



September 28, 2026

U.S. Department of the Treasury
 Attention: Office of the General Counsel
 1500 Pennsylvania Ave, NW
 Washington, DC 20220

Re: *GENIUS Act Broad-Based Principles for Determining Whether a State-Level Regulatory Regime Is Substantially Similar to the Federal Regulatory Framework*

The Conference of State Bank Supervisors (“CSBS”)¹ appreciates the opportunity to comment on the Department of the Treasury’s proposed principles for determining whether a state-level regulatory regime is substantially similar to the federal regulatory framework.² The proposal would establish what a state regulator must attest when it certifies to the Stablecoin Certification Review Committee (“SCRC”) that a state regime is substantially similar to the federal framework.

The state pathway in the GENIUS Act reflects clear Congressional intent to preserve and adapt the dual banking system’s cooperative federalism principles to the regulation of payment stablecoin issuers. This intent recognizes that, from their inception, U.S. dollar-denominated stablecoin markets have developed and grown under the regulation and supervision of states. State regulators have more direct experience overseeing stablecoin issuers than any other U.S. financial services regulator. Congress recognized states’ foundational role in this market. Thus, the GENIUS Act incorporated many state-developed regulatory approaches and preserved a state regulatory pathway.

The GENIUS Act’s state pathway is structured around a federal floor that also permits states to do what they do best: foster innovation by tailoring regulations to differing local needs and market opportunities. The process for a state to establish its own regime for regulating state-qualified issuers reflects the broad discretion contemplated for states. Congress directed Treasury to establish principles for determining substantial similarity of a state regime with the federal framework. These principles can address any part of the GENIUS Act and incorporate its implementation by the federal regulators. But the statute’s use of the term “similarity” – not uniformity, consistency, or another term implying closer alignment – reflects the Congressional expectation that states may and will make choices that vary from the way that federal regulators implement the GENIUS Act.

The way Treasury implements these principles is critically important. The principles will give effect to Congress’s intent to respect the discretion of states. States that wish to regulate state-qualified issuers are charged to review and certify that their regimes are substantially similar to the federal framework.

¹ CSBS is the nationwide organization of state banking and financial regulators from all 50 states, the District of Columbia, and the U.S. territories.

² Department of the Treasury, Notice of Proposed Rulemaking, [GENIUS Act Broad-Based Principles for Determining Whether a State-Level Regulatory Regime Is Substantially Similar to the Federal Regulatory Framework](#), 91 Fed. Reg. 16844 (Apr. 3, 2026).



The statute does not require a federal review of whether a state regime is substantially similar to the federal framework. Instead, the mandated federal review is much more narrow: the SCRC must approve the state's certification if it meets or exceeds the standards and requirements of GENIUS Act Section 4(a). The decision to leave the assessment of substantial similarity to the states and the much narrower backstop review to the SCRC reflect the coequal authority of the states to regulate state-qualified issuers with broad discretion in how they implement the GENIUS Act.

In many respects, Treasury's proposed principles recognize the value that both a uniform federal floor and locally tailored regulatory approaches can provide. In several critical areas, however, they improperly privilege the Office of the Comptroller of the Currency's ("OCC") stablecoin framework over the judgment and discretion of the states.³

If finalized in their current form, the proposed principles would swing stablecoin regulation in the United States toward a one-size-fits-all federal framework, threatening innovation in emerging stablecoin markets. In particular, the principles should not rely on any one federal regulator's stablecoin regulations, nor should they mandate uniformity with federal stablecoin standards beyond what is expressly directed to under the GENIUS Act. CSBS encourages Treasury to recalibrate the proposed principles to ensure states can continue to foster innovation, as long as they maintain the minimum standards and requirements set by the GENIUS Act.

I. Treasury's principles rightly recognize the value of permitting a variety of state pathways.

The proposal contains a baseline recognition of the role of states, though one that requires some recalibration to fully implement the wide discretion afforded to states by the GENIUS Act. Most importantly, proposed Section 1521.6 appropriately recognizes that states may impose additional restrictions or requirements on issuers where the restrictions or requirements do not conflict with the GENIUS Act.

Other principles reflect recommendations from CSBS's reply to Treasury's GENIUS Act Advance Notice of Proposed Rulemaking, which encouraged Treasury to implement the flexibility for state pathways inherent in the GENIUS Act.⁴

The proposal recognizes that, when assessing if a state's capacity to supervise and enforce its requirements is substantially similar to the federal framework, the key consideration should be that the state has the legal and supervisory authority to enforce its regime.⁵ This focus on authority leaves the specific procedural and staffing decisions about how to exercise that authority to the discretion of the states.

