

119TH CONGRESS
1ST SESSION

H. R. 2392

To provide for the regulation of payment stablecoins, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 26, 2025

Mr. STEIL (for himself, Mr. HILL of Arkansas, Mr. TORRES of New York, Mr. EMMER, Mr. HUIZENGA, Mr. MEUSER, Mrs. KIM, Mr. MOORE of North Carolina, Mr. DOWNING, Mr. HARIDOPOLOS, Mr. GOTTHEIMER, and Mr. LICCARDO) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To provide for the regulation of payment stablecoins, and
for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Stablecoin Trans-
5 parency and Accountability for a Better Ledger Economy
6 Act of 2025” or the “STABLE Act of 2025”.

7 **SEC. 2. DEFINITIONS.**

8 In this Act:

1 (1) APPROPRIATE FEDERAL BANKING AGEN-
2 CY.—The term “appropriate Federal banking agen-
3 cy” has the meaning given that term under section
4 3 of the Federal Deposit Insurance Act (12 U.S.C.
5 1813).

6 (2) BANK SECRECY ACT.—The term “Bank Se-
7 crecy Act” means—

8 (A) section 21 of the Federal Deposit In-
9 surance Act (12 U.S.C. 1829b);

10 (B) chapter 2 of title I of Public Law 91–
11 508 (12 U.S.C. 1951 et seq.); and

12 (C) subchapter II of chapter 53 of title 31,
13 United States Code.

14 (3) BOARD.—The term “Board” means the
15 Board of Governors of the Federal Reserve System.

16 (4) COMPTROLLER.—The term “Comptroller”
17 means the Comptroller of the Currency.

18 (5) CORPORATION.—The term “Corporation”
19 means the Federal Deposit Insurance Corporation.

20 (6) CREDIT UNION TERMS.—The terms “Fed-
21 eral credit union”, “insured credit union”, and
22 “State credit union” have the meanings given those
23 terms, respectively, in section 101 of the Federal
24 Credit Union Act (12 U.S.C. 1752).

1 (7) DIGITAL ASSET.—The term “digital asset”
2 means any digital representation of value which is
3 recorded on a cryptographically-secured distributed
4 ledger.

5 (8) DISTRIBUTED LEDGER.—The term “distrib-
6 uted ledger” means technology where data is shared
7 across a network that creates a public digital ledger
8 of verified transactions or information among net-
9 work participants and the data is linked using cryp-
10 tography to maintain the integrity of the public dig-
11 ital ledger and execute other functions.

12 (9) FEDERAL QUALIFIED NONBANK PAYMENT
13 STABLECOIN ISSUER.—The term “Federal qualified
14 nonbank payment stablecoin issuer” means a sub-
15 sidiary of a nonbank entity approved by the primary
16 Federal payment stablecoin regulator, pursuant to
17 section 5, to issue payment stablecoins.

18 (10) INSTITUTION-AFFILIATED PARTY.—With
19 respect to a permitted payment stablecoin issuer, the
20 term “institution-affiliated party” means any direc-
21 tor, officer, employee, or person in control of, or
22 agent for, the permitted payment stablecoin issuer.

23 (11) INSURED DEPOSITORY INSTITUTION.—The
24 term “insured depository institution” means—

1 (A) an insured depository institution, as
2 defined in section 3 of the Federal Deposit In-
3 surance Act (12 U.S.C. 1813); and

4 (B) an insured credit union.

5 (12) MONETARY VALUE.—The term “monetary
6 value”—

7 (A) means—

8 (i) a national currency;

9 (ii) a deposit (as defined in section 3
10 of the Federal Deposit Insurance Act (12
11 U.S.C. 1813)) that is denominated in a na-
12 tional currency; or

13 (iii) an account (as defined in section
14 101 of the Federal Credit Union Act (12
15 U.S.C. 1752)); and

16 (B) does not include any agricultural or
17 other physical commodity (as defined in section
18 1a of the Commodity Exchange Act (7 U.S.C.
19 1a).

20 (13) NATIONAL CURRENCY.—The term “na-
21 tional currency” means a Federal Reserve note, (as
22 the term is used in the first undesignated paragraph
23 of section 16 of the Federal Reserve Act (12 U.S.C.
24 411)), money standing to the credit of an account
25 with a Federal reserve bank, money issued by a cen-

1 tral bank, and money issued by an intergovern-
2 mental organization pursuant to an agreement by
3 one or more governments.

4 (14) NONBANK ENTITY.—The term “nonbank
5 entity” means a person that is not an insured depos-
6 itory institution or subsidiary of an insured deposi-
7 tory institution.

8 (15) PAYMENT STABLECOIN.—The term “pay-
9 ment stablecoin” means a digital asset—

10 (A) that is or is designed to be used as a
11 means of payment or settlement;

12 (B) that is denominated in a national cur-
13 rency;

14 (C) the issuer of which—

15 (i) is obligated to convert, redeem, or
16 repurchase for a fixed amount of monetary
17 value; or

18 (ii) represents that the digital asset
19 will maintain or creates the reasonable ex-
20 pectation that the digital asset will main-
21 tain a stable value relative to the value of
22 a fixed amount of monetary value; and

23 (D) that is not—

24 (i) a national currency;

25 (ii) a security issued by—

1 (I) an investment company reg-
2 istered under section 8(a) of the In-
3 vestment Company Act of 1940 (15
4 U.S.C. 80a–8(a)); or

5 (II) a person that would be an
6 investment company under the Invest-
7 ment Company Act of 1940 but for
8 paragraphs (1) and (7) of section 3(c)
9 of that Act (15 U.S.C. 80a–3(c));

10 (iii) a deposit (as defined under sec-
11 tion 3 of the Federal Deposit Insurance
12 Act (12 U.S.C. 1813)), regardless of the
13 technology used to record such deposit; or

14 (iv) an account (as defined in section
15 101 of the Federal Credit Union Act (12
16 U.S.C. 1752)), regardless of the technology
17 used to record such account.

18 (16) PERMITTED PAYMENT STABLECOIN
19 ISSUER.—The term “permitted payment stablecoin
20 issuer” means—

21 (A) a subsidiary of an insured depository
22 institution that has been approved to issue pay-
23 ment stablecoins under section 5;

24 (B) a Federal qualified nonbank payment
25 stablecoin issuer; or

1 (C) a State qualified payment stablecoin
2 issuer.

3 (17) PERSON.—The term “person” means an
4 individual, partnership, company, corporation, asso-
5 ciation (incorporated or unincorporated), trust, es-
6 tate, cooperative organization, or other entity.

7 (18) PRIMARY FEDERAL PAYMENT STABLECOIN
8 REGULATOR.—

9 (A) IN GENERAL.—The term “primary
10 Federal payment stablecoin regulator” means—

11 (i) with respect to an insured deposi-
12 tory institution (other than an insured
13 credit union) or a subsidiary of an insured
14 depository institution (other than an in-
15 sured credit union), the appropriate Fed-
16 eral banking agency of such insured deposi-
17 tory institution;

18 (ii) with respect to an insured credit
19 union or a subsidiary of an insured credit
20 union, the National Credit Union Adminis-
21 tration;

22 (iii) with respect to a Federal quali-
23 fied nonbank payment stablecoin issuer
24 and any nonbank entity that seeks to have
25 a subsidiary approved as a Federal quali-

1 fied nonbank payment stablecoin issuer,
2 the Comptroller; and

3 (iv) with respect to any entity char-
4 tered by the Comptroller, the Comptroller.

5 (B) PRIMARY FEDERAL PAYMENT
6 STABLECOIN REGULATORS.—The term “pri-
7 mary Federal payment stablecoin regulators”
8 means the Comptroller, the Board, the Corpora-
9 tion, and the National Credit Union Adminis-
10 tration.

11 (19) REGISTERED PUBLIC ACCOUNTING
12 FIRM.—The term “registered public accounting
13 firm” has the meaning given that term under section
14 2 of the Sarbanes-Oxley Act of 2002 (15 U.S.C.
15 7201).

16 (20) STATE.—The term “State” means each of
17 the several States, the District of Columbia, and
18 each territory of the United States.

19 (21) STATE QUALIFIED PAYMENT STABLECOIN
20 ISSUER.—The term “State qualified payment
21 stablecoin issuer” means an entity that—

22 (A) is approved to issue payment
23 stablecoins by a State payment stablecoin regu-
24 lator;

(B) issues a payment stablecoin in compliance with the laws and regulations of a State regulatory regime certified under section 4(b); and

(C) is not—

(i) chartered by the Comptroller;

(ii) a Federal credit union; or

(iii) a subsidiary of a State credit union that—

(I) has at least a partial ownership interest or loan from a Federal credit union; or

(II) has at least a partial ownership interest or loan from a State credit union that is organized in a different State than such subsidiary.

(22) STATE PAYMENT STABLECOIN REGULATOR.—The term “State payment stablecoin regulator” means—

(A) a State agency that has primary regulatory and supervisory authority in such State over entities that issue payment stablecoins; and

(B) with respect to a State qualified payment stablecoin issuer that is a subsidiary of a

1 State-chartered depository institution (as de-
2 fined in section 3 of the Federal Deposit Insur-
3 ance Act (12 U.S.C. 1813)) or a State credit
4 union, the State agency that has primary regu-
5 latory and supervisory authority over entities
6 that issue payment stablecoins in the State in
7 which such State-chartered depository institu-
8 tion or State credit union is chartered.

