

**WRITTEN TESTIMONY OF
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BEFORE THE

United States Senate Committee on Agriculture, Nutrition, & Forestry

IN A HEARING ENTITLED

“Stakeholder Perspectives on Federal Oversight of Digital Commodities”

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Thank you, Chairman Boozman, Ranking Member Klobuchar, and members of the Committee for the opportunity to testify today on how the United States can best lead when it comes to digital asset innovation—particularly through the establishment of comprehensive federal oversight of digital commodities. Thoughtful, comprehensive legislation can protect consumers, provide long-term regulatory clarity, and cement U.S. leadership in digital asset and blockchain technologies.

I am pleased to represent the Crypto Council for Innovation (CCI), a global alliance of industry leaders across the digital assets space. We believe that constructive partnership between government and business stakeholders is critical to crafting sound policy and regulation that benefits consumers, investors, and industry. We use an evidence-based approach to support governments that are shaping and encouraging the responsible regulation of this innovative technology. I am particularly grateful for the engagement and leadership of so many on this Committee.

To this end, CCI is encouraged that so many members of Congress—from both sides of the aisle—recognize the need for the U.S. to lead when it comes to digital asset innovation, including through the establishment of a comprehensive federal regulatory framework. We have experienced meaningful bipartisan progress in Congress, particularly in this Committee, and are confident that Members of this institution will continue to work together to complete needed market structure legislation to allow for responsible digital asset innovation and consumer protection. Indeed, I respectfully submit that it is critical for Congress, following this Committee’s leadership, to urgently complete such efforts to provide the digital assets industry

with the necessary clarity and certainty to ensure continued U.S. growth and leadership in this space.

For years, the digital asset industry has requested clear rules of the road and a coherent federal framework to operate within the U.S. Such a framework is in the national interest—benefiting users and consumers, fostering industry growth, and strengthening U.S. markets by preventing fragmentation and regulatory ambiguity. Now is the time for Congress to act to secure this future.

Against this backdrop, my testimony aims to: (i) highlight the continued growth and transformative potential of digital assets and blockchain technology for empowering consumers and end-users; (ii) explain why most digital assets are more appropriately regulated as digital commodities and the importance of clear jurisdictional boundaries; (iii) detail how market structure legislation, specifically granting the U.S. Commodity Futures Trading Commission (CFTC) spot digital commodity oversight authority can further unleash the industry and protect consumers; and (iv) emphasize why the U.S. must lead in digital asset and blockchain technology, requiring timely and urgent legislation and leadership from Congress.

I. Digital Assets and Blockchain Technologies Empower Consumers and End-Users, while Advancing U.S. Financial Markets and Services.

We are entering a new phase of digital asset growth and innovation that will increasingly benefit individuals, companies, and our economy. Over the past fifteen years, digital assets and blockchain technologies have evolved from a topic of curiosity and nascent innovation into transformative tools with real-world applications—reshaping financial services, payments, and the architecture of global financial and economic systems.

Indeed, the global digital asset market has seen substantial growth, with increasing participation from both retail and institutional users. The total digital asset market capitalization currently exceeds \$3.25 trillion.¹ The stablecoin market alone has grown to over \$200 billion,² with daily transaction volumes surpassing billions of dollars—demonstrating increased use of digital rails for payments. A recent survey found that approximately 20% of Americans have owned or traded digital assets, with younger demographics leading the trend.³ By one estimate, digital

¹ Forbes (no date) *Cryptocurrency prices today by market cap*. Available at: <https://www.forbes.com/digital-assets/crypto-prices/?sh=66ee3c2c2478> (Accessed: July 11, 2025).

² Forbes (no date) *Top Stablecoins Coins today by market cap*. Available at: <https://www.forbes.com/digital-assets/categories/stablecoins/?sh=473affe11cd0> (Accessed: July 11, 2025).

