Via Electronic Submission

July 29, 2026

Ms. Rachel Miller
Executive Secretary
Department of the Treasury
ATTN: Office of the General Counsel
1500 Pennsylvania Avenue NW
Washington, DC 20220

The Honorable Michelle W. Bowman
Vice Chair for Supervision
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

The Honorable Travis Hill
Chairman
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

The Honorable Jonathan V. Gould
Comptroller of the Currency
Office of the Comptroller of the Currency
400 7th Street SW
Washington, DC 20219

The Honorable Kyle S. Hauptman
Chairman
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

RE: Recommendations for Strong Procedural Rules Governing the Stablecoin Certification Review Committee Under the GENIUS Act

Dear Ms. Miller, Vice Chair Bowman, Chairman Hill, Comptroller Gould, and Chairman Hauptman:

The undersigned trade associations (the "Associations")[1] write to share their views on the procedures that should govern the Stablecoin Certification Review Committee (the "SCRC" or "Committee") as it begins to exercise its responsibilities under the Guiding and Establishing National Innovation for U.S. Stablecoins Act (the "GENIUS Act" or "Act"). We urge the SCRC

[1] Please see Appendix A for a description of the Associations.

and its member agencies to adopt strong, transparent procedural rules before the Committee begins making determinations that will shape the payment stablecoin market for years to come.

The SCRC sits at the center of three of the Act's most consequential gatekeeping decisions. First, it determines whether a state's regulatory regime is substantially similar to the Federal framework, and thus whether issuers in that state may operate under state rather than Federal regulation.[2] Second, the Secretary of the Treasury may make a comparability determination that permits foreign issuers to operate in the United States only upon a recommendation from each other SCRC member.[3] Third, the SCRC decides whether a public or foreign company that is "not predominantly engaged" in financial activities may issue a payment stablecoin in the U.S. at all.[4] In all contexts, the Act is nearly silent on how the Committee will reach and document its decisions. The Associations urge the SCRC to close that gap with robust procedural rules.

The terms of competition, the choice of supervisor, and the conditions of market entry all flow from the SCRC's determinations and approval authority. The process behind that authority is substance, not housekeeping. Weak or opaque procedures risk inconsistent determinations, an inadequate administrative record, and—most consequentially for the banking industry—a payment stablecoin issuer held to a lower effective standard than the one applied to banks under direct Federal supervision. Strong, durable procedures guard against each of these outcomes. They make the Committee's expectations clear and its determinations predictable for applicants and the broader industry alike, and, by grounding certification and approval in stable, articulable standards, they protect applicants and the parties who rely on their payment stablecoins from the shifting priorities of successive administrations.

This letter accordingly recommends that the SCRC adopt procedural rules governing all of its determinations before it acts, and sets out what those rules should require.

a. The SCRC must adopt procedural rules, consistent with the statutory obligations governing agency conduct, before it acts on any submission.

The substantive standards governing the SCRC's decisions are beginning to take shape. The Treasury's NPRM sets out the criteria for evaluating whether a state regime is substantially similar.[5] The Act also directs an interpretive rule on issuance by non-financial public and foreign companies,[6] as well as rules governing determinations of foreign regime comparability.[7] But no rule of any kind addresses how the SCRC itself operates. There are no rules governing how a

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[2] 12 U.S.C. 5903(c)(4).
[3] 12 U.S.C. 5916(b)(1).
[4] 12 U.S.C. § 5903(a)(12)(B)(i).
[5] *See GENIUS Act Broad-Based Principles for Determining Whether a State-Level Regulatory Regime Is Substantially Similar to the Federal Regulatory Framework*, 91 Fed. Reg. 16,844 (Dep't of the Treasury Apr. 3, 2026) (to be codified at 12 C.F.R. pts. 1520, 1521); available at https://www.federalregister.gov/documents/2026/04/03/2026-06489/genius-act-broad-based-principles-for-determining-whether-a-state-level-regulatory-regime-is.
[6] The GENIUS Act directs the SCRC, not later than one year after enactment, to issue an interpretive rule clarifying the application of the prohibition on payment stablecoin issuance by non-financial public companies. 12 U.S.C. § 5903(a)(12)(D).
[7] The GENIUS Act directs the Secretary of the Treasury to issue rules governing determinations of whether a foreign country maintains a regulatory and supervisory regime comparable to the requirements established under this Act. 12 U.S.C. 5916(b)(6).