9 (23) SUBSIDIARY OF AN INSURED CREDIT
10 UNION.—With respect to an insured credit union,
11 the term “subsidiary of an insured credit union”
12 means—

13 (A) an organization providing services to
14 the insured credit union that are associated
15 with the routine operations of credit unions, as
16 described under section 107(7)(I) of the Fed-
17 eral Credit Union Act (12 U.S.C. 1757(7)(I));

18 (B) a credit union service organization, as
19 such term is used under part 712 of title 12,
20 Code of Federal Regulations, with respect to
21 which the insured credit union has an owner-
22 ship interest or to which the insured credit
23 union has extended a loan; and

24 (C) any subsidiary of an insured credit
25 union that is a State credit union.

1 **SEC. 3. LIMITATION ON WHO MAY ISSUE A PAYMENT**
2 **STABLECOIN.**

3 (a) LIMITATION ON ISSUERS.—It shall be unlawful
4 for any person other than a permitted payment stablecoin
5 issuer to issue a payment stablecoin in the United States.

6 (b) LIMITATION ON OFFERING OR SELLING.—

7 (1) IN GENERAL.—After the end of the 2-year
8 period beginning on the date of enactment of this
9 Act, it shall be unlawful for any custodial inter-
10 mediary to offer or sell a payment stablecoin in the
11 United States unless the payment stablecoin was
12 issued by a permitted payment stablecoin issuer.

13 (2) EXCEPTIONS FOR COMPARABLE PAYMENT
14 STABLECOIN REGIMES.—

15 (A) IN GENERAL.—Paragraph (1) and sub-
16 section (a) shall not apply to the offer or sale
17 of a payment stablecoin if—

18 (i) the payment stablecoin was issued
19 by a foreign payment stablecoin issuer;

20 (ii) the foreign payment stablecoin
21 issuer is subject to regulation by a foreign
22 payment stablecoin regulator of a nation
23 with a payment stablecoin regulatory re-
24 gime that the Secretary of the Treasury
25 determines under subparagraph (B) is

1 comparable to the requirements under this
2 Act; and

3 (iii) the foreign payment stablecoin
4 issuer consents to be subject to reporting
5 and examination requirements, as deter-
6 mined by—

7 (I) the Comptroller, if the foreign
8 payment stablecoin issuer is a
9 nonbank; or

10 (II) the Board, if the foreign
11 payment stablecoin issuer is a banking
12 institution or subsidiary thereof.

13 (B) DETERMINATION.—With respect to a
14 foreign nation, the Secretary of the Treasury
15 shall determine, upon request of a foreign pay-
16 ment stablecoin issuer, a foreign payment
17 stablecoin regulator, or on the Secretary's own
18 initiative, and in consultation with the Federal
19 payment stablecoin regulators, whether the pay-
20 ment stablecoin regulatory regime of such na-
21 tion is comparable to the requirements under
22 this Act.

23 (C) PUBLIC NOTICE.—The Secretary shall
24 make the list of nations for which a determina-
25 tion has been made under subparagraph (B)

1 available to the public, and keep such list cur-
2 rent.

3 (D) RESCINDING DETERMINATIONS.—

4 (i) SECRETARIAL ACTION.—The Sec-
5 retary may, in consultation with the pri-
6 mary Federal payment stablecoin regu-
7 lators, rescind a determination made under
8 subparagraph (B) with respect to a foreign
9 nation, if the Secretary determines that
10 the regulatory regime of such nation is no
11 longer comparable to the requirements
12 under this Act.

13 (ii) SAFEHARBORS.—If the Secretary
14 rescinds a determination pursuant to
15 clause (i), a custodial intermediary shall
16 not be in violation of this subsection by
17 reason of the offer or sale of a payment
18 stablecoin issued by such nation's foreign
19 payment stablecoin issuer until 90 days
20 after the determination is rescinded.

21 (3) PENALTY.—Any person who violates this
22 subsection shall be subject to a civil penalty of not
23 more than \$100,000 for each day during which such
24 violation continues.

1 (c) RULEMAKING.—Not later than 12 months after
2 the date of enactment of this Act, the Secretary shall issue
3 such rules as may be required to carry out this section.

4 (d) RULE OF CONSTRUCTION.—This section does not
5 apply to transactions in digital assets for an individual's
6 own lawful purposes by means of a software or hardware
7 wallet that facilitates such individual's own custody of dig-
8 ital assets.

9 **SEC. 4. REQUIREMENTS FOR ISSUING PAYMENT**
10 **STABLECOINS.**

11 (a) STANDARDS FOR THE ISSUANCE OF PAYMENT
12 STABLECOINS.—

13 (1) IN GENERAL.—Each permitted payment
14 stablecoin issuer shall—

15 (A) maintain reserves backing the issuer's
16 outstanding payment stablecoins on an at least
17 1 to 1 basis, with reserves comprising—

18 (i) United States currency (including
19 Federal reserve notes) or money standing
20 to the credit of an account with a Federal
21 reserve bank;

22 (ii) funds held as demand deposits (or
23 other deposits that may be withdrawn
24 upon request at any time) at insured de-
25 pository institutions (including foreign

1 branches and agencies of insured deposi-
2 tory institutions) or approved foreign de-
3 pository institutions (as defined in para-
4 graph (5)(v)) or share drafts (or other de-
5 posits that may be withdrawn upon request
6 at any time) at insured credit unions, sub-
7 ject to limitations established by the Cor-
8 poration and the National Credit Union
9 Administration, respectively, to address
10 safety and soundness risks of such insured
11 depository institutions;

12 (iii) Treasury bills, notes, or bonds—

13 (I) with a remaining maturity of

14 93 days or less; or

15 (II) issued with a maturity of 93

16 days or less;

17 (iv) repurchase agreements, wherein

18 the permitted payment stablecoin issuer is

19 acting as a seller of securities, or reverse

20 repurchase agreements, wherein the per-

21 mitted payment stablecoin issuer is acting

22 as a purchaser of securities, with an over-

23 night maturity and that are backed by

24 Treasury bills with a maturity of 93 days

25 or less that are—

1 (I) centrally cleared through a
2 clearing agency registered with the
3 Securities and Exchange Commission;
4 or

5 (II) bilateral, settling either
6 through delivery versus payment or
7 through a tri-party control account,
8 with a counterparty that the issuer
9 has determined to be adequately cred-
10 it worthy even in the event of severe
11 market stress; or

12 (v) securities issued by an investment
13 company under section 8(a) of the Invest-
14 ment Company Act of 1940 that operates
15 as a money market fund in compliance
16 with Rule 2a-7 under the Investment
17 Company Act of 1940 (or any successor
18 rule) and that are invested solely in the
19 underlying assets described in clauses (i)
20 through (iv) and (vi);

21 (B) publicly disclose the issuer's redemp-
22 tion policy;

23 (C) establish procedures for timely redemp-
24 tion of the issuer's outstanding payment
25 stablecoins; and

1 (D) publish a report on the monthly com-
2 position of the issuer's reserves on the website
3 of the issuer, containing—

4 (i) the total number of outstanding
5 payment stablecoins issued by the issuer;
6 and

7 (ii) the amount and composition of
8 the reserves described under subparagraph
9 (A).

10 (2) ELIGIBILITY.—The requirements to main-
11 tain reserves under paragraph (1)(A) may not be
12 construed as expanding or contracting eligibility to
13 qualify as a depository institution under section
14 19(b)(1)(A) of the Federal Reserve Act (12 U.S.C.
15 461(b)(1)(A)).

16 (3) PROHIBITION ON REHYPOTHECATION.—Re-
17 serves described under paragraph (1)(A) may not be
18 pledged, rehypothecated, or reused, except for the
19 purpose of satisfying obligations associated with re-
20 serves described under paragraph (1)(A)(iv) if the
21 permitted payment stablecoin issuer receives the
22 prior approval of the primary Federal payment
23 stablecoin regulator or the State payment stablecoin
24 regulator.

1 (4) MONTHLY CERTIFICATION; EXAMINATION
2 OF REPORTS BY REGISTERED PUBLIC ACCOUNTING
3 FIRM.—

4 (A) IN GENERAL.—A permitted payment
5 stablecoin issuer shall, each month, have the in-
6 formation disclosed in the previous month-end
7 report required under paragraph (1)(D) exam-
8 ined by an independent registered public ac-
9 counting firm.

10 (B) CERTIFICATION.—Each month, the
11 Chief Executive Officer and Chief Financial Of-
12 ficer of a permitted payment stablecoin issuer
13 shall submit to, as applicable, the primary Fed-
14 eral payment stablecoin regulator or, in the
15 case of a State qualified payment stablecoin
16 issuer, the State payment stablecoin regulator,
17 a certification that, based on such officers'
18 knowledge, the previous month-end report re-
19 quired under paragraph (1)(D)—

20 (i) does not contain any untrue state-
21 ment of material fact or omit to state a
22 material fact necessary in order to make
23 the statements made, in light of the cir-
24 cumstances under which such statements
25 were made, not misleading; and

1 (ii) fairly presented in all material re-
2 spects the information required under
3 paragraph (1)(D) for the period presented
4 in such report.

5 (C) CRIMINAL PENALTIES.—Whoever—

6 (i) submits a certification set forth in
7 subparagraph (B) knowing that the report
8 to which the certification relates does not
9 fairly present, in all material respects, the
10 information required to be contained in
11 such report shall be fined not more than
12 \$1,000,000 or imprisoned not more than
13 10 years, or both; or

14 (ii) willfully submits a certification set
15 forth in subparagraph (B) knowing that
16 the report to which the certification relates
17 does not fairly present, in all material re-
18 spects, the information required to be con-
19 tained in such report shall be fined not
20 more than \$5,000,000, or imprisoned not
21 more than 20 years, or both.

