

Banking and Finance Law Daily Wrap Up, FINANCIAL TECHNOLOGY **—House members introduce payment stablecoin, digital asset support measures, (Feb. 7, 2025)**

Banking and Finance Law Daily Wrap Up

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By Jeff Williams

The STABLE Act would give the Office of the Comptroller the authority to approve and supervise federally qualified nonbank payment stablecoin issuers.

On the heels earlier this week of the introduction of legislation and the formation launch of a bicameral working group on digital assets, House Financial Services Committee Chairman French Hill (R-Ariz.) and Rep. Bryan Steil (R-Wis.), Chairman of the Digital Assets, Financial Technology, and Artificial Intelligence Subcommittee, have [released](#) a discussion draft of legislation that would establish a framework to enable the issuance and operation of a “dollar-denominated” payment stablecoins in the U.S.

In addition, Steil and House Commodity Markets, Digital Assets, and Rural Development Chairman Dusty Johnson (R-S.D.) introduced a [resolution](#) to express support for the blockchain technology and digital assets.

The [discussion draft](#) of the Stablecoin Transparency and Accountability for a Better Ledger Economy (STABLE) Act of 2025 was designed to “provide clarity for payment stablecoins and ensure a federal and state path for stablecoin issuers,” Hill said in a press release, adding that he and Steil “look forward to receiving feedback from the public and working in tandem with the Trump Administration and our colleagues in the House and Senate to make sure we get this right and deliver a dollar-backed stablecoin for the American people.”

Implementing a “clear” regulatory structure for payment stablecoins would “support continued innovation, bolster the U.S. dollar’s position as the world’s reserve currency, and protect consumers and investors,” Steil said in the [release](#).

The discussion draft “builds upon” the Clarity for Payment Stablecoin Act of 2023 introduced by former House Financial Services Committee Chairman Patrick McHenry (R-N.C.), with the “key difference” that under the discussion draft the Office of the Comptroller of the Currency would have the authority to approve and supervise federally qualified nonbank payment stablecoin issuers, the release said. The Clarity for Payment Stablecoin Act included a “federal pathway” at the Federal Reserve for payment stablecoin issuers.

Among other provisions, the draft legislation would make it unlawful for any person other than a permitted payment stablecoin issuer to issue a stablecoin for use by any person in the U.S. and require such issuers to maintain U.S. coins and currency, Treasury bills, and other qualified reserves backing their outstanding payment stablecoins on at least a 1-to-1 basis.

The bill would also require various monthly certifications and monitoring by payment stablecoin issuers and enable the OCC or state regulators to issue capital, liquidity, and risk management requirements. The measure would also allow for state-qualified payment stablecoin issuers, provided the state-level regulatory regime meets the requirements established for federal-qualified issuers.

The STABLECOIN Act and the Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act, introduced earlier this week by Senate Finance Committee Chairman Tim Scott (R-S.C.) and others (see [Banking and Finance Law Daily](#), Feb. 5, 2025), “represent an effort among Republicans to provide the robust protections and transparency consumers expect, provide for federal and state pathways for stablecoin issuance, and secure the United States as the leader in digital finance.”

The resolution Steil and Johnson introduced would state that the sense of the House is that the U.S. should seek to “prioritize understanding the potential opportunities of the next generation of the internet;” “foster advances in technology to improve our financial system and create more fair and equitable access to financial services for everyday Americans;” and “support the development of digital assets and the underlying technology in the United States or risk the shifting of the development of such assets and technology outside of the United States, to less regulated countries.”

The resolution also calls for the U.S. to “strive to be a global leader in the development and adoption of digital assets and blockchain technology” and for Congress to “enact a functional framework tailored to the specific risks of different digital asset-related activities and unique benefits of distributed ledger technology, distributed networks, and decentralized systems.” It also states that “consumers and market participants will benefit from a framework for digital assets consistent with longstanding investor protections in securities and commodities markets, yet tailored to the unique benefits and risks of the digital asset ecosystem.”

LegislativeActivity: BankingOperations BankSecrecyAct Blockchain DepositInsurance FinancialStability FinTech