Bitcoin Policy Institute

Quarterly Report

Q2 2026

Dear Friends:

Q2 was the strongest quarter in BPI's history for earned media, capping an action-packed three months for the organization. A few highlights:

- Our investigative report into Chinese influence operations against American AI infrastructure prompted a public call from Senator Tom Cotton for a DOJ inquiry into the CCP's connections to the campaign against data centers, put our researchers on national television, and was cited in a story on the front page of *The New York Times*.
- Under questioning citing BPI research at an Armed Services hearing, Admiral Samuel Paparo, Commander of U.S. Indo-Pacific Command, revealed for the first time that the military is studying how Bitcoin can strengthen American cybersecurity and that his command runs a Bitcoin node.
- The CLARITY Act cleared the Senate Banking Committee with its developer-protection language — a key focus of BPI's research and educational efforts this spring — intact.
- We launched a new program called "Satoshi Scholars" that provides weekly educational sessions for senior Congressional staffers to deepen their understanding of Bitcoin and open-source technology. Our inaugural cohort is underway with 11 Congressional staffers participating.
- Our research and education went international. In May, BPI leadership traveled to London for briefings at the House of Lords, the City of London, and at the headquarters of major political parties. In June, BPI was invited to Taiwan for briefings with its central bank, Legislative Yuan, and other government officials on its Bitcoin policy efforts.

Lastly, anonymous plaintiffs have filed a New York lawsuit seeking legal title to over 39,000 bitcoin addresses with 3.8 million bitcoin under the state's lost-and-found property law on the sole basis that those coins have not moved on-chain. BPI has filed to intervene in this lawsuit as a defendant to protect its property rights in its long-term bitcoin holdings.

We head into Q3 with our flagship policy summit, this year called Freedom Tech DC, on September 22 and 23. We hope to see you there!

Strategy & Policy

Financial Regulation

The fight over the digital asset market structure bill, the CLARITY Act, defined the quarter. The stablecoin-yield dispute that dominated the winter gave way to a law enforcement coalition working to strip the bill's Blockchain Regulatory Certainty Act provision (the BRCA, which clarifies money transmitter law so that open-source software developers are not regulated as financial intermediaries). That opposition, along with a round of ethics concerns, slowed the bill's progress. Negotiations now sit with the White House and Senate leadership.

We worked hard this quarter to educate Congress on the importance of protecting software developers. In May, CLARITY passed out of the Senate Banking Committee with the BRCA intact. Offices from both parties requested BPI briefings on the law enforcement concerns raised by the BRCA. We are seeing signs of progress — several law enforcement groups have recently softened their opposition, and Senator Ron Wyden (D-OR) published a letter in support of the developer protections.

Our initiative to reform Basel's onerous bitcoin risk-weight regulations — the banking rule that makes it prohibitively expensive for banks to touch bitcoin by assigning it a punitive 1,250% risk weight — moved on two fronts. FixBasel.org launched in May as a public portal for organizations and individuals to file comments before the regulators' window closed on June 18, and in late May, six senators, led by Senators Lummis (R-WY) and Sullivan (R-AK), sent a letter to the Federal Reserve, FDIC, and OCC challenging the risk weight and citing BPI's Basel research.

The quarter also saw Representative Nick Begich (R-AK) introduce the American Reserve Modernization Act (ARMA), a pared-down Strategic Bitcoin Reserve bill with bipartisan sponsorship. The approach taken in this legislation is directly in line with years of BPI's research publications.

Tax

BPI continues to see strong bipartisan appetite on House Ways and Means to pass crypto tax legislation by the end of the year; however, initial drafts have raised concern. As of quarter's end, the draft lacks a de minimis exemption for everyday bitcoin transactions, and the tax treatment of mining rewards remains under discussion.

BPI's public criticism of the missing de minimis exemption has helped shape the debate, and Ways and Means committee staff requested our technical feedback on the draft. We continue to highlight how Americans across the country use bitcoin as everyday money and explain the regulatory need for a de minimis exemption and neutral treatment of mining rewards.

National Security

The Pentagon went on record about Bitcoin twice this quarter.

Admiral Paparo of the Indo-Pacific Command testified that Bitcoin as a peer-to-peer technology supports America's national interests, following a question from Senator Tuberville citing BPI research. Soon after, Secretary of War Pete Hegseth testified before Congress on the Department's use of the Bitcoin network to counter digital authoritarianism from the CCP.

At the request of committee staff, BPI provided substantive input on a proposed National Defense Authorization Act (NDAA) amendment directing the Department to study Bitcoin's strategic implications for global competition and U.S. national security. The amendment has advanced and is positioned for inclusion in the final bill.

Admiral Samuel Paparo, Commander of U.S. Indo-Pacific Command, testifies before the Senate Armed Services Committee.

