

QUARTERLY REPORT

Q3 2026



Dear Friends:

In September, we hosted our fourth annual flagship summit, Freedom Tech DC, convening a sold-out audience of roughly 250 policymakers, technologists, and business leaders in Washington. The two-day program featured multiple U.S. senators and House members, senior officials from the White House, the Federal Trade Commission, and the Department of War, and fireside conversations with Jack Dorsey and Michael Saylor. The summit was a clear demonstration of how timely and salient the policy conversation around open-source money and intelligence has become, with BPI at its center.

Other highlights from the quarter:

- **State Department Partnership:** In July, the U.S. Department of State named BPI a founding partner of its new Freedom Tech Excellence Program. BPI Director of Special Projects Matt Burtell was subsequently accepted into the program's inaugural cohort.
- **Congressional Testimony:** In September, Head of Research Sam Lyman testified before the House Foreign Affairs Subcommittee on South and Central Asia, discussing his findings on covert foreign influence operations targeting the American debate over data centers and AI infrastructure.
- **Presidential Endorsement of Data Center Dividends:** Also in September, BPI published *Data Center Dividends*, a policy proposal under which counties would share surplus data center tax revenue directly with local households. Within weeks, President Trump endorsed the concept of data center dividends for local residents on multiple occasions.
- **Leadership Transition:** Conner Brown was named Executive Director of BPI in August, while Grant McCarty accepted a full scholarship to the University of Pennsylvania Carey Law School as a Levy Scholar and continues with BPI as Senior Advisor.

What follows is a closer look at our work this quarter, from policy and education to research, communications, and events.

Strategy & Policy

Financial Regulation

Strategic Bitcoin Reserve legislation reached a milestone in the House. The American Reserve Modernization Act (ARMA, H.R. 8957), led by Reps. Nick Begich (R-AK) and Jared Golden (D-ME), received its first committee hearing in July, marking the first time Congress had formally considered a Strategic Bitcoin Reserve bill. In September, the House Financial Services Committee voted 28–21 to advance it. The following week, Rep. Begich joined us at Freedom Tech DC to discuss the bill.

The CLARITY Act (H.R. 3633), the comprehensive market structure bill that would set federal rules for digital assets, stalled in the Senate. BPI's focus remained the bill's developer-protection language, the Blockchain Regulatory Certainty Act (BRCA), which ensures that noncustodial, open-source software developers are not regulated as money transmitters. When the bill's sponsors released revised text with a BRCA compromise on September 14, [BPI published analysis](#) examining what the new language would mean for developers. The next day, a Senate cloture vote failed 49–50, and an 18-month debate over market structure came to a close for this Congress.

BPI also contributed technical analysis to federal rulemaking under the GENIUS Act, the federal stablecoin law. In October, we submitted a formal comment letter to the Treasury Department on the definition of “issuer,” urging clear protections for noncustodial software developers.

Tax

Ahead of the House Ways and Means Committee's September 16 markup of digital asset tax legislation, Cornell University's Brooks Tech Policy Institute released a BPI-funded policy brief, [Fiscal Effects of a De Minimis Exclusion for Personal Digital-Asset Payments](#), which found that, contrary to scoring assumptions from the Joint Committee on Taxation, a de minimis exclusion for everyday personal digital asset payments would raise approximately \$859 million in federal revenue over 10 years. BPI shared the study with House and Senate committee staff. The committee then voted 38–5 to advance the Digital Asset Tax Certainty Act (H.R. 10357), its bill setting federal tax rules for digital asset transactions. The bill falls short on two issues BPI has long focused on: its \$10 de minimis exemption covers only stablecoins and network fees, leaving out everyday bitcoin payments, and it taxes mining and staking rewards when received. With the CLARITY setback and the midterms compressing the calendar, the path to a digital asset tax bill this year has narrowed.