matter is submitted to the Committee, what documentation is required, or what happens if the Committee does not act.

That gap matters because the GENIUS Act vests the SCRC with substantial, independent authority over market access. A body that exercises binding federal authority of this kind must operate consistent with the legal frameworks that govern similar agency determinations, including the Administrative Procedure Act (APA), Freedom of Information Act, Government in the Sunshine Act, and Paperwork Reduction Act. And even if the SCRC were treated as nothing more than the joint action of its three constituent members, each of those agencies is independently bound by such obligations; channeling their authority through an interagency committee should not place the SCRC determination process beyond the reach of the laws that would otherwise govern it.

Given this gap, a dedicated procedural rulemaking, developed in coordination with SCRC members, must address at minimum:

- confirmation that the SCRC will administer determinations and related processes consistent with the statutory frameworks that govern agency conduct[8];
- a standardized process for each category of SCRC determination, with defined documentation requirements and determination standards;
- defined timelines for intake and review;
- a notice and comment period for all SCRC determinations, providing states, foreign regimes, applicants, supervised entities, and other stakeholders a meaningful opportunity to be heard before a determination is made;
- a requirement that all SCRC determinations be published with a statement of reasons and made part of an administrative record;
- explicit voting and recusal rules; and
- clarification that SCRC determinations constitute final agency action subject to APA arbitrary-and-capricious review.

The Associations recommend that Treasury initiate this procedural rulemaking in coordination with SCRC member agencies before the SCRC begins exercising any of its determination

[8] This includes: (1) the Freedom of Information Act, so that certification submissions, determinations, and the records underlying them are subject to public access consistent with applicable exemptions; (2) the Government in the Sunshine Act, so that the deliberations and votes of the SCRC proceed with appropriate transparency; (3) the Federal Records Act, so that the SCRC creates and preserves a complete record of its determinations and the basis for them; (4) the Paperwork Reduction Act, so that certification forms and related information collections proceed through OMB review and public comment rather than unilateral prescription; and (5) federal conflict-of-interest and ethics laws, so that members and staff participating in determinations that allocate market access among competing issuers are subject to applicable financial-conflict, recusal, and disclosure standards.

responsibilities, and that the implementation date of any substantive framework be tied to the finalization of that procedural rule.[9]

b. The final rule should require the SCRC to formally consult with the OCC and NCUA before making any state or foreign regime determination.

The SCRC's membership creates a structural anomaly that a procedural rule must address. The Committee is composed of the Secretary of the Treasury, the Chair of the Federal Reserve Board (or the Vice Chair for Supervision, if so delegated), and the Chair of the FDIC.[10] Yet for purposes of evaluating state and foreign regulatory regimes, the "Federal regulatory framework" against which the regimes are measured is defined significantly by OCC regulations—and the OCC has no seat on the Committee.[11] The NCUA, the primary Federal supervisor of the credit union subsidiaries authorized to issue payment stablecoins, is likewise absent, despite a supervisory interest in any regime under which those issuers would operate and against which they would compete.[12]

The Associations recognize that the SCRC's composition is fixed by statute and cannot be altered by regulation. A state or foreign regime determination can therefore be granted or denied without any formal input from the OCC or NCUA. Nothing in the statute, however, precludes the SCRC from building a mandatory OCC and NCUA consultation requirement into the state and foreign regime determination process through this rulemaking. Treasury has broad authority under the GENIUS Act to issue regulations necessary to carry out the Act, and structuring the SCRC's process to draw on OCC and NCUA expertise before a determination is made is squarely within that authority.[13]

Accordingly, before issuing any state or foreign regime determination the SCRC should solicit and consider written assessments from the OCC and NCUA. The assessments should be limited to matters within each agency’s expertise and may be part of the administrative record, but should not be binding or create a separate approval right.

c. The SCRC must establish procedural rules for evaluating state and foreign regimes that account for an evolving federal regulatory baseline.

