



October 20, 2025

The Honorable Scott Bessent
Secretary
Department of the Treasury
1500 Pennsylvania Ave. NW
Washington, DC 20220

RE: GENIUS Act Implementation
12 CFR Chapter XV, 31 CFR Subtitles A and B
[TREAS-DO-2025-0037]
RIN 1505-ZA10

Dear Secretary Bessent,

On behalf of its member credit unions, the Cooperative Credit Union Association, Inc. ("Association") appreciates the opportunity to comment on the Department of the Treasury's ("Department's") advanced notice of proposed rulemaking (ANPR) on GENIUS Act Implementation. The Association is the state trade association representing approximately 170 state and federally-chartered credit unions located in the states of Delaware, Massachusetts, New Hampshire, and Rhode Island, which further serve over 4.4 million consumer members. The Association has developed these comments in consultation with our members.

The Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act became law in July 2025. It seeks to create a comprehensive framework for the federal regulation of payment stablecoins. As defined in the GENIUS Act, a payment stablecoin is a digital asset (i) that is, or is designed to be, used as a means of payment or settlement and (ii) the issuer of which is obligated to convert, redeem, or repurchase for a fixed amount of monetary value and represents or creates the reasonable expectation that it will maintain a stable value relative to a fixed amount of monetary value.

In general, only permitted payment stablecoin issuers (PPSIs) may issue a payment stablecoin in the United States, and "digital asset service providers" can only sell stablecoins issued by a PPSI or a similarly qualified foreign entity. PPSI can include subsidiaries of federally insured credit unions (i.e. credit union service organizations (CUSOs)). The Association believes credit unions should also be included in the definition of "digital asset service providers" if they sell or exchange stablecoins.

The GENIUS Act represents an opportunity to curb the use of digital assets to support illicit finance, as well as to improve consumer protection and financial stability related to digital assets. Many consumers have lost money in digital assets, even ones marketed as having "stable" values. Some digital asset finance participants have evolved into shadow banks that are unregulated or thinly regulated.

The Association believes that all PPSIs and digital asset service providers should also be subject to comprehensive safety and soundness, consumer protection and Bank Secrecy Act (BSA) requirements to the same extent as credit unions and banks.

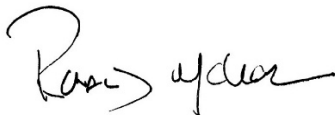
Regarding illicit finance and BSA, we believe that the money laundering/terrorist financing risks associated with digital assets are best addressed by making the digital assets anti-money laundering/countering the financing of terrorism (AML/CFT) regulatory framework highly similar to the AML/CFT supervision and examination framework credit unions and banks are subject to.

A good model for the supervision and examination of PPSIs and digital asset services providers that are not insured depository institutions or their subsidiaries would be the Financial Crimes Enforcement Network's (FinCEN) 2020 final rule expanding its 31 C.F.R. Part 1010 and 1020 rules to privately insured credit unions and private banks that lack a federal functional regulator. *See* Financial Crimes Enforcement Network; Customer Identification Programs, Anti-Money Laundering Programs, and Beneficial Ownership Requirements for Banks Lacking a Federal Functional Regulator, 85 Fed. Reg. 57,129 (Sep. 15, 2020).

On-site examinations of PPSIs and digital asset service providers would be the most reliable method for regulators to determine whether the intermediary is complying with its legal responsibilities to conduct reliable customer due diligence in good faith, report suspicious activities, and so forth.

Thank you for the opportunity to comment on the Department's GENIUS Act Implementation ANPR. If you have any questions or desire further information, please do not hesitate to contact the Association at (508) 481-6755 or govaff-reg@ccua.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald McLean", written in a cursive style.

Ronald McLean
President/CEO
Cooperative Credit Union Association, Inc.
rmclean@ccua.org