AI Policy

BPI continued to work on defending open-source software given its importance to Bitcoin. Accordingly, artificial intelligence and its underlying infrastructure were at the center of our policy and educational work in Q3. Frontier AI labs have restricted the use of their most capable models for security research, leaving many Bitcoin defenders without access. On August 10, days after a string of security incidents affecting critical Bitcoin infrastructure, BPI published an open letter, [“Defenders Need the Frontier,”](#) calling on frontier labs to create a trusted pathway for open-source security defenders to access their strongest models. The episode also made the case for open-weight models plain: access to closed models can be restricted at any time, and defenders need alternatives that can be run locally without a

third party's permission. More than 40 companies and institutions signed the letter, including Coinbase, Block, Strategy, Galaxy, Kraken, River, and Franklin Templeton, and ARK Invest CEO Cathie Wood [publicly endorsed](#) it.

Following our “Defenders Need the Frontier” campaign, OpenAI and Anthropic both launched programs giving cyber defenders expanded access to their most capable models for security testing. These include OpenAI’s \$1 billion “Daybreak for Frontline Defenders” credit commitment, which extends to open-source maintainers.

Our ongoing research into foreign influence operations targeting U.S. data centers and AI infrastructure, published in Q2 as [Foreign Influence in the Campaign against American AI](#), generated sustained attention on Capitol Hill throughout the quarter. In July, Sen. Ted Cruz (R-TX) discussed the findings on his podcast, Sen. John Cornyn (R-TX) shared [The New York Times article citing our research](#), and Rep. Eric Burlison (R-MO) highlighted the research publicly. On July 29, BPI hosted a Capitol Hill fireside briefing for congressional staff in the hearing room of the House Select Committee on the Chinese Communist Party (CCP), featuring Sam Lyman and *Reason* journalist Robby Soave. More than 100 congressional staffers attended the session, which [aired on The Hill’s Rising](#). On September 15, at the invitation of committee staff who attended our briefing, [Sam testified before the House Foreign Affairs Subcommittee on South and Central Asia](#). On September 23, House Ways and Means Committee Chairman Jason Smith (R-MO) and House Select Committee on the CCP Chairman John Moolenaar (R-MI) publicly called for an investigation into the CCP-linked network documented in our research, citing BPI’s reports.



BPI Head of Research Sam Lyman testifies before the House Foreign Affairs Subcommittee on South and Central Asia in September.

At Freedom Tech DC, BPI also advanced the national security case for open-weight AI, examining open-weight models as an element of American grand strategy, with officials from the Department of War [presenting the department's FreedomNET program](#).

Executive Branch & Congressional Engagement

In July, the Department of State [announced the Freedom Tech Excellence Program](#), naming BPI a founding partner alongside Palantir, Anduril, and the Victims of Communism Memorial Foundation. The initiative places private-sector technical experts inside the department to work on online free expression, privacy-enhancing technologies, countering digital surveillance, and AI governance. In October, Matt Burtell was selected for the program's inaugural cohort and will serve with the Global Partnerships Unit.

Throughout the summer and early autumn, our team maintained a steady schedule of policy briefings across Washington. In the executive branch, BPI conducted two briefings at the White House, several briefings at the State Department, and sessions with officials at the Treasury Department and the Department of War. We also met with In-Q-Tel, the intelligence community's strategic investment arm. On Capitol Hill, we briefed seven individual congressional offices and three committees.

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EXECUTIVE BRANCH BRIEFINGS

10

CONGRESSIONAL BRIEFINGS

100+

HILL STAFFERS BRIEFED ON
BPI RESEARCH

International Affairs

Our Q3 international work centered on the UK Pilot Programme, launched in May with support from Xapo Bank to educate British policymakers and develop UK-specific policy research. The team returned to London in July, where Conner Brown spoke on a panel about building on Bitcoin's base layer at the [inaugural Xapo Bank Summit](#). Later in July, Conner and President David Zell joined Xapo's Joey Garcia for a [Xapo Talks webinar](#) on Bitcoin, anti-money-laundering rules, and regulated banking. Our research team is now finalizing the pilot's flagship assessment on UK Bitcoin policy.

