



HODLpac Enlists Winklevoss Twins, Brian Armstrong in Bid to Influence Crypto Policy in Washington

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A new political action committee (PAC) is hoping to push crypto-friendly public policy by providing financial support to Congressional candidates.

Founded by former Cato Institute staffer Tyler Whirty, HODLpac seeks to advocate for blockchain legislation by directing funds to different Congressional candidates – but with a decentralized twist.

Donors may ultimately use Ethereum-based tokens to vote for which candidates should get their support, though initially voting will not tap any crypto tokens. The PAC will rely on We the Peeps, a fundraising platform built by Peeps Democracy, Whirty said.

According to Federal Election Commission filings, the PAC's founding donors include a who's who of crypto notables.

The documents list Cameron and Tyler Winklevoss of Gemini, Coinbase's Brian Armstrong and Emilie Choi, Donald R. Wilson Jr of DRW, Polychain's Olaf Carlson-Wee, Nathan McCauley of Anchorage and the Blockchain Association's Kristin Smith.

Smith, as well as Polychain President Joseph Eagan and Compound Finance lawyer Jake Chervinsky, are listed as founding board members.

The PAC has raised \$21,000 to date, according to federal filings, and about \$4,600 has been spent on operating expenditures.

Right now, HODLpac doesn't accept cryptocurrency donations, though Whirty said he expects to "in the near future."

How it works

Essentially, if an individual donates to HODLpac, they receive an equivalent number of "votes." However, the group will use quadratic voting in the actual implementation, meaning a donor can choose multiple recipients but each subsequent recipient receives a smaller share of that donor's vote.

"This is a concept that's been used in the crypto space increasingly often," Whirty said. "It's the idea that each traditional vote costs the square of that vote. So one vote costs one, two votes cost four, three costs nine and so on."

HODLpac is using this type of voting mechanism partly because it allows donors to express “the degree of [their] preference,” rather than just simply a direction for their funds. It also helps ensure that individuals who donate larger amounts don’t have an outsize influence on where the donated funds go.

The PAC has been operational since January, Smith told CoinDesk, though it only went live Monday after securing its raft of founding donors.

“Getting the public policy right for crypto is critical to the success of the industry and the technology going forward,” she said. “For me, HODLpac is a new tool in the crypto policy making toolbox.”

Filling a void

Smith said a lot of groups already exist to help educate political leaders, including Coin Center and the Chamber of Digital Commerce as well her own organization, but to date there hasn’t been a sustained fundraising project.

The PAC hasn’t yet donated to any candidates, but Whirty said any donor whose contribution exceeded \$250 would be able to nominate a potential recipient.

Example candidates who have championed crypto in Congress include Reps. Tom Emmer (R-Minn.), Darren Soto (D-Fla.) and Warren Davidson (R-Ohio), he said.

HODLpac will also rank Congressional representatives and candidates by how crypto-friendly their policies are, Whirty said.

“The initial community ballots will be seeded with some of those people but we do want this to be a kind of community-governed but also kind of curated effort,” Whirty said. “Those who are paying attention to crypto politics will be able to make suggestions and nominations.”