³ Slaughter, J. and Little, D. (2024) *October 2024 Public Opinion Poll, Paradigm*. Available at: <https://www.paradigm.xyz/2024/10/october-polling>

asset ownership has nearly doubled since the end of 2021. As of 2025, approximately 28% of American adults—or about 65 million people—own digital assets.⁴

Interest in—and use of—digital assets is growing because of the tangible benefits these technologies offer. Digital assets and blockchain technologies improve how individuals and businesses access and conduct financial transactions. Tokenized assets and blockchain-driven transaction networks enhance financial access and inclusion, reduce counterparty risk, increase transparency, improve operational efficiencies, and lower costs. These innovations also modernize legacy financial systems and address persistent disparities that have long affected lower-income and historically underserved communities.

For example, stablecoins enable low-cost, efficient cross-border transactions, helping firms make payments and enabling individuals in collapsing economies or authoritarian regimes to purchase goods and services. Fiat-pegged stablecoins—especially U.S. dollar-backed stablecoins—are rapidly becoming a preferred medium of exchange in regions with volatile local currencies and limited banking infrastructure. Humanitarian organizations are also leveraging stablecoins to deliver aid to refugees and individuals in high-risk regions, citing the technology’s reliability, efficiency, transparency, and security in high-risk environments.⁵

More broadly, decentralized finance (DeFi) is expanding access to financial tools and services. CCI has chronicled a number of digital asset use cases that enhance financial inclusion, such as a fintech company that combines AI-driven credit scoring with decentralized finance protocols to provide loans to people in Colombia, and a tokenized savings product in Kenya that fractionalizes bonds.⁶

Digital assets are also driving improvements to payments systems across both DeFi and traditional financial institutions, streamlining the settlement layer and introducing greater

⁴ Blackstone, T. (2025) *2025 Cryptocurrency Adoption and Consumer Sentiment Report*. Available at: <https://www.security.org/digital-security/cryptocurrency-annual-consumer-report/>

⁵ UNHCR USA (2023) “UNHCR wins award for innovative use of blockchain solutions to provide cash to forcibly displaced in Ukraine,” *The UN Refugee Agency*, 23 March. Available at: <https://www.unhcr.org/us/news/press-releases/unhcr-wins-award-innovative-use-blockchain-solutions-provide-cash-forcibly>.

⁶ Mills, L. (2024) “How is crypto supporting humanitarian aid work?,” *Crypto Council for Innovation*, 22 June. Available at: <https://cryptoforinnovation.org/how-is-crypto-supporting-humanitarian-aid-work/>.

security for transactions. Blockchain rails are quickly becoming the backbone for online payments, providing faster and more secure payments.^{7 8}

Beyond payments, tokenization of real-world assets—such as securities, debt, real-estate, and even agricultural commodities, like wheat—has the potential to make markets more liquid, accessible, and inclusive.⁹ Legacy financial institutions have also recognized that tokenization of traditional offerings provide the benefits of blockchain’s shared ledgers, reducing data errors associated with manual reconciliation, while 24/7 instant settlement and composability provide better user experience.¹⁰¹¹ Additionally, blockchain technology can enhance data privacy, compliance, and resilience in a digital world, reducing reliance on centralized intermediaries that often introduce risks related to security, privacy, and identity theft.¹²

Beyond financial use cases, digital assets also provide critical utility to a range of projects that are lowering the cost to deploy and maintain critical services, including internet connectivity and computing capacity.¹³ As forthcoming research from CCI will show, millions of Americans are already benefiting from lower costs and greater access to these networks, which leverage digital assets as a coordination mechanism for delivering essential services.

