

January 15, 2025

Hon. Ronald L. Davis  
Director  
United States Marshals Service  
1215 S. Clark St.  
Arlington, VA 22202

RE: Planned Sale of 69,370 Bitcoin Seized from Silk Road Case

Dear Director Davis,

I write to request additional information related to the U.S. Marshals Service planned disposition of approximately 69,370 Bitcoin seized from the Silk Road case. This matter requires immediate attention given recent court developments and the significant value of these holdings, currently estimated at over \$6 billion at current market prices. While I strongly support law enforcement's efforts to combat criminal activity and ensure proper disposition of seized assets, I have serious concerns about both the historical handling of Bitcoin sales and the current plans for liquidation of these holdings.

The U.S. Marshals Service track record in handling seized Bitcoin reveals a concerning pattern of losses for American taxpayers. Based on historical sales data, the Service has sold approximately 195,092 Bitcoin between 2014 and 2023 for a total of approximately \$366.5 million.<sup>1</sup> At current market prices, these same Bitcoin would be worth over \$18.9 billion, representing a loss of more than \$18.5 billion in unrealized value for American taxpayers—a **staggering 98% loss in potential value**. This pattern raises serious questions about the Service's approach to managing and liquidating Bitcoin.

Of particular concern are current plans to sell an additional 69,370 Bitcoin, which appears to be proceeding despite President-Elect Donald Trump's July 2024 announcement regarding the establishment of a National Bitcoin Stockpile which would entail keeping "100% of all the bitcoin the U.S. government currently holds or acquires."<sup>2</sup> The urgency of this planned liquidation is particularly concerning.

Recent court filings from earlier this month show that the Department of Justice is citing Bitcoin price volatility to justify an expedited sale of these assets.<sup>3</sup> Even more troubling, the Department continues to aggressively push forward with liquidation plans despite pending legal challenges, demonstrating an unusual urgency to dispose of these assets. This rushed approach, occurring during the presidential transition period, directly contradicts the incoming administration's stated policy objectives regarding the establishment of a National Bitcoin Stockpile. The timing and aggressive pursuit of this sale raises serious questions about whether proper consideration has been given to the long-term strategic interests of the United States.

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<sup>1</sup> Based on historical sales data from the "US Government Seized Bitcoin Sales Tracker" maintained by Jameson Lopp which catalogues various Bitcoin sales made by the U.S. government from 2014–23 totaling approximately 195,092 BTC, available at <https://jlopp.github.io/us-marshals-bitcoin-auctions/>.

<sup>2</sup> Brady Dale. "Trump's Promises to Bitcoin Conference: 'Fire' SEC Chair, Build 'Strategic Bitcoin Stockpile.'" Axios, July 27, 2024, <https://www.axios.com/2024/07/27/trump-bitcoin-strategic-reserve-fire-gary-gensler-nashville>.

<sup>3</sup> *United States' Opposition to Battle Born's Second Ex Parte Application to Continue the Hearing on its Motion to Stay Enforcement of the Judgment, CV 20-7811 RS (ECF 175) (N.D. Cal. Jan. 10, 2025)*, noting that "in the last 30 days... BTC has lost 12% of its value, causing the Defendant Property to lose over \$881,698,943 in value."

Given these developments and concerns, I respectfully request responses to the following questions:

**1) Current Holdings and Transparency**

- a) What is the total amount of Bitcoin currently under U.S. Marshals Service control?
- b) Why has this information not been made readily available to the public in a transparent, up-to-date and online format?
- c) What internal protocols exist for tracking and managing these Bitcoin holdings?

**2) Decision-Making Process**

- a) What specific factors led to the decision to proceed with liquidation at this time?
- b) Was the incoming administration's stated policy regarding a National Bitcoin Stockpile considered in this decision-making process?
- c) Did any staff at the U.S. Marshals Service discuss the details of the liquidation with the White House or senior leadership at the Department of Justice?

**3) Historical Sales Analysis**

- a) Has the U.S. Marshals Service conducted any internal review of previous Bitcoin sales to assess their effectiveness and timing?
- b) What lessons have been learned from previous sales that resulted in unrealized value exceeding \$18 billion?
- c) What changes have been implemented to prevent similar outcomes in future sales?

**4) Strategic Planning**

- a) Does the U.S. Marshals Service have a comprehensive strategy for managing Bitcoin assets?
- b) What considerations have been given to alternative approaches, such as holding these assets for strategic purposes?
- c) How does the Service plan to address the clear conflict between the current liquidation plan and the incoming administration's stated policy objectives?

**5) Timing and Transition**

- a) Does the U.S. Marshals Service intend to proceed with any Bitcoin sales prior to the transition of administrations?
- b) What is the specific timeline for the planned liquidation?
- c) What mechanisms are in place to ensure these valuable public assets are managed in alignment with incoming policy directives?

The magnitude of these holdings and their potential strategic importance to our nation's future financial position demands careful consideration and transparency. The historical record of Bitcoin sales by the U.S. Marshals Service, resulting in over \$18 billion in unrealized value for taxpayers, serves as a stark reminder of the cost of hasty liquidation decisions.

America cannot afford to repeat these mistakes. These Bitcoin represent an opportunity to diversify America's assets and create a financial foundation that will benefit future generations. The decision to hold or sell these assets will reverberate far beyond this administration, potentially impacting our nation's financial sovereignty and strategic position for decades to come.

Given the significance of this matter and the substantial public interest involved, I request a detailed response to these inquiries by January 31<sup>st</sup>, 2025. Additionally, I request a briefing for my staff on these matters within the next 30 days.

Thank you for your prompt attention to this matter. I look forward to your response and to working together to ensure the proper management of these valuable public assets.

Sincerely,



Cynthia M. Lummis  
United States Senator

cc: Hon. Merrick Garland, Attorney General, Department of Justice  
Scott Bessent, Secretary-Designate, Department of Treasury  
Pam Bondi, Attorney General-Designate, Department of Justice  
David Sacks