³ To a lesser degree, the proposed rules also elevate standards to be promulgated by the OCC over those of the Federal Deposit Insurance Corporation ("FDIC") and the Federal Reserve Board ("FRB"), to the detriment of appropriate state discretion.

⁴ See Conference of Bank Supervisors, [Comment Re: GENIUS Act Implementation](#) (Nov. 4, 2025).

⁵ See Treasury, *supra* note 2 (proposed Section 1521.5(c)).



Similarly, Proposed Section 1521.1 takes an appropriately flexible approach in concluding that a state can implement its regulatory regime via legislation, regulation, or enforceable guidance. As CSBS previously noted, “Flexibility for states to choose their own pathway for implementation is both sensible, given the variations in existing state law authorities, and imperative, given the tight timeline for states to submit an initial certification.”⁶ This recognition is especially important given the uncertainty surrounding the meaning of GENIUS Act 4(c)(4)(A)’s statement that a state regulator shall submit a certification “not later than 1 year after the effective date” of the GENIUS Act.⁷

Ideally, Treasury will clarify in its final principles how it will ensure that state regulation of issuers will not be thwarted if a state is not prepared to seek certification one year after the effective date. The statutory text does not contain any requirement for the SCRC to reject certifications that come in late nor an explicit prohibition on states implementing their own regimes after that date. Treasury should not read such a requirement into the statute.

II. Treasury should maintain the distinction between “substantially similar to the federal regulatory framework” and the SCRC’s approval criteria for state certification.

Treasury should ensure that the statutory distinctions between “substantial similarity” and “meets or exceeds” are properly applied in the context of reviewing state-level regulatory frameworks. The proposal recognizes that these standards and their applicability are distinct.⁸ It should apply those distinctions correctly in laying out the boundaries of the SCRC’s approval process.

- a. The SCRC may only deny a state certification if it fails to meet or exceed the standards and requirements of Section 4(a) of the GENIUS Act.*

GENIUS requires the states to certify that their regimes are “substantially similar to the Federal regulatory framework” but authorizes the SCRC to deny certification only if the state regime does not “meet or exceed” the standards of Section 4(a). Treasury and the SCRC must give effect to the Congressional decision to use different language in these two contexts and not conflate them. The SCRC must approve a state certification if the state-level regime meets or exceeds the statutory provisions of Section 4(a). A denial on any unrelated grounds, including other principles for determining substantial similarity, would not satisfy GENIUS Act requirements.

In this proposal, Treasury is fulfilling its GENIUS Act responsibility to promulgate principles for states to use in certifying substantial similarity. Along with directing Treasury to establish principles for substantial similarity, the GENIUS Act directs state regulators to review their own state regimes according to the principles and, when seeking approval from the SCRC, to certify that their state’s regime meets the criteria for substantial similarity. The GENIUS Act does not include any federal evaluation of state compliance with the principles. Rather, it commits that analysis to the states as coequal implementers of the GENIUS Act.

⁶ See, CSBS *supra* note 3.

⁷ *Id.*

⁸ See Treasury *supra* note 2 at 16848.



Federal review occurs after a state submits its certification of substantial similarity to the SCRC. The GENIUS Act establishes the standard for the SCRC’s review. The SCRC must approve a certification if the state regime meets or exceeds the standards and requirements in Section 4(a) of the GENIUS Act.⁹ If the SCRC denies the certification, it must provide a reasoned basis for the denial that will allow the state to make changes necessary to meet or exceed the standards and requirements described in Section 4(a).¹⁰

It is within Treasury’s authority to propose, as part of its principles for substantial similarity, that a state regime should meet or exceed the federal framework’s implementation of Section 4(a). But Treasury does not have authority to expand the SCRC’s review criteria to include additional elements of the federal framework beyond those articulated in Section 4(a).¹¹

Congress was clear: if a state regime meets or exceeds the statutory provisions of Section 4(a), the SCRC cannot deny the state’s certification for failure to meet the federal framework. If it had been Congress’s intent to require state regimes to meet all the requirements of the federal framework where the federal framework exceeded the requirements of Section 4(a), it could have included the term “federal regulatory framework” somewhere in the criteria for the SCRC’s certification review. It did not.