Market structure legislation will not only unleash innovation in these areas—it will also help advance goals for economic inclusion. Research conducted by CCI on builder experiences found that regulatory uncertainty had a profound impact on entrepreneurship, creating barriers to participation. Half of the builders surveyed reported facing substantial costs or altering core

⁷ Haqshanas, A. (2025) “Stablecoins are becoming ‘default settlement layer’ for internet: Alchemy,” *Coin Telegraph*, 22 June. Available at: <https://cointelegraph.com/news/stablecoins-default-settlement-layer-internet-alchemy>

⁸ World Economic Forum (2025) “Stablecoin surge: Here’s why reserve-backed cryptocurrencies are on the rise,” *WEF Centre for Financial and Monetary Systems*, 3 June. Available at: <https://www.weforum.org/stories/2025/03/stablecoins-cryptocurrency-on-rise-financial-systems/#:~:text=Average%20supply%20of%20stablecoins%20in,and%20Mastercard%20transactions%20in%202024.>

⁹ See Karayaneva, N. (2024) *BlackRock’s \$10 Trillion Tokenization Vision: The Future Of Real World Assets*. Available at: <https://www.forbes.com/sites/nataliakarayaneva/2024/03/21/blackrocks-10-trillion-tokenization-vision-the-future-of-real-world-assets/>

¹⁰ McKinsey & Company (2024) *What is Tokenization?*. Available at: <https://www.mckinsey.com/featured-insights/mckinsey-explainers/what-is-tokenization>

¹¹ Aziz, A. (2025) *Fidelity Develops Stablecoin and Tokenized Fund as U.S. Weighs New Crypto Regulations*. Available at: <https://finance.yahoo.com/news/fidelity-develops-stablecoin-tokenized-fund-005651518.html>

¹² Flitter, E. and Weise, K. (2019) *Capital One Data Breach Compromises Data of Over 100 Million*, *New York Times*. Available at: <https://www.nytimes.com/2019/07/29/business/capital-one-data-breach-hacked.html>

¹³ Crypto Council for Innovation (2024) *What is Decentralized Physical Infrastructure Network (DePIN)?*. Available at: <https://crypto4innovation.org/decentralized-physical-infrastructure-network-depin-explained/>

business decisions due to the lack of regulatory uncertainty – a significant burden that falls disproportionately on historically undercapitalized groups relative to their peers.¹⁴ Increasing participation in shaping the industry will lead to the creation of products and services that better meet the needs of a broader population.

In parallel with this expanding real-world utility, the CFTC already plays a central role in supervising digital asset derivatives markets. Today, the CFTC oversees futures and options for Bitcoin and Ether on a number of exchanges, including one operated by CME Group—the world’s largest derivatives exchange. These markets have seen significant institutional and retail participation. In Q2 2025, average open interest across CME’s crypto derivatives reached a record \$21.8 billion, with over 480 large open-interest holders, signaling broad and maturing participation. Average daily volume surpassed 198,000 contracts, representing \$11.3 billion in notional value—nearly double the volume from early 2024. Micro Bitcoin and Micro Ether futures continued their rapid ascent, with year-over-year ADV growth of 113% and 250% respectively.¹⁵ These regulated markets operate with mandatory clearing, trade surveillance, and robust investor protections under CFTC supervision.

In addition to its oversight of U.S. digital asset derivatives markets, the CFTC also has enforcement authority over spot commodity markets, and can bring actions against spot digital asset market participants in cases of fraud or manipulation.

While these oversight roles are vital, they must be matched by a broader federal framework that addresses how Americans actually use digital assets today. Digital assets are not just financial instruments—they are tools that deliver real value to end-users by reducing costs, expanding access, and improving efficiency. Nowhere is this more evident than in cross-border remittances, where digital assets are driving down fees and improving speed.