22 (5) CAPITAL, LIQUIDITY, RISK MANAGEMENT,
23 AND OTHER REQUIREMENTS.—

24 (A) IN GENERAL.—The primary Federal
25 payment stablecoin regulators shall, jointly and

1 in consultation with the State payment
2 stablecoin regulators, issue rules to establish—

3 (i) capital requirements applicable to
4 a permitted payment stablecoin issuer
5 that—

6 (I) are tailored to the business
7 model and risk profile of a permitted
8 payment stablecoin issuer;

9 (II) do not exceed requirements
10 which are sufficient to ensure the on-
11 going operations of a permitted pay-
12 ment stablecoin issuer; and

13 (III) if such regulators determine
14 that a capital buffer is necessary to
15 ensure the ongoing operations of a
16 permitted payment stablecoin issuer,
17 may include capital buffers that are
18 tailored to the business model and
19 risk profile of a permitted payment
20 stablecoin issuer;

21 (ii) requirements implementing liquid-
22 ity standards applicable to reserves de-
23 scribed in paragraph (1) for a permitted
24 payment stablecoin issuer, which may not
25 exceed an amount that is sufficient to en-

1 sure the financial integrity of a permitted
2 payment stablecoin issuer and the ability
3 of the issuer to meet the financial obliga-
4 tions of the issuer, including redemptions;

5 (iii) reserve asset diversification and
6 interest rate risk management standards
7 applicable to a permitted payment
8 stablecoin issuer that—

9 (I) are tailored to the business
10 model and risk profile of a permitted
11 payment stablecoin issuer; and

12 (II) do not exceed standards
13 which are sufficient to ensure the on-
14 going operations of a permitted pay-
15 ment stablecoin issuer; and

16 (iv) appropriate operational, compli-
17 ance, information technology, and cyberse-
18 curity risk management standards that are
19 tailored to the business model and risk
20 profile of a permitted payment stablecoin
21 issuer; and

22 (v) requirements regarding the ap-
23 proval of foreign depository institutions
24 that may hold demand deposits of a per-
25 mitted payment stablecoin issuer.

1 (B) RULE OF CONSTRUCTION.—Nothing in
2 this paragraph may be construed to limit—

3 (i) the authority of the primary Fed-
4 eral payment stablecoin regulators, in pre-
5 scribing standards under this paragraph,
6 to tailor or differentiate among permitted
7 payment stablecoin issuers on an individ-
8 ualized basis or by category, taking into
9 consideration the capital structure, busi-
10 ness model risk profile, complexity, finan-
11 cial activities, size, and any other risk re-
12 lated factors of permitted payment
13 stablecoin issuers that the primary Federal
14 payment stablecoin regulators determine
15 appropriate; or

16 (ii) the supervisory, regulatory, or en-
17 forcement authority of a Federal banking
18 agency (as defined in section 3 of the Fed-
19 eral Deposit Insurance Act (12 U.S.C.
20 1813)) or the National Credit Union Ad-
21 ministration to further the ability of an in-
22 stitution under the supervision of the Fed-
23 eral banking agency or the National Credit
24 Union Administration to maintain safe and
25 sound operations or comply with this Act.

1 (C) APPLICABILITY OF EXISTING CAPITAL
2 STANDARDS.—

3 (i) APPLICABILITY OF THE FINANCIAL
4 STABILITY ACT OF 2010.—Section 171 of
5 the Financial Stability Act of 2010 (12
6 U.S.C. 5371) shall not apply to require-
7 ments issued under this paragraph.

8 (ii) RULES RELATING TO LEVERAGE
9 CAPITAL REQUIREMENTS OR RISK-BASED
10 CAPITAL REQUIREMENTS.—Where an in-
11 sured depository institution or depository
12 institution holding company, as defined
13 under section 171(a)(3) of the Financial
14 Stability Act of 2010 (12 U.S.C.
15 5371(a)(3)), includes, on a consolidated
16 basis, a permitted payment stablecoin
17 issuer, any rule issued by an appropriate
18 Federal banking agency that imposes, on a
19 consolidated basis, a leverage capital re-
20 quirement or risk-based capital require-
21 ment on such insured depository institu-
22 tion or depository institution holding com-
23 pany, shall not require such insured depos-
24 itory institution or depository institution
25 holding company to hold, with respect to

1 the permitted payment stablecoin issuer
2 and its assets and operations, any amount
3 of regulatory capital in excess of the cap-
4 ital that such permitted payment
5 stablecoin issuer must maintain under the
6 capital requirements promulgated pursuant
7 to paragraph (5)(A)(i).

8 (iii) RULEMAKING.—Not later than
9 the date the primary Federal payment
10 stablecoin regulators issue regulations to
11 carry out this section, each Federal bank-
12 ing agency, as defined in section 3 of the
13 Federal Deposit Insurance Act (12 U.S.C.
14 1813), shall amend or otherwise modify
15 any regulation described in clause (ii) so
16 that it complies with such clause (ii).

17 (6) TREATMENT UNDER THE BANK SECRECY
18 ACT.—A permitted payment stablecoin issuer shall
19 be treated as a financial institution for purposes of
20 the Bank Secrecy Act.

21 (7) LIMITATION ON PAYMENT STABLECOIN AC-
22 TIVITIES.—A permitted payment stablecoin issuer
23 may only—

24 (A) issue payment stablecoins;

25 (B) redeem payment stablecoins;

1 (C) manage related reserves (including
2 purchasing, selling, and holding reserve assets);

3 (D) provide custodial or safekeeping serv-
4 ices for payment stablecoins and private keys of
5 payment stablecoins;

6 (E) provide custodial or safekeeping serv-
7 ices for reserves, consistent with this Act;

8 (F) undertake other functions that directly
9 support activities described in subparagraphs
10 (A) through (E); and

11 (G) undertake such non-payment
12 stablecoin activities that are allowed by the pri-
13 mary Federal payment stablecoin regulator.

14 (8) PROHIBITION ON YIELD.—A permitted pay-
15 ment stablecoin issuer may not pay interest or yield
16 to holders of its payment stablecoins.

17 (9) REGULATION OF FEDERAL QUALIFIED
18 NONBANK PAYMENT STABLECOIN ISSUERS BY THE
19 COMPTROLLER.—A Federal qualified nonbank pay-
20 ment stablecoin issuer shall be regulated and super-
21 vised exclusively by the Comptroller.

22 (b) STATE-LEVEL REGULATORY REGIMES.—

23 (1) IN GENERAL.—A State qualified payment
24 stablecoin issuer may only issue payment stablecoins
25 pursuant to the regulation of a State payment

1 stablecoin regulator of a State with a regulatory re-
2 gime for issuing payment stablecoins that is certified
3 under this subsection as meeting or exceeding the
4 standards and requirements described in subsection
5 (a).

6 (2) CERTIFICATION.—

7 (A) IN GENERAL.—Beginning on the date
8 that is 1 year after the date of enactment of
9 this Act or 60 days after the rulemaking de-
10 scribed in subsection (d) is completed, which-
11 ever is earlier, a State payment stablecoin regu-
12 lator may submit to the Secretary of the Treas-
13 ury a certification that the regulatory regime of
14 the State for issuing payment stablecoins meets
15 or exceeds the standards and requirements de-
16 scribed in subsection (a).

17 (B) VALIDITY OF CERTIFICATION.—A cer-
18 tification under subparagraph (A) shall be valid
19 upon submission and remain valid unless the
20 Secretary of the Treasury rejects the certifi-
21 cation under paragraph (6).

22 (3) FORM OF CERTIFICATION.—A certification
23 described under paragraph (2)—

24 (A) shall contain an attestation that the
25 regulatory regime of the State for issuing pay-

1 ment stablecoins meets or exceeds the stand-
2 ards and requirements described in subsection
3 (a); and

4 (B) may include supporting information,
5 such as a copy of any State law or regulation
6 implementing such standards and requirements.

7 (4) REPORT AND ATTESTATION.—

8 (A) IN GENERAL.—A State payment
9 stablecoin regulator with a valid certification
10 under this subsection that has made subsequent
11 material changes to its State regulatory regime
12 and wishes to maintain a valid certification
13 shall submit to the Secretary of the Treasury
14 an explanation of all such material changes.

15 (B) FORM OF MATERIAL CHANGES EXPLA-
16 NATION.—With respect to a State payment
17 stablecoin regulator that submits an expla-
18 nation of material changes to the State regu-
19 latory regime under subparagraph (A), the pay-
20 ment stablecoin regulator shall make such ex-
21 planation in the same manner, and containing
22 the same attestation, as described under para-
23 graph (3) for a certification.

24 (5) ADVISORY OPINIONS ON PROPOSED LAWS
25 OR REGULATIONS.—Upon request of any State pay-

1 ment stablecoin regulator, the Secretary of the
2 Treasury shall—

3 (A) review any proposed law or regulation
4 of the State provided by the State payment
5 stablecoin regulator; and

6 (B) not later than 30 days after being pro-
7 vided the proposed law or regulation, either—

8 (i) inform the State payment
9 stablecoin regulator that the proposed law
10 or regulation is consistent with a State
11 regulatory regime for issuing payment
12 stablecoins that meets or exceeds the
13 standards and requirements described in
14 subsection (a); or

15 (ii) provide the State payment
16 stablecoin regulator with a detailed expla-
17 nation of why the proposed law or regula-
18 tion is not consistent with a State regu-
19 latory regime for issuing payment
20 stablecoins that meets or exceeds the
21 standards and requirements described in
22 subsection (a).