Section 7(d) of the GENIUS Act further supports limiting the SCRC’s review to the requirements of the statute, not the broader federal framework. That section puts states on an equal interpretive footing with the federal regulators. It permits states to issue rules applicable to state issuers under Section 4 of the GENIUS Act to the same extent as federal stablecoin regulators issue rules with respect to other issuers.¹² The statute does not direct states to follow or defer to the OCC or any other federal payment stablecoin regulator. Adopting the federal framework as the basis for SCRC review of state regimes would deny effect to Section 7 by privileging federal regulator rules over state regulator discretion.

b. The principle for state custody requirements should only apply to issuers.

Treasury should consider limiting the principle in proposed Section 1521.5(d) to only apply to state stablecoin issuers. The proposed rule is based on Section 10 of the GENIUS Act, which governs custody, not issuance of stablecoins. Treasury has the discretion to define a state-level regime as applying to more than issuance. However, states that do not seek SCRC certification will still have the authority to regulate stablecoin custody and the responsibility to supervise their regulated entities for compliance. Conversely, states do not need to have any eligible non-issuer custodians within their jurisdiction, as banks and out-of-state custodians can serve that purpose. Limiting the applicability of Section 1521.5(d) to state laws governing stablecoin issuers, who may also custody stablecoins, reserves, and private keys, better aligns the proposed rule with the goals of the certification and review process.

III. The principles for substantial similarity may not limit the ability of a state to exceed the standards and requirements laid out in Section 4(a) of the GENIUS Act.

⁹ 12 U.S.C. 5903(c)(5)(A)(i).

¹⁰ 12 U.S.C. 5903(c)(5)(A)(ii).

¹¹ See Treasury *supra* note 2 at 16849.

¹² 12 U.S.C. § 5906(d).



Treasury should clarify that the proposal's classification of some statutory provisions as "uniform requirements" is not intended to prevent states from exceeding the federal regulatory framework for those provisions. Proposed Section 1521.3 would require state regimes to be consistent with uniform requirements in all substantive respects. As drafted, this requirement could be read to mean that states may not exceed those requirements. The statute does not support imposing such a limit on state regimes, and Treasury's reasoning justifying the principle does not actually address the possibility of a state exceeding a uniform requirement. Treasury should clarify that such a limit was not the intent of the uniform requirement provision and that states may exceed the requirements of all parts of GENIUS Act Section 4(a).

- a. Treasury may not adopt a principle for substantial similarity that prevents states from exceeding the standards or requirements of Section 4(a).*

A principle requiring states to follow uniform requirements that they could not exceed would inappropriately narrow the statutory discretion the GENIUS Act grants to states. Section 4(c) expressly requires the SCRC to approve a state-level regime if it meets or exceeds the requirements of Section 4(a). Section 4(c) gives the SCRC no discretion to deny states that exceed Section 4(a). It draws no distinction between the different parts of Section 4(a) and never states that some principles must be implemented by states identically to the federal framework. While Treasury has discretion to define principles beyond the SCRC's approval criteria, that discretion does not stretch to defining principles that thwart the plain language and intent of the statutory text. Treasury should clarify that it is not seeking to impose a principle that limits the statutory authority of states to exceed the standards and requirements of Section 4(a).

- b. Treasury has not provided any justification for why states exceeding the federal regulatory framework could create an unworkable national regime.*

Treasury explains that the principles establish uniform requirements, which incorporate the federal agencies' regulatory standards and requirements implementing certain provisions of Section 4(a), because permitting states to interpret those Section 4(a) requirements differently purportedly risks creating an "unworkable" national regime.¹³ However, the proposal provides no analysis explaining how a state regime setting requirements that exceed the uniform requirements, though clearly authorized by Section 4(c), would lead to an unworkable regime. The lack of analysis suggests that Treasury may not have intended to limit the ability of states to exceed the federal regulatory framework. Treasury should clearly affirm as much in its final principles.

Indeed, the examples proffered to justify uniform requirements only address cases where a state's regime does not rise to the level of the federal framework.¹⁴ The proposal does not discuss or analyze a case where a state exceeds the federal framework. For instance, there is no discussion of issues raised by a state setting more stringent reserve asset requirements (*e.g.*, by requiring 1.01 dollars of reserves for every outstanding dollar of issuance) or rehypothecation requirements (*e.g.*, by imposing additional

¹³ See Treasury *supra* note 2 at 16849.

¹⁴ See *id.* at 16851-52.



notice or prudential requirements for issuers' rehypothecating reserves for permissible purposes). If Treasury had intended to prevent states from exceeding what it identifies as uniform requirements, commenters would be unable to adequately assess Treasury's reasoning in this area.

