



SPONSOR: Sen. Mantzavinos & Sen. Pettyjohn & Rep. Bush &  
Rep. Spiegelman  
Rep. Romer

DELAWARE STATE SENATE  
153rd GENERAL ASSEMBLY

SENATE BILL NO. 19

AN ACT TO AMEND TITLE 5 OF THE DELAWARE CODE RELATING TO STABLECOINS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Two-thirds of all members elected to each house thereof concurring therein):

1 Section 1. Amend Title 5 of the Delaware Code by making deletions as shown by strike through and insertions as  
2 shown by underline as follows:

3 Chapter 40. Delaware Payment Stablecoins Act

4 Subchapter I. General Provisions

5 § 4001. Short title.

6 This chapter may be cited as the “Delaware Payment Stablecoins Act.”

7 § 4002. Legislative findings and purpose.

8 (a) The General Assembly finds all of the following:

9 (1) Payment stablecoins are digital assets designed to maintain a stable value relative to a fixed monetary  
10 amount and are increasingly used for payment and settlement purposes in domestic and international commerce.

11 (2) The federal Guiding and Establishing National Innovation for U.S. Stablecoins Act, Pub. L. 119-27,  
12 12 U.S.C. § 5901 et seq. (the 'GENIUS Act'), enacted July 18, 2025, establishes a national framework permitting  
13 state-qualified payment stablecoin issuers to operate under state regulatory regimes that are substantially similar to  
14 the federal framework, subject to certification by the Stablecoin Certification Review Committee.

15 (3) Delaware, as a leader in financial regulation and corporate law, has a compelling interest in  
16 establishing a payment stablecoin regulatory framework that is competitive, protective of consumers, and  
17 consistent with the federal framework so that Delaware-chartered entities may qualify as state-qualified payment  
18 stablecoin issuers under the GENIUS Act.

19 (4) A unified, clear state licensing regime prevents regulatory arbitrage, protects Delaware residents from  
20 fraud and insolvency, and ensures that payment stablecoin issuers operating in this State maintain adequate  
21 reserves and sound risk management practices.

22 (b) The purpose of this chapter is to achieve all of the following:

23           (1) Establish a licensing and regulatory framework for payment stablecoin issuers and digital asset  
24 service providers operating in this State.

25           (2) Adopt definitions and standards substantially similar to those in the GENIUS Act and the Office of  
26 the Comptroller of the Currency's implementing regulations, as amended from time to time.

27           (3) Provide for strong preemption of inconsistent local laws and ordinances.

28           (4) Protect Delaware residents through robust reserve, capital, anti-money laundering, data privacy, and  
29 consumer disclosure requirements.

30           (5) Authorize and direct the State Bank Commissioner to promulgate regulations implementing this  
31 chapter with maximum flexibility to align with evolving federal standards.

32 § 4003. Definitions.

33 As used in this chapter:

34           (1) "Affiliate" means as that term is defined under § 101 of this title.

35           (2) "Bank Secrecy Act" means as defined in all of the following, with any amendments to the following  
36 provisions:

37                   (a) Section 21 of the Federal Deposit Insurance Act, 12 U.S.C. § 1829b.

38                   (b) Chapter 2 of Title I of Public Law 91-508, 12 U.S.C. § 1951 et seq.

39                   (c) Subchapter II of chapter 53 of Title 31, United States Code, and notes thereto, 31 U.S.C. §  
40 5311 et seq.

41           (3) "Board of Directors" means a permitted payment stablecoin issuer's or applicant's board of directors,  
42 or the group of individuals that serve the nearest equivalent function of acting as the governing body of the issuer  
43 or applicant, without regard to the specific title of such body.

44           (4) "Commissioner" means the State Bank Commissioner.

45           (5) "Control" means when used in this chapter any of the following:

46                   (a) A transaction or relationship involving digital assets, means the power to execute  
47 unilaterally, or prevent indefinitely, a digital asset transaction, including any of the following:

48                           (i) The sole possession of one or more private keys, passwords, seed phrases, or other  
49 cryptographic credentials sufficient to authorize a digital asset transaction without the  
50 cooperation of any other person.

51 (ii) In the context of a multi-signature arrangement, the possession of a threshold  
52 number of private keys, credentials, or authorization rights sufficient to unilaterally authorize or  
53 block a transaction under the applicable signing protocol.

54 (iii) The ability to modify, disable, override, or circumvent any multi-signature, time-  
55 lock, smart contract, or other technical mechanism governing the authorization of a digital asset  
56 transaction, without the cooperation of any other person, provided that a person does not  
57 exercise control over a transaction solely by reason of any of the following:

58 (A) Processing, validating, or relaying a transaction on behalf of another  
59 person.

60 (B) Providing software, hardware wallets, key management tools, or security  
61 infrastructure used in connection with a transaction.

62 (C) Serving as a co-signer in a multi-signature arrangement where the person's  
63 participation alone is insufficient to meet the applicable signing threshold.

64 (D) Holding keys or credentials in a purely custodial or administrative  
65 capacity at the direction of and for the exclusive benefit of another person, without  
66 independent discretion to authorize or block transactions.

67 (b) A person has the meaning given that term in § 101 of this title; however, a person does not  
68 control another entity solely because the person does any of the following:

69 (i) Processes or validates transactions.

70 (ii) Provides software, security tools, hardware, or cryptographic infrastructure.

71 (iii) Relays or transmits communications on behalf of another person.

72 (iv) Serves as a co-signer, co-custodian, or participant in a multi-signature or threshold  
73 authorization arrangement where such person's participation alone is insufficient to authorize or  
74 block a transaction or decision.

75 (v) Provides key recovery, backup, or disaster recovery services without independent  
76 authority to initiate or prevent transactions or decisions.

77 (c) The present unilateral ability to transfer or prevent the transfer of the asset without further  
78 action by the owner, including any of the following:

79 (i) The sole possession of cryptographic credentials sufficient to transfer the asset  
80 without cooperation from any other person or system.

81 (ii) In the context of a multi-signature arrangement, the possession or control of a  
82 number of keys or authorizations equal to or exceeding the applicable signing threshold, such  
83 that the person can unilaterally authorize a transfer without the cooperation of any co-signer.

84 (iii) The ability to modify or override the smart contract, protocol rule, or technical  
85 mechanism governing the asset such that the person can affect or prevent a transfer without the  
86 cooperation of the asset's owner or any other person.

87 (iv) The legal or contractual right, exercisable without consent of the owner or any  
88 other person, to direct the transfer or encumbrance of the asset, provided that a person does not  
89 control a digital asset solely because the person does any of the following:

90 (A) Holds one or more keys in a multi-signature arrangement where the  
91 person's keys alone are insufficient to meet the signing threshold.

92 (B) Provides custodial, administrative, or technical services with respect to the  
93 asset at the direction of the owner.

94 (C) Processes, validates, or relays transfer instructions without independent  
95 authority to initiate or block a transfer. For the avoidance of doubt, control may be held  
96 by more than one person simultaneously where each such person independently  
97 satisfies the applicable threshold or standard set forth above. The existence of a multi-  
98 signature or threshold arrangement does not, by itself, negate control where a single  
99 participant holds sufficient keys or authorizations to act unilaterally.

100 (6) "Customer" means a person that purchases, through any consideration, the products or services of  
101 another person.

102 (7) "Digital asset" means any digital representation of value that is recorded on a cryptographically  
103 secured distributed ledger.

104 (8) (a) 'Digital asset service provider' means a person that engages in the business in this State, or on  
105 behalf of customers or users in this State, of any of the following:

106 (i) Exchanging digital assets for monetary value.

107 (ii) Exchanging digital assets for other digital assets.

108 (iii) Transferring digital assets to a third party.

109 (iv) Acting as a digital asset custodian.

110 (v) Participating in financial services relating to digital asset issuance.

111 (b) The term “digital asset service provider” does not include any of the following:

112 (i) A distributed ledger protocol.

113 (ii) An immutable and self-custodial software interface.

114 (iii) A person solely by virtue of that person's developing, operating, or engaging in the

115 business of developing distributed ledger protocols or self-custodial software interfaces.

116 (iv) A person solely by virtue of that person's developing, operating, or engaging in the

117 business of validating transactions or operating a distributed ledger.

118 (v) A person solely by virtue of that person's participating in a liquidity pool or other

119 similar mechanism for the provisioning of liquidity for peer-to-peer transactions.

120 (9) “Digital wallet” means a software program or hardware device that stores and manages the private

121 keys associated with a particular unit of a digital asset.

122 (10) “Director” means an individual who serves on the Board of Directors of a permitted payment

123 stablecoin issuer or applicant, except an advisory director who does not have the authority to vote on matters

124 before the board of directors or any committee of the board of directors and who provides solely general policy

125 advice to the board of directors or any committee.

126 (11) “Distributed ledger” means technology in which data is shared across a network that creates a public

127 digital ledger of verified transactions or information among network participants and cryptography is used to link

128 the data to maintain the integrity of the public digital ledger and execute other functions.

129 (12) “Distributed ledger protocol” means publicly available and accessible executable software deployed

130 to a distributed ledger, including smart contracts or networks of smart contracts.

131 (13) “Eligible financial institution” means any of the following:

132 (a) A person who is any of the following:

133 (i) Eligible to hold reserve assets in custody pursuant to the standards set forth in §

134 4025 of this title and applicable regulations promulgated by the Commissioner.

135 (ii) Complies with the reserve asset custody requirements of § 4025 of this title.

136 (iii) Has entered into a custody agreement with a permitted payment stablecoin issuer

137 documenting compliance with the requirements of § 4025 of this title, as applicable.

138 (b) A Federal Reserve Bank.

139 (14) “Executive officer” means the president, chair of the board of directors, chief executive officer, chief

140 operating officer, chief financial officer, chief investment officer, chief risk officer, chief technology officer, and

141 Bank Secrecy Act compliance officer of a permitted payment stablecoin issuer. The term includes any individual  
142 serving in the functional capacity of any listed title or its equivalent, without regard to title, salary, or  
143 compensation.

