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Warren, Wyden Probe National Security Risks Surrounding Reported Lutnick-Tether Loan

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Letter to Commerce | Letter to Tether

Washington, D.C. – Today, U.S. Senator Elizabeth Warren (D-Mass.), Ranking Member of the Senate Banking, Housing, and Urban Affairs Committee and U.S. Senator Ron Wyden (D-OR), Ranking Member of the Senate Committee on Finance, sent a letter to Commerce Secretary Howard Lutnick, and Chief Executive Officer of Tether, Paolo Ardoino, requesting information about a reported loan from Tether — a foreign company whose stablecoin has been used to finance illicit activity around the world — to a trust benefiting Secretary Lutnick’s four children.

According to Bloomberg, the day after Howard Lutnick divested his stake in Cantor Fitzgerald by selling it to his children, a credit document was filed in New York showing that Tether lent an undisclosed amount to “Dynasty Trust A,” a trust for which Lutnick’s four children are beneficiaries.

“If reports of this loan are accurate, it would raise serious questions about the relationship between Secretary Lutnick and Tether, and the influence of Tether on Mr. Lutnick’s policy decisions. We want to ensure that Tether has not sought to bribe or otherwise exert control or influence over Secretary Lutnick,” **wrote the Senators.** “This document raises questions about whether Tether may have helped provide Secretary Lutnick’s children with the capital needed to purchase their father’s stake in Cantor Fitzgerald, and in return secured an interest in his children’s assets. If true, that would be a startling revelation.”

The senators note that Tether has faced significant legal and regulatory scrutiny for its conduct: “Tether is seen as a ‘dream currency’ for money launderers... The Department of Justice was reportedly investigating Tether as recently as 2024 for potential violations of sanctions and anti-money laundering rules.”

Secretary Lutnick has been described as “Tether’s most prominent booster in the U.S.” Given the relationship between Lutnick and the company, the lawmakers also raise concerns about the Secretary’s role advising the Trump Administration on the GENIUS Act — stablecoin legislation that Tether lobbied heavily in support of and that included provisions favorable to foreign stablecoin issuers.

“The coziness of his relationship with Tether prior to his nomination, and the favorable treatment Tether received in the GENIUS Act, make reports of a loan from Tether to his children’s trust even more troubling,” **the senators concluded.** “The GENIUS Act may now be the law, but as Congress considers digital asset market structure legislation, we must ensure that politically connected crypto interests do not receive special treatment and undermine our national security.”

The Senators are requesting responses from both Secretary Lutnick and Tether by May 13, 2026.