Traditional financial institutions often charge 5% to 12% for remittances.¹⁶ Digital assets can lower those fees to 1% of the total cost, with transfers completed in a few seconds rather than days.¹⁷ These savings can be reinvested in local economies, especially in developing regions. However, to realize the full potential of these innovations, users must be able to access and

¹⁴ Crypto Council for Innovation (2024) *Equity and Inclusion in Web3: The Experiences of Underrepresented Builders*. Available at: <https://www.centerfordigitalfuture.org/equityinweb3>

¹⁵ CME Group (2025) *Crypto Insights, April 2025*. Available at: <https://www.cmegroup.com/newsletters/quarterly-cryptocurrencies-report/2025-q2-cryptocurrency-insights.html>

¹⁶ Rodima-Taylor, D. (2023) “The uneven path toward cheaper digital remittances,” *The Online Journal of the Migration Policy Institute: Migration Information Source* [Preprint], (June 22, 2023). Available at: <https://www.migrationpolicy.org/article/cheaper-digital-remittances>.

¹⁷ Alo, K.O. (2020) 'How Bitcoin is helping African migrant workers and their families save money,' *Forkast*, 9 March. Available at: <https://forkast.news/cryptocurrencies-remittance-africa-blockchain-bitcoin-money-transfers-fees/>.

exchange digital assets through secure, well-regulated trading platforms. A clear federal market structure framework is essential to ensure these platforms operate safely, transparently, and with appropriate protections for consumers.

Given the many benefits and expanding real-world applications of digital assets, we commend this Committee for pursuing a proper legislative framework to guide further development. Strong federal oversight of market activity is essential to codify appropriate safeguards and responsible risk management.¹⁸ An appropriate regulatory regime for digital assets will reduce inherent risks, protect consumers and investors, and encourage adoption. The industry is committed to building necessary guardrails so that consumers can participate in marketplaces that are fair and secure. This includes requiring transparency and consumer disclosures around potential conflicts of interest, ownership and management identities, risk management procedures, and anti-money laundering (AML) policies.

II. Most Digital Assets Are More Appropriately Classified as Digital Commodities.

A significant portion of the digital asset ecosystem—including widely used assets such as Bitcoin and Ether—function more like commodities rather than traditional securities. These assets are not issued by centralized entities to raise capital, lack profit-sharing or governance rights, and are primarily used for payments, staking, or network participation. Courts and regulators, including the CFTC, have affirmed that such assets fall under the Commodity Exchange Act depending on their structure and use.¹⁹

The decentralized nature and functional utility of these assets in peer-to-peer networks make them ill-suited for regulation under federal securities laws. Treating them as securities by default introduces legal ambiguity, increases compliance burdens without commensurate benefit, and misapplies a framework designed for centralized corporate issuers—ultimately chilling innovation in the U.S.

Notably, most digital asset trading volume occurs in secondary markets, where participants treat these assets as stores of value²⁰—not as equity stakes. Recognizing the commodity-like nature of

¹⁸ See, e.g., the *Digital Commodities Consumer Protection Act of 2022* (DCCPA), introduced by Senators John Boozman and Debbie Stabenow. The bill proposed granting the CFTC exclusive jurisdiction on spot markets for digital commodities. The legislation emphasized market integrity, customer protection, and regulatory clarity.

¹⁹ See, e.g., *Commodity Futures Trading Commission (CFTC) v. Changpeng Zhao, Binance Holdings Limited, Binance Holdings (IE) Limited, Binance (Services) Holdings Limited, and Samuel Lim*, 1:23-cv-01887 (N.D. Ill. 2023), available at <https://www.cftc.gov/PressRoom/PressReleases/8680-23>; *Commodity Futures Trading Commission v. My Big Coin Pay, Inc.*, 334 F. Supp. 3d 492 (D. Mass. 2018); *Commodity Futures Trading Commission v. McDonnell*, 287 F. Supp. 3d 213 (E.D.N.Y. 2018).

²⁰ Coinbase (2025) *The State of Crypto Summit 2025: Key insights on defining a new global financial system*. Available at: <https://www.coinbase.com/blog/state-of-crypto-2025-summary>

these assets is essential to crafting a regulatory framework that preserves responsible innovation while providing necessary consumer and market protections.

III. Market Structure Legislation that Grants CFTC Spot Digital Commodity Oversight Authority Can Unleash the Industry and Protect Consumers.

