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The authoritative text is the United States Statutes at Large.**

One Hundred Nineteenth Congress, Session I
Public Law 119-27 — 139 Stat. 419 (S. 1582)
July 18, 2025

AN ACT *To provide for the regulation of payment stablecoins, and for other purposes.*

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Guiding and Establishing National Innovation for U.S. Stablecoins Act" or the "GENIUS Act".

SEC. 2. DEFINITIONS.

In this Act:

(1) APPROPRIATE FEDERAL BANKING AGENCY.—The term "appropriate Federal banking agency" has the meaning given that term in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(2) BANK SECRECY ACT.—The term "Bank Secrecy Act" means—

(A) section 21 of the Federal Deposit Insurance Act (12 U.S.C. 1829b);

(B) chapter 2 of title I of Public Law 91-508 (12 U.S.C. 1951 et seq.); and

(C) subchapter II of chapter 53 of title 31, United States Code.

(3) BOARD.—The term "Board" means the Board of Governors of the Federal Reserve System.

(4) COMPTROLLER.—The term "Comptroller" means the Office of the Comptroller of the Currency.

(5) CORPORATION.—The term "Corporation" means the Federal Deposit Insurance Corporation.

(6) DIGITAL ASSET.—The term "digital asset" means any digital representation of value that is recorded on a cryptographically secured distributed ledger.

(7) DIGITAL ASSET SERVICE PROVIDER.—The term "digital asset service provider"—

(A) means a person that, for compensation or profit, engages in the business in the United States (including on behalf of customers or users in the United States) of—

(i) exchanging digital assets for monetary value;

(ii) exchanging digital assets for other digital assets;

(iii) transferring digital assets to a third party;

(iv) acting as a digital asset custodian; or

(v) participating in financial services relating to digital asset issuance; and

[139 Stat. 420–456 omitted (37 pages)]

over the claims of any person other than the claims of another customer with respect to payment stablecoins held by such person described in subsection (a), unless the customer expressly consents to the priority of such other claim.

(d) REGULATORY INFORMATION.—A person described under subsection (a) shall submit to the applicable primary Federal payment stablecoin regulator information concerning the person's business operations and processes to protect customer assets, in such form and manner as the primary regulator shall determine.

(e) EXCLUSION.—The requirements of this section shall not apply to any person solely on the basis that such person engages in the business of providing hardware or software to facilitate a customer's own custody or safekeeping of the customer's payment stablecoins or private keys.

SEC. 11. TREATMENT OF PAYMENT STABLECOIN ISSUERS IN INSOLVENCY PROCEEDINGS.

(a) IN GENERAL.—Subject to section 507(e) of title 11, United States Code, as added by subsection (d), in any insolvency proceeding of a permitted payment stablecoin issuer under Federal or State law, including any proceeding under that title and any insolvency proceeding administered by a State payment stablecoin regulator with respect to a permitted payment stablecoin issuer—

(1) the claim of a person holding payment stablecoins issued by the permitted payment stablecoin issuer shall have priority, on a ratable basis with the claims of other persons holding such payment stablecoins, over the claims of the permitted payment stablecoin issuer and any other holder of claims against the permitted payment stablecoin issuer, with respect to required payment stablecoin reserves;

(2) notwithstanding any other provision of law, including the definition of "claim" under section 101(5) of title 11, United States Code, any person holding a payment stablecoin issued by the permitted payment stablecoin issuer shall be deemed to hold a claim; and

(3) the priority under paragraph (1) shall not apply to claims other than those arising directly from the holding of payment stablecoins.

(b) DEFINITIONS.—Section 101 of title 11, United States Code, is amended by adding after paragraph (40B) the following:

"(40C) The terms 'payment stablecoin' and 'permitted payment stablecoin issuer' have the meanings given those terms in section 2 of the GENIUS Act.".

(c) AUTOMATIC STAY.—Section 362 of title 11, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (7), by striking "and";

(B) in paragraph (8), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(9) the redemption of payment stablecoins issued by the permitted payment stablecoin issuer, from payment stablecoin reserves required to be maintained under section 4 of the GENIUS Act."; and

(2) in subsection (d)—

(A) in paragraph (3)(B)(ii), by striking "or" at the end;

(B) in paragraph (4)(B), by striking the period at the end and inserting "; or"; and

(C) by inserting after paragraph (4) the following:

"(5) with respect to the redemption of payment stablecoins held by a person, if the court finds, subject to the motion and attestation of the permitted payment

stablecoin issuer, which shall be filed on the petition date or as soon as practicable thereafter, there are payment stablecoin reserves available for distribution on a ratable basis to similarly situated payment stablecoin holders, provided that the court shall use best efforts to enter a final order to begin distributions under this paragraph not later than 14 days after the date of the required hearing.".

(d) PRIORITY IN BANKRUPTCY PROCEEDINGS.—Section 507 of title 11, United States Code, is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking "The following" and inserting "Subject to subsection (e), the following"; and

(2) by adding at the end the following:

"(e) Notwithstanding subsection (a), if a payment stablecoin holder is not able to redeem all outstanding payment stablecoin claims from required payment stablecoin reserves maintained by the permitted payment stablecoin issuer, any such remaining claim arising from a person's holding of a payment stablecoin issued by the permitted payment stablecoin issuer shall be a claim against the estate and shall have first priority over any other claim, including over any expenses and claims that have priority under that subsection, to the extent compliance with section 4 of the GENIUS Act would have required additional reserves to be maintained by the permitted payment stablecoin issuer for payment stablecoin holders.".