Educational Initiatives

Launched in June, the [Satoshi Scholars Program](#) educates congressional staffers on the fundamentals of Bitcoin, from its technical basics and monetary history to its implications for civil liberties and great-power competition. The inaugural cohort of 11 senior congressional staffers completed the curriculum in July. Across the five-dinner series, the program delivered more than 20 hours of instruction led by 11 outside subject-matter experts. The cohort concluded with a capstone retreat featuring guest instructors Justin Moon and Pierre Rochard, where each staffer participated in wargames and scenario-planning exercises.



Satoshi Scholars meet with guest instructors Pierre Rochard (back left) and Justin Moon (back center), along with Executive Director Conner Brown (back right), at the program's capstone retreat in July.

In our Congressional Fellowship program, which places technical specialists in congressional offices across both parties and chambers, Congressional Fellow Sal Pineda completed his fellowship in August and joined the staff of Rep. Ritchie Torres (D-NY) full time to serve as a senior advisor on financial services policy.

We also completed the second year of our Research Experiences for Undergraduates (REU) Summer Research Program, led by Senior Fellow Dr. Margot Paez. Over the summer, four undergraduate researchers each pursued an independent research project on a Bitcoin topic of their choosing, culminating on August 7 in a [livestreamed Final Colloquium at PubKey DC](#) where the students presented their findings.



Students and guests at the REU Final Colloquium at PubKey DC.

Beyond our formal programming, BPI serves as a public resource when security issues arise. When Coldcard disclosed a flaw in its signing devices' entropy generation at the end of July, our podcast, *The Bitcoin Policy Hour*, aired an [emergency episode](#) with AnchorWatch CEO Rob Hamilton to give bitcoin holders clear technical context. BPI's [visual explainer](#) walking users through the technical details drew over a quarter-million views on X.

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SATOSHI SCHOLARS

4

REU RESEARCHERS

20+

HOURS OF PROGRAMMING

Research

Data Center Dividends

BPI's flagship publication this quarter was Sam Lyman's September 9 report, [Data Center Dividends](#). Responding to growing local resistance to data center construction, the paper proposes that counties hosting large data centers return surplus property-tax revenue directly to residents, with no new tax on operators. BPI's modeling estimates that a single one-gigawatt facility in a rural county could fund an annual dividend of \$4,500 to \$8,900 per household.

Three weeks after publication, the idea surfaced at the White House: in remarks following the White House Super Intelligence luncheon on September 29, President Trump [floated paying dividends](#) to Americans living near data centers. On October 21, he called for local data center dividends again in a [post on Truth Social](#).

Public Opinion Research

We collaborated on two national public-opinion studies:

- [Financial Privacy and the American Citizen](#) (July 21), with Cornell's Brooks Tech Policy Institute and Fedi. Surveying 2,200 adults, it found that 68% of Americans, across party lines, believe their financial data should never be collected or should be collected only with their explicit consent each time.
- [The Bitcoin Messages that Resonate with Everyday Americans](#) (August 24), with Cygnal and Neighborhood Bitcoin. Drawing on a national survey, eight focus groups, and a message test, it found that industry phrases like "digital gold" tested poorly, while messages about personal control, safety, and ease of use performed best.

Other Publications

Our fellows broadened BPI's international research. In August, Research Fellow Jacob Langenkamp's [Bitcoin's Role in Ukrainian Reconstruction](#) modeled how mining on Ukraine's stranded nuclear capacity could generate roughly \$1 billion for reconstruction over five years. In September, Research Fellow Zaid M. Belbagi examined [how conflict is reshaping digital asset use in the Middle East](#).

