

# **Durbin: Cryptocurrency Rips Off Millions Of Hardworking Americans To The Tune Of Billions Of Dollars**

by Maddie Carlos

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WASHINGTON – U.S. Senate Majority Whip Dick Durbin (D-IL) spoke on the Senate floor highlighting the dangers of cryptocurrency and emphasizing his continued skepticism. During his speech, Durbin outlined the collapse of various crypto firms such as FTX, which imploded and led to the resignation of CEO Sam Bankman-Fried a few months ago.

“It’s been called ‘new money,’ ‘digital cash,’ and even the way of the future. I have another name for it: reckless, predatory, foolish, dangerous. I’m referring, of course, to cryptocurrency. The latest scam to rip off millions of hardworking Americans to the tune of billions of dollars. In under a decade, this industry skyrocketed in popularity—and raked in big bucks for its leading speculators—before exploding into dust for all the world to see,” said Durbin.

In 2022, Bitcoin cratered—losing more than 60 percent of its value in one year. If you purchased one Bitcoin at the start of 2022—and held on to it—today, you would be down nearly \$25,000.

“Think of all the Americans who could have held on to that cash for family needs. Or to cover a down payment on their first home. Their money is gone. And they’re not alone. The disaster began last May, with the financial meltdown known as ‘crypto winter.’ If you’re one of the millions of consumers who were convinced by those well respected financial advisors, Matt Damon, Larry David, or LeBron James to buy in on crypto, you don’t need me to tell you what happened next. In a matter of months, more than \$2 trillion vanished from the industry. One crypto firm after another folded,” Durbin continued.

During his speech, Durbin cited the implosion of FTX and effects it had on Americans who invested in the company. Durbin shared the story of a man named Greg Sanders who lost nearly \$10,000 when FTX collapsed. And like millions of others, he hasn’t gotten the money back. Greg spoke to the Atlantic about his experience with FTX. He said, “FTX was legitimized in the public eye. I saw the Tom Brady commercials. I saw the Major League Baseball umpires. Its name was on the Miami Heat arena. There was so much legitimization from the public, and it lent credence to this idea that it was a safe place.”

Durbin continued, “Thankfully, Greg says he’ll be okay. He has a good-paying job, and enough money saved to pay the bills. But stop for a second and think about all the Americans who are not okay. More than half of our nation’s families cannot afford a \$1,000 emergency. And those same families—who struggle to make ends meet—have been targeted by those crypto ad campaigns Greg mentioned. In fact, leaders in the crypto industry have explicitly marketed their products to un-banked, and under-banked, Americans, those who do not have access to traditional financial services. Now, this is a problem that disproportionately affects Black and Brown Americans, who historically have been outside from the financial system.”

Durbin then condemned Fidelity Investment’s decision to allow retirement plan sponsors to offer plan participants exposure to Bitcoin. Durbin, along with U.S. Senators Elizabeth Warren (D-MA) and Tina Smith (D-MN), have twice [urged](#) Fidelity to

reconsider their decision to allow 401(k) plan sponsors to offer plan participants exposure to Bitcoin. Fidelity is one of the largest 401(k) providers with 40 million Americans and 23,000 employers who trust Fidelity Investments with their workplace retirement accounts and employer-sponsored plans. The November letter followed another [letter](#) the Senators sent to Fidelity on July 26. In response to the July letter, Fidelity, replied that they “respectfully disagree with the assertion that bitcoin cannot meet the higher standards applicable to retirement accounts.” The Senators have yet to receive a response to the November letter.

“To think the crypto industry entranced one of the largest 401(k) providers in the world is shocking,” continued Durbin. “Yet, that’s exactly what happened. This past summer, Fidelity announced it would allow retirement plan sponsors to offer plan participants exposure to Bitcoin... Imagine if your 401(k) lived or died by the value of Bitcoin. That is unacceptable for the 40 million Americans who invest with Fidelity, and I’m one of them. Many of them are relying on these investments to retire in dignity.”

Durbin concluded, “Hardworking Americans who entrust Fidelity with their retirement savings expect more. They deserve better than Ponzi schemes and endless volatility. The financial future of millions of their customers is on the line. It is time to do the right thing and be honest about cryptocurrency. There should be more transparency, accountability, and enough regulation so we know they're telling the truth.”

Video of Durbin’s remarks on the Senate floor is available [here](#). Audio of Durbin’s remarks on the Senate floor is available [here](#).