23 (6) REGIMES THAT ARE NOT SUBSTANTIALLY
24 SIMILAR.—

1 (A) IN GENERAL.—The Secretary of the
2 Treasury may reject a certification under para-
3 graph (3) or a certification with respect to
4 which a State payment stablecoin regulator has
5 submitted an explanation of material changes
6 under paragraph (4), if the Secretary, not later
7 than 30 days after the date on which the initial
8 certification or explanation of material changes
9 is submitted—

10 (i) determines that the State regu-
11 latory regime does not meet or exceed the
12 standards and requirements described in
13 subsection (a); and

14 (ii) provides the State payment
15 stablecoin regulator with a written expla-
16 nation for the rejection, describing the rea-
17 soned basis for the rejection with sufficient
18 detail such that the State can bring the
19 State regulatory regime into compliance
20 based on the explanation.

21 (B) OPPORTUNITY TO CURE.—

22 (i) IN GENERAL.—With respect to a
23 rejection described under subparagraph
24 (A), the Secretary of the Treasury shall
25 provide the State payment stablecoin regu-

1 lator with not less than a 180-day period
2 from the date on which the State payment
3 stablecoin regulator is notified of such re-
4 jection to—

5 (I) make such changes as may be
6 necessary to ensure the regulatory re-
7 gime of the State for issuing payment
8 stablecoins meets or exceeds the
9 standards and requirements described
10 in subsection (a); and

11 (II) resubmit the certification or
12 explanation of material changes.

13 (ii) REJECTION.—If, after a State
14 payment stablecoin regulator makes
15 changes described under clause (i) during
16 the period described in clause (i), the Sec-
17 retary of the Treasury determines that the
18 certification should be rejected, the Sec-
19 retary of the Treasury shall, not later than
20 30 days after such determination, provide
21 the State payment stablecoin regulator
22 with a written explanation for the deter-
23 mination, describing the reasoned basis for
24 the determination with sufficient detail

1 such that the State can bring its regime
2 into compliance based on the explanation.

3 (C) APPEAL OF REJECTION.—

4 (i) IN GENERAL.—A State payment
5 stablecoin regulator that has had a certifi-
6 cation rejected under this paragraph may,
7 after the cure period described under sub-
8 paragraph (B)(i), appeal such rejection to
9 the United States Court of Appeals for the
10 District of Columbia Circuit, which shall,
11 upon a determination that the regulatory
12 regime of the State for issuing payment
13 stablecoins meets or exceeds the standards
14 and requirements described in subsection
15 (a), reverse such rejection.

16 (ii) REVIEW BY THE SUPREME
17 COURT.—The judgment and decree of the
18 Court of Appeals shall be final, except that
19 the same shall be subject to review by the
20 Supreme Court upon certiorari, as pro-
21 vided in section 1254 of title 28.

22 (D) RIGHT TO RESUBMIT.—A State pay-
23 ment stablecoin regulator that has had a certifi-
24 cation rejected under this paragraph may re-
25 submit a new certification under paragraph (2).

1 (7) APPROPRIATE EXEMPTIVE RELIEF.—The
2 Secretary of the Treasury shall issue such rules and
3 orders as are necessary to provide appropriate ex-
4 emptive relief and safe harbors for State qualified
5 payment stablecoin issuers to continue operations
6 during such periods in which any rules promulgated
7 pursuant to subsection (a) materially affect a pre-
8 viously certified State regulatory regime’s ability to
9 meet or exceed the standards and requirements de-
10 scribed in subsection (a).

11 (c) NOT INSURED BY THE FEDERAL GOVERNMENT;
12 MISREPRESENTATION OF INSURED STATUS.—

13 (1) IN GENERAL.—Payment stablecoins are not
14 backed by the full faith and credit of the United
15 States, guaranteed by the United States Govern-
16 ment, subject to deposit insurance by the Corpora-
17 tion, or subject to share insurance by the National
18 Credit Union Administration.

19 (2) MISREPRESENTATION OF INSURED STA-
20 TUS.—It shall be unlawful to represent that a pay-
21 ment stablecoin is backed by the full faith and credit
22 of the United States, guaranteed by the United
23 States Government, or subject to Federal deposit in-
24 surance or Federal share insurance.

1 (3) DISCLOSURE.—Permitted payment
2 stablecoin issuers shall clearly and prominently dis-
3 close on their website that payment stablecoins
4 issued by such permitted payment stablecoin issuer
5 are not guaranteed by the United States Govern-
6 ment, covered by deposit insurance by the Federal
7 Deposit Insurance Corporation, or by share insur-
8 ance of the National Credit Union Administration.

9 (4) PENALTIES.—Any person who violates this
10 subsection may be prosecuted to the fullest extent of
11 the law, including, as applicable, under—

12 (A) section 18(a)(4) of the Federal Deposit
13 Insurance Act (relating to the prohibition on
14 false advertising in connection with deposit in-
15 surance, the misuse of FDIC names, and mis-
16 representations of insured status);

17 (B) section 709 of title 18, United States
18 Code (relating to false advertising or misuse of
19 names to indicate a Federal agency);

20 (C) criminal penalties under title 18,
21 United States Code, related to fraud; and

22 (D) other remedies available under the law.

23 (d) OFFICERS AND DIRECTORS CONVICTED OF CER-
24 TAIN FELONIES.—No individual who has been convicted
25 of a felony offense involving insider trading, embezzle-

1 ment, cybercrime, money laundering, financing of ter-
 2 rorism, or financial fraud may serve as—

- 3 (1) an officer of a payment stablecoin issuer; or
- 4 (2) a director of a payment stablecoin issuer.

5 (e) RULEMAKING.—

6 (1) IN GENERAL.—The primary Federal pay-
 7 ment stablecoin regulators may issue such orders
 8 and regulations as may be necessary to administer
 9 and carry out the requirements of this section, in-
 10 cluding to establish conditions, and to prevent eva-
 11 sions thereof.

12 (2) JOINT ISSUANCE OF REGULATION.—All reg-
 13 ulations issued to carry out this section by the pri-
 14 mary Federal payment stablecoin regulators shall be
 15 issued jointly, after consultation with State payment
 16 stablecoin regulators.

17 (3) RULEMAKING DEADLINE.—Not later than
 18 the end of the 180-day period beginning on the date
 19 of enactment of this Act, the Federal payment
 20 stablecoin regulators shall issue regulations to carry
 21 out this section.

22 **SEC. 5. APPROVAL OF SUBSIDIARIES OF INSURED DEPOSI-**
 23 **TORY INSTITUTIONS AND SUBSIDIARIES OF**
 24 **NONBANK ENTITIES.**

25 (a) IN GENERAL.—

1 (1) APPLICATION.—

2 (A) IN GENERAL.—The primary Federal
3 payment stablecoin regulator shall receive, re-
4 view, and consider for approval applications
5 from any insured depository institution that
6 seeks to issue payment stablecoins through a
7 subsidiary and any nonbank entity that seeks to
8 issue payment stablecoins through a subsidiary.

9 (B) SHARING OF INFORMATION.—With re-
10 spect to applications submitted by State-char-
11 tered insured depository institutions, the pri-
12 mary Federal payment stablecoin regulator
13 shall share such applications with the relevant
14 State bank or State credit union supervisor.

15 (C) COMPLETION OF APPLICATION.—

16 (i) IN GENERAL.—The primary Fed-
17 eral payment stablecoin regulator shall
18 consider an application complete if such
19 application contains sufficient information
20 for the primary Federal payment
21 stablecoin regulator to render a decision on
22 whether the application meets the require-
23 ments set forth in section 4.

24 (ii) MATERIAL CHANGE IN CIR-
25 CUMSTANCES.—An application described

1 under clause (i) that is considered com-
2 plete shall remain complete unless the pri-
3 mary Federal payment stablecoin regulator
4 determines that a material change in cir-
5 cumstances requires otherwise.

6 (2) EVALUATION OF APPLICATIONS.—A com-
7 plete application received under paragraph (1) shall
8 be evaluated by the primary Federal payment
9 stablecoin regulator based on the ability of the sub-
10 sidiary of the applicant to meet the requirements set
11 forth in section 4.

12 (3) TIMING FOR DECISION; GROUNDS FOR DE-
13 NIAL.—

14 (A) TIMING.—The primary Federal pay-
15 ment stablecoin regulator shall—

16 (i) not later than 30 days after receiv-
17 ing the application—

18 (I) inform the applicant whether
19 the applicant has submitted a com-
20 plete application; and

21 (II) if the application is not com-
22 plete, inform the applicant of the ad-
23 ditional information the applicant
24 must provide in order for the applica-
25 tion to be considered complete; and

1 (ii) not later than 120 days after in-
2 forming the applicant that the application
3 is complete, render a decision on an appli-
4 cation.

5 (B) DENIAL OF APPLICATION.—

6 (i) GROUNDS FOR DENIAL.—

7 (I) IN GENERAL.—The primary
8 Federal payment stablecoin regulator
9 may only deny a complete application
10 received under paragraph (1) if the
11 regulator determines that the activi-
12 ties of the applicant would be unsafe
13 or unsound based on the ability of the
14 subsidiary of the applicant to meet
15 the requirements set forth in section
16 4.

17 (II) TREATMENT OF CERTAIN
18 ISSUANCES.—The issuance of a pay-
19 ment stablecoin on an open, public,
20 and decentralized network shall not be
21 a valid ground for denial of an appli-
22 cation received under paragraph (1).