(e) PAYMENT STABLECOIN RESERVES.—Section 541(b) of title 11, United States Code, is amended—

(1) in paragraph (9), in the matter following subparagraph (B), by striking "or" at the end;

(2) in paragraph (10)(C), by striking the period and inserting "; or"; and

(3) by inserting after paragraph (10) the following:

"(11) required payment stablecoin reserves under section 4 of the GENIUS Act, provided that notwithstanding the exclusion of such reserves from the property of the estate, section 362 of this title shall apply to such reserves.".

(f) INTERVENTION.—Section 1109 of title 11, United States Code, is amended by adding at the end the following:

"(c) The Comptroller of the Currency or State payment stablecoin regulator (as defined in section 2 of the GENIUS Act) shall raise, and shall appear and be heard on, any issue, including the protection of customers, in a case under this chapter in which the debtor is a permitted payment stablecoin issuer.".

(g) APPLICATION OF EXISTING INSOLVENCY LAW.—In accordance with otherwise applicable law, an insolvency proceeding with respect to a permitted payment stablecoin issuer shall occur as follows:

(1) A depository institution (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)) shall be resolved by the Federal Deposit Insurance Corporation, National Credit Union Administration, or State payment stablecoin regulator, as applicable.

(2) A subsidiary of a depository institution (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)) or a nonbank entity may be considered a debtor under title 11, United States Code.

(h) STUDY BY PRIMARY FEDERAL PAYMENT STABLECOIN REGULATORS.—

(1) STUDY REQUIRED.—The primary Federal payment stablecoin regulators shall perform a study of the potential insolvency proceedings of permitted payment stablecoin issuers, including an examination of—

(A) existing gaps in the bankruptcy laws and rules for permitted payment stablecoin issuers;

(B) the ability of payment stablecoin holders to be paid out in full in the event a permitted payment stablecoin issuer is insolvent; and

(C) the utility of orderly insolvency administration regimes and whether any additional authorities are needed to implement such regimes.

(2) REPORT.—Not later than 3 years after the date of enactment of this Act, the primary Federal payment stablecoin regulators shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report that contains all findings of the study under paragraph (1), including any legislative recommendations.

SEC. 12. INTEROPERABILITY STANDARDS.

The primary Federal payment stablecoin regulators, in consultation with the National Institute of Standards and Technology, other relevant standard-setting organizations, and State bank and credit union regulators, shall assess and, if necessary, may, pursuant to section 553 of title 5, United States Code, and in a manner consistent with the National Technology Transfer and Advancement Act of 1995 (Public Law 104-113), prescribe standards for permitted payment stablecoin issuers to promote compatibility and interoperability with—

(1) other permitted payment stablecoin issuers; and

(2) the broader digital finance ecosystem, including accepted communications protocols and blockchains, permissioned or public.

SEC. 13. RULEMAKING.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, each primary Federal payment stablecoin regulator, the Secretary of the Treasury, and each State payment stablecoin regulator shall promulgate regulations to carry out this Act through appropriate notice and comment rulemaking.

(b) COORDINATION.—Federal payment stablecoin regulators, the Secretary of the Treasury, and State payment stablecoin regulators should coordinate, as appropriate, on the issuance of any regulations to implement this Act.

(c) REPORT REQUIRED.—Not later than 180 days after the effective date of this Act, each Federal banking agency shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House

[139 Stat. 460–465 omitted (6 pages)]

(d) RECIPROCITY.—

(1) IN GENERAL.—The Secretary of the Treasury may create and implement reciprocal arrangements or other bilateral agreements between the United States and jurisdictions with payment stablecoin regulatory regimes that are comparable to the requirements established under this Act. The Secretary of the Treasury shall consider whether the jurisdiction's requirements for payment stablecoin issuers include

(A) similar requirements to those under section 4(a);

(B) adequate anti-money laundering and counter-financing of terrorism program and sanction compliance standards; and

(C) adequate supervisory and enforcement capacity to facilitate international transactions and interoperability with United States dollar-denominated payment stablecoins issued overseas.

(2) PUBLICATION.—Not later than 90 days prior to the entry into force of any arrangement or agreement under paragraph (1), the Secretary of the Treasury shall publish the arrangement or agreement in the Federal Register.

(3) COMPLETION.—The Secretary of the Treasury should complete the arrangements under this subsection not later than the date that is 2 years after the date of enactment of this Act.

SEC. 19. DISCLOSURE RELATING TO PAYMENT STABLECOINS.

Section 13104(a)(3) of title 5, United States Code, is amended, in the first sentence, by striking ", or any deposits" and inserting ", any payment stablecoins issued by a permitted payment stablecoin issuer aggregating $5,000 or less held, or any deposits".

SEC. 20. EFFECTIVE DATE.

This Act, and the amendments made by this Act, shall take effect on the earlier of

(1) the date that is 18 months after the date of enactment of this Act; or

(2) the date that is 120 days after the date on which the primary Federal payment stablecoin regulators issue any final regulations implementing this Act.

APPROVED July 18, 2025.