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Crypto Policy Tracker

SEC and CFTC Clarify Spot Crypto Trading Rules While Illinois Enacts New Crypto Laws

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Recent policy developments highlight continued momentum in digital asset regulation across federal agencies and state legislatures. The SEC and CFTC jointly issued staff guidance clarifying that current law does not prohibit SEC- or CFTC-registered exchanges from facilitating trading in certain spot crypto asset products. The Department of Commerce announced that it has begun posting gross domestic product data to the blockchain as part of its effort to use emerging technologies to enhance transparency and public access. At the state level, Illinois enacted two new laws, the Digital Assets and Consumer Protection Act and the Digital Assets Kiosk Act, designed to expand regulatory oversight of digital asset companies and strengthen consumer protections.

Regulatory Agency Updates

SEC and CFTC Issue Joint Guidance on Spot Crypto Products

- On September 2, the staff of the SEC's Division of Trading and Markets and the CFTC's Division of Market Oversight and Division of Clearing and Risk (together, the Divisions) issued a [joint statement](#) expressing "the Divisions' view that current law does not prohibit SEC- or CFTC-registered exchanges from facilitating trading of these spot crypto asset products."
- The Divisions' coordination is intended to promote trading venue choice and optionality for market participants. In line with these goals, the Divisions stated that they stand ready to support consideration by their respective agencies of exchange trading in certain spot crypto asset products.
- The statement emphasized that, absent an exception or appropriate relief, the Commodity Exchange Act (CEA) requires that leveraged, margined or financed "retail commodity transactions" occur on a CFTC-registered designated contract market (DCM) or foreign board of trade (FBOT). One exception is when such transactions are listed on an SEC-registered national securities exchange (NSE). The Divisions clarified that DCMs, FBOTs and NSEs are not prohibited from facilitating trading of certain spot crypto asset products under current law.
- Finally, the agencies underscored that the statement reflects staff views only and "has no legal force or effect."

- On May 15, the staffs of the SEC Division of Trading and Markets and FINRA [withdrew](#) their [2019 joint statement](#) regarding broker-dealer custody of crypto asset securities. On the same day, the staff of the SEC Division of Trading and Markets also [published FAQs](#) on crypto asset activities and distributed technologies, providing guidance on customer protection, net capital rules, recordkeeping and other matters.

Department of Commerce Posts Second Quarter Gross Domestic Product to the Blockchain

- On August 28, the Department of Commerce [announced that it would](#) begin posting real gross domestic product (GDP) data on the blockchain beginning with the July 2025 data. This is the first time a federal agency has published economic statistical data like this on the blockchain and the latest way the Department is utilizing innovative technology to protect federal data and promote public use. The Department published a hash of the Bureau of Economic Analysis's quarterly GDP data release for Q2 2025 along with the topline GDP figure for Q2, [available here](#).
- On August 26, during a White House cabinet meeting, Commerce Secretary Howard Lutnick [said the agency](#) will publish GDP statistics on select blockchains to distribute the data.

State Updates

Illinois Crypto Legislation Signed Into Law

- On August 18, Illinois Governor JB Pritzker signed two new crypto bills into law: the Digital Assets and Consumer Protection Act ([SB1797](#)) and the Digital Assets Kiosk Act ([SB2319](#)). Touting these bills as “common-sense protections for investors and consumers,” [Governor Pritzker](#) made clear that his Administration intends to aggressively regulate digital assets.
- The DACPA gives the Illinois Department of Financial and Professional Regulation (IDFPR) authority to regulate and investigate digital asset companies doing business with Illinois residents. The Digital Asset Kiosk Act imposes new requirements on digital asset kiosks and ATMs operators, such as requiring registration with IDFPR and issuance of full refunds to customers who fall victim to fraudulent transactions.

Industry Group Updates

Industry Coalition Calls for Developer and Non-Custodial Protections in Market Structure Bill

- On August 27, more than 100 digital asset industry organizations [sent a letter](#) to the Senate Banking and Agriculture Committees urging Congress to include explicit protections for software developers and non-custodial service providers in forthcoming market structure legislation.
- The letter asked lawmakers to ensure that no individual or entity is subject to regulation “solely for engaging in activities that are core to creating, developing, publishing, and maintaining blockchain networks, nor for enabling users to access such networks via software interfaces while maintaining custody of their own funds.” It further requested that legislation safeguard developers from being “misclassified or prosecuted as operators of money transmitting businesses under 18 U.S.C. § 1960” and preempt conflicting state laws.

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