



Via Electronic Mail and Regulations.gov

October 19, 2026

U.S. Department of the Treasury
Attention: Office of General Counsel
1500 Pennsylvania Ave NW
Washington, DC 20220

Re: GENIUS Act Regulations on Payment Stablecoin Issuance, Offer, and Sale

Dear Mr. Costello, Mr. Gaffney, Mr. Hurowitz:

The Futures Industry Association (“**FIA**”)¹ appreciates the opportunity to respond to the proposed rule from the Department of the Treasury (“**Treasury**”) on GENIUS Act Regulations on Payment Stablecoin Issuance, Offer, and Sale (“**Proposed Rule**”).² FIA is the leading trade organization for the futures, options and cleared derivatives markets globally. Our members include derivatives clearing organizations (“**DCOs**”) that may wish to accept stablecoins as eligible collateral, as well as clients and clearing brokers (including Futures Commission Merchants (“**FCMs**”)) that may wish to post stablecoins as collateral.

The GENIUS Act was a critical first step for payment stablecoins issued by permitted payment stablecoin issuers to be eligible as cash or cash-equivalent margin and collateral for use and acceptance by FCMs, DCOs, broker-dealers, registered clearing agencies, and swap dealers.³ FIA supports a federal framework that creates market confidence in payment stablecoins and provides clarity on their utility. We believe reliable, well-regulated stablecoins are a promising development for our industry as we look for expanded support of a 24/7 ecosystem. Stablecoins have the potential to facilitate faster, cheaper payments and support expanded trading hours. Chairman Selig of the Commodity Futures Trading Commission (“**CFTC**” or “**Commission**”), is similarly enthusiastic: “the Commission is committed to finding additional ways to encourage responsible stablecoin adoption for market participants, exchanges, and clearinghouses.”⁴

The regulations from Treasury and the Federal payment stablecoin regulators, including the Office of the Comptroller of the Currency (“**OCC**”), implementing the GENIUS Act will determine the

¹FIA’s membership includes clearing firms, exchanges, clearinghouses, principal traders, asset managers, execution firms, commodity firms, end users, and those legal, technology and other firms who serve this community. FIA’s mission is to support open, transparent, and competitive markets, protect and enhance the integrity of the financial system and promote high standards of professional conduct.

² 91 Fed. Reg. 53368 (Aug. 18, 2026).

³ See Guiding and Establishing National Innovation for U.S. Stablecoins Act of 2025, 12 U.S.C. §§ 5901-5916.

⁴ Chairman Selig, Keynote Remarks at 2026 U.S. Treasury Market Conference (Sept. 22, 2026), available [here](#).

utility of payment stablecoins for FIA members. FIA writes to express concern regarding potential implications for the use of certain payment stablecoins as collateral in the cleared derivatives industry. Specifically, we write now so that those concerns can be considered as the definition of “issue” is finalized. While the comments may not directly impact the definition as proposed, we think it is important for Federal payment stablecoin regulators to consider subsequent use impacts as they finalize these critical and foundational rules.

Proposed Rule 1523.1(c) defines “Issue” as

*the first transfer of a payment stablecoin by the issuer, except as required by a lawful order, whether directly or indirectly, including by crediting an account, that results or will result in a person other than the issuer having the right to use or transfer the payment stablecoin or to have the payment stablecoin converted, redeemed, or repurchased. For the avoidance of doubt, after a payment stablecoin has been converted, redeemed, repurchased, or otherwise reacquired by the issuer, the first subsequent transfer of the payment stablecoin by the issuer that otherwise satisfies this definition is considered a new issuance, whether or not the transfer is characterized as a reissuance, except as required by a lawful order.*⁵

Under this definition, the first transfer of a payment stablecoin, regardless of any limitations that may exist on redemption or transfer thereafter, constitutes issuance. This point is made clear via Appendix A to Part 1523: Interpretations in the Proposed Rule. There, answer four states: “an issuer is considered to have issued a payment stablecoin if the first transfer of the payment stablecoin will result in a person other than the issuer having the right to redeem a payment stablecoin, *even if the redemption obligation does not mature until some period after the transfer.*”⁶

Such limitations on redemption or transfer, where they exist, are at odds with the policy objectives of eligible collateral in the cleared derivatives space. The Commodity Exchange Act (“CEA”) and CFTC regulations do not treat collateral solely as a store of value. Rather, collateral must serve as a readily available source of financial resources that can be accessed, transferred, and liquidated promptly to support variation margin flows, customer protection requirements, default management, and timely settlement.

For example, CFTC regulation requires that a FCM or a DCO “manage [] permitted investments consistent with the objectives of preserving principal and maintaining liquidity . . . [i]nvestments must be ‘highly liquid’ such that they have the ability to be

⁵ 91 Fed. Reg. at 53389 (emphasis added).

⁶ *Id.* at 53391 (emphasis added).

converted into cash within one business day without material discount in value.”⁷ Moreover, the CEA requires a DCO to complete money settlements on a timely basis.⁸

Liquidity is a fundamental characteristic of collateral in the derivatives markets. Payment stablecoins that are deemed to be “issued,” but are nonetheless unable to be redeemed or further transferred in a timely manner, are likely not sufficiently liquid to satisfy the obligations of the CEA and CFTC regulations. FIA understands such stablecoins may represent a limited portion of the market because of the GENIUS Act’s reserve and timely redemption requirements. However, without further clarification, we believe the utility of certain payment stablecoins as collateral in derivatives markets may be hampered. We encourage Treasury, the Federal payment stablecoins regulators, including the OCC, and the CFTC and the Securities and Exchange Commission to engage in robust dialogue on this key definitional point to avoid an outcome that may impact the utility of the GENIUS Act in our space.

* * *

FIA thanks Treasury for the opportunity to respond to the Proposed Rule. Should you have any questions about any of the foregoing, please do not hesitate to contact me at alurton@fia.org.

Sincerely,



Allison Lurton
Futures Industry Association
General Counsel and Chief Legal Officer

⁷ 17 C.F.R. § 1.25(b).

⁸ See 7 U.S.C. § 7a-1(c)(2)(E)(i); see also 7 U.S.C. § 7a-1 (c)(2)(R); 17 C.F.R. §§ 39.27(b)(4), 39.13(g)(10).