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Chairman Travis Hill
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, D.C. 20429

Re: Notice of Proposed Rulemaking on Permitted Payment Stablecoin Issuer Anti-Money Laundering/Countering the Financing of Terrorism Program and Sanctions Compliance Risk Management, 91 Fed. Reg. 34171 (June 5, 2026); RIN 3064-AG29

Dear Chairman Hill:

The American Bankers Association (ABA)[1] welcomes the opportunity to comment on the notice of proposed rulemaking (NPRM) issued by the Federal Deposit Insurance Corporation on June 5, 2026.[2] The proposed rule, intended to implement FDIC's anti-financial crime obligations for permitted payment stablecoin issuers (PPSIs) pursuant to the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act),[3] would add additional requirements to FDIC's previous notice of proposed rulemaking of April 10, 2026[4]. This rule would effectively require FDIC-regulated PPSIs to comply with the anti-illicit finance program requirements in the NPRM promulgated jointly by Treasury's Office of Foreign Assets Control (OFAC) and its Financial Crimes Enforcement Network (FinCEN) in their notice of proposed rulemaking of April 10, 2026[5].

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[1] The American Bankers Association is the voice of the nation's $26.1 trillion banking industry, which is composed of small, regional and large banks that together employ over 2 million people, safeguard $20.5 trillion in deposits and extend $13.7 trillion in loans.
[2] Notice of Proposed Rulemaking on Permitted Payment Stablecoin Issuer Anti-Money Laundering/Countering the Financing of Terrorism Program and Sanctions Compliance Risk Management, 91 Fed. Reg. 34171 (June 5, 2026); https://www.federalregister.gov/documents/2026/06/05/2026-11342/bank-secrecy-act-and-sanctions-compliance-standards-for-fdic-supervised-permitted-payment-stablecoin.
[3] Guiding and Establishing National Innovation for U.S. Stablecoins Act, Pub. L. 119-27 (July 18, 2025); https://www.govinfo.gov/app/details/PLAW-119publ27.
[4] GENIUS Act Requirements and Standards for FDIC-Supervised Permitted Payment Stablecoin Issuers and Insured Depository Institutions, 91 Fed. Reg. 18534 (April 10, 2026); https://www.federalregister.gov/documents/2026/04/10/2026-06974/genius-act-requirements-and-standards-for-fdic-supervised-permitted-payment-stablecoin-issuers-and.
[5] Permitted Payment Stablecoin Issuer Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) Program and Sanctions Compliance Program Requirements, 91 Fed. Reg. 18582 (Apr. 10, 2026);

ABA supports FDIC's sensible approach to burden reduction and regulatory consistency —namely requiring compliance by PPSIs with the regulations jointly promulgated by FinCEN and OFAC as fully satisfying FDIC's requirement to issue regulations implementing "BSA and sanctions compliance standards" pursuant to the GENIUS Act, provided ABA's recommendations to amend the proposal are adopted. We incorporate and adopt by reference ABA's comment letter to FinCEN and OFAC responding to their joint proposal.[6] The Office of the Comptroller of the Currency (OCC) took the same common-sense approach, adopting FinCEN and OFAC's NPRM to meeting this GENIUS Act requirement in its separate proposal of June 24.[7] Just as ABA supported OCC's approach,[8] we commend FDIC's approach to ensure regulatory consistency and the development of a uniform standard.

ABA supports the responsible development of payment stablecoin markets on terms that are safe, sound, and compliant with U.S. law. Our member banks are central to the payment stablecoin ecosystem—including as custodians of PPSI reserve assets and PPSI affiliates. The ABA has a significant interest in ensuring that the regulatory framework established by the GENIUS Act is clear, workable, and appropriately calibrated, and that the rules designed to protect the U.S. financial system and U.S. national security are appropriately tailored, but broadly applicable across payment forms and types of financial institutions.

FinCEN and OFAC's NPRM appropriately treats PPSIs as financial institutions for BSA purposes, seeks to align PPSI compliance obligations with those applicable to other regulated entities where the underlying risks are comparable, and recognizes the unique technical architecture of stablecoin issuance. However, we requested FinCEN and OFAC address the following issues in the final rule.

First, we recommend that they adopt an examination framework under which all three categories of PPSIs—subsidiaries of insured depository institutions, federal qualified payment stablecoin issuers, and state qualified payment stablecoin issuers—are not only subject to equivalent BSA regulation, but examined for AML/CFT and sanctions compliance by the same federal banking agencies, ensuring equivalent compliance obligations across PPSIs and with existing regulated financial institutions. Equivalent regulation cannot exist without equivalent examination. Second, FinCEN should apply the "deemed compliance" logic to PPSI subsidiaries of insured depository institutions, allowing them to rely on their parent bank's enterprise-wide AML/CFT program, provided it accounts for the unique requirements this rule places on PPSIs. Third, the final rule should expressly confirm, for the avoidance of doubt, that it imposes obligations solely on PPSIs, and does not reach reserve custodian banks or other financial institutions providing services to PPSIs. Finally, FinCEN and OFAC should define key terms—including "block," "freeze," "burn," "reject," "seize," and

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https://www.federalregister.gov/documents/2026/04/10/2026-06963/permitted-payment-stablecoin-issuer-anti-money-launderingcountering-the-financing-of-terrorism.

[6] ABA Letter to FinCEN and OFAC on GENIUS Act Implementation NPRM (June 9, 2026); https://www.aba.com/advocacy/policy-analysis/letter-to-fincen-and-ofac-on-genius-act-implementation-nprm.

[7] Notice of Proposed Rulemaking on Permitted Payment Stablecoin Issuer Anti-Money Laundering/Countering the Financing of Terrorism Program and Sanctions Compliance Risk Management, 91 Fed. Reg. 37840 (June 24, 2026); https://www.federalregister.gov/documents/2026/06/24/2026-12692/permitted-payment-stablecoin-issuer-anti-money-launderingcountering-the-financing-of-terrorism-and.

[8] ABA Letter to OCC on GENIUS Act Implementation NPRM (July 24, 2026); https://www.aba.com/advocacy/policy-analysis/letter-to-the-occ-on-ppsi.

"account"—used in the preamble and the technical capabilities requirements of proposed 31 C.F.R. § 1033.240, to promote consistency and legal certainty in compliance and enforcement.

In summary, ABA supports the responsible development of payment stablecoin markets on terms that are safe, sound, and compliant with U.S. law. Our member banks are central to the payment stablecoin ecosystem—including as custodians of PPSI reserve assets and PPSI affiliates. The ABA has a significant interest in ensuring that the regulatory framework established by the GENIUS Act is clear, workable, and appropriately calibrated, and that the rules designed to protect the U.S. financial system and U.S. national security are appropriately tailored, but broadly applicable across payment forms and types of financial institutions. ABA supports FDIC's and OCC's adoption of FinCEN and OFAC's proposed regulatory framework for PPSIs to satisfy their respective obligations to implement BSA and sanctions compliance standards under the GENIUS Act, provided ABA's recommendations are adopted by FinCEN and OFAC. We believe this uniform standard will lead to a clear, workable, and effective regulatory framework for PPSIs under the GENIUS Act.

ABA and its members stand ready to participate in any additional consultative processes on these issues. If you have any questions, please contact Heather Trew at htrew@aba.com. We appreciate the opportunity to comment and look forward to continued engagement.

Sincerely,

Heather Trew
SVP & Counsel (Illicit Finance)
American Bankers Association