23 (ii) EXPLANATION REQUIRED.—If the
24 primary Federal payment stablecoin regu-
25 lator denies a complete application received

1 under paragraph (1), the regulator shall,
2 not later than 30 days after the date of
3 such denial, provide the applicant with—

4 (I) written notice explaining the
5 denial with specificity, including all
6 findings made by the regulator with
7 respect to all identified material short-
8 comings in the application; and

9 (II) actionable recommendations
10 on how the applicant could address
11 the identified material shortcomings.

12 (iii) OPPORTUNITY FOR HEARING;
13 FINAL DETERMINATION.—

14 (I) IN GENERAL.—Not later than
15 30 days after the date of receipt of
16 any notice of the denial of an applica-
17 tion under this subsection, the appli-
18 cant may request, in writing, an op-
19 portunity for a written or oral hearing
20 before the primary Federal payment
21 stablecoin regulator to appeal the de-
22 nial.

23 (II) TIMING.—Upon receipt of a
24 timely request, the primary Federal
25 payment stablecoin regulator shall no-

1 tice a time (not later than 30 days
2 after the date of receipt of the re-
3 quest) and place at which the appli-
4 cant may appear, personally or
5 through counsel, to appeal the denial,
6 to submit written materials, or to pro-
7 vide oral testimony and oral argu-
8 ment.

9 (III) FINAL DETERMINATION.—

10 Not later than 60 days after the date
11 of a hearing under this clause, the
12 primary Federal payment stablecoin
13 regulator shall notify the applicant of
14 the final determination of the primary
15 Federal payment stablecoin regulator
16 with respect to the appeal, which shall
17 contain a statement of the basis for
18 such determination, with specific find-
19 ings.

20 (IV) NOTICE IF NO HEARING.—If

21 an applicant does not make a timely
22 request for a hearing under this
23 clause, the primary Federal payment
24 stablecoin regulator shall notify the
25 applicant, not later than 10 days after

1 the date by which the applicant may
2 request a hearing under this clause, in
3 writing, that the denial of the applica-
4 tion is a final determination of the
5 primary Federal payment stablecoin
6 regulator.

7 (C) FAILURE TO RENDER A DECISION.—If
8 the primary Federal payment stablecoin regu-
9 lator fails to render a decision on a complete
10 application within the time period specified in
11 subparagraph (A), the application shall be
12 deemed approved.

13 (D) RIGHT TO REAPPLY.—The denial of
14 an application under this subsection shall not
15 prohibit the applicant from filing a subsequent
16 application.

17 (4) REPORT ON PENDING APPLICATIONS.—
18 Each of the primary Federal payment stablecoin
19 regulators shall annually report to Congress on—

20 (A) the number of calendar days each ap-
21 plicant waited for either an approval or denial
22 of an application under this subsection;

23 (B) the number of calendar days each ap-
24 plicant with an outstanding application has
25 waited for a decision; and

1 (C) the number of applications that have
2 been pending for 6 months or longer since the
3 date of the initial application filed under para-
4 graph (1) where the applicant has been in-
5 formed that the application remains incomplete,
6 including providing documentation on the sta-
7 tus of the application and why the application
8 has not yet been approved.

9 (5) RULEMAKING.—

10 (A) IN GENERAL.—Not later than 180
11 days after the date of enactment of this Act,
12 the primary Federal payment stablecoin regu-
13 lators shall, jointly, issue rules to carry out this
14 section, which may only relate to the application
15 process under this subsection and may not im-
16 plement the requirements set forth in section 4.

17 (B) TAILORING OF RULES.—The joint
18 rulemaking required under subparagraph (A)
19 shall be tailored so as to minimize any incre-
20 mental burden placed on well capitalized and
21 highly-rated insured depository institutions.

22 (b) EFFECTIVE DATE.—

23 (1) IN GENERAL.—This section shall take effect
24 on the earlier of—

1 (A) 12 months after the date of enactment
2 of this Act; or

3 (B) the date that is 120 days after the
4 date on which the primary Federal payment
5 stablecoin regulators issue final regulations im-
6 plementing this section.

7 (2) NOTICE TO CONGRESS.—Each of the pri-
8 mary Federal payment stablecoin regulators shall
9 notify Congress upon receiving their first applica-
10 tion.

11 (c) EFFECT ON STATE LAW FOR PAYMENT
12 STABLECOIN ISSUERS APPROVED BY FEDERAL PAYMENT
13 STABLECOIN REGULATORS UNDER THIS SECTION.—The
14 provisions of this section preempt any conflicting State
15 law and supersede any State licensing requirement for any
16 nonbank entity or subsidiary of an insured depository in-
17 stitution or credit union that is approved under this sec-
18 tion to be a permitted payment stablecoin issuer.

19 **SEC. 6. SUPERVISION AND ENFORCEMENT WITH RESPECT**
20 **TO SUBSIDIARIES OF INSURED DEPOSITORY**
21 **INSTITUTIONS AND FEDERAL QUALIFIED**
22 **NONBANK PAYMENT STABLECOIN ISSUERS.**

23 (a) SUPERVISION.—

24 (1) SUBSIDIARY OF AN INSURED DEPOSITORY
25 INSTITUTION.—

1 (A) IN GENERAL.—Each permitted pay-
2 ment stablecoin issuer that is a subsidiary of an
3 insured depository institution shall be subject to
4 supervision by the primary Federal payment
5 stablecoin regulator in the same manner as
6 such insured depository institution.

7 (B) GRAMM-LEACH-BLILEY ACT.—For
8 purposes of title V of the Gramm-Leach-Bliley
9 Act (15 U.S.C. 6801 et seq.) each permitted
10 payment stablecoin issuer that is a subsidiary
11 of an insured depository institution shall be
12 deemed a financial institution.

13 (2) FEDERAL QUALIFIED NONBANK PAYMENT
14 STABLECOIN ISSUER.—

15 (A) SUBMISSION OF REPORTS.—Each Fed-
16 eral qualified nonbank payment stablecoin
17 issuer shall, upon request, submit reports to the
18 Comptroller as to—

19 (i) the financial condition of the Fed-
20 eral qualified nonbank payment stablecoin
21 issuer;

22 (ii) the systems of the Federal quali-
23 fied nonbank payment stablecoin issuer for
24 monitoring and controlling financial and
25 operating risks; and

1 (iii) compliance with this Act and reg-
2 ulations issued pursuant to this Act by the
3 Federal qualified nonbank payment
4 stablecoin issuer.

5 (B) EXAMINATIONS.—The Comptroller
6 may examine a Federal qualified nonbank pay-
7 ment stablecoin issuer in order to inform the
8 Comptroller of—

9 (i) the nature of the operations and fi-
10 nancial condition of the Federal qualified
11 nonbank payment stablecoin issuer;

12 (ii) the financial, operational, and
13 other risks within the Federal qualified
14 nonbank payment stablecoin issuer that
15 may pose a threat to—

16 (I) the safety and soundness of
17 the Federal qualified nonbank pay-
18 ment stablecoin issuer; or

19 (II) the stability of the financial
20 system of the United States;

21 (iii) the systems of the Federal quali-
22 fied nonbank payment stablecoin issuer for
23 monitoring and controlling the risks de-
24 scribed in clause (ii);

1 (iv) the compliance of the Federal
2 qualified nonbank payment stablecoin
3 issuer with this Act and regulations issued
4 pursuant to this Act; and

5 (v) the compliance of the Federal
6 qualified nonbank payment stablecoin
7 issuer with the requirements of the Bank
8 Secrecy Act and laws authorizing the im-
9 position of sanctions and implemented by
10 the Secretary of the Treasury.

11 (C) REQUIREMENTS FOR EFFICIENCY.—In
12 supervising and examining a Federal qualified
13 nonbank payment stablecoin issuer, the Comp-
14 troller shall, to the fullest extent possible, use
15 existing reports and other supervisory informa-
16 tion.

17 (D) AVOIDANCE OF DUPLICATION.—The
18 Comptroller shall, to the fullest extent possible,
19 avoid duplication of examination activities, re-
20 porting requirements, and requests for informa-
21 tion in carrying out this Act with respect to a
22 Federal qualified nonbank payment stablecoin
23 issuer.

24 (E) GRAMM-LEACH-BLILEY ACT.—For
25 purposes of title V of the Gramm-Leach-Bliley

1 Act (15 U.S.C. 6801 et seq.) each Federal
2 qualified nonbank payment stablecoin issuer
3 shall be deemed a financial institution.

4 (b) ENFORCEMENT.—

5 (1) SUSPENSION OR REVOCATION OF REGISTRA-
6 TION.—The primary Federal payment stablecoin
7 regulator may prohibit a permitted payment
8 stablecoin issuer from issuing payment stablecoins, if
9 the primary Federal payment stablecoin regulator
10 determines that such permitted payment stablecoin
11 issuer, or an institution-affiliated party of the per-
12 mitted payment stablecoin issuer, is—

13 (A) materially violating or has materially
14 violated this Act or any regulation or order
15 issued under this Act, including the issuer's ob-
16 ligations under the section 4(a)(6); or

17 (B) materially violating or has materially
18 violated any condition imposed in writing by the
19 primary Federal payment stablecoin regulator
20 in connection with a written agreement entered
21 into between the permitted payment stablecoin
22 issuer and the primary Federal payment
23 stablecoin regulator.

