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Trump Media Pushes Bitcoin ETF Amid U.S. Crypto Regulation

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The past week in U.S. crypto regulation has been marked by high-profile political debate, legislative proposals, and industry developments. From Congress to state legislatures and the Securities and Exchange Commission (SEC), America's crypto policy environment remains fast-moving and fragmented.

U.S. Senator Elizabeth Warren raised alarms on crypto regulation in an August 11 MSNBC interview, calling the current framework underdeveloped and warning that it could expose the financial system to risks. Warren highlighted that the patchwork of rules, and in some cases their absence, leaves the system vulnerable to corruption and abuse.

She specifically referenced concerns involving high-profile political figures, including former President Donald Trump, and said industry lobbying could undermine consumer protection. “Strong cryptocurrency regulation is essential, not industry-favorable legislation that endangers our economic stability,” Warren stated.

Her remarks underline ongoing political scrutiny of digital assets, particularly as crypto remains a prominent topic in the broader policy and election landscape.

Trump Media, the parent company of Truth Social, is moving forward with plans to launch a spot Bitcoin exchange-traded fund (ETF). This week, the firm submitted an amended S-1 registration with the SEC, although key details, including the fund’s fee structure and ticker symbol, were not disclosed.

Crypto.com has been named as both custodian and liquidity provider, with Yorkville America Digital serving as sponsor. Bloomberg Intelligence analyst Eric Balchunas noted that the ETF could face a challenging path to distinction in a market already populated with multiple Bitcoin ETFs. If approved, the fund would directly hold Bitcoin and track its price performance, with shares expected to trade on NYSE Arca.

The move positions Trump Media at the intersection of politics, finance, and cryptocurrency, though SEC approval is not guaranteed.

At the state level, Wisconsin legislators are seeking to strengthen oversight of cryptocurrency kiosks. Senate Bill 386, introduced recently, follows an earlier Assembly bill and aims to address fraud tied to the state’s 582 Bitcoin ATMs. These machines, often located in convenience stores and gas stations, have been linked to \$247 million in reported fraud losses.

The proposed legislation would impose stricter licensing, compliance, and reporting requirements for kiosk operators, potentially limiting access while providing greater consumer protection. Lawmakers cited the prevalence of fraud as justification for tightening controls.

In federal regulatory developments, the SEC appears to be moving from enforcement to policy after concluding its long-running case against Ripple. Commissioner Hester Peirce announced via X that the case's resolution frees the agency to focus on creating a "clear regulatory framework for crypto." SEC Chair Paul Atkins supported the shift, urging the agency to prioritise drafting explicit, innovation-friendly rules.

The change signals a potential pivot from litigation-heavy approaches, which critics argue have left core regulatory questions unresolved.

Major U.S. banking associations have warned Congress about a loophole in the GENIUS Act's stablecoin provisions. The Bank Policy Institute, alongside the American Bankers Association and the Financial Services Forum, highlighted that current rules could allow issuers to pay yield indirectly through affiliated platforms, a practice they consider potentially unsafe.

The letter calls for congressional action to close gaps in regulation and ensure stablecoin activity does not create systemic risks for the financial sector.

As the U.S. crypto landscape continues to evolve, lawmakers, regulators, and financial institutions face increasing pressure to balance innovation with consumer protection. The next months are expected to bring further legislative proposals, SEC guidance, and high-profile filings from companies navigating the complex regulatory environment.