144 (15) “Family” means as that term is defined in § 901 of Title 10.

145 (16) “Fair value” means fair value as determined under generally accepted accounting principles as used  
146 in the United States.

147 (17) “Federal qualified payment stablecoin issuer” means an entity that has been approved by the Office  
148 of the Comptroller of the Currency to issue payment stablecoins pursuant to the GENIUS Act, 12 U.S.C. § 5904.

149 (18) “Foreign payment stablecoin issuer” means an issuer of a payment stablecoin that is all of the  
150 following:

151 (a) Organized under the laws of or domiciled in a foreign country or a territory of the United  
152 States.

153 (b) Not a permitted payment stablecoin issuer as defined in 12 U.S.C. § 5901(23).

154 (19) “GAAP” means generally accepted accounting principles as used in the United States.

155 (20) “Insider” means a principal shareholder, an executive officer, a director, or a related interest of, or a  
156 family member of any of these persons.

157 (21) “Institution-affiliated party” with respect to a permitted payment stablecoin issuer, means any  
158 director, officer, employee, or controlling stockholder of the permitted payment stablecoin issuer.

159 (22) “Insured credit union” has the meaning given to that term in § 101 of the Federal Credit Union Act,  
160 12 U.S.C. § 1752.

161 (23) “Insured depository institution” has the meaning given under § 796 of this title, provided that the  
162 term includes an insured credit union.

163 (24) “Lawful order” means any final and valid writ, process, order, rule, decree, command, or other  
164 requirement issued or promulgated under federal or state law, issued by a court of competent jurisdiction or by an  
165 authorized government agency pursuant to its statutory authority, that does all of the following:

166 a. Requires a person to seize, freeze, burn, or prevent the transfer of payment stablecoins issued  
167 by the person.

168 b. Specifies the payment stablecoins or accounts subject to blocking with reasonable  
169 particularity.

170 c. Is subject to judicial or administrative review or appeal as provided by law.

171 (25) “Monetary value” means a national currency or deposit as that term is defined in § 3 of the Federal  
172 Deposit Insurance Act, 12 U.S.C. § 1813(l) denominated in a national currency.

173 (26) “National currency” means any of the following:

174 a. A Federal Reserve note as that term is used in the first undesignated paragraph of §16 of the  
175 Federal Reserve Act, 12 U.S.C. § 411.

176 b. Money standing to the credit of an account with a Federal Reserve Bank.

177 c. Money issued by a foreign central bank.

178 d. Money issued by an intergovernmental organization pursuant to an agreement by two or more  
179 governments.

180 (27) “Nonbank entity” means a person that is not a depository institution or subsidiary of a depository  
181 institution.

182 (28) (a) ‘Nonpublic personal information means any of the following:

183 (i) Information provided by a customer to a permitted payment stablecoin issuer to  
184 obtain a financial product or service.

185 (ii) Information about a customer resulting from any transaction involving a financial  
186 product or service between the permitted payment stablecoin issuer and a customer.

187 (iii) Information otherwise obtained by the permitted payment stablecoin issuer in  
188 connection with providing a financial product or service to a customer.

189 (b) “Nonpublic personal information” does not include publicly available information, unless,  
190 when combined with other information, it would reveal the identity of a customer or enable access to the  
191 customer's account.

192 (29) “Offer” means to make available for purchase, sale or exchange.

193 (30) “Outstanding issuance value” means the total consolidated par value of all of a payment stablecoin  
194 issuer's payment stablecoins for which the issuer is obligated to convert, redeem, or repurchase for a fixed amount  
195 of monetary value, as of any given date.

196 (31) (a) “Payment stablecoin” means a digital asset that is, or is designed to be, used as a means of  
197 payment or settlement and the issuer of the digital asset does any of the following:

198 (i) Is obligated to convert, redeem, or repurchase for a fixed amount of monetary value,  
199 not including a digital asset denominated in a fixed amount of monetary value.

200 (ii) Represents that such issuer will maintain, or creates the reasonable expectation that  
201 it will maintain, a stable value relative to the value of a fixed amount of monetary value.

202 (b) The term does not include a digital asset that is any of the following:

203 (i) A national currency.

204 (ii) A deposit as defined in § 3 of the Federal Deposit Insurance Act, 12 U.S.C. § 1813,  
205 including a deposit recorded using distributed ledger technology.

206 (iii) A security, as defined in § 2 of the Securities Act of 1933, 15 U.S.C. § 77b, § 3 of  
207 the Securities Exchange Act of 1934, 15 U.S.C. § 78c, or § 2 of the Investment Company Act of  
208 1940, 15 U.S.C. § 80a-2, provided that no bond, note, evidence of indebtedness, or investment  
209 contract issued by a permitted payment stablecoin issuer shall qualify as a security solely by  
210 virtue of satisfying the conditions described in (b)(i) and (b)(ii) of this definition.

211 (32) “Payment stablecoin issuer” means a person that creates, issues, or redeems payment stablecoins and  
212 is obligated to provide redemption on demand at par in United States dollars or an equivalent value to the holder.

213 (33) “Permitted payment stablecoin issuer” means a person licensed or otherwise approved under this  
214 chapter or applicable federal law to issue payment stablecoins, including any of the following:

215 a. A state-qualified payment stablecoin issuer licensed under § 4011 of this title.

216 b. A subsidiary of an insured depository institution approved to issue payment stablecoins  
217 pursuant to 12 U.S.C. § 5904.

218 c. A federal qualified payment stablecoin issuer approved pursuant to 12 U.S.C. § 5904.

219 (34) “Person” means as that term is defined under § 101 of this title.

220 (35) “Registered public accounting firm” means as that term is defined under the Sarbanes-Oxley Act of  
221 2002, 15 U.S.C. § 7201.

222 (36) “Reserve assets” means the assets a permitted payment stablecoin issuer is required to maintain  
223 pursuant to § 4021 of this title.

224 (37) 'Resident' means a person or registered agent, as defined in § 132 of Title 8, who is any of the  
225 following:

226 (a) Is domiciled in this State.

227 (b) Is physically located in this State for more than 183 days of the previous 365 days.

228 (c) Has a principal place of business in this State.

229           (38) “Self-custodial wallet” means a software or hardware mechanism that enables a person to store,  
230 transfer, and interact with digital assets using a private cryptographic key or combination of keys exclusively  
231 controlled by that person and not by any third-party intermediary.

232           (39) “State-qualified payment stablecoin issuer” means an entity licensed under § 4011 of this title.

233           (40) “Sub-custodian” means a person that provides custody and safekeeping services to a permitted  
234 payment stablecoin issuer or covered custodian, including through a digital wallet for which such person controls  
235 the associated private keys, with respect to covered assets of a customer for which the permitted payment  
236 stablecoin issuer or covered custodian otherwise serves as custodian under § 4025 of this title.

237           (41) ‘Subsidiary’ means as that term is defined under § 101 of this title.

238           (42) “Tokenized deposit” means a digital asset representing a deposit liability of an insured depository  
239 institution that is recorded on a distributed ledger and constitutes a demand deposit or similar obligation of the  
240 issuing institution. A tokenized deposit is not a payment stablecoin for purposes of this chapter.

## 241 Subchapter II. Scope and exemptions

### 242 § 4004. Scope.

243 (a) This chapter applies to any person engaged in the business of any of the following:

244           (1) Issuing a payment stablecoin to or on behalf of a resident of this State.

245           (2) Acting as a digital asset service provider with or on behalf of a resident of this State.

246           (3) Providing digital asset custody services for payment stablecoins or reserve assets on behalf of a  
247 resident of this State, unless exempt under § 4005 of this title.

248           (b) A person engages in the issuance of a payment stablecoin in this State if the payment stablecoin is offered,  
249 sold, or made available to residents of this State, regardless of the physical location of the issuer.

### 250 § 4005. Exemptions.

251 (a) The following persons are exempt from the licensing requirements of subchapter III of this chapter:

252           (1) The United States, any state, any political subdivision of a state, or any agency or instrumentality of  
253 the foregoing.

254           (2) A federal qualified payment stablecoin issuer regulated and supervised exclusively by the Office of  
255 the Comptroller of the Currency pursuant to 12 U.S.C. § 5903(b)(1), with respect to its payment stablecoin  
256 issuance activities, provided that such issuer registers with the Commissioner pursuant to § 4014 of this title.

257                   (3) A subsidiary of an insured depository institution that has been approved by the appropriate federal  
258 banking agency to issue payment stablecoins pursuant to 12 U.S.C. § 5904, provided that such subsidiary registers  
259 with the Commissioner pursuant to § 4014 of this title.

260                   (4) A person engaged in money transmission that holds a license under chapter 23 of this title and that is  
261 authorized by the Commissioner to conduct activities constituting digital asset service provider activity within the  
262 scope of that license.

263                   (5) An attorney, to the extent of providing escrow services to a resident.

264                   (6) A title insurance company, to the extent of providing escrow services.

265                   (7) A person whose total value of payment stablecoin issuance activity with or on behalf of residents,  
266 measured in United States dollars, does not exceed \$5,000 in the aggregate on an annual basis, provided that the  
267 Commissioner may adjust this threshold by regulation not less frequently than every 3 years to reflect changes in  
268 the dollar value of regulated digital assets or other relevant economic factors.

269                   (8) A person that develops, publishes, distributes, or maintains software, including self-custodial wallet  
270 software, solely to enable users to interact with distributed ledger systems, provided the person has no unilateral  
271 control over any user's digital assets.

272                   (9) A person exempt from licensure under applicable federal law or by order of the Commissioner.

273                   (b) The following transactions are exempt from the licensing requirements of subchapter II of this chapter:

274                   (1) The direct transfer of digital assets between 2 individuals acting on their own behalf and for their own  
275 lawful purposes, without the involvement of an intermediary.

