



May 1, 2026

Via *regulations.gov*

Chief Counsel's Office
Attention: Comment Processing
Office of the Comptroller of the Currency
400 7th Street SW, Suite 1E-216
Washington, DC 20219

Re: Notice of Proposed Rulemaking on Implementing the Guiding and Establishing National Innovation for U.S. Stablecoins Act for the Issuance of Stablecoins (Docket ID OCC-2025-0372)

Dear Sir or Madam:

Solana Policy Institute and DeFi Education Fund appreciate the opportunity to submit this response to the Office of the Comptroller of the Currency's ("OCC") Notice of Proposed Rulemaking requesting comment on questions relating to the implementation of the Guiding and Establishing National Innovation for U.S. Stablecoins Act (the "GENIUS Act" or "the Act") and the issuance of payment stablecoins subject to the OCC's jurisdiction (the "Proposed Rulemaking").¹

Solana Policy Institute ("SPI") is a U.S.-based nonpartisan nonprofit focused on educating policymakers on how decentralized networks like Solana are the future of the digital economy and why the people building on them need legal certainty.

DeFi Education Fund ("DEF") is a U.S.-based nonpartisan nonprofit that advocates for sound policy for decentralized finance ("DeFi"), educates lawmakers about the technical workings and benefits of DeFi, and protects the rights of DeFi developers and users.

The GENIUS Act represents a historic milestone in the development of a federal framework governing payment stablecoins, and we appreciate the OCC's commitment to implementing the Act in a manner that respects statutory intent, promotes regulatory clarity, preserves innovation, and supports the continued role of the U.S. dollar in digital markets.² Our comments below are organized thematically rather than question-by-question so that the OCC can more easily identify the common principles that, in our view, should inform the final rule. Where helpful, each section identifies the specific questions in the Proposed Rulemaking to which it responds.

¹ Implementing the Guiding and Establishing National Innovation for U.S. Stablecoins Act for the Issuance of Stablecoins by Entities Subject to the Jurisdiction of the Office of the Comptroller of the Currency, 91 Fed. Reg. 10,202 (Mar. 2, 2026).

² See President's Working Group on Digital Asset Markets, *Strengthening American Leadership in Digital Financial Technology* (2025) at 88.

In our view, a coherent and durable implementation of the GENIUS Act should rest on three pillars:

- **Control as the defining regulatory principle.** Regulatory obligations should attach to persons that have unilateral control over user assets or issuance-related financial flows. Persons that create or provide neutral software, connectivity, validation, or other technical infrastructure—and that cannot direct, block, or move customer assets—should not be swept within the regulatory perimeter merely because regulated activity occurs on or through that infrastructure.
- **Function and principle over form.** Definitions and operational requirements should be framed in functional, technology-neutral terms so that the rule accommodates future methods of custody, interoperability, validation, and transaction execution without repeated amendment. Specific technical implementations should not be entrenched in regulation.³
- **Alignment with the statutory text and existing guidance.** The OCC’s definitions and interpretations should be consistent with the plain language of the GENIUS Act, the statutory exclusions, congressional intent, and related federal guidance (including the Financial Crimes Enforcement Network’s (FinCEN) 2019 Guidance on Convertible Virtual Currencies⁴) to minimize fragmentation across regulatory regimes and to reduce legal uncertainty for regulated entities.

With these principles in mind, SPI and DEF respectfully submit the following comments.

I. *The statutory term “Digital Asset Service Provider” is sufficiently clear.*

The OCC should not clarify the definition of “digital asset service provider” (“DASP”) found in the GENIUS Act because doing so is unnecessary: the statutory definition is sufficiently clear and the Proposed Rulemaking does not substantively address DASP-related issues (Question 7). The Act defines a DASP as “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

³ For example, in our view and in response to Question 9, there is no need to further clarify the term “public digital ledger,” as that term is widely understood to refer to public blockchains. *See, e.g.*, DeFi Education Fund, *DeFi 101* (July 22, 2025) at 6, <https://tinyurl.com/43chs4tv>. To the extent the OCC finds it necessary to further clarify this term, we note that even where a public digital ledger is permissionless, it may still be technically compatible with permissioned assets or compliance controls at the application or asset layer without ceasing to be public, provided the ledger remains transparent and open to public use, verification, and participation under neutral rules. The OCC should also preserve the architectural distinction between the digital ledger itself and the application layer, especially when it comes to compliance controls or permissioning that would inadvertently narrow the category of “public” ledgers and disturb the GENIUS Act’s exclusions for self-custodial wallets, peer-to-peer transfers, and related activities. The term “public digital ledger” should preserve base layer neutrality and blockchain infrastructure on public blockchain networks, while ensuring a distinction between public blockchain networks and proprietary blockchain systems.