On September 30, Conner Brown published [Wall Street's Invisible Committee](#), challenging MSCI's proposal to exclude bitcoin treasury companies from its equity indexes. In mid-October, we released the [MoneyForAI Q3 update](#), which tested 13 new frontier and open-weight models and found they chose bitcoin 71% of the time for savings and stablecoins 74% of the time for payments. Earlier, BlackRock cited the original MoneyForAI study in its whitepaper [The Machine-Native Economy](#).

Senior Director of Education Andrew Bailey also published two essays on Bitcoin's place in an era of AI: "[Why focus on bitcoin in an age of machine intelligence?](#)" and "[Lessons from bitcoin for open intelligence](#)."

Op-Eds

BPI staff and fellows placed six op-eds this quarter, including Sam Lyman's "[Why California Is a Crucial Artery in Beijing's Campaign Against American AI](#)" in *Garry's List* (July 28) and Head of Government Affairs Ken Egan's "[How America Wins the AI Race With Open Source](#)" in *The Cipher Brief* (October 7), plus four others from our research fellows.

BPI's research fellowship now includes 16 active fellows. This quarter, we secured seven more, bringing expertise across open-weight AI, space, and economics. We are excited to introduce them this fall, with additional fellows expected to follow.

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PUBLICATIONS RELEASED

1

CONGRESSIONAL
TESTIMONY

16

ACTIVE RESEARCH FELLOWS

7

NEW RESEARCH FELLOWS

On the research docket for Q4: an investigation into foreign funding in the AI safety movement and a comprehensive study making the strategic case for open-weight AI.



Sam Lyman (left) and Reason's Robby Soave (right) discuss foreign influence in the campaign against American AI with more than 100 congressional staffers at BPI's July 29 Capitol Hill briefing.

Communications

Q3 was BPI’s strongest quarter yet for earned media, with 2,275 media hits. Through September, our 2026 coverage is already nearly three times our total for all of 2025.

The quarter opened on July 9 with a [report in *The New York Times*](#) on Chinese and Russian efforts to inflame the debate over American AI data centers, which cited BPI’s investigation, quoted Sam Lyman, and ran on the front page online and in print. BPI research and commentary went on to appear in [Axios](#), [Fortune](#), [Foreign Policy](#), [National Review](#), [New York Post](#), [USA Today](#), and [Fox News](#) (12 research-based placements), among others. *Politico Playbook* covered both days of Freedom Tech DC ([Day 1](#), [Day 2](#)). On television, Sinclair’s *The National Desk* aired a segment on our research across 41 local stations, and Sam appeared on [NewsNation](#) and [FOX 32 Chicago](#), among others.



Sam Lyman discusses *Data Center Dividends* live on FOX 32 Chicago's *Good Day Chicago*.

BPI leadership and researchers also made 10 podcast appearances, including Sam on [The Peter McCormack Show](#), Head of Policy Zack Shapiro on [What Bitcoin Did](#), and Conner Brown on [Bitcoin Magazine TV](#), plus seven others.

Impressions across BPI-owned channels reached 1.98 million for the quarter, and [Michael Saylor’s post](#) on his Freedom Tech DC fireside with Conner drew 390,000 views on X.



Events, Speaking & Partnerships

We hosted or co-hosted eight events this quarter, with over 1,000 attendees.

Freedom Tech DC

On September 22 and 23, BPI hosted its fourth annual flagship policy summit, renamed this year from the Bitcoin Policy Summit to **Freedom Tech DC** and co-produced with PubKey DC. A sold-out audience of roughly 250 attended. The summit opened at the National Press Club and moved to PubKey DC for a second day of programming on Bitcoin, open-weight artificial intelligence, privacy, and American competitiveness.



Executive Director Conner Brown (left) and President David Zell (right) welcome attendees to the National Press Club on day one of Freedom Tech DC.