276                   (2) To any transaction involving the receipt of digital assets by an individual between an account owned  
277 by the individual in the United States and an account owned by the individual abroad that are offered by the same  
278 parent company.

279                   (3) To any transaction by means of a software or hardware wallet that facilitates an individual's own  
280 custody of digital assets.

281                   Subchapter III. Licensing.

282                   § 4011. License required, types.

283                   (a) Unless exempt under § 4005 of this title, a person may not do any of the following:

284                   (1) Issue a payment stablecoin to or on behalf of a resident.

285                   (2) Act as a digital asset service provider with or on behalf of a resident, without first obtaining a license  
286 from the Commissioner under this chapter.

287 (b) The Commissioner shall issue the following categories of license:

288 (1) A Payment Stablecoin Issuer License, for persons who issue payment stablecoins.

289 (2) A Digital Asset Service Provider License, for persons who operate as digital asset service providers  
290 but do not issue payment stablecoins.

291 (3) A Combination License, for persons who both issue payment stablecoins and engage in digital asset  
292 service provider activities.

293 (c) Each category of license shall be subject only to requirements proportionate to the risks presented by the  
294 activities conducted thereunder.

295 (d) The Commissioner, by regulation, may create subcategories of licenses within each category established by  
296 this section to reflect material differences in the nature, volume, or risk of regulated activities.

297 § 4012. Application for license.

298 (a) An application for a license under this chapter must do all of the following:

299 (1) Be made in a form and medium prescribed by the Commissioner.

300 (2) Include the following information:

301 a. The legal name of the applicant, each current or proposed business address, and any fictitious  
302 or trade name used or planned for use in this State.

303 b. The legal name, any former or fictitious name, and the residential and business address of  
304 each executive officer, director, and any person that has control of the applicant.

305 c. A description of the applicant's current and former business for the five years preceding the  
306 application, including its products and services, website addresses, projected user base, and specific  
307 marketing targets.

308 d. A list of each money-service or money-transmitter license the applicant holds in another state,  
309 the date each expires, and any disciplinary history in any other jurisdiction.

310 e. A list of any criminal conviction, deferred prosecution agreement, or pending criminal  
311 proceeding in any jurisdiction against the applicant, any executive officer, any director, any responsible  
312 individual, and any person with control over or under the applicant.

313 f. The source and sufficiency of funds to conduct regulated activity in compliance with § 4022 of  
314 this title.

315 g. Whether the applicant is registered with the Financial Crimes Enforcement Network as a  
316 money services business.

317                                    h. A description of the applicant's:

318    1. Custody structure, including segregation or omnibus custody.

319    2. Private key management and security architecture.

320    3. Reserve asset composition, verification methodology, and custodians.

321    4. Redemption procedures and policies.

322    5. Anti-money laundering and sanctions compliance program.

323    6. Business continuity and disaster recovery plans specific to digital asset operations.

324                                    i. A set of fingerprints for each executive officer and director.

325                                    j. Cybersecurity and smart contract audit by a qualified independent auditor.

326                                    k. Any other information as the Commissioner requires by regulation.

327                                    (3) Be accompanied by a nonrefundable application fee in an amount established by the Commissioner by

328                                    regulation.

329                                    (4) Be accompanied by evidence that the applicant has or will have, upon issuance of the license, the

330                                    minimum net worth and reserve assets required under § 4022 of this title.

331                                    (b) For good cause, the Commissioner may waive a requirement of subsection (a) of this section or permit an

332                                    applicant to submit other information in lieu of a required item.

333                                    (c) An application is not complete until the Commissioner has received all required information and completed its

334                                    investigation under subsection (d) of this section.

335                                    (d) Upon receipt of a complete application, the Commissioner shall investigate any of the following:

336    (1) The financial condition and responsibility of the applicant.

337    (2) The relevant financial and business experience, character, and general fitness of the applicant.

338    (3) The competence, experience, character, and general fitness of each executive officer, director, and any

339                                    person with control of the applicant.

340                                    (e) Not later than 120 days after an application is complete, the Commissioner shall notify the applicant of the

341                                    Commissioner's decision to approve, conditionally approve, or deny the application. If the Commissioner does not act

342                                    within 120 days of the completed application, the application is deemed denied, except the Commissioner may extend this

343                                    period by an additional 60 days upon written notice to the applicant for good cause shown. An applicant whose application

344                                    is deemed denied under this subsection may immediately resubmit the application, which shall be treated as a new complete

345                                    application for purposes of this subsection.

346                                    (f) An applicant shall pay the reasonable costs of the Commissioner's investigation under this section.

347 (g) A license takes effect on the later of the following:

348 (1) The date the Commissioner issues the license.

349 (2) The date the licensed person provides the security required by § 4022 of this title.

350 § 4013. Reciprocal recognition.

351 (a) An applicant licensed in another state under a regulatory framework that the Commissioner determines is  
352 substantially similar to this chapter shall be eligible for a license in this State without full duplicative review, if all of the  
353 following conditions are satisfied:

354 (1) The applicant holds a valid license in good standing from the other state.

355 (2) The other state's framework provides consumer protections materially equivalent to those of this  
356 chapter.

357 (3) The applicant submits an application in the form required by the Commissioner under § 4012 of this  
358 title, along with evidence of its out-of-state licensure.

359 (b) The Commissioner may impose additional conditions on a reciprocally recognized licensee only to address  
360 material differences in consumer protection, solvency protection, or custody safeguards between the other state's framework  
361 and this chapter.

362 (c) A license issued under this section does not require the applicant to establish a separate legal entity in this  
363 State.

364 § 4014. Registration of federally supervised entities.

365 (a) A federal qualified payment stablecoin issuer, or a subsidiary of an insured depository institution approved  
366 pursuant to 12 U.S.C. § 5904, that issues payment stablecoins to or on behalf of residents of this State shall register with the  
367 Commissioner not later than 30 days before commencing such activity in this State.

368 (b) Any person that registers under this section must do all of the following:

369 (1) Notify the Commissioner of the entity's name, principal place of business, nature of payment  
370 stablecoin activities conducted in this State, primary federal regulator, and contact information.

371 (2) Be renewed annually.

372 (3) Be accompanied by a registration fee in an amount established by the Commissioner by regulation.

373 (c) Registration under this section does not constitute licensure and does not confer any supervisory authority on  
374 the Commissioner with respect to the registered entity's payment stablecoin activities. The Commissioner's sole authority  
375 with respect to a federally supervised registrant under this section is to do the following:

376 (1) Maintain records of the registrant's presence in this State.

377 (2) Receive and forward to the appropriate federal regulator any consumer complaints relating to the  
378 registrant.

379 (3) Request, and receive upon request, examination reports and supervisory information from the  
380 registrant's primary federal regulator to the extent permitted by federal law and any information-sharing agreement  
381 between the Commissioner and such federal regulator.

382 (d) A federal qualified payment stablecoin issuer that has filed an application for state qualification under § 4016  
383 of this title is not required to renew its registration under this section for any renewal period during which the  
384 Commissioner has issued a conditional license pursuant to paragraph (d)(1) of § 4016 of this title. Upon the effective date  
385 of the conditional license under paragraph (d)(1)a. of § 4016 of this title, the registrant's registration under this section is  
386 automatically terminated pursuant to paragraph (d)(3)b. of § 4016 of this title.

387 § 4015. Transition of state-qualified issuers exceeding the \$10 billion threshold.

388 (a) If the outstanding issuance value of a state-qualified payment stablecoin issuer exceeds \$10,000,000,000 during  
389 any consecutive 12-month period, the issuer shall notify the Commissioner within 10 business days of such exceedance.

390 (b) Within 360 days after the date that the outstanding issuance value of a state-qualified payment stablecoin issuer  
391 exceeds \$10,000,000,000, the issuer shall do one of the following:

392 (1) Apply for and obtain approval from the appropriate federal regulator to issue payment stablecoins as a  
393 permitted payment stablecoin issuer under the GENIUS Act.

394 (2) Reduce its outstanding issuance value below \$10,000,000,000.

395 (c) During the transition period described in subsection (b), the issuer's license under this chapter remains in effect,  
396 subject to continued compliance with all requirements of this chapter.

397 (d) The Commissioner shall promulgate regulations implementing the transition requirements of this section,  
398 which may include provisions permitting the Commissioner to coordinate with the applicable federal regulator during the  
399 transition period.

400 § 4016. Voluntary election by federal qualified payment stablecoin issuer to convert to Delaware state  
401 qualification.

402 (a) A federal qualified payment stablecoin issuer that is a nonbank entity under the exclusive jurisdiction of the  
403 Office of the Comptroller of the Currency pursuant to 12 U.S.C. § 5903(b)(1) may, at its election, apply to the  
404 Commissioner for a payment stablecoin issuer license under § 4011 of this title and, upon obtaining such license and  
405 completing the federal exit process described in subsection (d) of this section, operate as a Delaware state-qualified  
406 payment stablecoin issuer subject to all requirements of this chapter.

407 (b) An applicant under this section is eligible to apply only if, at the time of application, all of the following  
408 conditions are met:

409 (1) The applicant's outstanding issuance value does not exceed \$10,000,000,000, calculated pursuant to §  
410 4003(30) of this title.

411 (2) The applicant is not subject to any pending or outstanding cease-and-desist order, consent order,  
412 formal enforcement action, or supervisory agreement with the Office of the Comptroller of the Currency or any  
413 other federal or state financial regulatory authority, unless the Commissioner determines in a written finding that  
414 the nature of the outstanding supervisory matter does not present a material risk to Delaware payment stablecoin  
415 holders.

416 (3) The applicant is legally established under the laws of this State or another state and, if established  
417 under the laws of another state, is qualified to do business in Delaware under applicable Delaware law as of the  
418 anticipated date of license issuance.

419 (4) The applicant's reserve assets are in compliance with § 4021 of this title as of the application date, as  
420 demonstrated by the most recent monthly reserve report and registered public accounting firm examination  
421 submitted to the Office of the Comptroller of the Currency.