The GENIUS Act's state regime certification framework rests on a federal regulatory foundation that is neither currently final nor fixed. The same is true of the future framework governing foreign regime comparability determinations. The SCRC's approval process is subject to this instability in both contexts. Several scenarios illustrate the problem: a certified state whose regime no longer satisfies Part 1521 following an amendment to the federal framework;[14] a

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[9] The implementation date should likewise be tied to the effective date of the OCC's stablecoin rulemaking, which substantially defines the Federal framework against which substantial similarity is measured. Until that rule is final and in effect, the SCRC would be certifying state regimes against an incomplete Federal benchmark.
[10] 12 U.S.C. § 5901(27).
[11] *See* 91 Fed. Reg. 16,844, 16,846 (Apr. 3, 2026); proposed § 1521.1(c)(ii).
[12] 12 U.S.C. § 5901(25).
[13] 12 U.S.C. § 5913(a).
[14] The Treasury's proposed part 1521 regulations set forth the broad-based principles for determining whether a state-level regulatory regime is substantially similar to the Federal regulatory framework. *See* 91 Fed. Reg. 16,844.

foreign regime that no longer satisfies the comparability standard following a relevant legal amendment; an issuer operating under a state or foreign regime that loses certification and has no clear path forward; and a state or foreign regime whose certification is under SCRC review when the federal framework shifts mid-process. The Associations respectfully urge the SCRC to address these issues in a procedural rule. States and foreign jurisdictions that invest significant resources in building certifiable regimes, and issuers that begin operations in reliance on these SCRC determinations, cannot absorb open-ended regulatory uncertainty about whether a determination remains valid.

The procedural rule should consider the following provisions: (1) establishing a grace period following any relevant legal amendment which existing state and foreign regime determinations remain valid and affected issuers may continue to operate; (2) specifying the process and timeline for recertification where required, including whether a full resubmission is necessary or a targeted supplement will suffice; (3) addressing the event of a state's or foreign country's failure to obtain or maintain certification or comparability status, and which fails to timely cure the identified defects; (4) providing that pending state and foreign applications are evaluated against the version of the law in effect at the time of submission; and (5) committing the Treasury to publishing advance notice of amendments to the regulations governing the state and foreign regime determinations with a public comment period, rather than adjusting the framework unilaterally.

Further, the procedural rule should require the Secretary of the Treasury to periodically review existing foreign comparability determinations, whether on an event-driven basis or at some other defined interval (e.g., every three years).

d. The SCRC should ensure that approvals of non-financial company payment stablecoin issuance remain appropriate over time.

The GENIUS Act prohibits any public company not predominantly engaged in financial activities, and any comparable foreign company, from issuing a payment stablecoin—directly or through wholly or majority owned subsidiaries or affiliates—unless the SCRC unanimously approves.[15] The Act directs the SCRC to issue an interpretive rule clarifying the scope of these prohibitions. The Associations submitted detailed comments on the substantive scope of these prohibitions in response to Treasury's GENIUS Act Implementation ANPRM, and we reaffirm and incorporate those views here.[16]

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[15] 12 U.S.C. § 5903(a)(12).

