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## The Crypto Industry's Big Election Spending Highlights Political Risk of Super PACs

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The U.S. cryptocurrency industry has become one of the most aggressive players in U.S. elections, but its spending has amplified scrutiny and backlash of the industry without delivering clear wins.

That's the conclusion of a new report from the Center for Political Accountability, a nonprofit organization in Washington that highlights corporate spending in elections.

In a report called, "[Compounding Risk: The Unexpected Consequences of Crypto's Political Dominance](#)," researchers Benjamin Schaffzin and Jeanne Hanna document the huge amount of money that crypto companies have pumped into super PACs in the 2024 election and so far in the 2026 election.

They conclude that the money might not be worth it.

To be sure, the industry's newfound political muscle helped score some big wins. The industry also lost important battles and remain at risk of unfavorable regulations – especially if Democrats gain power in Washington.

"But political success has not resolved the industry's underlying vulnerabilities," they write. "In critical respects, it has intensified them."

Recent events have underscored that conclusion.

Last week, the industry failed to defeat several industry opponents running in Democratic primaries in Illinois despite spending millions of dollars against them.

This week, the crypto industry's top legislative priority – a measure that would allow the industry to collect yield on holdings – suddenly appears to be in jeopardy.

The crypto bill was sailing through Congress last year, but a key Senate committee called off a vote in January after changes to the bill lost the support of key senators and a major player, Coinbase.

For the past few months, lobbyists for the crypto industry and the traditional banking industry have been working on a compromise with the help of the White House. President Trump has made it clear that he wants to enact the crypto bill.

Supporters in Congress said they hoped to have a deal by early March.

The deadline came and went.

Now it appears that the bill is taking on water. Earlier this year, major crypto companies announced that they planned to spend \$200 million electing industry allies in this year's midterm elections.

That promoted some Democrats like Sen. Elizabeth Warren (D., Mass.) to warn colleagues that most of that money would be spent against them.

In a strange bedfellow alliance, Warren and other progressive Democrats are now working with Wall Street and big banks to defeat the crypto bill.

With so much else going on – a war in Iran, a fight over the filibuster in the Senate, the shutdown of the Department of Homeland Security and a looming midterm election – the chances that the crypto bill gets enacted are dwindling.

That bill might represent the last best chance the industry has for enacting favorable legislation on the yield issue before the election.

If Democrats win a majority in the U.S. House next year – they are far less likely to create rules to help an industry that has spent millions of dollars to defeat Democrats at the polls.

Let's rewind: The crypto industry took Washington by storm during the 2024 elections with record-setting election spending. The industry spent a combined \$134 million in the 2024 elections to defeat opponents and elect champions.

Along with the industry super PAC, Fairshake, the crypto companies helped “assemble a broadly pro-crypto coalition in Congress,” write Schaffzin and Hanna in the Center for Political Accountability's report.

By the start of the 2026 midterm elections, Fairshake and the crypto industry made it clear that it planned to spend aggressively again.

In all, pro-crypto campaign groups has accumulated a total of \$221 million to spend on the elections. The super PAC Fairshake alone had nearly \$200 million in the bank.

Fairshake's largest donors are Ripple Labs and Coinbase. Ripple has donated a total of \$23 million to Fairshake, while Coinbase has kicked in \$71 million.

Both companies have sought influence in the Trump administration by donating to the Trump's inauguration and the construction of a new White House ballroom. Ripple donated nearly \$5 million alone to the Trump's inauguration.

At first, the election spending by the crypto industry seemed to produce results. Government regulators pulled back on enforcement actions. A major crypto bill sailed through Congress and was signed into law by the president.

But suddenly things shifted.

The crypto industry was poised for a second legislative victory in January when the bill was changed, support evaporated and a key Senate committee vote was postponed.

The crypto industry hoped to flex its political muscles again last week in the Illinois Democratic primaries – but instead it faced several setbacks.

In all, crypto backed PACs spent about \$14.3 million on the Illinois primaries, including \$12 million in failed efforts to defeat adversaries.

The industry went in big on an effort to block the state's lieutenant governor from winning the primary to replace retiring Sen. Richard Durbin. Instead, Lt Gov Juliana Stratton won the primary and is almost assured of winning a seat in the Senate in November.

In the new report, the Center for Accountability, says that the crypto industry's election spending has created new political risks.

“Aligning too closely with any administration – or appearing to seek policy favors – introduces risks that extend beyond a single election cycle,” the report concludes.

“For an industry still working to establish mainstream legitimacy, those risks are not theoretical.”

The fate of the crypto industry's yield bill is a good example.