422 (5) The applicant has provided written notice to the Office of the Comptroller of the Currency of its intent  
423 to seek Delaware state qualification and has obtained one of the following:

424 (A) Written no-objection or approval from the Office of the Comptroller of the Currency  
425 acknowledging the applicant's intent to voluntarily surrender its federal qualified status upon Delaware  
426 licensure.

427 (B) Evidence satisfactory to the Commissioner that the applicable OCC federal license surrender  
428 procedures have been formally initiated and that no regulatory or legal impediment to surrender is known  
429 to exist.

430 (c) An application under this section must satisfy all requirements of § 4012 of this title and must also include all  
431 of the following:

432 (1) The applicant's complete federal application history with the Office of the Comptroller of the  
433 Currency, including the most recent examination report or examination summary transmitted to the applicant by  
434 the OCC, to the extent disclosure is authorized by the OCC.

435 (2) A written certification by the applicant's chief executive officer and chief financial officer attesting  
436 that, as of the certification date all of the following conditions are met:

437 a. Reserve assets satisfy the requirements of § 4021 of this title.  
438 b. No pending or threatened federal or state enforcement action exists that has not been disclosed  
439 pursuant to § 4012 of this title.

440 c. Outstanding issuance value does not exceed \$10,000,000,000.

441 (3) A transition plan describing in reasonable detail all of the following:

442 a. The applicant's plan to formally surrender its federal qualified status concurrently with or  
443 immediately upon the effective date of the Delaware conditional license issued under subsection (d) this  
444 section, including the anticipated timing and sequencing of each federal exit step.

445 b. Any operational changes required to conform to this chapter that are not already required by  
446 OCC implementing regulations, and the timeline for achieving compliance.

447 c. The applicant's plan for ensuring continuity of payment stablecoin issuance and redemption  
448 operations throughout the conversion period without interruption to existing holders.

449 d. The applicant's plan for notifying existing payment stablecoin holders of the regulatory  
450 transition, including the anticipated timeline, any operational impacts, and holder rights under this  
451 chapter.

452 (4) The OCC written no-objection or approval described in paragraph (b)(5)(A) of this section, or, if  
453 paragraph (b)(5)(B) of this section applies, evidence satisfactory to the Commissioner that applicable federal  
454 surrender procedures have been initiated.

455 (5) Any additional information as the Commissioner requires by regulation.

456 (d) The following sequencing provisions apply to ensure compliance with the exclusive jurisdiction requirement of  
457 12 U.S.C. § 5903(b)(1):

458 (1) Conditional license. Upon approving an application under this section, the Commissioner shall issue a  
459 conditional license that does the following:

460 a. Takes effect and confers full Delaware state-qualified payment stablecoin issuer status on the  
461 date the applicant provides the Commissioner with written evidence satisfactory to the Commissioner that  
462 the applicant's federal qualified payment stablecoin issuer status under 12 U.S.C. § 5901(11) has been  
463 voluntarily surrendered, rescinded, or otherwise terminated by the Office of the Comptroller of the  
464 Currency.

465 b. Is subject to automatic revocation, without further hearing, if the applicant fails to complete  
466 the federal exit process and satisfy the condition of paragraph (d)(1)a. of this section within 365 days  
467 after the date the Commissioner issues the conditional license.

468 (2) During the period between issuance of a conditional license and its effectiveness under paragraph  
469 (d)(1)a. of this section, the applicant must do all of the following:

470 a. Remain a federal qualified payment stablecoin issuer subject to exclusive OCC jurisdiction  
471 and is not subject to examination or enforcement by the Commissioner with respect to payment stablecoin  
472 issuance activities.

473 b. Promptly notify the Commissioner in writing of any material change in financial condition,  
474 any new enforcement action commenced by any regulator, or any other development that would affect the  
475 applicant's eligibility under this section.

476 (3) On the date the conditional license becomes effective under paragraph (d)(1)a., and not before, all of  
477 the following applies:

478 a. The applicant becomes a Delaware state-qualified payment stablecoin issuer subject to all  
479 requirements of this chapter, including examination and enforcement by the Commissioner under  
480 subchapter IX of this chapter.

481 b. Any registration of the applicant under § 4014 of this title is automatically superseded and  
482 terminated without further action by the Commissioner or the applicant.

483 c. The applicant shall file with the Commissioner, within 30 days, the first monthly reserve  
484 report required by § 4024(a) of this title for the period following the effective date.

485 d. The applicant's payment stablecoin issuer license issued under this chapter becomes  
486 unconditional and subject to annual renewal pursuant to applicable regulations.

487 (e) Notwithstanding the standard 120-day review period under § 4012(e) of this title, the Commissioner shall act  
488 on a completed application under this section within 90 days of the date the application is deemed complete. The  
489 Commissioner may extend the review period by an additional 45 days upon written notice to the applicant for good cause  
490 shown.

491 (f) The Commissioner shall, by regulation under § 4040(a)(12) of this title, establish a reduced application fee for  
492 applicants under this section that reflects the reduced investigative burden applicable to applicants that have already been  
493 approved and examined as federal qualified payment stablecoin issuers.

494 (g) During the period between submission of an application under this section and the effective date of the  
495 conditional license under paragraph (d)(1)a. of this section, all of the following applies:

496 (1) The applicant shall maintain reserve assets in compliance with § 4021 of this title and with applicable  
497 OCC implementing regulations.

498 (2) The applicant may not materially alter its payment stablecoin issuance, reserve management, or  
499 redemption practices without prior written notice to the Commissioner.

500 (3) Payment stablecoin holders shall retain all rights and remedies available under the GENIUS Act,  
501 applicable federal law, and Delaware consumer protection law.

502 (h) Nothing in this section shall be construed to limit, reduce, or otherwise affect the authority of the Office of the  
503 Comptroller of the Currency over an applicant during the period between submission of an application under this section  
504 and the effective date of the conditional license pursuant to paragraph (d)(1)a. of this section. The Office of the Comptroller  
505 of the Currency remains the exclusive primary federal payment stablecoin regulator of the applicant during that period for  
506 all purposes under 12 U.S.C. § 5903(b)(1), including examination, enforcement, and supervisory authority over payment  
507 stablecoin issuance.

508 (i) The Commissioner shall promulgate regulations under § 4040(a)(12) of this title implementing this section,  
509 which shall address, at a minimum:

510 (1) Application procedures and forms.

511 (2) Form and content requirements for the transition plan required by paragraph (c)(3) of this section.

512 (3) Holder notification content and timing requirements under paragraph (c)(3)d. of this section.

513 (4) Criteria for the Commissioner's written findings regarding outstanding enforcement actions under  
514 paragraph (b)(2) of this section.

515 (5) Form and content of evidence of OCC exit satisfactory to the Commissioner under paragraph (d)(1)a.  
516 of this section.

517 (6) Reduced application fee schedule under subsection (f) of this section.

518 (7) Coordination procedures with the Office of the Comptroller of the Currency during the conversion  
519 process, consistent with the information-sharing arrangement under § 4041 of this title.

520 (j) Beginning 1 year after the first license is issued under this section, and annually thereafter, the Commissioner  
521 shall include in the Commissioner's annual report to the Governor and the General Assembly a summary of: applications  
522 received, approved, and denied under this section in the preceding year; aggregate outstanding issuance value of issuers that

523 have converted to Delaware state qualification; OCC coordination activities related to federal-to-state conversions; and any  
524 recommendations for legislative or regulatory changes to improve the conversion process.

525 § 4016A. Change in control of permitted payment stablecoin issuers.

526 (a) A person who proposes, directly or indirectly, to acquire control of a permitted payment stablecoin issuer  
527 licensed under this chapter shall provide written notice to the Commissioner not less than 60 days before the proposed  
528 acquisition. For purposes of this section, “control” has the meaning set forth in § 4003 of this title, provided that there shall  
529 be a rebuttable presumption of control if, after the proposed transaction, a person would beneficially own 10% or more of  
530 the voting securities of the permitted payment stablecoin issuer.

531 (b) The Commissioner shall, upon receipt of a complete notice under subsection (a) of this section, review the  
532 proposed acquisition using the fitness and character standards of § 4029 of this title applicable to initial licensing. The  
533 Commissioner may do any of the following:

534 (1) Approve the proposed acquisition.

535 (2) Conditionally approve the proposed acquisition subject to conditions designed to address fitness or  
536 safety concerns.

537 (3) Disapprove the proposed acquisition if the Commissioner determines in a written finding that the  
538 proposed acquiror does not satisfy the fitness standards of § 4029 of this title, or that the proposed acquisition  
539 poses material risks to the safety and soundness of the permitted payment stablecoin issuer or to payment  
540 stablecoin holders.

541 (c) A proposed acquisition of control may proceed unless the Commissioner disapproves it within 60 days of  
542 receipt of a complete notice under subsection (a) of this section. The Commissioner may extend the review period by an  
543 additional 30 days upon written notice to the proposed acquiror for good cause shown. If the Commissioner does not act  
544 within the applicable review period, the proposed acquisition is deemed not disapproved.

545 (d) If a person acquires control of a permitted payment stablecoin issuer without providing prior notice as required  
546 by subsection (a) of this section, the Commissioner may, on an emergency basis and without prior hearing, suspend the  
547 issuer's license pending completion of a fitness review under subsection (b) of this section. Any emergency suspension  
548 under this subsection shall be subject to prompt post-deprivation hearing consistent with § 4033(c) of this title. The  
549 Commissioner shall also require the acquiror to provide, within 15 business days of the acquisition of control, all  
550 information required by subsection (a) of this section as if the notice had been timely filed.

551 (e) The Commissioner shall promulgate regulations implementing this section, which shall establish, at a  
552 minimum:

553                   (1) Form and content of pre-acquisition notices.

554                   (2) Standards for determining when a person has or will have beneficial ownership of 10% or more of  
555 voting securities for purposes of subsection (a) of this section.

556                   (3) Criteria for the Commissioner's written findings under paragraph (b)(3) of this section.