Achieving a golden age for innovation—and ensuring U.S. global leadership—requires the creation of coherent federal frameworks. These frameworks are essential to provide the industry with needed clarity and to clearly delineate regulatory jurisdictions and market oversight. Such frameworks must stand the test of time, surviving changes in Administrations and agency leadership.

The current regulatory landscape for digital assets in the U.S. has not materially changed since Bitcoin's inception in 2009.²¹ Spot or cash digital asset trading activity is largely regulated at the state level under money transmission frameworks. While FinCEN's 2013 guidance and subsequent state-level money transmission licenses (MTLs) impose requirements like AML compliance, they do not uniformly impose the same types of market and trading oversight found in federal markets regulation. As a result, spot digital commodity trading remains outside comprehensive federal market oversight and supervision.

At the federal level, various regulators apply their rules depending on the asset and activity. Under the Commodity Exchange Act (CEA), the CFTC's jurisdiction over activity involving spot or cash trading in a commodity is relatively limited. More specifically, the CFTC has backward-looking enforcement jurisdiction over digital assets deemed to be "commodities," such as Bitcoin and Ether. However, the CFTC's authority over spot trading in digital commodities is not supervisory, and instead can be invoked only when there is suspicion of fraud or manipulation.²² Supervisory authority, on the other hand, would entail rulemaking, registration, and regular examination of intermediaries involved in spot digital commodity trading. This would be similar to the robust oversight the CFTC administers with respect to derivatives products based on underlying commodities, including well-regulated Bitcoin futures markets. These successful markets have been subject to rigorous requirements for registration, trade surveillance, investor protection, and customer education for more than seven years.²³

²¹ Gorfine, D. (2024) “*The Future of Digital Assets: Identifying the Regulatory Gaps in the Digital Asset Market Structure*”. Available at: <https://docs.house.gov/meetings/BA/BA21/20230427/115821/HHRG-118-BA21-Wstate-GorfineD-20230427.pdf>.

²² CFTC (2017) A CFTC Primer on Virtual Currencies, *LabCFTC*. Available at: https://www.cftc.gov/sites/default/files/idc/groups/public/documents/file/labcftc_primercryptocurrencies100417.pdf

²³ See CFTC, 2017. See also Hung, J-C., Liu, H-C. and Yang, J. (2021) “Trading activity and price discovery in Bitcoin futures markets”, *Journal of Empirical Finance*, 62, pp. 107-120. Available at: <https://www.sciencedirect.com/science/article/abs/pii/S0927539821000207>; See also MarketsMedia (2024) *Bitcoin Friday Futures are Most Successful CME Crypto Launch*. Available at: <https://www.marketsmedia.com/bitcoin-friday-futures-are-most-successful-cme-crypto-product-launch/>

Meanwhile, over time, the Securities and Exchange Commission (SEC) has asserted that many digital assets are securities. Under former Chairman Gary Gensler, the agency launched numerous enforcement actions against digital asset participants. Yet, the SEC failed to provide clear or consistent guidance on how it determines whether an asset is a security. This definitional ambiguity creates significant legal uncertainty, since regulatory jurisdiction hinges on whether an asset is a security or a commodity. Without clear rules, compliance becomes difficult—if not impossible—and the resulting uncertainty has chilled domestic innovation and growth, pushing many companies offshore to jurisdictions offering greater regulatory clarity.²⁴

To address these critical gaps and ambiguities, Congress—under the leadership of this Committee—is the appropriate institution to act. A comprehensive governing framework can provide essential consumer and investor protections, including business conduct standards, customer disclosures, segregation of customer funds, minimum capital requirements, trade surveillance, and reporting and recordkeeping. Digital asset firms in the U.S. are already subject to AML compliance, sanctions screening, and suspicious activity reporting (SARs) under FinCEN's 2013 guidance, and these requirements should be confirmed and codified in any new comprehensive framework.