In the Courts

As this update went to press, BPI entered the courtroom. A lawsuit in New York claims that self-custodied bitcoin left untouched for more than five years can be claimed by anyone who simply downloads the owner's public address, under the state's lost-and-found property law. We filed to intervene as a defendant to protect BPI's own long-term bitcoin holdings — and, with them, the property rights of every long-term holder. Rachel Rodman and Prat Vallabhaneni of White & Case are representing us, and we will keep you updated as the case progresses.

10	33
Executive Branch Briefings	Congressional Office Briefings

Educational Initiatives

Launched Satoshi Scholars Congressional Education Program

In June, we launched the Satoshi Scholars Program, designed to educate Congressional staffers on the fundamentals of Bitcoin, including technical basics, monetary history, human rights, and great power competition.

The inaugural cohort of 11 Congressional staffers has now completed all five weekly educational sessions, each led by subject-matter experts and industry leaders:

- Bitcoin 101 & Monetary History
- National Security & Great Power Network Competition
- Energy & Compute Basics
- Civil Liberties in the Digital Age
- Capital Markets, Financial Regulation & the Future of Money

Staffers have stayed past the end of every one to continue asking questions. The cohort finishes on July 19 with a capstone workshop that dives deeper into the underpinnings of the Bitcoin protocol with guest lectures from Pierre Rochard and Justin Moon.

BPI Congressional Fellows Update

Our four Congressional Fellows remain active across both parties and chambers as technical resources on digital asset policy.

BPI's inaugural cohort of Congressional Fellows.

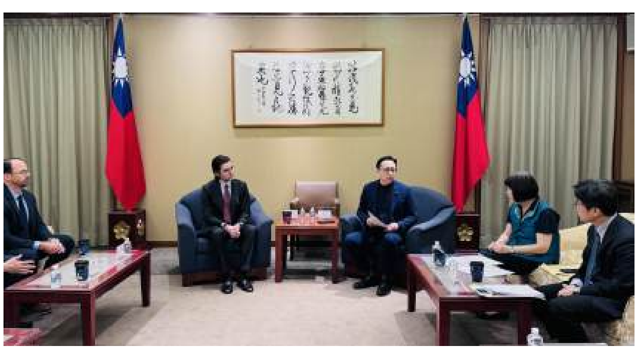
11	4
Satoshi Scholars	Congressional Fellows

International Affairs

Taiwan

In Taipei, Legislator Ko hand-delivered our report on a bitcoin reserve for Taiwan to the Premier of the Executive Yuan and Central Bank Governor Yang Chin-long. This prompted the Taiwanese government to invite BPI for a week of additional briefings with Taiwan's central bank, the Legislative Yuan, and the Financial Supervisory Commission. Managing Director Conner Brown and BPI fellow Jake Langenkamp participated in the briefings.

Managing Director Conner Brown and Research Fellow Jake Langenkamp meet on the floor of Taiwan's Legislative Yuan on a trip to the country in June.



Conner Brown and Jake Langenkamp meet with Taiwanese regulators and central bank officials.

The United Kingdom

In May, we launched an international initiative, supported by Xapo Bank, to educate policymakers in the United Kingdom. David Zell and Conner Brown spent four days in London, which included meetings with Reform UK and the British Blockchain Association, an All-Party Parliamentary Group session at Portcullis House, a Guildhall briefing in the City of London, and a roundtable with the UK's Financial Conduct Authority in the House of Lords. Conner Brown, Grant McCarty, and Zack Shapiro followed this up with a second UK visit in June, during which they met with leadership of the Conservative Party, spoke at the Xapo Summit, and began work on a comprehensive Bitcoin policy toolkit for the UK.