557                   (4) Procedures for expedited review when a proposed acquisition is accompanied by full fitness  
558 documentation under § 4012 of this title.

559 (f) This section does not apply to any of the following:

560                   (1) Acquisitions of control that are subject to the jurisdiction of the Board of Governors of the Federal  
561 Reserve System under the Bank Holding Company Act, 12 U.S.C. § 1841 et seq., or the Change in Bank Control  
562 Act, 12 U.S.C. § 1817(j).

563                   (2) Acquisitions of control of a federal qualified payment stablecoin issuer registered under § 4014 of this  
564 title, which remains exclusively subject to OCC oversight under 12 U.S.C. § 5903(b)(1).

565 Subchapter IV. Standards for Payment Stablecoin Issuance.

566 § 4021. Reserve requirements.

567                   (a) A permitted payment stablecoin issuer shall at all times maintain identifiable reserve assets backing the issuer's  
568 outstanding payment stablecoins on at least a 1-to-1 basis by fair value. Reserve assets shall consist only of the following:

569                   (1) United States coins and currency, including Federal Reserve notes, or money standing to the credit of  
570 an account with a Federal Reserve Bank.

571                   (2) Funds held as demand deposits or other deposits that may be withdrawn upon request at any time, or  
572 insured shares, at an insured depository institution, subject to any limitations imposed by the Commissioner by  
573 regulation to address safety and soundness risks.

574                   (3) United States Treasury bills, notes, or bonds that are any of the following:

575                           a. Have a remaining maturity of 93 days or less.

576                           b. Were issued with a maturity of 93 days or less.

577                   (4) Money received under repurchase agreements with the permitted payment stablecoin issuer acting as a  
578 seller of securities and with an overnight maturity, that are backed by United States Treasury bills with a maturity  
579 of 93 days or less.

580                   (5) Reverse repurchase agreements with the permitted payment stablecoin issuer acting as a purchaser of  
581 securities and with an overnight maturity, collateralized by United States Treasury notes, bills, or bonds on an  
582 overnight basis, subject to overcollateralization in line with standard market terms, that are any of the following:

583                                   a. Tri-party.

584                                   b. Centrally cleared through a clearing agency registered with the Securities and Exchange

585                                   Commission.

586                                   c. Bilateral with a counterparty that the issuer has determined to be adequately creditworthy.

587                                   (6) Securities issued by an investment company registered under the Investment Company Act of 1940,

588                                   or other registered government money market funds, that are invested solely in underlying assets described in

589                                   paragraphs (1) through (5) of this subsection.

590                                   (7) Any other similarly liquid assets approved in writing by the Commissioner, including any reserve

591                                   described in paragraphs (1) through (6) of this subsection in tokenized form, provided that such tokenized reserves

592                                   comply with all applicable laws and regulations.

593                                   (b) Reserve assets required under subsection (a) of this section may not be pledged, rehypothecated, or reused by

594                                   the permitted payment stablecoin issuer, either directly or indirectly, except under the following circumstances:

595                                   (1) To satisfy margin obligations in connection with permitted investments under paragraphs (4) and (5)

596                                   of subsection (a) of this section.

597                                   (2) To satisfy obligations associated with the use, receipt, or provision of standard custodial services.

598                                   (3) To create liquidity to meet reasonable expectations of requests to redeem payment stablecoins, such

599                                   that reserve assets in the form of United States Treasury bills may be sold as purchased securities for repurchase

600                                   agreements with a maturity of 93 days or less, provided that the Commissioner has approved such activity or the

601                                   repurchase agreements are cleared by a clearing agency registered with the Securities and Exchange Commission.

602                                   (c) Reserve assets must be held with eligible financial institutions. A permitted payment stablecoin issuer shall

603                                   enter into a written custody agreement with each eligible financial institution holding its reserve assets, documenting that

604                                   institution's compliance with the requirements of § 4025 of this title.

605                                   (d) The Commissioner shall promulgate regulations establishing the following:

606                                   (1) Concentration limits on the percentage of reserve assets that may be held at any single eligible

607                                   financial institution, to reduce systemic risk; provided that such regulations shall include a safe harbor under which

608                                   an issuer is deemed to satisfy the concentration requirement if it maintains no more than 40% of its reserve assets

609                                   at any one eligible financial institution.

610                                   (2) Liquidity standards requiring that a permitted payment stablecoin issuer maintain minimum

611                                   percentages of its required reserve assets in immediately available form, which standards shall be principles-based

612 and tailored to the business model and risk profile of the issuer, and which may include a safe harbor substantially  
613 similar to those set forth in OCC final regulations, as amended from time to time.

614 (e) If at any time a permitted payment stablecoin issuer's reserve assets fall below the minimum required by  
615 subsection (a) of this section, the issuer is subject to all of the following:

616 (1) The issuer shall notify the Commissioner through the Commissioner's designated supervisory office  
617 on the same business day on which the issuer becomes aware, or reasonably should have become aware, that its  
618 reserve assets have fallen below the required minimum.

619 (2) The issuer is prohibited from issuing new payment stablecoins until its reserve assets are restored to  
620 the required minimum under subsection (a), except that the issuer may issue payment stablecoins solely as  
621 necessary to facilitate the transfer of existing payment stablecoins from one distributed ledger to another, provided  
622 that such transactions do not increase the net outstanding issuance value.

623 (3) Mandatory liquidation and fee-free redemption. — If the issuer fails to restore its reserve assets to the  
624 required minimum within 15 consecutive business days after the deficiency first arose, the issuer must do all of the  
625 following:

626 a. Immediately commence an orderly liquidation of reserve assets and redemption of all  
627 outstanding payment stablecoins in a manner consistent with § 4023 of this title and with regulations  
628 promulgated by the Commissioner.

629 b. Discontinue any fee to a holder for the redemption of payment stablecoins at any time during  
630 the liquidation period.

631 (f) The Commissioner may extend the 15-consecutive-business-day period specified in paragraph (e)(3) of this  
632 section by written order for good cause shown, including where the Commissioner determines that the issuer has submitted  
633 a credible remediation plan with a reasonable timeline for attaining compliance. Notwithstanding the foregoing, if the  
634 Commissioner determines at any time that a permitted payment stablecoin issuer faces a significant risk of being unable to  
635 attain compliance with subsection (a) of this section within a reasonable period, the Commissioner may order the issuer to  
636 initiate orderly redemption of all outstanding payment stablecoins. The Commissioner's authority under this paragraph does  
637 not limit the Commissioner's authority to pursue other enforcement measures under subchapter IX of this chapter.

638 § 4022. Capital and net worth requirements.

639 (a) A permitted payment stablecoin issuer shall maintain minimum capital sufficient to ensure its ongoing  
640 operations. The Commissioner shall promulgate regulations establishing the following:

641 (1) A minimum fixed capital requirement for de novo permitted payment stablecoin issuers, which must  
642 not be less than \$5,000,000.

643 (2) A minimum ongoing capital requirement equal to not less than 12 months of the issuer's projected  
644 operating expenses.

645 (3) Any additional capital requirements the Commissioner determines are appropriate based on the  
646 issuer's risk profile, business model, outstanding issuance value, or other relevant factors.

647 (b) The Commissioner may, by regulation or order, require a state-qualified payment stablecoin issuer to maintain  
648 capital buffers above the minimum requirements of subsection (a) of this section if the Commissioner determines that  
649 additional capital is necessary to ensure the ongoing operations of the issuer, having regard to the issuer's business model  
650 and risk profile.

651 (c) The Commissioner's capital requirements under this section shall do the following:

652 (1) Be tailored to the business model and risk profile of permitted payment stablecoin issuers.

653 (2) Not exceed requirements that are sufficient to ensure the ongoing operations of the issuer.

654 (3) Align, to the extent practicable, with capital requirements established by the primary federal payment  
655 stablecoin regulators for federal qualified payment stablecoin issuers, to maintain the substantial similarity  
656 necessary for GENIUS Act certification.

657 § 4023. Redemption policy; disclosures.

658 (a) A permitted payment stablecoin issuer shall publicly disclose its redemption policy, which must do all of the  
659 following:

660 (1) Establish clear and conspicuous procedures for timely redemption of outstanding payment stablecoins.

661 (2) Specify any conditions, limitations, or fees associated with redemption, provided that:

662 a. Fees may only be changed upon not less than 7 days prior notice to holders.

663 b. Any discretionary suspension of redemptions may only be imposed by order of the  
664 Commissioner under § 4036 of this title, by order of the Board of Governors of the Federal Reserve  
665 System, or by a court of competent jurisdiction.

666 (3) Establish the following mandatory timing standards:

667 a. Require the issuer to complete any requested redemption not later than 2 business days  
668 following the date of the requested redemption, except as otherwise provided in paragraphs (a)(4) and  
669 (a)(5) of this section.

670 b. Prohibit the permitted payment stablecoin issuer from unilaterally limiting, suspending, or  
671 otherwise delaying redemptions for any reason in the absence of an order described in paragraph (a)(2)b.  
672 of this section.

673 c. Require the permitted payment stablecoin issuer to honor any redemption request for a whole  
674 number of payment stablecoins not less than 1, subject to applicable customer identification and  
675 onboarding requirements established by regulation.

676 (4) If a permitted payment stablecoin issuer faces redemption demands in excess of 10% of its  
677 outstanding issuance value in a single 24-hour period, the period for timely redemption under paragraph (a)(3)a. of  
678 this section is immediately extended to 7 calendar days by operation of this paragraph with respect to all  
679 redemption requests outstanding at the time the 10% threshold is met and all subsequent redemption requests. The  
680 issuer shall notify the Commissioner within 24 hours of the time at which the 10% threshold is met. The  
681 Commissioner may, in the Commissioner's discretion, permit the issuer to resume normal 2-business-day  
682 redemption prior to the expiration of the 7 calendar-day period upon a finding that the issuer has the ability to  
683 redeem in an orderly and fair manner. This extended period is non-discretionary and operates by statute upon the  
684 occurrence of the trigger event.