⁴ FinCEN, Application of FinCEN’s Regulations to Certain Business Models Involving Convertible Virtual Currencies (May 9, 2019) (“2019 FinCEN Guidance”), <https://tinyurl.com/mr2vckwf>.

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.”⁵ Each of these enumerated activities describes the provision of services with functional control over customer assets and data, customer instructions, or issuance-related financial flows, ensuring the definition is properly scoped to centralized intermediaries who custody and control customer assets.

GENIUS Act Section 2(7)(B) reinforces that scope and appropriately excludes from the definition of DASP (i) distributed ledger protocols; (ii) the development or operation of distributed ledger protocols or self-custodial software interfaces; (iii) immutable and self-custodial software interfaces; (iv) the validation of transactions or operation of a distributed ledger; and (v) participation in liquidity pools or similar mechanisms for the provisioning of liquidity for peer-to-peer transactions.⁶ The distinguishing feature of these excluded activities is the absence of custody or control over underlying assets or transactions.

The DASP exclusions are also consistent with the 2019 FinCEN Guidance, which recognizes that persons who do not exercise “total independent control” over user assets should not be regulated as if they do.⁷ This standard ensures that regulatory obligations are properly placed on intermediaries who control user assets (and can execute transactions on a customer's behalf), not on technology or developers of non-custodial software.

II. *The OCC appropriately excludes self-custody hardware and software consistent with the GENIUS Act.*

The OCC need not provide additional clarification regarding the application of proposed subpart C or the scope of relevant exceptions because Section 10(e) of the GENIUS Act appropriately excludes from the custodial framework an entity that is “solely” providing hardware or software to facilitate a customer’s own custody of payment stablecoins or private keys (Question 162). The statutory exclusion is grounded in a functional distinction: an entity that gives a user the tools to custody their own assets is categorically different from an entity that takes custody or control of those assets on the user’s behalf.⁸ The OCC is appropriately focused, consistent with the statute, on whether the entity exercises control over the customer’s assets.

III. *The GENIUS Act definition of “payment stablecoin” should be clarified to exclude non-payment instruments.*

In addition to the exclusions from the definition of “payment stablecoin” already enumerated in Section 2(22)(B), the OCC should clarify that on-chain instruments designed to reflect a fixed value but not designed to be used for payment or settlement—for example,

⁵ GENIUS Act § 2(7)(A).

⁶ GENIUS Act § 2(7)(B).

⁷ See 2019 FinCEN Guidance at 15-17 (FinCEN uses “total independent control” as a key factor in determining the application of the Bank Secrecy Act to common business models involving the transmission of Convertible Virtual Currency).

⁸ See DeFi 101, at 18 (explaining that self-custody enables users to store and manage digital assets by controlling their own private keys rather than relying on third parties).

containers or wrappers intended solely to document ownership of an asset and not intended to be transferred as a payment instrument—are not payment stablecoins merely because of the choice of unit of account (Question 14).

Consistent with the DASP exclusions in Section 2(7)(B) and with the GENIUS Act’s treatment of peer-to-peer transfers, the OCC should also confirm that the “payment stablecoin” definition does not inadvertently capture ancillary technical artifacts, code implementations, or containers that reference, hold, or enable transfers of payment stablecoins—such as wrapped representations used for cross-chain transfers or liquidity pools that permit stablecoins to be exchanged against one another at par. These arrangements may nominally hold a \$1 value because of their contents, but they are not themselves issuances of a new payment stablecoin.⁹ The final rule should distinguish between a payment stablecoin and ancillary technical arrangements that reference, hold, or enable transfers of that stablecoin without themselves constituting a new issuance.

