

Statement by Chairman Travis Hill on the Proposal to Implement the GENIUS Act

April 7, 2026

Two years ago, I gave a speech discussing the promise of tokenization, the representation of real-world assets on a distributed ledger. As I noted at the time, “tokenization offers much more than just a shiny version of Zelle or Venmo”¹ – in other words, tokenization’s value proposition isn’t just about offering faster and more convenient payments. Instead, it unlocks a suite of new functionalities, including programmability, atomic settlement, and immutability.

Over the past two years, we’ve seen tremendous progress in this area, including a rapid shift in the posture of the federal government; enactment of the GENIUS Act, which establishes a framework for the regulation of payment stablecoins; and substantial technological development by both banks and nonbanks. As a result, development of stablecoin and tokenized deposit products continues to advance, and use cases continue to multiply.

Today, the FDIC Board is considering a proposed rule to implement many provisions of the GENIUS Act, and to provide additional clarifications regarding our approach to stablecoins and tokenized deposits. The proposal would establish prudential requirements for payment stablecoin issuers that are subsidiaries of FDIC-supervised banks, including requirements related to reserve assets, redemptions of outstanding stablecoins, permissible activities, and capital, among others.

The proposal aligns in many respects with the proposed rule issued by the Office of the Comptroller of the Currency in late February.² At the same time, today’s proposal seeks comment on a range of topics, including on 144 specific questions, and we genuinely invite robust feedback on key issues in the proposal. This includes feedback on permissible (and prohibited) activities, capital requirements (for stablecoin issuers and for their parent IDIs), the FDIC’s approach to pass-through insurance, and the prohibition on yield, among many other topics.

Finally, the proposed rule would reaffirm by regulation that deposits in tokenized form remain deposits under the Federal Deposit Insurance Act. I recognize there will be many other questions related to tokenized deposits from market participants beyond the clarification in the proposal, and so I encourage comments on what types of additional clarity or guidance would be useful for the FDIC to consider providing.

I would like to thank the staff for their hard work on this proposal, and I look forward to the comments.

¹ Travis Hill, [Banking’s Next Chapter? Remarks on Tokenization and Other Issues](#) (Mar. 11, 2024).

² See Office of the Comptroller of the Currency, [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. 10202 (Mar. 2, 2026).