



February 6, 2026

INTRODUCTION

James P. Sheesley, Assistant Executive Secretary Attention: Comments—RIN 3064–AG20 Federal Deposit Insurance Corporation 550 17th Street NW, Washington, DC 20429

Re: Approval Requirements for Issuance of Payment Stablecoins by Subsidiaries of FDIC-Supervised Insured Depository Institutions (12 CFR Part 303; RIN 3064–AG20)

The U.S. Faster Payments Council (FPC) appreciates the opportunity to provide comments on the Federal Deposit Insurance Corporation's (FDIC) notice of proposed rulemaking regarding the issuance of payment stablecoins under the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act).

As an industry-led membership organization, the FPC is dedicated to a world-class payment system where Americans can safely and securely send and receive payments with near-immediate funds availability. Our diverse membership—spanning financial institutions, payment networks, processors, technology providers, and end-users—provides us with a unique vantage point on the intersection of innovation, safety, and consumer protection.

The FPC's comments focus specifically on Question 7 (Page 31) of the proposal. While we support the FDIC's efforts to establish clear procedures for Permitted Payment Stablecoin Issuers (PPSIs), we believe the application requirements could be expanded to include explicit risk management and fraud/scam mitigation policies. Our submission highlights that because stablecoins are already being leveraged in fraudulent activity, requiring a documented mitigation framework, prior to issuance, is important for consumer trust.

The FPC does not seek to prescribe specific technology or content for these policies, but rather to emphasize that a comprehensive, risk-based fraud mitigation program is essential to the safety and soundness of the broader payments ecosystem.

Sincerely,

A black rectangular box redacting the signature of Reed Luhtanen.

***Reed Luhtanen, Executive Director & CEO
U.S. Faster Payments Council***

REQUEST FOR COMMENT

Question 7: Does the proposed rule effectively capture the types of policies, procedures, and customer agreements of the applicant and/or PPSI necessary to evaluate the factors? What information could be eliminated or added in the proposed rule to allow the FDIC to evaluate the factors while minimizing application burden?

In addition to BSA/AML/CFT policies, we recommend that the FDIC expand these documentation requirements to explicitly require applicants to submit a comprehensive, risk-based fraud and scam mitigation program along with a consumer protection framework. This expansion is warranted for three reasons:

1. Growing Losses from Crypto-Enabled Fraud and Scams

- Consumer harm from payment scams, investment scams, romance scams, and account-takeover facilitated through digital assets has risen materially. According to the FBI, in 2024 nearly 150,000 complaints involved the use of digital assets, amounting to USD 9.3 billion in losses—a 66% increase from the previous year. Investment scams were the top crypto-related crime category, accounting for \$5.8 billion in losses (FBI IC3 Annual Report: https://www.ic3.gov/AnnualReport/Reports/2024_IC3Report.pdf).
- Stablecoin use and on-chain transfers can reduce friction and settlement times, but they also compress detection and intervention windows. A robust, documented program for prevention, detection, intervention, and recovery is essential for safety and soundness and for protecting consumers.

2. International Regulatory Expectations

- Several jurisdictions including the UK and Australia, have moved to require strong anti-fraud programs, enhanced consumer disclosures, and complaint handling for digital asset services and stablecoin issuers. Aligning U.S. expectations with global norms helps ensure consistent consumer protections across corridors, reduces regulatory arbitrage, and supports cross-border interoperability.

3. Adoption of Stablecoin Depends on Preventing Consumer Harm

- Sustainable adoption of payment stablecoins requires consumer trust. Applicants that demonstrate implementation of effective fraud controls, transparent dispute and complaint processes, and meaningful redress mechanisms are critical to building confidence among consumers and merchants, especially where some instant or on-chain payments are irrevocable.

Explicitly requiring applicants to present a robust fraud/scam mitigation program and a consumer protection framework will materially strengthen safety and soundness, align the U.S. with international standards, and support consumer trust and the responsible adoption of payment stablecoins.