24 (2) CEASE-AND-DESIST PROCEEDINGS.—If the
25 primary Federal payment stablecoin regulator has

1 reasonable cause to believe that a permitted payment
2 stablecoin issuer or any institution-affiliated party of
3 a permitted payment stablecoin issuer is violating,
4 has violated, or is attempting to violate this Act, any
5 regulation or order issued under this Act, or any
6 written agreement entered into with the primary
7 Federal payment stablecoin regulator or condition
8 imposed in writing by the primary Federal payment
9 stablecoin regulator in connection with any applica-
10 tion or other request, the primary Federal payment
11 stablecoin regulator may order the permitted pay-
12 ment stablecoin issuer or institution-affiliated party
13 of the permitted payment stablecoin issuer to—

14 (A) cease and desist from such violation or
15 practice; or

16 (B) take affirmative action to correct the
17 conditions resulting from any such violation or
18 practice.

19 (3) REMOVAL AND PROHIBITION AUTHORITY.—

20 The primary Federal payment stablecoin regulator
21 may remove an institution-affiliated party of a per-
22 mitted payment stablecoin issuer from their position
23 or office or prohibit further participation in the af-
24 fairs of the permitted payment stablecoin issuer or
25 all permitted payment stablecoin issuers by such in-

stitution-affiliated party, if the primary Federal payment stablecoin regulator determines that—

(A) the institution-affiliated party has, directly or indirectly, committed a violation or attempted violation of this Act or any regulation or order issued under this Act; or

(B) the institution-affiliated party has committed a violation of any provision of subchapter II of chapter 53 of title 31, United States Code.

(4) PROCEDURES.—

(A) IN GENERAL.—If the primary Federal payment stablecoin regulator identifies a violation or attempted violation of this Act or makes a determination under paragraph (1), (2), or (3), the primary Federal payment stablecoin regulator shall comply with the procedures set forth, as applicable, in—

(i) subsections (b) and (e) of sections 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818); or

(ii) subsections (e) and (g) of section 206 of the Federal Credit Union Act (12 U.S.C. 1786).

1 (B) JUDICIAL REVIEW.—A person ag-
2 grieved by a final action under this subsection
3 may obtain judicial review of such action exclu-
4 sively as provided, as applicable, in—

5 (i) section 8(h) of the Federal Deposit
6 Insurance Act (12 U.S.C. 1818(h)); or

7 (ii) section 206(j) of the Federal
8 Credit Union Act (12 U.S.C. 1786(j)).

9 (C) INJUNCTION.—The primary Federal
10 payment stablecoin regulator may, in the dis-
11 cretion of the regulator, follow the procedures
12 for judicial enforcement of any effective and
13 outstanding notice or order issued under this
14 subsection provided, as applicable, in—

15 (i) section 8(i)(1) of the Federal De-
16 posit Insurance Act (12 U.S.C.
17 1818(i)(1)); or

18 (ii) section 206(k)(1) of the Federal
19 Credit Union Act (12 U.S.C. 1786(k)(1)).

20 (D) TEMPORARY CEASE-AND-DESIST PRO-
21 CEEDINGS.—If the primary Federal payment
22 stablecoin regulator determines that a violation
23 or attempted violation of this Act or an action
24 with respect to which a determination was made
25 under paragraph (1), (2), or (3), or the con-

1 tinuation thereof, is likely to cause insolvency or
2 significant dissipation of assets or earnings of a
3 permitted payment stablecoin issuer, or is likely
4 to weaken the condition of the permitted pay-
5 ment stablecoin issuer or otherwise prejudice
6 the interests of the customers of the permitted
7 payment stablecoin issuer prior to the comple-
8 tion of the proceedings conducted under this
9 paragraph, the primary Federal payment
10 stablecoin regulator may follow the procedures
11 provided, as applicable, in—

12 (i) section 8(c) of the Federal Deposit
13 Insurance Act (12 U.S.C. 1818(c)) to issue
14 a temporary cease-and-desist order; or

15 (ii) section 206(f) of the Federal
16 Credit Union Act (12 U.S.C. 1786(f)) to
17 issue a temporary cease-and-desist order.

18 (5) CIVIL MONEY PENALTIES.—

19 (A) FAILURE TO BE APPROVED.—Any per-
20 son who issues a payment stablecoin and who is
21 not a permitted payment stablecoin issuer, and
22 any institution-affiliated party of such a person
23 who knowingly participates in issuing such a
24 payment stablecoin, shall be liable for a civil
25 penalty of not more than \$100,000 for each day

1 during which such payment stablecoins are out-
2 standing.

3 (B) FIRST TIER.—Except as provided in
4 subparagraph (A), a permitted payment
5 stablecoin issuer or institution-affiliated party
6 of such permitted payment stablecoin issuer
7 that materially violates this Act or any regula-
8 tion or order issued under this Act, or that ma-
9 terially violates any condition imposed in writ-
10 ing by the primary Federal payment stablecoin
11 regulator in connection with a written agree-
12 ment entered into between the permitted pay-
13 ment stablecoin issuer and the primary Federal
14 payment stablecoin regulator, shall be liable for
15 a civil penalty of up to \$100,000 for each day
16 during which the violation continues.

17 (C) SECOND TIER.—Except as provided in
18 subparagraph (A), and in addition to the pen-
19 alties described under subparagraph (B), a per-
20 mitted payment stablecoin issuer or institution-
21 affiliated party of such permitted payment
22 stablecoin issuer who knowingly participates in
23 a violation of any provision of this Act, or any
24 regulation or order issued thereunder, is liable
25 for a civil penalty of up to an additional

1 \$100,000 for each day during which the viola-
2 tion continues.

3 (D) PROCEDURE.—Any penalty imposed
4 under this paragraph may be assessed and col-
5 lected by the primary Federal payment
6 stablecoin regulator pursuant to the procedures
7 set forth, as applicable, in—

8 (i) section 8(i)(2) of the Federal De-
9 posit Insurance Act (12 U.S.C.
10 1818(i)(2)); or

11 (ii) section 206(k)(2) of the Federal
12 Credit Union Act (12 U.S.C. 1786(k)(2)).

13 (E) NOTICE AND ORDERS AFTER SEPARA-
14 TION FROM SERVICE.—The resignation, termi-
15 nation of employment or participation, or sepa-
16 ration of an institution-affiliated party (includ-
17 ing a separation caused by the closing of a per-
18 mitted payment stablecoin issuer) shall not af-
19 fect the jurisdiction and authority of the pri-
20 mary Federal payment stablecoin regulator to
21 issue any notice or order and proceed under
22 this subsection against any such party, if such
23 notice or order is served before the end of the
24 6-year period beginning on the date such party
25 ceased to be an institution-affiliated party with

1 respect to such permitted payment stablecoin
2 issuer.

3 (6) NON-APPLICABILITY TO A STATE QUALI-
4 FIED PAYMENT STABLECOIN ISSUER.—This sub-
5 section shall not apply to a State qualified payment
6 stablecoin issuer, except as described in section 7(e).

7 (c) SHARING OF INFORMATION.—A State payment
8 stablecoin regulator and the primary Federal payment
9 stablecoin regulator shall share information on an ongoing
10 basis with respect to a permitted payment stablecoin
11 issuer that is a subsidiary of a State-chartered insured de-
12 pository institution.

13 **SEC. 7. STATE QUALIFIED PAYMENT STABLECOIN ISSUERS.**

14 (a) IN GENERAL.—With respect to a State, a State
15 payment stablecoin regulator shall have supervisory, ex-
16 amination, and enforcement authority over a State quali-
17 fied payment stablecoin issuer of such State.

18 (b) AUTHORITY TO ENTER INTO AGREEMENTS.—

19 (1) IN GENERAL.—A State payment stablecoin
20 regulator may enter into a memorandum of under-
21 standing with the primary Federal banking agency
22 and Comptroller setting out the manner in which the
23 primary Federal banking agency and Comptroller
24 may participate in the supervision, examination, and

1 enforcement authority with respect to the State
2 qualified payment stablecoin issuers of such State.

3 (2) RULE OF CONSTRUCTION.—Nothing in this
4 subsection or a memorandum entered into under this
5 subsection may be construed to limit the authority
6 of the primary Federal banking agency or Comp-
7 troller under subsection (e) or any other provision of
8 law.

9 (c) SHARING OF INFORMATION.—

10 (1) IN GENERAL.—A State payment stablecoin
11 regulator and, as applicable, the Comptroller, the
12 Board, the Corporation, or the National Credit
13 Union Administration shall share information on an
14 ongoing basis with respect to each State qualified
15 payment stablecoin issuer of such State, including a
16 copy of all initial applications and any accompanying
17 documents.

18 (2) PRIVILEGES NOT AFFECTED BY SHARING
19 OF INFORMATION.—The sharing of information
20 under paragraph (1) shall not be construed as
21 waiving, destroying, or otherwise affecting any privi-
22 lege applicable to such information under Federal or
23 State law as to any person or entity other than the
24 State payment stablecoin regulator, the Comptroller,

1 the Board, the Corporation, and the National Credit
2 Union Administration.

3 (d) RULEMAKING.—A State payment stablecoin regu-
4 lator may, to the same extent as the primary Federal pay-
5 ment stablecoin regulators issue orders and rules under
6 section 4 applicable to a permitted payment stablecoin
7 issuer that is not a State qualified payment stablecoin
8 issuer, issue orders and rules related to the requirements
9 under section 4 applicable to State qualified payment
10 stablecoin issuers.

