation Chokepoint laid the foundation for how the Biden Administration approached certain industries. On November 26, 2024, Mr. Andreessen discussed the debanking of individuals “for having the wrong politics.”⁶ He stated that debanking “has been happening to a lot of the fintech entrepreneurs, [and] anybody trying to start any kind of new banking service because they’re trying to protect the big banks.”⁷ Nearly thirty tech founders have been debanked during the last four years, and Mr. Andreessen described this debanking as pressure against “political enemies” and “disfavored tech startups.”⁸

Several tech leaders within the cryptocurrency space have been outspoken about their experience being debanked. In 2022, Uniswap Labs Founder and CEO Hayden Adams explained that his bank “closed my bank accounts with no notice or explanation,” and that “I know many individuals and companies who have been similarly targeted simply for working in the crypto industry.”⁹ Coinbase Co-Founder and CEO Brian Armstrong confirmed thirty tech founders were debanked, stating then-Securities and Exchange Commission (SEC) Chair Gary Gensler, “tried to unlawfully kill our entire industry[.]”¹⁰ Coinbase’s Chief Legal Officer, Paul Grewal, said, “[f]inancial regulators have used multiple tools at their disposal to try to cripple the digital-asset industry.”¹¹ Mr. Grewal criticized the SEC for claiming “sweeping authority, but refus[ing] to provide any rules, let alone consistent or coherent ones,” while also claiming the Federal Deposit Insurance Corporation “pressured financial institutions to cut off the industry from the

⁴ See generally H. COMM. ON OVERSIGHT & GOVERNMENT REFORM, STAFF REPORT, THE DEPARTMENT OF JUSTICE’S “OPERATION CHOKE POINT”: ILLEGALLY CHOKING OFF LEGITIMATE BUSINESSES? (May 29, 2014).

⁵ *Id.* at 1.

⁶ *Supra* note 1 at 1:33:20.

⁷ *Id.* at 1:35:01.

⁸ *Id.* at 1:36:15; *id.* at 1:36:26.

⁹ Hayden Adams (@haydenzadams), X (Jan. 23, 2022, 11:52 AM), <https://x.com/haydenzadams/status/1485294362657443842>.

¹⁰ Brian Armstrong (@brian_armstrong), X (Nov. 27, 2024, 4:52 PM), https://x.com/brian_armstrong/status/1861890800268775923.

¹¹ Paul Grewal (@iampaulgrewal), X (June 27, 2024, 8:11 AM), <https://x.com/iampaulgrewal/status/1806299309836746909>.

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banking system.”¹² Lightspark Co-Founder and CEO David Marcus also spoke publicly about financial operations platform BILL’s shutdown of Lightspark’s account due to BILL’s inability to “serve [them] anymore” given “their processing banks requirements.”¹³ Yet, according to Mr. Marcus, “[t]he terms of service they pointed us to, to describe our ‘industry’, didn’t even include services we provide.”¹⁴ Payward (otherwise known as Kraken) Founder Jesse Powell said the company “has too many stories of clients and employees losing U[.]S[.] banking.”¹⁵ The Committee is concerned about the chilling implications this overreach may have in silencing industries arbitrarily disfavored by regulators, driving consequential technological and financial innovation overseas, and preventing targeted businesses from making payroll and paying employees their wages.

Another notable example of debanking comes from Mrs. Trump. In her memoir, she wrote:

I was shocked and dismayed to learn that my long-time bank decided to terminate my account and deny my son, [Barron Trump,] the opportunity to open a new one. This decision appeared to be rooted in political discrimination, raising serious concerns about civil rights violations. It is troubling to see financial services withheld based on political affiliation.¹⁶

These examples are startling, and the Committee is investigating whether this debanking practice originates from the financial institutions themselves or from either implicit or explicit pressure from government regulators. To learn more, the Committee similarly seeks information from the Blockchain Association, who recently sent a letter to President Donald J. Trump and Members of Congress requesting action within President Trump’s first 100 days to “[e]nd the debanking of crypto.”¹⁷ Specifically, Blockchain Association CEO Kristin Smith wrote, “[c]rypto companies and users have been unjustly denied access to traditional banking rails critical to paying employees, vendors, and taxes. This practice should end immediately.”¹⁸

The Committee is interested in engaging individuals who have been debanked and, specifically, how these actions hurt innovation, entrepreneurs, and workers. Further, to better

¹² *Id.*

¹³ David Marcus (@davidmarcus), X (Apr. 25, 2024, 10:29 AM), <https://x.com/davidmarcus/status/1783503578172465453>.

¹⁴ *Id.*

¹⁵ Jesse Powell (@jespow), X (Nov. 28, 2024, 1:13 AM), <https://x.com/jespow/status/1862016982675333173>.

¹⁶ *Supra* note 3.

¹⁷ Letter from Kristin Smith, CEO, Blockchain Ass’n, to Donald J. Trump, President-elect, & Members of Congress (Nov. 22, 2024).

¹⁸ *Id.*

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inform the Committee's investigation, the Committee seeks to understand the financial institutions and regulators involved, the reasons tech founders were given as to why they were debanked, and how this overreach affected business operations.

The Committee on Oversight and Government Reform is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. If you have any questions regarding this letter, please contact Clark Abourisk or Alan Brubaker with the Committee on Oversight and Government Reform at (202) 225-5074. Thank you for your prompt attention to this important matter.

Sincerely,

A handwritten signature in black ink that reads "James Comer". The signature is written in a cursive style and is positioned above a horizontal line.

James Comer
Chairman
Committee on Oversight and Government Reform

cc: The Honorable Gerald Connolly, Ranking Member
Committee on Oversight and Government Reform