IV. *The OCC should apply a technology-neutral approach to operational, custodial, and reporting standards for cross-chain transfers.*

Where the OCC chooses to establish operational risk management standards addressing the transfer of payment stablecoins across blockchains to satisfy redemption demand, those standards should be framed in functional, technology-neutral terms rather than tied to any particular technical implementation (Question 119). A variety of methods are currently in use, including bridging protocols, burn-and-mint mechanisms, and multi-chain liquidity provided through centralized venues. New methods are likely to emerge and may well improve on current approaches.

The operational objective in this context is twofold: ensuring interoperability—including the avoidance of requirements that favor or disfavor particular technical systems in ways that fragment the market—and ensuring that users can redeem at par into the traditional banking system, consistent with the redemption obligations established by the Act. Standards addressed to the following functional criteria, without mandating a particular technology, would effectively advance those objectives:

- reconciliation accuracy across chains;
- timely and auditable mint-and-burn or lock-and-unlock records;
- governance over key management and bridge dependencies;
- recovery and incident-response procedures; and
- clear customer disclosures regarding timing, fees, and failure modes.

⁹ For example, an automated market maker pool containing payment stablecoins A, B, and C, permitting each to be exchanged one-for-one, should not itself be treated as an issuer of a new payment stablecoin, even where the pool token is designed to reflect a unit value of one dollar. Each constituent stablecoin remains a payment stablecoin, and the pool functions as a container for those assets rather than as a separate issuance.

Framing requirements in these terms will enable the final rule to accommodate continued development of cross-chain infrastructure without requiring the OCC to revisit its standards each time a new method is introduced.

V. *The OCC should promote interoperability through functional standards and technical visibility.*

In addressing additional technical developments in distributed ledger technology and related systems, the OCC should ensure it has independent technical visibility into public blockchain networks used by regulated entities (Questions 205, 208). This could include operating its own node and utilizing blockchain analytics tools sufficient to view transaction history, operational events, and incident reports independently of the regulated entities themselves. Independent visibility strengthens supervision and reduces reliance on self-reporting.

In addition, the OCC should require regulated entities to conduct and maintain an evaluation process for each blockchain on which they issue or custody payment stablecoins, both before deployment and on an ongoing basis. That evaluation should address at a minimum (i) the distribution and decentralization of the validator set, (ii) the technical capability to implement freeze and seize functionality as required by the Act, and (iii) the chain's stability, uptime, and suitability for continuous user access.

With respect to whether interoperability standards are necessary under Section 12 of the GENIUS Act, the core consideration should be ensuring that permitted payment stablecoin issuers do not lock users into closed or permissioned blockchain systems or introduce technological barriers that, in substance, function as restrictions on redemption, usage, or convertibility. Fragmenting the U.S. payments system through issuer-specific technical choices would undermine both the Act's policy objectives and the functioning of the redemption mechanism contemplated by Section 4.

Standards are a useful tool for addressing this concern but should be framed in terms of functional capabilities required to preserve interoperability, rather than by reference to particular technical implementations, of which many currently exist. Once the functional standards are defined, whether a particular implementation satisfies those standards becomes a question of application. Beginning with technical specifications rather than with functional outcomes (such as timely redemption and two-way convertibility) creates the risk that gaps will emerge and be exploited at the expense of consumers and of financial stability. We respectfully encourage the OCC to define interoperability first in functional, principles-based terms, in coordination with the National Institute of Standards and Technology and other relevant bodies,¹⁰ and only then to consider specific technical specifications.

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¹⁰ See GENIUS Act § 12 (directing the primary federal payment stablecoin regulators to assess and, if necessary, prescribe interoperability standards in consultation with the National Institute of Standards and Technology and other relevant bodies).



SPI and DEF appreciate the opportunity to comment on the Proposed Rulemaking and respectfully urge the OCC to adopt a final rule that is grounded in functional control, framed in technology-neutral terms, and closely aligned with the statutory text and with existing federal guidance. We would welcome the opportunity to engage further with the OCC and its staff as the rulemaking proceeds.

On behalf of DEF,

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On behalf of SPI,

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