11 (e) BACK-UP ENFORCEMENT AUTHORITY.—

12 (1) BY THE PRIMARY FEDERAL BANKING AGEN-
13 CY.—

14 (A) IN GENERAL.—Subject to subpara-
15 graph (C), the primary Federal banking agency
16 may, after not less than 48 hours prior written
17 notice to any applicable State payment
18 stablecoin regulator, take an enforcement action
19 against a State qualified payment stablecoin
20 issuer that is a subsidiary of an insured deposi-
21 tory institution or an institution-affiliated party
22 thereof for violations of this Act if—

23 (i) the applicable State payment
24 stablecoin regulator has not commenced an

1 enforcement action to correct such viola-
2 tion; and

3 (ii) failure to take such action would
4 create a material risk of loss to holders of
5 such issuer's stablecoins or create a mate-
6 rial threat to U.S. financial stability.

7 (B) RULEMAKING.—Not later than the end
8 of the 180-day period beginning on the date of
9 enactment of this Act, the primary Federal
10 banking agencies shall issue rules to set forth
11 the standards that would be used by the pri-
12 mary Federal bank agencies to exercise the
13 back-up authority under this paragraph.

14 (C) BACK-UP AUTHORITY UNDER SECTION
15 6(b).—Solely for purposes of carrying out this
16 paragraph, section 6(b) shall apply to a State
17 qualified payment stablecoin issuer that is a
18 subsidiary of an insured depository institution
19 as if the primary Federal banking agency were
20 the primary Federal payment stablecoin regu-
21 lator with respect to the State qualified pay-
22 ment stablecoin issuer.

23 (D) PRIMARY FEDERAL BANKING AGENCY
24 DEFINED.—In this section—

1 (i) the term “primary Federal bank-
2 ing agency” means—

3 (I) the appropriate Federal bank-
4 ing agency; and

5 (II) the National Credit Union
6 Administration, in the case of an in-
7 sured credit union; and

8 (ii) the term “primary Federal bank-
9 ing agencies” means the Board, the Comp-
10 troller, the Corporation, and the National
11 Credit Union Administration.

12 (2) BY THE COMPTROLLER.—

13 (A) IN GENERAL.—Subject to subpara-
14 graph (C), the Comptroller may, after not less
15 than 48 hours prior written notice to any appli-
16 cable State payment stablecoin regulator, take
17 an enforcement action against a State qualified
18 payment stablecoin issuer that is a nonbank en-
19 tity or an institution-affiliated party thereof for
20 violations of this Act if—

21 (i) the applicable State payment
22 stablecoin regulator has not commenced an
23 enforcement action to correct such viola-
24 tion; and

1 (ii) failure to take such action would
2 create a material risk of loss to holders of
3 such issuer's stablecoins or create a mate-
4 rial threat to U.S. financial stability.

5 (B) RULEMAKING.—Not later than the end
6 of the 180-day period beginning on the date of
7 enactment of this Act, the Comptroller shall
8 issue rules to set forth the standards that would
9 be used by the Comptroller to exercise the back-
10 up authority under this paragraph.

11 (C) BACK-UP AUTHORITY UNDER SECTION
12 6(b).—Solely for purposes of carrying out this
13 paragraph, section 6(b) shall apply to a State
14 qualified payment stablecoin issuer that is a
15 nonbank entity as if the Comptroller were the
16 primary Federal payment stablecoin regulator
17 with respect to the State qualified payment
18 stablecoin issuer.

19 (f) GRAMM-LEACH-BLILEY ACT.—For purposes of
20 title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801
21 et seq.) a State qualified payment stablecoin issuer is
22 deemed a financial institution.

23 (g) INTERSTATE PAYMENT STABLECOIN MARKET.—

24 (1) DEFINITIONS.—For the purposes of this
25 subsection—

1 (A) the term “home State” means the
2 State of a State qualified payment stablecoin
3 issuer’s State payment stablecoin regulator; and

4 (B) the term “host State” means a State
5 other than that of the State qualified payment
6 stablecoin issuer’s State payment stablecoin
7 regulator.

8 (2) AUTHORITY TO ISSUE PAYMENT
9 STABLECOINS IN HOST STATES.—Subject to the re-
10 quirements of paragraph (3), a State qualified pay-
11 ment stablecoin issuer may issue payment
12 stablecoins in a host State without a charter or li-
13 cense to issue payment stablecoins from such host
14 State.

15 (3) STATE OBLIGATIONS.—Where a State quali-
16 fied payment stablecoin issuer issues a payment
17 stablecoin in a host State pursuant to paragraph
18 (2)—

19 (A) such State qualified payment
20 stablecoin issuer shall notify any State payment
21 stablecoin regulator in such host State of the
22 issuer’s intention to do business in the host
23 State no less than 30 days before such issuer
24 commences business in the host State and in a
25 manner prescribed by the host State’s State

1 payment stablecoin regulator or State banking
2 regulator if such State does not have a regime
3 certified under section 4(b), provided that such
4 notice does not impose a de facto licensure or
5 chartering requirement on such State qualified
6 payment stablecoin issuer;

7 (B) such State qualified payment
8 stablecoin issuer shall comply with all require-
9 ments of the issuer's home State regulatory re-
10 gime when conducting business in the host
11 State, and where the host State maintains a
12 payment stablecoin regulatory regime that is
13 certified under section 4(b), such issuer shall
14 comply with any obligations of the host State's
15 payment stablecoin regulatory regime that ex-
16 ceed those of such issuer's home State regu-
17 latory regime;

18 (C) where the host State does not maintain
19 a payment stablecoin regulatory regime that is
20 certified under section 4(b), such State quali-
21 fied payment stablecoin issuer shall remain sub-
22 ject to all applicable consumer protection laws
23 of such host State; and

24 (D) where the host State maintains a pay-
25 ment stablecoin regulatory regime that is cer-

1 tified under section 4(b), such State qualified
2 payment stablecoin issuer shall remain subject
3 to applicable consumer protection laws of such
4 host State, but only to the same extent as State
5 qualified payment stablecoin issuers chartered
6 or licensed in that host State.

7 **SEC. 8. CUSTOMER PROTECTION.**

8 (a) IN GENERAL.—A person may only engage in the
9 business of providing custodial or safekeeping services for
10 permitted payment stablecoins, reserves described in sec-
11 tion 4(a)(1)(A), or private keys of permitted payment
12 stablecoins, if the person—

13 (1) is subject to—

14 (A) supervision or regulation by a primary
15 Federal payment stablecoin regulator or a pri-
16 mary financial regulatory agency described
17 under subparagraph (B) or (C) of section 2(12)
18 of the Dodd-Frank Wall Street Reform and
19 Consumer Protection Act (12 U.S.C.
20 5301(12)); or

21 (B) supervision by a State bank super-
22 visor, as defined in section 3 of the Federal De-
23 posit Insurance Act (12 U.S.C. 1813) or a
24 State credit union supervisor, as defined in sec-
25 tion 6003 of the Anti-Money Laundering Act of

1 2020 (31 U.S.C. 5311 note), and such State
2 bank supervisor or State credit union supervisor
3 makes available to the Board such information
4 as the Board determines necessary and relevant
5 to the categories of information under sub-
6 section (d); and

7 (2) complies with the segregation requirements
8 under subsections (b), (c), and (d), unless such per-
9 son complies with similar requirements as required
10 by the Board, the Comptroller, the Corporation, the
11 Securities and Exchange Commission, or the Com-
12 modity Futures Trading Commission, as applicable.

13 (b) CUSTOMER PROPERTY REQUIREMENTS.—A per-
14 son described in subsection (a) shall—

15 (1) treat and deal with the payment stablecoins,
16 private keys, cash, and other property of another
17 person for whom or on whose behalf the person re-
18 ceives, acquires, or holds payment stablecoins, pri-
19 vate keys, cash, and other property (hereinafter in
20 this section referred to as the “customer”) as be-
21 longing to such customer and not as the property of
22 such person; and

23 (2) take such steps as are appropriate to pro-
24 tect the payment stablecoins, private keys, cash, and

1 other property of a customer from the claims of
2 creditors of the person.

3 (c) COMMINGLING PROHIBITED.—

4 (1) IN GENERAL.—Payment stablecoins, cash,
5 and other property of a customer shall be separately
6 accounted for by a person described in subsection
7 (a) and shall not be commingled with the funds of
8 the person.

9 (2) CUSTOMER PRIORITY.—The claims of a cus-
10 tomer with respect to property of the customer shall
11 have priority over the claims of a payment stablecoin
12 issuer or any creditor of a payment stablecoin issuer
13 unless the customer expressly consents otherwise.

14 (3) EXCEPTION.—Notwithstanding paragraph
15 (1)—

16 (A) the payment stablecoins, cash, and
17 other property of a customer may be commin-
18 gled and deposited in an omnibus account hold-
19 ing the payment stablecoins, cash, and other
20 property of more than 1 customer at an insured
21 depository institution or trust company;

22 (B) such share of the payment stablecoins,
23 cash, and other property of the customer that
24 shall be necessary to transfer, adjust, or settle
25 a transaction or transfer of assets may be with-

1 drawn and applied to such purposes, including
2 the payment of commissions, taxes, storage,
3 and other charges lawfully accruing in connec-
4 tion with the provision of services by a person
5 described in subsection (a); and

6 (C) in accordance with such terms and
7 conditions as the Board may prescribe by rule,
8 regulation, or order, any customer payment
9 stablecoin, cash, and other property described
10 in this subsection may be commingled and de-
11 posited in customer accounts with payment
12 stablecoins, cash, and other property received
13 by the person and required by the Board to be
14 separately accounted for, treated, and dealt
15 with as belonging to customers.