Clarity is urgently necessary as states are currently seeking to implement regimes that meet GENIUS Act requirements. Georgia has enacted legislation that is the basis for its state-level regulatory regime.¹⁵ The law requires audits of all issuers, regardless of outstanding issuance value.¹⁶ In contrast, the OCC's implementation of the audit requirement of Section 4(a)(10) only requires audits of issuers with \$50B or more in outstanding issuance value. The proposed principles would treat this provision as a uniform requirement requiring consistency with the federal framework.

Without clarification, Georgia's audit requirement could prevent the Georgia Department of Banking and Finance from certifying its state regime as substantially similar. Yet the proposal includes no discussion of why Treasury concluded the audit requirement should be a uniform requirement, or how a state requiring audits of issuers with less than \$50 billion in outstanding issuance would create an unworkable national standard. Commenters cannot provide informed input on whether Treasury's analysis is reasonable, because there is no analysis. Moreover, it does not address how this requirement that clearly exceeds Section 4(a) is somehow inconsistent with the clear authority of states embodied in Section 4(c) to exceed the GENIUS Act baseline.

Again, Treasury should clarify in its final principles that it does not intend to prevent states from exceeding the federal regulatory framework implementing Section 4(a). Such a requirement would be contrary to the statute and, as such, cannot be justified.

IV. Treasury should use the federal framework as a safe harbor for provisions where the statutory floor may be ambiguous.

The principles should treat the federal framework as a safe harbor and guidance for implementation of provisions where there is discretion or policy judgment involved in determining whether a regime meets or exceeds the standards of Section 4(a). This safe harbor approach would allow states to rely on the federal framework when assessing substantial similarity and the SCRC to refer to that framework when determining whether a state regime meets or exceeds the Section 4(a) requirements, without unduly limiting the discretion of states to innovate and meet local needs. The principles should also incorporate the frameworks adopted by all the federal regulators, not just the OCC. Treating the body of federal agencies' regulatory standards and requirements as a safe harbor would insulate the stablecoin market from an imprudent discretionary regulatory choice by any one regulator.

- a. Using the federal framework as a safe harbor enables a greater variety of business models and insulates the stablecoin market from an imprudent discretionary policy decision by any one regulator.*

¹⁵ See Ga. Gen Assembly, [HB1272](#) (2025-2026).

¹⁶ *Id.* (adding Ga. Code Ann. § 7-11-26).



Certain provisions of Section 4(a) leave significant room for regulators to exercise policy discretion.¹⁷ In these instances, the federal agencies' regulatory standards and requirements would serve as helpful guideposts to states. Otherwise, states may risk implementing these general standards in a manner the SCRC subsequently determines does not meet or exceed Section 4(a) requirements. In these limited cases, the federal framework is an appropriate reference, but it should not be a strict limit on state innovation or regulatory discretion.

A safe harbor approach strikes the more appropriate balance. The principles already take this approach to implementing reserve asset diversification requirements.¹⁸ If the OCC adopts quantitative thresholds for reserve asset diversification, the principles would allow states to either adopt those thresholds or choose a different approach that requires issuers to maintain sufficiently diverse assets. States that choose to adopt the OCC's reserve asset diversification requirements would have certainty regarding SCRC approval, while still preserving their flexibility to make other policy judgments. Using the federal framework as a safe harbor for other provisions of Section 4(a) will allow states certainty where they desire it, while leaving space for them to exercise the rulemaking discretion granted to federal and state regulators equally by Section 7(a).

Under a safe harbor approach, states would be able to develop GENIUS Act compliant regimes that serve a specific niche of the stablecoin market. For instance, the OCC may select quantitative reserve asset diversification thresholds that best suit the types of issuers it expects to supervise. Those thresholds may turn out to be unappealing or unworkable for some issuer business models. A state could adopt a different regime that better serves the goals of those issuers, while still implementing reserve asset diversification requirements that meet or exceed the requirements of Section 4(a).

This broader flexibility also encourages innovation in stablecoin markets. Indeed, the OCC's own proposal considers a range of options for implementing various provisions of Section 4(a), fully recognizing that its rule will be finalized under imperfect information gathered in a rapidly emerging and changing market. The OCC, or any other federal or state payment stablecoin regulator, may adopt a requirement that appears appropriate based on existing information, but turns out to be improperly calibrated. Requiring states to align their own separate regimes with potentially overly stringent requirements that exceed the requirements of Section 4(a) risks stifling development of the stablecoin market. It may also limit states' ability to update their requirements nimbly if the market adjusts in a way that renders existing OCC requirements too stringent in the future.