685 (5) The required redemption policy disclosure must be posted in a clear and conspicuous manner on the  
686 issuer's publicly accessible website and must include a statement consistent with paragraph (a)(3) of this section  
687 explaining the mandatory timing standards and the limited circumstances under which redemptions may be  
688 delayed.

689 (b) The Commissioner may, by written order, extend or modify the redemption period applicable to a permitted  
690 payment stablecoin issuer beyond the periods specified in this subsection in the event of an extraordinary market disruption,  
691 systemic liquidity crisis, material cybersecurity incident, or other emergency condition posing imminent risk of harm to  
692 payment stablecoin holders or the financial system. Any order under this paragraph must specify the duration and  
693 conditions of any extension and is subject to review under § 4036 of this title.

694 (c) A permitted payment stablecoin issuer may not pay interest or yield on payment stablecoins to holders. This  
695 prohibition does not prevent an issuer from earning returns on its reserve assets for the issuer's own account.  
696 Notwithstanding anything in this subsection, if any federal law, regulation, order, or guidance permits a federally chartered  
697 or federally licensed payment stablecoin issuer to pay interest or yield on payment stablecoins to holders, then a state-  
698 chartered or state-licensed permitted payment stablecoin issuer shall be equally permitted to pay interest or yield on

699 payment stablecoins to holders on the same terms and to the same extent as authorized for a federally permitted issuer,  
700 without further legislative action.

701 (d) A permitted payment stablecoin issuer may not issue or market a payment stablecoin in any name, mark, or  
702 description that states or implies that the payment stablecoin is issued, guaranteed, or backed by the United States  
703 government or any agency thereof.

704 (e) A permitted payment stablecoin issuer may not make the issuance of a payment stablecoin contingent upon the  
705 purchase of any other product or service.

706 Subchapter V. Custody of Reserve Assets and Payment Stablecoins

707 § 4024. Monthly reporting and attestation.

708 (a) Not later than noon on the last day of each calendar month, a permitted payment stablecoin issuer shall publish  
709 on one of its publicly accessible website a report disclosing, as of the last day of the preceding calendar month:

710 (1) The total number and aggregate outstanding issuance value of payment stablecoins issued and  
711 outstanding.

712 (2) The amount and composition of the issuer's reserve assets, including the average tenor and geographic  
713 location of custody of each category of reserve asset.

714 (3) A description of any material changes in reserve composition since the preceding monthly report.

715 (b) Each month, the information disclosed in the preceding month's report required by subsection (a) of this  
716 section must be examined by a registered public accounting firm engaged by the issuer.

717 (c) Each month, the chief executive officer and chief financial officer of a permitted payment stablecoin issuer  
718 shall submit to the Commissioner a signed certification as to the accuracy of the current monthly report required by  
719 subsection (a).

720 (d) A permitted payment stablecoin issuer with an outstanding issuance value exceeding \$50,000,000,000 shall  
721 annually prepare a financial statement in accordance with GAAP, audited by a registered public accounting firm, and shall  
722 submit such audited statement to the Commissioner within 90 days after the close of each fiscal year.

723 § 4025. Custody requirements.

724 (a) This section applies to any permitted payment stablecoin issuer and to any person that provides custodial or  
725 safekeeping services for any of the following:

726 (1) Payment stablecoin reserve assets.

727 (2) Payment stablecoins used as collateral.

728 (3) Private keys used to issue payment stablecoins.

729 (4) Cash and other property received in the course of providing custodial services for any of the  
730 foregoing.

731 (b) A permitted payment stablecoin issuer and any custodian of reserve assets shall do all of the following:

732 (1) Separately account for the reserve assets of each issuer or customer and treat and deal with those  
733 assets as belonging to that issuer or customer and not as property of the custodian.

734 (2) Not commingle reserve assets with the general assets of the custodian.

735 (3) Take appropriate steps to protect reserve assets from claims of creditors of the custodian and of any  
736 sub-custodian, including by adopting, implementing, and maintaining written policies, procedures, and internal  
737 controls that are adequate to comply with applicable law and commensurate with the custodian's size, complexity,  
738 and risk profile.

739 (c) A custodian shall maintain possession or control of covered assets held directly, including through a digital  
740 wallet for which the custodian controls the associated private keys. A custodian may use a sub-custodian if all of the  
741 following requirements are met:

742 (1) The use is consistent with applicable law.

743 (2) The custodian maintains adequate safeguards and internal controls reasonably designed to provide  
744 oversight of the sub-custodian's compliance with this section.

745 (3) The sub-custodian is an eligible financial institution or is subject to requirements materially  
746 equivalent to those of this section.

747 (d) Reserve assets held in custody for a permitted payment stablecoin issuer may not be considered property of the  
748 custodian in any insolvency, receivership, or similar proceeding affecting the custodian, and may not be available to satisfy  
749 claims of the custodian's creditors.

750 (e) The Commissioner shall promulgate regulations establishing minimum standards for custodial agreements,  
751 internal controls, reporting to the Commissioner, and examination of custodians operating in this State.

752 Subchapter VI. Anti-Money Laundering and Sanctions Compliance

753 § 4026. AML program requirements.

754 (a) A permitted payment stablecoin issuer licensed under § 4011 of this title is a financial institution for purposes  
755 of the Bank Secrecy Act and shall comply with all applicable requirements thereunder, including any tailored rules  
756 promulgated by the Financial Crimes Enforcement Network applicable to payment stablecoin issuers.

757 (b) Each permitted payment stablecoin issuer licensed under § 4011 of this title shall establish, implement, and  
758 maintain a written anti-money laundering and countering the financing of terrorism program that, does all of the following:

759                   (1) Establishes internal policies, procedures, and controls reasonably designed to prevent the issuer from  
760 being used to facilitate money laundering or terrorist financing.

761                   (2) Designates a compliance officer responsible for the program's day-to-day operations.

762                   (3) Provides for ongoing employee training.

763                   (4) Provides for independent testing of the program.

764                   (5) Implements a risk-based customer identification program that identifies and verifies the identity of  
765 each initial holder of a payment stablecoin at the time of issuance.

766                   (6) Implements a customer due diligence program consistent with applicable federal requirements.

767                   (7) Maintains appropriate records of transactions involving payment stablecoins as required by the Bank  
768 Secrecy Act and regulations thereunder.

769                   (8) Monitors for and reports suspicious activity to the Financial Crimes Enforcement Network and, to the  
770 extent required by applicable law, to the Commissioner.

771                   (9) Maintains the technological capability and internal processes to block, freeze, and reject transactions  
772 that violate applicable sanctions laws or lawful orders.

773                   (10) Certifies to the Commissioner annually that the issuer has implemented an effective AML and  
774 sanctions compliance program.

775                   (c) The Commissioner shall promulgate regulations establishing the form and content of the annual AML  
776 certification required by paragraph (b)(10) of this section, and may adopt by reference any rules promulgated by the  
777 Financial Crimes Enforcement Network applicable to payment stablecoin issuers.

778                   § 4027. Sanctions compliance; compliance with lawful orders.

779                   (a) A permitted payment stablecoin issuer shall maintain the technological capability to comply with any lawful  
780 order requiring the issuer to seize, freeze, burn, or prevent the transfer of payment stablecoins.

781                   (b) Upon receipt of a lawful order from a court of competent jurisdiction or from a Delaware or federal  
782 governmental authority, a permitted payment stablecoin issuer shall take all actions required by the lawful order, including  
783 freezing or burning the specified payment stablecoins, within the time specified in the order.

784                   (c) A permitted payment stablecoin issuer shall comply with all applicable requirements of the Office of Foreign  
785 Assets Control of the United States Department of the Treasury.

786                   (d) The Commissioner shall promulgate regulations establishing minimum technological and operational standards  
787 for compliance with this section.

788                   Subchapter VII. Risk Management and Governance

789           § 4028. Risk management and governance.

790           (a) The Commissioner shall promulgate regulations establishing principles-based risk management requirements  
791 for permitted payment stablecoin issuers licensed under § 4011 of this title, which shall include the following:

792                   (1) Operational risk, including technology infrastructure and cybersecurity.

793                   (2) Liquidity risk management.

794                   (3) Reserve asset interest rate risk and diversification.

795                   (4) Business continuity and disaster recovery, including provisions specific to distributed ledger systems  
796 and private key management.

797                   (5) Insider and affiliate transactions, including prohibitions on self-dealing that disadvantages payment  
798 stablecoin holders.

799                   (6) Outsourcing of critical functions, including use of sub-custodians and third-party technology  
800 providers.

801                   (7) Nonpublic personal information protection and data security.

802                   (8) Asset growth prudential management, ensuring that growth in outstanding issuance value is  
803 commensurate with the issuer's risk management capabilities, operational capacity, and staffing.

804                   (9) Annual wind-down planning, requiring each permitted payment stablecoin issuer to prepare and file  
805 with the Commissioner an updated plan for the orderly wind-down of its payment stablecoin operations in the  
806 event of insolvency or license surrender, consistent with paragraphs (a)(3) and (a)(5) of § 4023 of this title.

807           (b) Risk management requirements promulgated under this section shall be tailored to the business model and risk  
808 profile of permitted payment stablecoin issuers, and must be aligned, to the extent practicable, with corresponding federal  
809 standards established under the GENIUS Act and OCC implementing regulations to maintain the substantial similarity  
810 required for GENIUS Act certification.

811           § 4029. Fitness and character requirements.

812           (a) No person who has been convicted of, or has pleaded guilty or nolo contendere to, any crime involving fraud,  
813 dishonesty, breach of trust, money laundering, or financial crimes in any jurisdiction shall serve as a director or executive  
814 officer of a permitted payment stablecoin issuer licensed under this chapter.

815           (b) The Commissioner may establish by regulation additional fitness and character standards applicable to  
816 executive officers, directors, and persons with control of permitted payment stablecoin issuers, consistent with the standards  
817 established for federal qualified payment stablecoin issuers under the GENIUS Act.