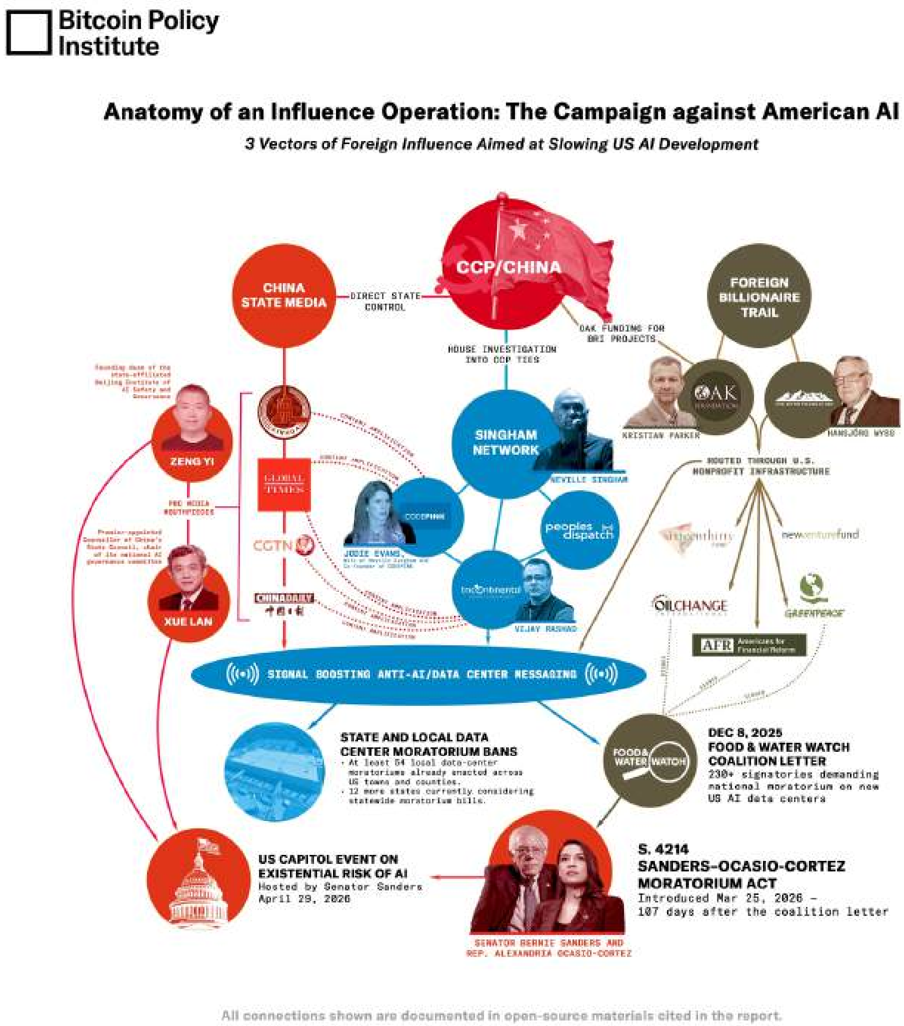
From left to right: Joey Garcia, Chief Strategy, Policy & Regulatory Affairs Officer of Xapo; Conner Brown; and David Zell outside the Guildhall in the City of London.

BPI's roundtable with FCA officials at the House of Lords.

Research

Foreign Influence on American AI Reports

The quarter's flagship research was Foreign Influence in the Campaign against American AI, a two-part investigation into a China-aligned campaign to stoke public fear of data centers like bitcoin mining facilities. Part I examined the web of U.S. nonprofits funded by Neville Roy Singham, a Shanghai-based American expatriate with reported ties to the CCP. Following publication, the House Energy and Commerce Committee cited the report and requested a federal investigation into foreign influence in the campaign against U.S. AI infrastructure. Senator Tom Cotton also cited the report in his public request that the Department of Justice examine the CCP's role in protests against data centers. And the Senate Select Committee on Intelligence asked our research team to brief Congressional staff on BPI's findings. Part II, released in late June, documented a "ground game" that has stalled or blocked $23.6 billion in American AI infrastructure. Both parts shipped with PsyopAnatomy.org, an interactive map of our research findings.



Anatomy of an Influence Operation: mapping the campaign against American AI, from BPI's two-part investigation.

As AI has moved to the center of the policy conversation in Washington, proposals abound that threaten the freedoms of Americans to publish and utilize open-source software. Like Bitcoin, AI raises difficult and nuanced questions about energy, infrastructure, national competitiveness, privacy, speech, surveillance, and the balance of power between individuals, corporations, and the state. Expect us to continue publishing research on the intersection of open-source money and intelligence.

Head of Research Sam Lyman joins NewsNation to discuss New York's first-of-its-kind statewide moratorium on new large-scale data center construction.

We published a new research paper from BPI Fellow Nik Bhatia, Stablecoins as Statecraft, and Nik followed the release with a week of meetings in Washington, including a session at the Commerce Department walking senior policy staff through his research findings. Our State of Play series — short briefs that give policymakers a snapshot of a single Bitcoin issue — kept pace with the news, and Bitcoin, the Strait of Hormuz, and the War in Iran led directly to a Fox Business appearance. Finally, our 14 research fellows continue to build the publication pipeline.

Lastly, BPI Senior Fellow Matthew Ferranti has partnered with Princeton's Professor Ethan Kapstein on a paper on digital assets and de-dollarization, slated for release in September. This quarter, Ferranti also represented BPI at the NBER International Seminar on Macroeconomics, held this year at the Swedish central bank, where he discussed his economic research.

BPI Senior Fellow Matthew Ferranti presents at the NBER International Seminar on Macroeconomics, hosted by Sweden's central bank.

Head of Government Affairs Ken Egan (right) hosts Research Fellow Nik Bhatia (left) to discuss Bhatia's research on stablecoins as a potential tool of U.S. statecraft.