Indeed, this Committee has a strong record of bipartisan leadership on complex market structure issues—including in digital assets. As the Senate's authorizing committee for the CFTC, it is uniquely positioned to continue driving clarity, transparency, and consumer protections to digital commodities. Past work from the Committee underscores a commitment to thoughtful engagement on digital asset policy and to ensuring that U.S. markets remain fair, competitive, and well-regulated.²⁵ Earlier efforts reflect not only bipartisan collaboration, but also sustained momentum and institutional commitment to modernizing markets.

Just as the Committee has tackled opaque and fragmented physical commodity markets, I respectfully submit that it remains well-positioned to apply the same leadership to digital commodities—ensuring appropriate oversight, fostering innovation, supporting the safeguarding of customer assets, and protecting market participants.

A key overarching objective of comprehensive market structure legislation should be to clearly delineate the jurisdictional boundary for the CFTC when it comes to digital asset commodities. To that end, legislation should avoid fragmentation, duplication, and inefficient regulatory redundancy.

²⁴ CCI commends and sincerely appreciates SEC Chairman Atkins and the new SEC Administration for taking meaningful steps to enhance clarity and course-correct from the prior four years. Legislative guardrails, however, are still needed to provide clear and codified rules of the road for digital assets.

²⁵ Stabenow, D. (2022) *S.4760 - Digital Commodities Consumer Protection Act of 2022*. Available at: <https://www.congress.gov/bill/117th-congress/senate-bill/4760>

More specifically, the CFTC is well-situated to play an increasingly central role in overseeing the spot digital asset commodity market.²⁶ It is a principles-based regulator with a mandate to deter price manipulation, ensure financial integrity, protect market participants, and promote responsible innovation. The agency is experienced in supervising large and complex markets and maintains a robust enforcement capability.

The success of CFTC-regulated Bitcoin and Ether futures markets demonstrates the agency's readiness. These markets are subject to rigorous requirements for registration, trade surveillance, personnel conduct standards, conflicts of interest, digital asset custody, platform and trading-system safeguards, cybersecurity protocols, transaction reporting, investor protection, and customer education.²⁷ The CFTC has successfully applied and tailored its regulatory framework to the unique characteristics of digital commodities. Additionally, many CFTC-regulated intermediaries are registered with the National Futures Association (NFA), a delegated self-regulatory organization (SRO) that now has years of experience overseeing digital asset-focused intermediaries.²⁸

Importantly, the CFTC's principles-based approach to digital commodity oversight is increasingly viewed as a global benchmark. International counterparts—including the UK Financial Conduct Authority and the European Securities and Markets Authority (ESMA)—are engaging with the CFTC to align cross-border governance and regulatory frameworks. This global cooperation reflects growing recognition of the CFTC's credibility and experience supervising complex and evolving markets. Recent statements from current CFTC leadership have underscored the agency's ability to successfully apply and tailor its oversight model to the unique characteristics of digital commodities, citing its flexibility, market integrity, and commitment to responsible innovation.²⁹ As noted during the recent confirmation hearing for CFTC Chair nominee Brian Quintenz, Chairman Boozman emphasized that “the CFTC should regulate the trading of digital commodities” due to its market knowledge and flexible,

²⁶ See Boozman, S. (2024) *Remarks at Senate Committee on Agriculture, Nutrition, and Forestry Hearing, Oversight of Digital Commodities Regulation*. Available at: <https://www.boozman.senate.gov/2024/7/boozman-opening-statement-at-hearing-of-oversight-of-digital-commodities>. [“The CFTC's principle-based approach has proven to effectively protect consumers in the derivatives market, and I believe with the appropriate authorities this same approach will protect consumers in the digital commodities space.”]

²⁷ Gorfine, D., 2024.

