

Congress of the United States
Washington, DC 20515

November 15, 2023

President Joseph Biden
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

The Honorable Janet Yellen
Secretary, US Department of Treasury
1500 Pennsylvania Avenue NW
Washington, D.C. 20220

Dear President Biden and Secretary Yellen,

We write today to raise serious concerns about Hamas, a designated terrorist organization by the United States, and its ability to utilize digital assets to finance its operations.¹ As Congress seeks to eliminate the pathways for terrorist financing to protect both our interests at home and abroad and those of our allies, we need greater context around Hamas's operations. This is particularly critical given the conflicting reports we have on Hamas's fundraising campaign from blockchain analytics firms.² Congress must understand the size, scope, and duration of Hamas's digital asset operations, as well as whether the United States has had success in seizing illicit digital assets.

Reports indicate that Hamas-linked digital wallets received about \$41 million and Palestinian Islamic Jihad-linked digital wallets received about \$93 million between August 2021 and June 2023.³ Yet, it remains unclear how much, if any, of the publicly identified digital assets are accessible to or remains in the possession of Hamas. According to reports, Hamas shut down its digital asset fundraising campaign in April 2023 citing the ability of government officials to identify and prosecute donors.⁴ In fact, Israel was able to seize assets from several of these wallets.⁵

It is important to understand the scope of Hamas's digital assets fundraising campaign in the context of its traditional funding activities. Not accounting for the funds Hamas receives from Iran or through donations, it is estimated that Hamas's global investment portfolio

¹ Angus Berwick and Ian Talley, "Hamas Militants Behind Israel Attack Raised Millions in Crypto," *The Wall Street Journal*, (Oct. 10, 2023), available at <https://www.wsj.com/world/middle-east/militants-behind-israel-attack-raised-millions-in-crypto-b9134b7a>.

² Chainalysis Team, "Correcting the Record: Inaccurate Methodologies for Estimating Cryptocurrency's Role in Terrorism Financing," Chainalysis (Oct. 18, 2023), available at <https://www.chainalysis.com/blog/cryptocurrency-terrorism-financing-accuracy-check/>; Elliptic, "Setting the record straight on crypto crowdfunding by Hamas" (Oct. 25, 2023), available at <https://www.elliptic.co/blog/setting-the-record-straight-on-crypto-crowdfunding-by-hamas>.

³ Pymnts, "Report: Hamas Received \$41 Million in Crypto Since 2021," (Oct. 10, 2023), available at <https://www.pymnts.com/cryptocurrency/2023/report-hamas-received-41-million-in-crypto-since-2021/>.

⁴ Nidal Al-Mughrabi, "Hamas armed wing announces suspension of bitcoin fundraising," *Reuters*, (Apr. 28, 2023), available at <https://www.reuters.com/world/middle-east/hamas-armed-wing-announces-suspension-bitcoin-fundraising-2023-04-28/>.

⁵ Lazar Berman, "Israel shuts down Hamas cryptocurrency accounts," *The Times of Israel*, (Oct. 10, 2023), available at https://www.timesofisrael.com/liveblog_entry/israel-shuts-down-hamas-cryptocurrency-accounts/.

generates hundreds of millions of dollars in revenue.⁶ This could far exceed the amount Hamas has received through digital asset donations.

Moreover, it appears that Hamas's digital asset fundraising targets are exploiting exchanges connected to adversarial jurisdictions. These digital asset exchanges include Russia-based Garantex, which is already sanctioned by the United States;⁷ Chinese-affiliated Binance,⁸ a non-compliant and unregistered entity headquartered outside of the United States; and Gaza-based Buy Cash, which was not sanctioned by the Treasury Department until after the October terrorist attack against Israel.⁹

To assist Congress with understanding the size, scope, and duration of Hamas's digital asset fundraising campaign, as well as accurate information on blocked or forfeited digital assets from terrorist organizations, we request that you provide written responses to the following questions.

1. How many digital wallets linked to Hamas or the affiliated terrorist organizations Palestinian Islamic Jihad and Hezbollah has the United States been able to identify?
 - a. What is the value of the digital assets contained in those terrorist-linked wallets?
 - b. What is the value of those digital assets to which the United States believes is accessible to or remains in the possession of Hamas or the other affiliated terrorist organization?
2. Please specify the timeframe of Hamas's digital asset fundraising campaign, including when it began and terminated its fundraising campaign.
3. Has the United States blocked or seized any digital assets in the digital wallets linked to Hamas, the Palestinian Islamic Jihad, or Hezbollah? If so, please provide the amounts.
4. Has the United States blocked or seized non-digital assets linked to Hamas, the Palestinian Islamic Jihad, or Hezbollah? If so, please provide how much and a description of the assets.
5. Among the assets that have been blocked or seized by the United States from Hamas, the Palestinian Islamic Jihad, or Hezbollah, what was the proportion of digital assets compared to traditional assets?

⁶ United States Department of the Treasury, "Following Terrorist Attack on Israel, Treasury Sanctions Hamas Operatives and Financial Facilitators," (Oct. 18, 2023), available at <https://home.treasury.gov/news/press-releases/jy1816>.

⁷ Angus Berwick, "The Crypto Exchange Moving Money for Criminal Gangs, Rich Russians and a Hamas-Linked Terror Group," *The Wall Street Journal* (Oct. 13, 2023), available at <https://www.wsj.com/finance/currencies/garantex-russian-crypto-hamas-crime-sanctions-a3648357>.