The summit featured a virtual **fireside chat between Jack Dorsey and David Zell** and an **in-person conversation between Michael Saylor and Conner Brown**. Four members of Congress spoke: Sens. Cynthia Lummis (R-WY) and **Ted Budd (R-NC)**, and Reps. **Lance Gooden (R-TX)** and Nick Begich, who joined Anthony Pompliano on stage to discuss ARMA. Rep. Warren Davidson (R-OH) joined attendees at the September 21 VIP reception. Speakers also included **Patrick Witt of the White House** and **Federal Trade Commission Chief Technology Officer Ian Mason**, and attendees included staff from seven federal departments and agencies and the intelligence community.



Conner Brown (right) hosts a fireside chat with Strategy Executive Chairman Michael Saylor (left) at the National Press Club on day one of Freedom Tech DC.

On September 24, summit participants took part in a Day on the Hill, visiting congressional offices to share their own perspectives in meetings BPI helped arrange. Full session recordings are available on [BPI's YouTube channel](#).

Other Events

Alongside Freedom Tech DC, BPI hosted or co-hosted seven events in Washington, including:

- **July 11:** A World Cup watch party at PubKey DC with the Congressional Hispanic Staff Association.
- **July 30:** The Summer Policy Reception, co-hosted with Galaxy, Coin Center, Coinbase, and the Crypto Council for Innovation, which doubled as a send-off for SEC Commissioner Hester Peirce.
- **September 26:** Data After Dark, a pro-data-center party at PubKey DC held in partnership with Young Voices, which drew roughly 600 attendees and coverage in [Axios](#) and [Washingtonian](#).

Four others included the Capitol Hill briefing and REU colloquium described above.



BPI's Luke Danielian (second from right) with friends at Data After Dark, a pro-data-center party at PubKey DC held in partnership with Young Voices, which drew roughly 600 attendees.

Recent Speaking Engagements

BPI staff and fellows logged 26 speaking engagements during Q3. Recent highlights include:

- **July 1:** Conner Brown spoke on a panel about building on Bitcoin's base layer at the [Xapo Bank Summit](#) in London.
- **September 10–11:** At the Open Source AI Summit in San Francisco, Conner joined Foundation for Individual Rights and Expression (FIRE) President and CEO Greg Lukianoff for a session on “[The Right to Compute](#),” and Ken Egan joined NumPy creator and OpenTeams CEO Travis Oliphant to discuss the geopolitics of open models.
- **September 25:** Ken spoke at Culper Connect, a national security conference.
- **October 21–25:** Andrew Bailey delivered a keynote address at a philosophy of technology conference hosted by Hanyang University in South Korea.

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EVENTS HOSTED

1,000+

EVENT ATTENDEES

26

SPEAKING ENGAGEMENTS

Team Updates

BPI strengthened its executive leadership and expanded its full-time policy and educational staff in the third quarter. On August 26, **BPI announced that Conner Brown was named Executive Director**, succeeding Grant McCarty, as part of an expanded leadership team. Grant accepted a full scholarship to the University of Pennsylvania Carey Law School as a Levy Scholar; he remains with BPI as Senior Advisor, and we wish him well as he begins his legal studies. AJ Scalia, named Head of Operations in that announcement, was promoted to Chief Operating Officer in October.

We also welcomed three full-time additions to our Washington team in early September. Former BPI Senior Fellow Andrew Bailey joined BPI full time as Senior Director of Education and Resident Philosopher, leaving a tenured professorship at the National University of Singapore; Andrew is a co-author of *Resistance Money: A Philosophical Case for Bitcoin*. Matt Burtell joined BPI as Director of Special Projects to lead our AI policy portfolio, bringing experience from the America First Policy Institute, the U.S. Senate, Georgetown University's Center for Security and Emerging Technology, and the U.S. Navy. Luke Danielian also joined the BPI staff full time following his summer internship. Meanwhile, Senior Fellow William Luther departed BPI to serve as Senior Economist on the White House Council of Economic Advisers.

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 and at our upcoming events in Washington this fall.

With gratitude,



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