# Banking and Finance Law Daily Wrap Up, FINANCIAL TECHNOLOGY—FDIC proposes AML, sanctions standards for supervised stablecoin issuers, (May 26, 2026)

Banking and Finance Law Daily Wrap Up

By Shashi Kant, BALLB, LLM

The proposed rule would require FDIC-supervised payment stablecoin issuers to comply with applicable Bank Secrecy Act, sanctions, reporting, and customer-identification rules.

The Federal Deposit Insurance Corporation (FDIC) Board has approved a proposed rule that would set Bank Secrecy Act and sanctions compliance standards for permitted payment stablecoin issuers supervised by the agency under the GENIUS Act. The proposal would require those issuers to comply with applicable anti-money-laundering and countering the financing of terrorism (AML/CFT) requirements, economic sanctions rules, reporting obligations, and customer-identification standards, while also establishing a supervisory and enforcement framework for AML/CFT program deficiencies. The proposal applies to permitted payment stablecoin issuers that are subsidiaries of insured state nonmember banks and state savings associations approved by the FDIC to issue payment stablecoins. The FDIC said it serves as the primary federal payment stablecoin regulator for those entities under the statute.

**Stablecoin issuers tied to existing AML and sanctions rules.** The FDIC said the rule would require supervised issuers to comply with applicable regulations in Treasury's Bank Secrecy Act and sanctions framework, including AML/CFT program requirements, sanctions compliance obligations, and related reporting rules. The agency also said the proposal would cover any customer-identification requirements adopted through a separate joint rulemaking involving FinCEN and the primary federal payment stablecoin regulators. In the agency's view, the proposal implements the GENIUS Act's requirement that regulators establish operational, compliance, and technology-risk standards tailored to the business model and risk profile of permitted payment stablecoin issuers.

**Enforcement framework for AML/CFT deficiencies.** In addition to applying existing compliance obligations, the proposal would add a new supervisory framework for AML/CFT programs at FDIC-supervised issuers. The FDIC said the rule would define key terms, explain how the agency would address AML/CFT program deficiencies, and establish a consultation process with FinCEN for enforcement matters and significant supervisory actions. The agency's staff memorandum said those provisions are intended to work alongside the FDIC's existing authorities under the GENIUS Act, section 8 of the Federal Deposit Insurance Act, and other applicable laws. The FDIC also said the proposed framework is designed to align with FinCEN requirements.

**Builds on broader FDIC stablecoin rulemaking.** The FDIC said the measure supplements its April 2026 proposed rule establishing a wider prudential framework for FDIC-supervised permitted payment stablecoin issuers. That earlier proposal addressed issues such as reserve assets, redemption, capital, and risk management. The new proposal focuses more specifically on illicit-finance controls and sanctions compliance. In its press release, the FDIC said the proposal is intended to implement the GENIUS Act's compliance requirements for FDIC-supervised issuers while supporting responsible growth in the use of digital assets and related technologies in banking. The staff memorandum similarly said the standards are meant to clarify supervisory expectations and help combat illicit-finance risks.

**Scope, comment period.** The FDIC said the proposal would require supervised payment stablecoin issuers to comply with applicable AML/CFT, sanctions, and reporting rules and would establish related supervision and enforcement provisions for issuer AML/CFT programs. The agency said comments will be accepted for 60 days after publication in the *Federal Register*. The staff memorandum noted that it remains unclear how many FDIC-supervised

© 2026 CCH Incorporated and its affiliates and licensors. All rights reserved.

stablecoin issuers may ultimately fall within the rule's scope, because the broader approval and prudential framework for such issuers is still being developed. Even so, the proposal marks another step in the FDIC's implementation of the GENIUS Act, this time focusing on AML, sanctions, and related compliance controls.

RegulatoryActivity: BankingOperations BankSecrecyAct DepositInsurance FinancialStability FinTech

https://prod.resource.cch.com/resource/scion/document/default/blw018bf7426135f44291a226e5f0905800ff?cfu=Legal&cpid=WKUS-Legal-Cheetah&uAppCtx=cheetah

© 2026 CCH Incorporated and its affiliates and licensors. All rights reserved.