²⁸ National Futures Association (no date) *Virtual Currency*. Available at: <https://www.nfa.futures.org/members/ib/regulatory-obligations/virtual-currency.html>. [Accessed on July 7, 2025]

²⁹ CFTC (2025) *Remarks by Acting Chairman Caroline D. Pham, 100 Impact Leaders Dinner and Annual Awards, Digital Assets Global Forum, UK House of Lords*. Available at: <https://www.cftc.gov/PressRoom/SpeechesTestimony/opapham17>

principles-based approach.³⁰ Ranking Member Klobuchar echoed the need for “durable and clear oversight frameworks” that support innovation while protecting consumers and ensuring legal clarity.³¹ Extending the CFTC’s authority to include digital commodity spot market oversight would build on this momentum, ensure stronger consumer safeguards, and cement regulatory leadership in the global digital asset economy.

There is broad, bipartisan support for expanding the role of the CFTC. Past Chairmen of the CFTC, ranging from J. Christopher Giancarlo and Heath Tarbert to Rostin Behnam, have all argued in favor of providing the CFTC with spot digital commodity oversight authority, as has the current nominee for CFTC Chairman, Brian Quintenz.³² Without action, the U.S. risks perpetuating an existing gap in market supervision, as well as a fragmented regulatory landscape.

It is time for this Committee to deliver historic, comprehensive market structure legislation. This is the surest way for the U.S. to re-assert its global leadership position, prevent activity from migrating overseas, and ensure that American ingenuity can thrive within a clear, consistent, and durable regulatory framework.

IV. The U.S. Must Lead in Digital Asset and Blockchain Technology, Requiring Timely Legislation and Leadership from Congress.

The U.S. is in a global race for leadership in digital asset innovation.³³ While facilitating digital asset growth is by no means a zero-sum game, other leading jurisdictions, including the European Union, the UK, Japan, and Singapore, have recognized the importance of this technology and have implemented tailored regulatory frameworks, actively engaging with the industry to establish new rules and attract investment.

³⁰ See United States Senate Committee on Agriculture, Nutrition, & Forestry (2025) *Chairman Boozman Opening Statement at Hearing to Consider CFTC Chair Nominee*. Available at: <https://www.agriculture.senate.gov/newsroom/rep/press/release/chairman-boozman-opening-statement-at-hearing-to-consider-cftc-chair-nominee>. See also Quintenz, B. (2025) Opening Statement of The Honorable Brian D. Quintenz Nominee to serve as the Chairman of the Commodity Futures Trading Commission Before the Senate Committee on Agriculture, Nutrition, and Forestry. Available at: https://www.agriculture.senate.gov/imo/media/doc/1dc7edc1-ce3d-5f9b-8b25-e3912d307d5b/Testimony_Quintenz_06.10.2025.pdf

³¹ DeltaStrategy Group (2025) *Senate Agriculture Committee Nomination Hearing for Quintenz — June 10, 2025*. Available at: <https://deltastrategygroup.com/senate-agriculture-committee-nomination-hearing-for-quintenz-june-10-2025.html>

³² Reeves, J. (2022) “US senators express support for expanded CFTC oversight in digital commodities markets,” *FIA*. Available at: https://www.fia.org/marketvoice/articles/us-senators-express-support-expanded-cftc-oversight-digital-commodities?utm_source=chatgpt.com.

³³ Kim, J.H. (2025) *Written testimony before the U.S. House Financial Services Subcommittee on Digital Assets*, Crypto Council for Innovation. Available at: <https://media.cryptoforinnovation.org/2025/02/Written-Testimony-of-CCIs-Ji-Kim.pdf>.

For example, the EU’s Markets in Crypto-Assets Regulation (MiCA) has established a comprehensive regulatory framework intended to establish a harmonized set of rules for issuers, intermediaries, and other participants in the digital assets ecosystem. MiCA went into effect and became applicable at the end of 2024, focusing on stablecoins and digital asset exchanges.