818           § 4029A. Customer data privacy and information security.

819           (a) Each permitted payment stablecoin issuer licensed under § 4011 of this title shall establish, implement, and  
820 maintain a written program to protect the nonpublic personal information of its customers from unauthorized access, use, or  
821 disclosure. The program must do all of the following:

822                   (1) Include administrative, technical, and physical safeguards appropriate to the size, complexity, and  
823 sensitivity of the customer information maintained by the issuer.

824                   (2) Identify and assess internal and external risks to the security, confidentiality, and integrity of customer  
825 nonpublic personal information.

826                   (3) Design and implement safeguards to control the risks identified under paragraph (a)(2) of this section.

827                   (4) Include measures to ensure continuity of operations and recover critical functions in the face of  
828 disruptions to systems that maintain or process nonpublic personal information.

829           (b) A permitted payment stablecoin issuer may not sell, transfer, or disclose a customer's nonpublic personal  
830 information to a nonaffiliated third party except in any of the following circumstances:

831                   (1) With the prior informed consent of the customer.

832                   (2) As necessary to provide a product or service requested by the customer, subject to appropriate  
833 safeguards and contractual protections.

834                   (3) As required by applicable federal or state law, including a lawful order.

835           (c) A permitted payment stablecoin issuer that discovers or reasonably suspects an unauthorized acquisition of or  
836 access to nonpublic personal information of its customers must do all of the following:

837                   (1) Promptly investigate the incident and take reasonable steps to contain and mitigate any harm to  
838 affected customers.

839                   (2) Notify the Commissioner through the Commissioner's designated supervisory office within 72 hours  
840 of becoming aware that a breach of nonpublic personal information has occurred or is reasonably likely to have  
841 occurred.

842                   (3) Notify affected customers as soon as reasonably practicable following the investigation described in  
843 paragraph (c)(1) of this section, in accordance with the form, timing, and content requirements established by the  
844 Commissioner by regulation under subsection (d) of this section. If the permitted payment stablecoin issuer is  
845 unable to identify which specific customers' information has been accessed, it shall notify all customers in the  
846 group of files or accounts reasonably believed to have been accessed. Customer notice may be delayed if a federal  
847 or state law enforcement agency determines in writing that notification will interfere with a criminal investigation;

848 upon such determination, the issuer shall notify affected customers as soon as the law enforcement agency advises  
849 that notification will no longer interfere with the investigation.

850 (d) The Commissioner shall promulgate regulations establishing detailed standards under this section, which shall  
851 be principles-based and shall be substantially similar to standards applicable to federal qualified payment stablecoin issuers  
852 under 12 C.F.R. Part 15, as amended. The Commissioner's regulations shall address, at a minimum, all of the following:

853 (1) Content and format requirements for the written information security program required by subsection  
854 (a) of this section.

855 (2) Standards for determining when a breach has occurred or is reasonably likely to have occurred for  
856 purposes of paragraph (c)(2) of this section.

857 (3) Form, timing, and content of customer notifications under paragraph (c)(3) of this section.

858 (4) Coordination with the Commissioner's supervisory office and relevant law enforcement agencies in  
859 the event of a material breach.

860 Subchapter VIII. Preemption.

861 § 4030. State preemption of inconsistent local law.

862 (a) This chapter and regulations promulgated hereunder constitute the sole and exclusive regulatory framework  
863 under Delaware law for the licensing, regulation, and supervision of all of the following:

864 (1) Payment stablecoin issuers operating in this State.

865 (2) Digital asset service providers operating in this State, with respect to the activities described in this  
866 chapter.

867 (b) A county, city, municipality, or other political subdivision of this State may not enact or enforce any ordinance,  
868 regulation, rule, or other requirement that would do any of the following:

869 (1) Require a payment stablecoin issuer or digital asset service provider to obtain a local license, permit,  
870 or other authorization to conduct payment stablecoin issuance or digital asset service activities in this State.

871 (2) Impose reserve, capital, or AML requirements on payment stablecoin issuers or digital asset service  
872 providers that are additional to or inconsistent with those imposed by this chapter.

873 (3) Restrict, prohibit, or otherwise regulate the issuance, distribution, sale, or transfer of payment  
874 stablecoins or the activities of digital asset service providers, except as expressly authorized by this chapter.

875 (c) Any local ordinance, regulation, or rule inconsistent with this section is void.

876 § 4031. Savings clause; consumer protection laws.

877 (a) Nothing in this chapter preempts:

878                   (1) The Delaware Consumer Fraud Act under subchapter II, chapter 25 of Title 6, or any other state  
879                   consumer protection law of general applicability not specifically directed at digital asset activity.

880                   (2) The Delaware Uniform Securities Act under chapter 73 of Title 6 with respect to digital assets that are  
881                   securities within the meaning of that Act.

882                   (3) The authority of the Attorney General to investigate and prosecute violations of state law.

883                   (4) Any applicable federal law, including the GENIUS Act.

884                   (b) This chapter does not create any private right of action beyond those available under existing Delaware law.

885                   Subchapter IX. Examination and Enforcement

886                   § 4032. Examination authority.

887                   (a) The Commissioner may examine each permitted payment stablecoin issuer licensed under this chapter as  
888                   frequently as the Commissioner deems necessary or expedient.

889                   (b) For issuers with an outstanding issuance value exceeding \$1,000,000,000, the Commissioner shall conduct a  
890                   full examination at least annually.

891                   (c) In conducting examinations under this section, the Commissioner shall have free access to every part of the  
892                   issuer's offices and place of business, and to the issuer's assets, records, books, data systems, and personnel.

893                   (d) The Commissioner may conduct joint or coordinated examinations with the primary federal payment  
894                   stablecoin regulator or the financial regulatory authority of another state.

895                   (e) An examined issuer shall pay the reasonable costs of any examination conducted under this section, as  
896                   determined by the Commissioner by regulation.

897                   § 4033. Enforcement powers.

898                   (a) If the Commissioner has reason to believe that a person has violated or is about to violate any provision of this  
899                   chapter or any regulation or order of the Commissioner, the Commissioner may do any of the following:

900                   (1) Issue a cease and desist order.

901                   (2) Suspend or revoke a license issued under this chapter.

902                   (3) Assess civil penalties for the following amounts:

903                   a. For violations that are not knowing or reckless, not more than \$100,000 per violation, per day  
904                   of a continuing violation.

905                   b. For violations that are knowing or reckless: not more than \$500,000 per violation, per day of a  
906                   continuing violation.

907                    c. For violations that are part of a pattern of misconduct or that result in material harm to  
908                    payment stablecoin holders: not more than \$1,000,000 per violation, per day of a continuing violation.

909                    (4) Seek injunctive relief in the Court of Chancery of the State of Delaware.

910                    (5) Take any combination of the foregoing actions.

911                    (b) In determining the amount of any civil penalty under paragraph (a)(3) of this section, the Commissioner shall  
912                    consider the following:

913                    (1) The gravity of the violation.

914                    (2) The history of previous violations.

915                    (3) The good faith of the person charged.

916                    (4) The financial resources and good character of the person.

917                    (5) Any unjust enrichment to the person from the violation.

918                    (6) Any harm to payment stablecoin holders or the public.

919                    (7) Any other factors as justice may require.

920                    (c) Before taking action under paragraphs (a)(2) or (a)(3) of this section, the Commissioner shall provide the  
921                    affected person with notice and an opportunity to be heard in accordance with the Administrative Procedures Act, chapter  
922                    101 of Title 29.

923                    (d) The Commissioner may take emergency action under paragraph (a)(1) of this section without prior notice and  
924                    hearing if the Commissioner determines that immediate action is necessary to prevent imminent harm to payment  
925                    stablecoin holders or the public. Emergency actions are subject to prompt post-deprivation hearing.

926                    (e) The Commissioner may share examination reports, investigation files, and other supervisory information with  
927                    the following:

928                    (1) The primary federal payment stablecoin regulator of an issuer.

929                    (2) Financial regulatory authorities of other states.

930                    (3) Federal law enforcement agencies, subject to appropriate confidentiality agreements.

931                    § 4034. Criminal penalties.

932                    (a) It is unlawful to knowingly issue a payment stablecoin or act as a digital asset service provider without a  
933                    license required by this chapter. Violation of § 4011 of this title is a class F felony.

934                    (b) It is unlawful to knowingly make a material misrepresentation in an application for a license under this chapter.  
935                    Violation of § 4012 of this title is a class F felony.

936 (c) It is unlawful to knowingly submit a false certification of any report or disclosure required under this chapter.  
937 Violation of § 4024 of this title is a class F felony.

938 § 4035. Private rights; no federal preemption of state consumer laws.

939 (a) A violation of this chapter by a permitted payment stablecoin issuer shall constitute a violation of the Delaware  
940 Consumer Fraud Act under subchapter II, chapter 25 of Title 6, subject to the enforcement authority of the Attorney  
941 General under that Act.

942 (b) Nothing in this chapter shall be construed to create a private right of action by a payment stablecoin holder  
943 against a permitted payment stablecoin issuer beyond rights available under existing Delaware contract law, tort law, and  
944 consumer protection statutes.

945 § 4036. Suspension of redemptions.

946 (a) The Commissioner may, by order, authorize a permitted payment stablecoin issuer to temporarily suspend  
947 redemptions of payment stablecoins if all of the following:

948 (1) The Commissioner determines that immediate suspension is necessary to prevent harm to payment  
949 stablecoin holders resulting from an extraordinary market disruption, systemic liquidity crisis, or material  
950 cybersecurity incident.

951 (2) The permitted time, manner, and conditions of any suspension are specified in the order.

952 (b) A suspension of redemptions ordered under this section may not exceed 10 business days without renewal by  
953 the Commissioner upon a new finding of necessity.

954 (c) Any issuer or holder adversely affected by a suspension order under this section may petition the Court of  
955 Chancery for review on an expedited basis.