Treasury's final principles should take a similar approach for all provisions of Section 4(a) that require policy judgment to implement. Other provisions, roughly corresponding to Treasury's uniform provisions, do not require a safe harbor approach, as the Section 4(a) provisions establish the applicable floor. For these uniform provisions, the federal rules already match the GENIUS Act requirements and there is no need for further reference to the federal framework. But for provisions where both federal and state regulators must exercise discretion to determine what meets the statutory requirements, treating the

¹⁷ Provisions that leave policy discretion to an implementing regulator include, but are not limited to, 4(a)(1)(A)(vii), 4(a)(1)(B)(ii), 4(a)(3)(B), 4(a)(4), 4(a)(7)(A)(v), 4(A)(7)(B), 4(A)(9), and 4(A)(11).

¹⁸ See Treasury *supra* note 2 at 16865 (proposed § 1521.4(f)).



federal framework as a safe harbor will best foster a variety of regulatory approaches and enable a more robust stablecoin market. Where states depart from the federal framework, the SCRC can fulfill the function for which it was created and assess whether that choice meets or exceeds the standards and requirements of Section 4(a).

b. The federal regulatory framework should be based on frameworks adopted by any federal stablecoin regulator.

Regardless of whether it adopts a safe harbor approach, Treasury should also amend the final principles to allow states to refer to the frameworks adopted by any federal regulator, not only the OCC. Any implementation of the GENIUS Act by the FDIC, FRB, or NCUA, should meet or exceed the requirements of Section 4(a) in the same way the OCC's implementation would. By statute, the SCRC could not reject a state regime that follows the FDIC or FRB merely because it did not align with the OCC's rules. Treasury should not use the principles for substantial similarity to foreclose these legitimate state options.

Using any federal regulator's framework is the best statutory interpretation of "federal regulatory framework" in Section 4(c). Outside of Section 4(c), the GENIUS Act always qualifies "federal regulatory framework" by referencing a specific federal regulator. For instance, in Section 4(d)(2), a state-qualified nonbank issuer who transitions to federal oversight must transition to "the Federal regulatory framework...administered by...the Comptroller." Not mentioning a specific framework in 4(c) demonstrates Congressional intent to allow "federal regulatory framework" to be interpreted more broadly than the framework of a single federal regulator.

Allowing states to use any federal regulator's framework also better tailors the principles to match the variety of state implementation options. Multiple states currently charter uninsured depository institutions that could be the legal vehicle for state-qualified stablecoin issuance.¹⁹ Others may follow. It may make more sense for those states to align their regimes with the FRB or FDIC frameworks, which could be more tailored to their preferred issuer type. Aligning state regimes with the FRB's or FDIC's regulatory standards and requirements would also ease transition to federal oversight for depository institution issuers and make the decision to waive the transition requirement easier to analyze and grant.

V. Treasury should clarify that changes to the federal regulatory framework are not grounds for the SCRC to deny recertification.

If Treasury does treat elements of the OCC's framework as creating a binding floor or ceiling that state regimes must match, it should clarify that the SCRC cannot reject a state's annual recertification simply because the OCC has amended its implementing rules or certain interpretations or guidance.²⁰

¹⁹ See, e.g., Wyo. Stat. Ann. § 13-12-103 (creating special purpose depository institutions authorized to engage in all non-lending bank activities) and Wyo. Admin. R. § 19-4(o) (authorizing banks to issue stablecoins).

²⁰ Guidance or interpretations published in the Federal Register would be considered part of the "Federal regulatory framework" under the proposed principles. Moreover, Treasury leaves open the door to expanding the scope of agency issuances that could be deemed part of the binding "Federal regulatory framework." See Treasury *supra* note 2 at 16847.



States are required to recertify with the SCRC annually, confirming that their frameworks remain substantially similar to the federal regulatory framework. Under the proposed principles, if the OCC imposes a new, more stringent requirement on issuers, certified states could potentially fail to meet the criteria for substantial similarity. Were the OCC to publish interpretive guidance in the Federal Register, states could cease to be substantially similar with only days' notice. The GENIUS Act went to significant and considered lengths to preserve state stablecoin regulatory authority. It most certainly did not contemplate state authority being quickly supplanted or dramatically discarded through a federal agency's interpretive letter. Such an outcome would defy Congressional intent and could undermine regulatory certainty for state qualified issuers relying on the state framework, restricting growth and innovation in stablecoin markets.

