

United States Senate

WASHINGTON, DC 20510

June 16, 2026

Hon. Scott Bessent
Secretary of the Treasury
1550 Pennsylvania Avenue, NW
Washington, DC 20220

Re: GENIUS Act Implementation—State Regulatory Regime Certification

Dear Secretary Bessent,

We write regarding implementation of Section 4(c) of the GENIUS Act, which establishes a pathway for certification of state regulatory regimes for payment stablecoin issuers.

Congress clearly sought to preserve the dual banking system and the crucial role of State banking agencies in supervising this market. Accordingly, it is critical that Treasury implement Section 4(c) in a manner that preserves and promotes State participation.

Many States are currently considering legislation or regulations to implement the GENIUS Act. Treasury's finalized principles for assessing whether State regimes are substantially similar to the federal regulatory framework are critical in this process. The proposed principles were published by Treasury,¹ but did not address the timeline and procedural requirements related to State certification. This lack of clarity creates uncertainty for States. We have heard from stakeholders that, absent clear procedural guidance, the certification process could be interpreted or applied in a manner that effectively forecloses future participation.

First, we urge Treasury to promptly issue written procedural guidance clarifying the application, review, and certification process for State regimes. This guidance should include clear timelines and requirements and should explicitly allow States to seek certification when their frameworks are ready. The process should not operate as a one-time window that effectively bars future certifications.

Second, Congress's intent in Section 4(c) was to ensure timely establishment of a viable State pathway so that firms electing State chartering would not be disadvantaged—not to restrict or limit the ability of States to regulate payment stablecoin issuers. Interpreting the certification timeline as a hard cutoff would likely foreclose future State participation, undermining Congress's intent and reducing regulatory optionality in a rapidly evolving market.

Third, States must be able to develop and seek certification of stablecoin regulatory regimes as demand for these charters materializes and as legislative schedules permit. State legislative processes vary significantly, and in some cases operate on biennial cycles. A flexible, ongoing certification framework is necessary to ensure that States can participate meaningfully over time and that innovation and competition are not constrained by timing misalignment.

¹ *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 GENIUS Act's inclusion of an annual recertification requirement² further supports the conclusion that certification is intended to function as a continuing process and partnership between Federal and State authorities. Treasury's implementation should reflect that structure.

We respectfully request that Treasury provide written procedural guidance on the State certification process and confirm that certification will remain available to states on an ongoing basis.

We look forward to continuing to work with you to promote responsible innovation, competitive markets, and effective supervision of payment stablecoin issuers under our dual banking system.

Sincerely,



Cynthia M. Lummis
United States Senator



Kirsten Gillibrand
United States Senator




Pete Ricketts
United States Senator



Catherine Cortez Masto
United States Senator



Kevin Cramer
United States Senator



Angela D. Alsobrooks
United States Senator



Bill Hagerty
United States Senator

² 12 U.S.C. 5903(c)(4)(C).