⁸ Camomile Shumba and Sandali Handagama, "Hamas-Linked Crypto Accounts Frozen by Israeli Police, With Binance's Help," *CoinDesk* (Oct. 10, 2023), available at <https://www.coindesk.com/policy/2023/10/10/hamas-linked-crypto-accounts-frozen-by-israeli-police-with-binances-help-report/>.

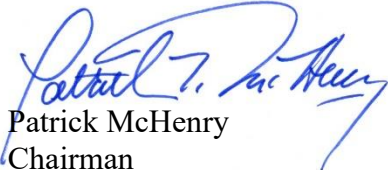
⁹ *Id.*

6. Has the United States blocked or seized any digital assets in digital wallets linked to any other designated foreign terrorist organization? If so, please provide the total amount and describe the amount currently in custody.
7. United States law enforcement has successfully seized significant volumes of illicit digital assets. Last year, a bipartisan letter was sent to the Federal Reserve inquiring into the United States stockpile of seized digital assets and the mechanisms through which the government holds and transfers those assets.¹⁰ Please identify or describe the following: (1) the estimated timeline for the completed forfeiture of those assets; (2) the purposes or types of persons or entities to whom or for which the liquidated assets may be legally distributed; and (3) any existing legal authority that would allow distribution to Israel of such seized digital assets from terrorist organizations to offset the cost of additional spending packages.


Please respond no later than November 29, 2023. If the answers to these questions cannot be provided in an unclassified manner, we request that a classified briefing be scheduled in a timely manner on the matter. We appreciate your prompt attention to our request and look forward to your response.

Sincerely,



Tom Emmer
Majority Whip

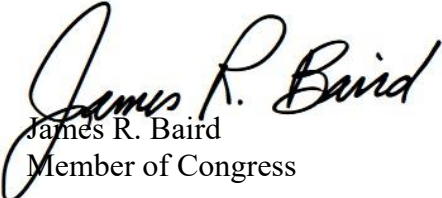

Patrick McHenry
Chairman
House Committee on Financial Services

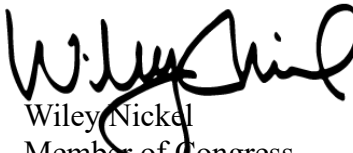

French Hill
Member of Congress


Ritchie Torres
Member of Congress


Mark Alford
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Josh Gottheimer
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James R. Baird
Member of Congress


Wiley Nickel
Member of Congress

¹⁰ United States, Congress, House, *Letter to Federal Reserve Chairman Jerome Powell, Tom Emmer and Jake Auchincloss*, June 24, 2022.

Andy Barr
Member of Congress

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Mike Bost
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Don Davis
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Monica De La Cruz
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Anthony D'Esposito
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Scott Fitzgerald
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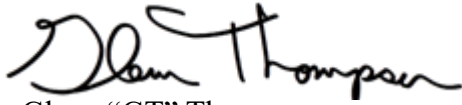
Brian Fitzpatrick
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Mike Flood
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Russ Fulcher
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Andrew R. Garbarino
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Lance Gooden
Member of Congress



Glenn "GT" Thompson
Member of Congress



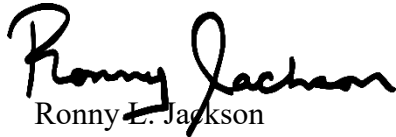
Erin Houchin
Member of Congress



Richard Hudson
Member of Congress



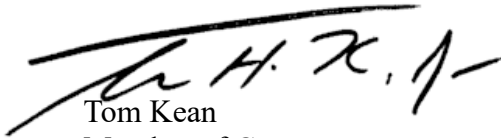
Bill Huizenga
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Ronny L. Jackson
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Dusty Johnson
Member of Congress



Tom Kean
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Young Kim
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Doug LaMalfa
Member of Congress



Jake LaTurner
Member of Congress



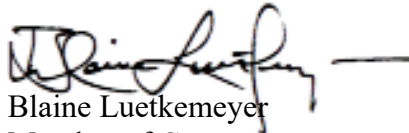
Michael V. Lawler
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Barry Loudermilk
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Frank D. Lucas
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Blaine Luetkemeyer
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Morgan Luttrell
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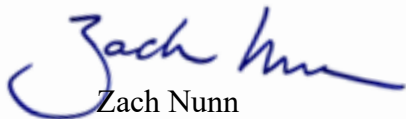
Dan Meuser
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Marc Molinaro
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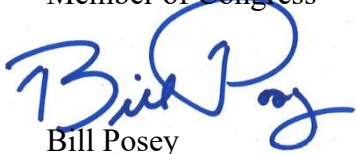
Alex X. Mooney
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Zach Nunn
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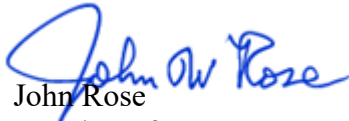
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Bill Posey
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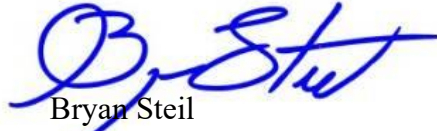
John Rose
Member of Congress



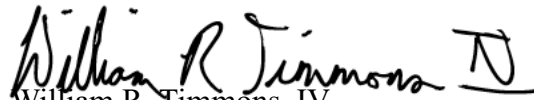
Maria Salazar
Member of Congress



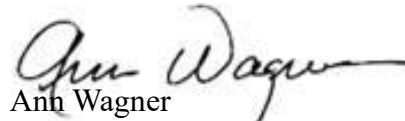
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Bryan Steil
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Ann Wagner
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