Such a chaotic and unintended result demonstrates why Treasury should revise the principles to clarify that states may exceed the federal framework and to treat the federal framework as a safe harbor. But if the final principles retain the proposed approach, Treasury should clarify that a change in the OCC's rules, interpretations, or guidance will not be treated as a "significant change in circumstances" under Section 4(c)(5)(B)(1). This clarification is critical to prevent the SCRC from denying an annual recertification of a state's stablecoin regime. There may be significant changes in circumstances that lead both the OCC and states to update their regulatory regimes, but the mere fact of an OCC change, perhaps caused by a change in political leadership, should not disrupt state regulation or the broader stablecoin market.

VI. Treasury correctly interpreted Section 16(a) of the GENIUS Act and should align the OCC's interpretation of that provision with its own.

If Treasury is concerned about regulations creating an unworkable nationwide regime, it should not restrict its review to state regimes. The OCC's proposed implementation of Section 16(a) of the GENIUS Act incorrectly contradicts Treasury's interpretation. Treasury interprets this provision to allow states to permit applicable issuers to engage in the three specific activities it discusses: tokenizing deposits, using a distributed ledger for recordkeeping, and providing custodial services for stablecoins and reserves.²¹ All three are either explicitly permitted by the GENIUS Act or directly support explicitly permitted activities.

The OCC, by contrast, implements Section 16(a) via a rule of construction that would permit national trust charters that issue stablecoins to also engage in the operations of a trust company and any related activities approved by the OCC.²² Section 4(a)(7) of the GENIUS Act simply does not permit this broader set of activities. The OCC has already failed to define the scope of permissible nonfiduciary trust activities in its recent rulemaking on National Bank Chartering.²³ Now, the OCC proposes to create a regulatory framework where a stablecoin issuer can potentially engage in a broad range of risky financial

²¹ Proposed Section 1521.4(h).

²² OCC, Final Rule, [Implementing the GENIUS Act](#), 91 Fed. Reg. 10202, 10288 (March 2, 2026) (Proposed Section 15.10(c)).

²³ OCC, Final Rule, [National Bank Chartering](#), 91 Fed. Reg. 9977 (Mar. 2, 2026); *see also* CSBS, Comment Letter re: [OCC National Bank Chartering](#) (Feb. 23, 2026).



activities, while subject to capital and liquidity requirements intended for a much narrower business model.

As discussed in the CSBS and MTRA joint comment on the OCC's implementation proposal, the OCC's proposed interpretation is incompatible with the text and structure of the GENIUS Act.²⁴ It would create unacceptable and un contemplated risks for the stablecoin market in a way that would make a nationwide regulatory regime unworkable. Beyond these financial stability and consumer protection risks, it would also provide a competitive advantage to national trust charters over other types of issuers, both state and federal — an advantage that Congress did not authorize and, in fact, specifically precluded.

Treasury's interpretation of Section 16(a) reflects a more reasonable approach consistent with the clear GENIUS Act limits designed to protect reserve assets and financial stability. The FDIC proposed a slightly different reading of how Section 16(a) affects the activities in which issuers can engage, but it takes a similarly restrained approach to Treasury.²⁵

Treasury should work with the federal banking regulators to implement a consistent reading of Section 16(a) that gives proper effect to the GENIUS Act's limitations on issuer activities. Failing to do so risks creating an unworkable national framework where OCC issuers can exceed the GENIUS Act's activity limitations, while other classes of issuers cannot.

Conclusion

CSBS encourages Treasury to recalibrate its principles in a way that will allow states to foster innovation in stablecoin markets while still maintaining the high regulatory standards imposed by the GENIUS Act. Updating the principles to reflect the recommendations in this letter will allow states to continue to exercise the expertise they have developed in their years of regulating digital assets, including stablecoins. CSBS looks forward to continued engagement with Treasury on these principles and other parts of implementing the GENIUS Act.

Sincerely,

Brandon Milhorn
President and CEO

²⁴ See CSBS, Comment Letter re: [OCC Implementing the GENIUS Act](#) (May 1, 2026).

²⁵ See Federal Deposit Insurance Corporation, *GENIUS Act Requirements and Standards for FDIC-Supervised Permitted Payment Stablecoin Issuers and Insured Depository Institutions*, 91 Fed. Reg. 18534 (Apr. 10, 2026).