2	2	10	14
Congressional Hearings Citing BPI Research	Congressional Letters Citing BPI Research	Major Media & Institutional Citations	Active Research Fellows

On the research docket for Q3: Bitcoin's potential for rebuilding Ukraine, the strategic case for open-source AI, the case for tailoring state regulations to capture the grid benefits of bitcoin mining, the human rights case for freedom technologies like BitChat, and further investigation of foreign influence in the campaign against U.S. data centers.

Communications & Growth

Media hits in Q2 totaled 2,031, including syndicated pickups of 711 original stories.

Both parts of our foreign influence reporting launched as national media exclusives and kept BPI on television for much of the quarter. Head of Research Sam Lyman appeared on Fox Business to discuss bitcoin toll payments in the Strait of Hormuz, on NewsNation to discuss the CLARITY Act, and on The Hill's *Rising* to present the foreign influence findings. Mentions landed at Politico, *The Washington Post*, *The Economist*, NPR, WIRED, and dozens more. Most significantly, our foreign influence research was cited in an article that made the front page of *The New York Times* in July.

Sam Lyman on Fox Business, discussing Bitcoin's growing role in geopolitics.

Sam Lyman joins NewsNation to discuss the CLARITY Act.

Our social media presence was similarly strong in Q2. The clip of Admiral Paparo answering Bitcoin questions drew 1.6 million views on X, Sam's post announcing his latest report drew another 1.2 million on his own account, and both Marc Andreessen and Kevin O'Leary quote-tweeted our data center work.

2,031
Media Hits (Incl. Syndication)

1.9M+
Impressions Across BPI Channels

Events, Speaking & Partnerships

We hosted or co-hosted four events this quarter, with over 500 total attendees.

We partnered with Young Voices on a debate over the future of American data centers and co-hosted Agentic Commerce 101, a panel on AI agents and bitcoin payments, with Five Bells. On Bitcoin Pizza Day, we brought the DC Bitcoin community together and introduced the tradition to several members of government.

The team logged 11 speaking engagements. Bitcoin 2026 week in Las Vegas was the densest stretch: Grant McCarty, David Zell, Ken Egan, Sam Lyman, Zack Shapiro, Zack Cohen, Eugenia Kenny, and Kyle Olney spoke across the main conference, the BitGo High Rollers Summit, and BTC++ at the Hoover Dam, on subjects from self-custody and de minimis to the dangers posed by nation-state mining. We capped the week with a happy hour for BPI friends and family at The Venetian.

Conner Brown (right) moderates BPI's Agentic Commerce 101: Why AI Chooses Bitcoin. Co-hosted with Five Bells at PubKey DC.

At PubKey DC, we hosted Agents of Change, a panel on AI and Bitcoin, plus a fireside chat on the SEEDS Act with Representatives Young Kim and William Timmons, moderated by Sam Lyman. BPI's Spotlight Series continued with David Zell's interview of Representative Nick Begich.

Representatives Young Kim (center) and William Timmons (right) join Sam Lyman (left) for a fireside chat on the SEEDS Act at PubKey DC.

David Zell interviews Representative Nick Begich for BPI's Spotlight Series at PubKey DC.

World Cup watch party with the Congressional Hispanic Staff Association at PubKey DC.

4	500+	11
Events Hosted	Event Attendees	Speaking Engagements

Save the Date: Freedom Tech DC 2026

We are excited to announce Freedom Tech DC, our fourth annual flagship summit. It's an intimate convening of business leaders, technologists, and policymakers in Washington, DC, on September 22 and 23, focused on the future of money, speech, intelligence, and the fight to keep them free.

Complete event programming includes:

- **Monday, September 21 —** Evening Beefsteak at PubKey DC to welcome conference attendees.
- **Tuesday, September 22 —** Day 1 at the National Press Club; a half-day event establishing the stakes of U.S. policy decisions on emerging tech. Black-tie gala at the Andrew W. Mellon Auditorium in the evening.
- **Wednesday, September 23 —** Day 2 at PubKey DC; a full-day conference exploring policy solutions that support freedom tech. Closing party at PubKey DC in the evening to conclude the conference.

- **Thursday, September 24 —** Day on the Hill: an opportunity for attendees to visit Congressional offices and share their perspectives directly.

If you are interested in attending this year's summit, you can apply directly on our website at btcpolicy.org/summit. We are also accepting mission-aligned sponsors for the summit. If you are interested in sponsorship opportunities, please contact zackcohen@btcpolicy.org for more information.

We are hosting Freedom Tech DC 2026 on September 22 & 23 in Washington, DC. Registration open at btcpolicy.org/summit.

To our generous donors, thank you for your continued support. If our work resonates with you, please consider making a tax-deductible donation at btcpolicy.org/donate. We hope to see you at PubKey DC this summer and in Washington this September for Freedom Tech DC.

With gratitude,

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