956 Subchapter X. Treatment of Payment Stablecoins

957 § 4037. Legal classification of payment stablecoins.

958 (a) A payment stablecoin issued by a permitted payment stablecoin issuer is not a security under chapter 73 of  
959 Title 6 of the Delaware Code solely by virtue of satisfying the definition of “payment stablecoin” under § 4003 of this title.  
960 Nothing in this section limits the Commissioner of Securities' authority to determine that a specific digital asset qualifies as  
961 a security under applicable Delaware law based on other characteristics.

962 (b) A payment stablecoin issued by a permitted payment stablecoin issuer is not a deposit for purposes of § 761 of  
963 this title solely by virtue of satisfying the definition of “payment stablecoin” under § 4003 of this title. Payment stablecoins  
964 issued by permitted payment stablecoin issuers are not deposits insured by the Federal Deposit Insurance Corporation or the

965 National Credit Union Administration, and permitted payment stablecoin issuers shall prominently disclose this fact to  
966 holders.

967 (c) A permitted payment stablecoin issuer may not represent to any person that a payment stablecoin is insured by  
968 any federal or state government agency or instrumentality.

969 § 4038. Self-Custody; peer-to-peer transactions.

970 This chapter does not apply to any of the following:

971 (1) The direct transfer of digital assets between two individuals acting on their own behalf and for their  
972 own lawful purposes, without the involvement of a licensed intermediary.

973 (2) Any transaction by means of a self-custodial wallet that facilitates an individual's own custody of  
974 digital assets.

975 (3) Any transaction by a Delaware resident involving the receipt of digital assets between an account  
976 owned by the individual in this State and an account owned by the individual abroad with the same parent  
977 company.

978 Subchapter XI. Regulatory Authority and Rulemaking

979 § 4039. General regulatory authority.

980 The Commissioner is the primary state regulatory and supervisory authority in Delaware over entities that issue  
981 payment stablecoins and over digital asset service providers operating in this State. The Commissioner shall serve as the  
982 “state payment stablecoin regulator” for purposes of the GENIUS Act, 12 U.S.C. § 5901(30).

983 § 4040. Rulemaking; required and discretionary regulations; safe harbor.

984 (a) Not later than 18 months after the effective date of this Act, the Commissioner shall promulgate regulations  
985 implementing the following:

986 (1) Application procedures, forms, and fees under § 4012 of this title.

987 (2) Reciprocal recognition standards under § 4013 of this title.

988 (3) Registration procedures for federally supervised entities under § 4014 of this title.

989 (4) Transition procedures for issuers exceeding the \$10 billion threshold under § 4015 of this title.

990 (5) Reserve asset composition, custody standards, concentration limits, and liquidity standards under §  
991 4021 of this title.

992 (6) Capital and net worth requirements under § 4022 of this title.

993 (7) Risk management standards, including asset growth management and wind-down planning, under §  
994 4028 of this title.

995                   (8) Anti-money laundering program standards and annual certification requirements under § 4026 of this  
996 title.

997                   (9) Examination standards and fees under § 4032 of this title.

998                   (10) Outstanding issuance value computation methodology under § 4003 of this title.

999                   (11) Data privacy and information security program standards, breach notification procedures, and  
1000 customer notification requirements under § 4028A of this title.

1001                   (12) Procedures for applications by federal qualified payment stablecoin issuers electing Delaware state  
1002 qualification under § 4016 of this title, including transition plan requirements, holder notification standards,  
1003 evidence of OCC exit standards, coordination protocols with the Office of the Comptroller of the Currency, and  
1004 the reduced application fee schedule

1005                   (13) Change-in-control notice procedures and review standards under § 4016A of this title.

1006                   (14) Any other regulations as are necessary to implement this chapter in a manner that is substantially  
1007 similar to the GENIUS Act and OCC implementing regulations.

1008                   (b) The Commissioner may promulgate regulations for the following:

1009                   (1) Establishing additional subcategories of licenses under § 4011(d) of this title.

1010                   (2) Granting exemptions from this chapter under § 4005(9) of this title.

1011                   (3) Establishing tailored requirements for different classes of permitted payment stablecoin issuers based  
1012 on size, risk, or business model.

1013                   (4) Adopting by reference federal regulations promulgated under the GENIUS Act, as the Commissioner  
1014 determines is necessary to maintain substantial similarity with the federal framework.

1015                   (5) Establishing procedures for automatic or expedited adoption of federal regulatory amendments to  
1016 maintain ongoing substantial similarity with the federal framework, including any final rules promulgated by the  
1017 Financial Crimes Enforcement Network, the OCC, the Board of Governors of the Federal Reserve System, or  
1018 other federal payment stablecoin regulators.

1019                   (6) Establishing procedures for coordination with the primary federal payment stablecoin regulators.

1020                   (7) Prescribing such other requirements as the Commissioner deems necessary to protect the public and  
1021 ensure the safety and soundness of permitted payment stablecoin issuers.

1022                   (c) In promulgating regulations under this section, the Commissioner shall align Delaware's regulatory framework,  
1023 to the extent practicable, with regulations promulgated under the GENIUS Act by the primary federal payment stablecoin

1024 regulators, including the OCC's regulations implementing the GENIUS Act (Docket ID OCC-2025-0372, as finalized), in  
1025 order to maintain the substantial similarity required for GENIUS Act certification.

1026 (d) All regulations promulgated under this chapter are subject to the requirements of the Administrative  
1027 Procedures Act, chapter 101 of Title 29.

1028 (e) The Commissioner shall adopt regulations establishing a safe harbor for persons that hold a money transmitter  
1029 license under chapter 23 of this title and that are engaged in activities that constitute digital asset service activity under this  
1030 chapter, allowing such persons a reasonable period of not less than 18 months following the effective date of required  
1031 regulations to come into compliance with the additional requirements of this chapter. The Commissioner shall also adopt  
1032 regulations establishing interim authorization procedures for persons who apply to issue a payment stablecoin or act as a  
1033 digital asset service provider after the effective date of this chapter and before the applicable licensing date specified in §  
1034 4044(b) of this title, which regulations shall specify the form, standards, and conditions applicable to interim authorizations.

1035 (f) No person shall be required to obtain a license under § 4011 of this title earlier than the date that is 18 months  
1036 after the effective date of this chapter or 120 days after the Commissioner promulgates the regulations required under this  
1037 section, whichever is earlier, provided that any person seeking to issue a payment stablecoin or act as a digital asset service  
1038 provider after the effective date of this chapter and before the applicable licensing date may apply to the Commissioner for  
1039 interim authorization on a form prescribed by the Commissioner pursuant to regulations promulgated under subsection (e)  
1040 of this section.

1041 § 4041. Cooperation and information sharing.

1042 (a) The Commissioner may enter into information-sharing agreements, memoranda of understanding, and  
1043 cooperative arrangements with the following:

1044 (1) The primary federal payment stablecoin regulators, including the Office of the Comptroller of the  
1045 Currency, the Federal Reserve Board of Governors, and the Federal Deposit Insurance Corporation.

1046 (2) The Financial Crimes Enforcement Network.

1047 (3) The Office of Foreign Assets Control.

1048 (4) The Securities and Exchange Commission and the Commodity Futures Trading Commission.

1049 (5) The financial regulatory authorities of other states.

1050 (6) Foreign financial regulatory authorities, subject to appropriate confidentiality protections.

1051 (b) The Commissioner shall cooperate with the Stablecoin Certification Review Committee established under the  
1052 GENIUS Act, 12 U.S.C. § 5901(27), and shall submit a certification application to that Committee demonstrating that this  
1053 chapter and the Commissioner's implementing regulations constitute a regulatory framework substantially similar to the

1054 federal framework, not later than 6 months after the Commissioner promulgates the required regulations under § 4040(a) of  
1055 this title.

1056 Subchapter XII. Miscellaneous.

1057 § 4042. Fees.

1058 (a) The Commissioner shall, by regulation, establish a schedule of fees for the following:

1059 (1) License applications.

1060 (2) Annual license renewals.

1061 (3) Examination costs.

1062 (4) Registration of federally supervised entities under § 4014 of this title.

1063 (5) Any other regulatory functions as the Commissioner determines appropriate.

1064 (b) Fees collected under this chapter shall be deposited into the State Bank Commissioner Regulatory Revolving  
1065 Fund established under § 105(b) of this title.

1066 § 4043. Severability.

1067 If any provision of this chapter or its application to any person or circumstance is held invalid, the invalidity does  
1068 not affect other provisions or applications which can be given effect without the invalid provision or application, and to this  
1069 end the provisions of this chapter are severable.

1070 Section 2. This Act is effective immediately and is to be implemented the earlier of the following:

1071 (1) One year from the date of the Act's enactment.

1072 (2) Notice by the State Banking Commissioner published in the Register of Regulations that final  
1073 regulations to implement this Act have been promulgated.

#### SYNOPSIS

This Act establishes the Delaware Payment Stablecoin Act under Title 5 of the Delaware Code. It creates a licensing framework for payment stablecoin issuers and digital asset service providers operating with or on behalf of Delaware residents. The Act adopts definitions drawn from the federal Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act), Pub. L. 119-27, and from the Office of the Comptroller of the Currency's proposed rulemaking implementing that statute (Docket ID OCC-2025-0372), where those definitions do not duplicate existing Delaware law. The Act establishes reserve requirements including reserve shortfall remediation cascades, mandatory redemption timing standards, capital standards, anti-money laundering obligations, data privacy statutory floors, change-in-control notice procedures, custody safeguards, a federal-to-state charter conversion pathway, and strong preemption provisions. The State Bank Commissioner is directed to promulgate implementing regulations within specified timeframes to align Delaware's framework with evolving federal standards.

This Act requires a greater than majority vote for passage because § 28 of Article IV of the Delaware Constitution requires the affirmative vote of two-thirds of the members elected to each house of the General Assembly to create a new crime within the jurisdiction of a court of competent jurisdiction.

Author: Senator Mantzavinos