[16] *See* BPI, The Clearing House, ABA, CBA, and Financial Services Forum, Comment on GENIUS Act Implementation, Docket No. TREAS-DO-2025-0037 (Nov. 4, 2025), https://www.regulations.gov/comment/TREAS-DO-2025-0037-0294. In brief, we continue to urge that the interpretive rule: (1) read "wholly or majority owned subsidiaries or affiliates" to reach issuance through any wholly or majority owned subsidiary or through any affiliate, applying the affiliate definition in the Bank Holding Company Act and the Federal Reserve's Regulation Y, so that the prohibition cannot be evaded through joint ventures or contractual control arrangements; (2) define "predominantly engaged in financial activities" consistent with the 85 percent threshold Congress established for that same term in the Dodd-Frank Act and the Bank Holding Company Act; (3) apply the foreign-company prohibition to issuance through subsidiaries and affiliates as well, so that foreign issuers are not treated more permissively than their domestic counterparts; and (4) impose an appropriately high bar

Beyond the scope of the prohibition, a procedural rule should also address the durability of any non-financial company approval the SCRC grants. Any such approval should have a limited duration and be subject to periodic reconfirmation. Requiring that any approval be reconfirmed on a periodic basis (e.g., at least every three years) would provide a mechanism to ensure that any initially granted approval remains appropriate over time. The potential risks that payment stablecoin issuance by a non-financial public or foreign company may pose may change over time. For example, these risks depend on the specific activities in which the company engages, including in both its non-financial and payment stablecoin-related activities. Periodic review and reconfirmation of any approval would ensure that the risk-related findings that justified the approval in the first place continue to apply. To ensure these deadlines carry practical effect, the procedural rule should establish a monitoring mechanism and provide that a non-financial company approval automatically expires if it is not affirmatively reconfirmed before the end of its term, placing the burden on the issuer to seek timely reconfirmation. The rule should further specify the consequence of a lapse, including that a company whose approval has expired may not continue issuing payment stablecoins until reconfirmation is granted.

Conclusion

The Associations appreciate the agencies' consideration of these recommendations. Adopting strong procedural rules before the certification and approval processes go live will protect the integrity of the framework Congress established and the confidence of all who rely on it. We would welcome the opportunity to discuss these recommendations further. Please contact Kaye Lynch-Sparks, Senior Director of Innovation Policy, via email at klynch-sparks@aba.com or by phone at (202) 663-7593 with any questions.

Respectfully submitted,

American Bankers Association
Bank Policy Institute
Consumer Bankers Association
Independent Community Bankers of America

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for SCRC approval, requiring a non-financial company to demonstrate, with clear and convincing evidence, that its stablecoin activities will not result in material risk to the U.S. banking or financial system or the Deposit Insurance Fund.

Appendix A

American Bankers Association: 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.

The Bank Policy Institute: The Bank Policy Institute is a nonpartisan public policy, research and advocacy group that represents universal banks, regional banks, and the major foreign banks doing business in the United States. The Institute produces academic research and analysis on regulatory and monetary policy topics, analyzes and comments on proposed regulations, and represents the financial services industry with respect to cybersecurity, fraud, and other information security issues.

Consumer Bankers Association: The Consumer Bankers Association is a member-driven trade association, and the only national financial trade group focused exclusively on retail banking—banking services geared toward consumers and small businesses. As the recognized voice on retail banking issues, CBA provides leadership, education, research, and federal representation for its members. CBA members operate in all 50 states. They include the nation's largest bank holding companies as well as regional and super-community banks. The overwhelming majority of CBA's members are financial institutions holding more than $10 billion in assets.

Independent Community Bankers of America: The Independent Community Bankers of America® has one mission: to create and promote an environment where community banks flourish. We power the potential of the nation's community banks through effective advocacy, education, and innovation. As local and trusted sources of credit, America's community banks leverage their relationship-based business model and innovative offerings to channel deposits into the neighborhoods they serve, creating jobs, fostering economic prosperity, and fueling their customers' financial goals and dreams. For more information, visit ICBA's website at www.icba.org.