16 (d) REGULATORY INFORMATION.—A person de-
17 scribed under subsection (a) shall submit to the primary
18 Federal payment stablecoin regulator (or, if the person
19 does not have a primary Federal payment stablecoin regu-
20 lator, to the Board) information concerning the person's
21 business operations and processes to protect customer
22 payment stablecoins, cash, and other property, in such
23 form and manner as the primary Federal payment
24 stablecoin regulator (or, if the person does not have a pri-

1 mary Federal payment stablecoin regulator, the Board)
2 shall determine.

3 (e) EXCLUSION.—The requirements of this section
4 shall not apply to any person solely on the basis that such
5 person engages in the business of providing hardware or
6 software to facilitate a customer’s own custody or safe-
7 keeping of the customer’s payment stablecoins or private
8 keys.

9 **SEC. 9. RULE OF CONSTRUCTION.**

10 A digital asset shall not be construed to be a payment
11 stablecoin, if it is—

12 (1) redeemable by the issuer exclusively for
13 other digital assets, provided that such digital assets
14 for which it is redeemable are not primarily—

15 (A) payment stablecoins; or

16 (B) representations of permissible reserves
17 described under section 4(a)(1)(A) or similar
18 such assets; or

19 (2) primarily used within a system controlled by
20 such digital asset’s issuer as a means of accessing
21 products, services, or loyalty rewards.

22 **SEC. 10. INTEROPERABILITY STANDARDS.**

23 (a) IN GENERAL.—The primary Federal payment
24 stablecoin regulators, in consultation with the National In-

stitute of Standards and Technology, other relevant standard setting organizations, and State governments—

(1) shall assess compatibility and interoperability standards for permitted payment stablecoin issuers; and

(2) if necessary, may, pursuant to section 553 of title 5 and in a manner consistent with the National Technology Transfer and Advancement Act of 1995 (Public Law 104–113), prescribe standards for payment stablecoin issuers to promote compatibility and interoperability.

(b) AGREEMENTS WITH FOREIGN REGULATORS.—The Secretary of the Treasury shall seek to enter into agreements with foreign jurisdictions with comparable payment stablecoin regulatory regimes to facilitate international transactions and interoperability with any United States dollar-denominated payment stablecoins issued overseas.

SEC. 11. MORATORIUM ON ENDOGENOUSLY COLLATERALIZED STABLECOINS.

(a) MORATORIUM.—During the 2-year period beginning on the date of enactment of this Act, it shall be unlawful to issue an endogenously collateralized stablecoin not in existence on the date of enactment of this Act.

1 (b) ENDOGENOUSLY COLLATERALIZED STABLECOIN
2 DEFINED.—In this section, the term “endogenously
3 collateralized stablecoin” means any digital asset—

4 (1) in which its issuer has represented will be
5 converted, redeemed, or repurchased for a fixed
6 amount of monetary value; and

7 (2) that relies solely on the value of another
8 digital asset created or maintained by the same
9 originator to maintain the fixed price.

10 **SEC. 12. STUDIES AND REPORTS.**

11 (a) STUDY BY TREASURY.—The Secretary of the
12 Treasury, in consultation with the Board, the Comptroller,
13 the Corporation, the National Credit Union Administra-
14 tion, and the Securities and Exchange Commission, shall
15 carry out a study of non-payment stablecoins, including
16 decentralized stablecoins.

17 (b) REPORT.—Not later than 365 days after the date
18 of the enactment of this Act, the Secretary shall provide
19 to the Committee on Financial Services of the House of
20 Representatives and the Committee on Banking, Housing,
21 and Urban Affairs of the Senate a report that contains
22 all findings made in carrying out the study under sub-
23 section (a), including an analysis of—

1 (1) the categories of non-payment stablecoins,
2 including the benefits and risks of technological de-
3 sign features;

4 (2) the participants in non-payment stablecoin
5 arrangements;

6 (3) utilization and potential utilization of non-
7 payment stablecoins;

8 (4) nature of reserve compositions;

9 (5) governance structure, including aspects of
10 decentralization;

11 (6) nature of public promotion and advertising;
12 and

13 (7) clarity and availability of consumer notices
14 disclosures.

15 **SEC. 13. REPORT ON RULEMAKING STATUS.**

16 Not later than 6 months after the date of enactment
17 of this Act, the primary Federal payment stablecoin regu-
18 lators shall provide a status update on the development
19 of the rulemaking under this Act to the Committee on Fi-
20 nancial Services of the House of Representatives and the
21 Committee on Banking, Housing, and Urban Affairs of
22 the Senate.

23 **SEC. 14. AUTHORITY OF BANKING INSTITUTIONS.**

24 (a) **RULE OF CONSTRUCTION.**—Nothing in this Act
25 may be construed to limit the authority of a depository

1 institution, Federal credit union, State credit union, or
2 trust company to engage in activities permissible pursuant
3 to applicable State and Federal law, including—

4 (1) accepting or receiving deposits and issuing
5 digital assets that represent deposits;

6 (2) utilizing a distributed ledger for the books
7 and records of the entity and to affect intrabank
8 transfers; and

9 (3) providing custodial services for payment
10 stablecoins, private keys of payment stablecoins, or
11 reserves backing payment stablecoins.

12 (b) REGULATORY REVIEW.—The primary Federal
13 payment stablecoin regulators shall review all existing reg-
14 ulations and guidance and, if necessary, amend such regu-
15 lations or guidance or issue new regulations or guidance
16 to clarify that regulated entities can engage in the pay-
17 ment stablecoin activities contemplated in, and in accord-
18 ance with, this Act.

19 (c) TREATMENT OF CUSTODY ACTIVITIES.—The ap-
20 propriate Federal banking agency, the National Credit
21 Union Administration (in the case of a credit union), and
22 the Securities and Exchange Commission may not require
23 a depository institution, national bank, Federal credit
24 union, State credit union, or trust company, or any affil-
25 iate thereof (the “entity”)—

1 (1) to include assets held in custody that are
2 not owned by the entity as a liability on the financial
3 statement or balance sheet of the entity, including
4 payment stablecoin custody or safekeeping activities;

5 (2) to hold additional regulatory capital against
6 assets in custody or safekeeping, except as necessary
7 to mitigate against operational risks inherent with
8 the custody or safekeeping services, as determined
9 by—

10 (A) the appropriate Federal banking agen-
11 cy;

12 (B) the National Credit Union Administra-
13 tion (in the case of a credit union);

14 (C) a State bank supervisor (as defined in
15 section 3 of the Federal Deposit Insurance Act
16 (12 U.S.C. 1813)); or

17 (D) a State credit union supervisor (as de-
18 fined in section 6003 of the Anti-Money Laun-
19 dering Act of 2020 (31 U.S.C. 5311 note));

20 (3) to recognize a liability for any obligations
21 related to activities or services performed for digital
22 assets that the entity does not own if that liability
23 would exceed the expense recognized in the income
24 statement as a result of the corresponding obliga-
25 tion.

1 (d) DEPOSITORY INSTITUTION DEFINED.—In this
 2 section, the term “depository institution” has the meaning
 3 given that term in section 3 of the Federal Deposit Insur-
 4 ance Act (12 U.S.C. 1813).

5 **SEC. 15. AMENDMENTS TO CLARIFY THAT PAYMENT**
 6 **STABLECOINS ARE NOT SECURITIES.**

7 (a) INVESTMENT ADVISERS ACT OF 1940.—Section
 8 202(a)(18) of the Investment Advisers Act of 1940 (15
 9 U.S.C. 80b–2(a)(18)) is amended by adding at the end
 10 the following: “The term ‘security’ does not include a pay-
 11 ment stablecoin issued by a permitted payment stablecoin
 12 issuer, as such terms are defined, respectively, in section
 13 2 of the STABLE Act of 2025.”.

14 (b) INVESTMENT COMPANY ACT OF 1940.—The In-
 15 vestment Company Act of 1940 is amended—

16 (1) in section 2(a)(36) (15 U.S.C. 80a–
 17 2(a)(36)), by adding at the end the following: “The
 18 term ‘security’ does not include a payment stablecoin
 19 issued by a permitted payment stablecoin issuer, as
 20 such terms are defined, respectively, in section 2 of
 21 the STABLE Act of 2025.”; and

22 (2) in section 3(c) (15 U.S.C. 80a–3(c)), by
 23 adding at the end the following:

1 “(15) Any permitted payment stablecoin issuer,
2 as such term is defined in section 2 of the STABLE
3 Act of 2025.”.

4 (c) SECURITIES ACT OF 1933.—Section 2(a)(1) of
5 the Securities Act of 1933 (15 U.S.C. 77b(a)(1)) is
6 amended by adding at the end the following: “The term
7 ‘security’ does not include a payment stablecoin issued by
8 a permitted payment stablecoin issuer, as such terms are
9 defined, respectively, in section 2 of the STABLE Act of
10 2025.”.

11 (d) SECURITIES EXCHANGE ACT OF 1934.—Section
12 3(a)(10) of the Securities Exchange Act of 1934 (15
13 U.S.C. 78c(a)(10)) is amended by adding at the end the
14 following: “The term ‘security’ does not include a payment
15 stablecoin issued by a permitted payment stablecoin
16 issuer, as such terms are defined, respectively, in section
17 2 of the STABLE Act of 2025.”.

18 (e) SECURITIES INVESTOR PROTECTION ACT OF
19 1970.—Section 16(14) of the Securities Investor Protec-
20 tion Act of 1970 (15 U.S.C. 78lll(14)) is amended by add-
21 ing at the end the following: “The term ‘security’ does
22 not include a payment stablecoin issued by a permitted
23 payment stablecoin issuer, as such terms are defined, re-
24 spectively, in section 2 of the STABLE Act of 2025.”.

○