The UK has long aimed to become a global digital asset hub. With a renewed focus on growth and innovation, the UK government—through the HM Treasury (HMT)—has provided important regulatory clarity on staking, and the Financial Conduct Authority (FCA) has published an ambitious roadmap detailing a clear implementation timeline for implementing a digital assets regulatory regime by 2026.³⁴ The FCA is also actively supporting digital asset firms starting and scaling in the UK by extending pre-application support.³⁵

Similarly, Japan has been actively revising its regulatory approach to digital assets, with a focus on investor protection and market stability.³⁶ Recent developments include tax reforms to incentivize digital asset investment and amendments to the Payment Services Act to accommodate stablecoins.

Finally, Singapore has also taken a proactive stance, with the Monetary Authority of Singapore (MAS) granting licenses to numerous digital asset service providers and issuing guidelines on various aspects of digital asset activities.³⁷

Indeed, these jurisdictions are delivering what the U.S. digital assets industry has been requesting: regulatory clarity through a thoughtful, tailored regulatory regime that recognizes the potential of digital assets while balancing consumer protections and national security.³⁸

³⁴ Financial Conduct Authority (2024) *FCA Crypto Roadmap*, Financial Conduct Authority. Available at: <https://www.fca.org.uk/publication/documents/crypto-roadmap.pdf>.

³⁵ Rathi, N. (2025) *Letter from FCA to the Prime Minister regarding a new approach to ensure regulators and regulations support growth*, Financial Conduct Authority. Available at: <https://www.fca.org.uk/publication/correspondence/fca-letter-new-approach-support-growth.pdf>.

³⁶ GMO-Z.com Trust Company (2024) 'Japan’s regulatory shift in cryptocurrency and digital assets,' *Medium*, 31 October. Available at: <https://medium.com/gmo-z-com-trust-company/japans-regulatory-shift-in-cryptocurrency-and-digital-assets-1bde466818b>.

³⁷ Yee, L. and Kim, S. (2024) 'Redefining boundaries: MAS consults on new regulatory framework for digital token service providers under the FSMA,' *Duane Morris and Selvam*, 18 October. Available at: <https://blogs.duanemorris.com/duanemorrisandselvam/2024/10/18/redefining-boundaries-mas-consults-on-new-regulatory-framework-for-digital-token-service-providers-under-the-fsma/>.

³⁸ The impact of that clarity is further reflected in the recent growth in blockchain developers and users within those jurisdictions. *See, e.g.*, Electric Capital (2024) '2024 Crypto Developer Report,' December 12, 2024. Available at: <https://www.developerreport.com/developer-report?s=developer-report>.

While many of the best minds, technology, and resources still exist in the U.S., we can only re-assert our leadership by establishing a comprehensive legislative framework. The President's Executive Order highlighting the strategic importance of digital asset innovation signals a commitment to fostering innovation and recognizing the potential for economic growth and global leadership.³⁹ However, more must still be done to unwind the significant damage caused by previous "regulation by enforcement" approaches.

Legislation is the most effective way to ensure long-term stability and guard against future policy volatility that may otherwise repeatedly shift the goalposts. It provides clarity and consistency that can stand the test of time, allowing U.S. companies to build, grow, and innovate domestically rather than offshore.

Congress has a critical role to play in enacting the proper federal framework for digital assets. By providing a comprehensive federal framework for market structure, this Committee and Congress can ensure additional needed regulatory certainty for the digital asset ecosystem and provide greater protections for individuals. This important work—squarely within the domain of this institution—will unleash powerful potential, enhance clarity, ensure consistency, and further mitigate outstanding risks.

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Thank you again for the opportunity to testify before you today. I look forward to answering any questions.

³⁹ White House (2025) “*Strengthening American Leadership in Digital Financial Technology*,” *Executive Order 14178*. Available at: <https://www.whitehouse.gov/presidential-actions/2025/01/strengthening-american-leadership-in-digital-financial-technology/>