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Crypto Policy Tracker

Crypto Policy Heats Up Ahead of July 4

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Crypto policy continues to be a hot topic in the nation's Capitol ahead of the July 4 holiday. Senate Banking Committee Chairman Tim Scott (R-SC) and Digital Assets Subcommittee Chair Cynthia Lummis (R-WY) announced that the Senate Banking Committee intends to vote on market structure by September 30. The commitment to consider the legislation in the Committee before the end of September signals continued momentum in the Senate. Meanwhile, Federal Reserve Chairman Jerome Powell appeared before committees in both the House and Senate, where he reiterated that banks are free to serve crypto clients, provided they do so safely and soundly. Powell hinted that the Fed may revisit past crypto-related guidance as the industry matures. Finally, the Federal Housing Finance Agency directed Fannie Mae and Freddie Mac to consider crypto held on U.S. exchanges in their mortgage risk models, a milestone toward the legitimization of digital assets as an asset class to be considered when determining mortgage eligibility.

Congressional Updates

Sens. Scott and Lummis Aim to Have Market Structure Legislation Completed by End of September

- On June 26, Senate Banking Committee Chairman Tim Scott (R-SC) joined Subcommittee on Digital Assets Chair Cynthia Lummis (R-WY) and Executive Director of the President's Council of Advisers on Digital Assets Bo Hines [for a conversation](#) on the senators' recently [released principles](#) for the development of market structure legislation and its legislative strategy going forward. Lummis and Scott indicated the Senate Banking Committee plans to release a draft market structure bill before the August recess and vote it out of the Committee by September 30. Meanwhile, the House has completed a draft of its version of the market structure bill, the CLARITY Act ([H.R. 3633](#)). The CLARITY Act was considered and voted favorably out of the House Financial Services Committee. The House may consider the legislation as soon as the week of July 7.

Sen. Schiff Introduces the COIN Act

- On June 23, Sen. Adam Schiff (D-CA) introduced the [Curbing Officials' Income and Nondisclosure \(COIN\) Act](#), which would prohibit certain government officials and their families from profiting on cryptocurrencies, with a [press release](#). The bill would require these officials to include digital assets on their annual financial disclosures. The legislation was co-sponsored by nine Democrats, including Sens. Lisa Blunt Rochester (D-DE), Catherine Cortez Masto (D-NV), Ruben Gallego (D-AZ), Kirsten Gillibrand (D-NY), Ben Ray Lujan (D-NM), Elissa Slotkin (D-MI), Andy Kim (D-NJ), Richard Blumenthal (D-CT) and Angela Alsobrooks (D-MD).

Sen. Cassidy Expresses Support for Digital Assets

- On June 23, Sen. Bill Cassidy (R-LA) released a [discussion draft of a resolution](#) stating that the U.S. should support the development of digital assets and aim to be the leader in its development and adoption. Cassidy added that Congress should enact a tax regime tailored to digital assets that does not penalize taxpayers; otherwise, the U.S. risks driving companies and innovation overseas. Resolutions in Congress are considered formal expressions of a member's opinion on a particular issue, and they will not become law.

Agency Updates

Federal Reserve Board Chairman Powell Testifies Before the House and Senate

- Federal Reserve Board Chairman Jerome Powell testified before House Financial Services and Senate Banking Committee for semiannual oversight hearings on the state of U.S. monetary policy.
- House Financial Services Hearing. On [June 24](#), Powell stated that banks are free to provide banking services to the crypto industry as long as they do so in a way that is protective of safety and soundness. [Additional details here.](#)
- Senate Banking Committee Hearing. On [June 25](#), Lummis asked if the Fed would withdraw the [policy statement on Section 9\(13\)](#) from 2023, which states that “issuing tokens on open, public, and/or decentralized networks, or similar systems is highly likely to be inconsistent with safe and sound banking practices.” Powell indicated that the crypto industry has matured since the policy statement was released, adding that banks may choose their customers consistent with the principles of safety and soundness.

Federal Housing Agency Announces Crypto as Collateral

- On June 25, the Federal Housing Finance Agency (FHFA) [released an order](#) directing Fannie Mae and Freddie Mac to consider crypto as an asset for reserves in single-family mortgage loan risk assessments. The order directs the two mortgage lenders to prepare proposals considering cryptocurrencies that can be stored on centralized exchanges regulated in the U.S. Additionally, the proposals must consider the risks of cryptocurrency as an asset. Director of the FHFA William Pulte [said the order](#) is in alignment with the President's objective of “making the United States the crypto capital of the world.”

International Standard-Setting Organizations

FAFT Warns Against Use of Stablecoins in Illicit Finance

- The Financial Action Task Force (FATF) [released a June 2025 report](#) assessing the global implementation of anti-money laundering and counterterrorist financing measures for digital assets. The report detailed that stablecoins have been used by illicit actors and found that “a majority of all on-chain illicit activity is now transacted in stablecoins.” P. 22.

Bank for International Settlements Publishes Economic Report

- The Bank for International Settlements (BIS) released its [Annual Economic Report for 2025](#). The report noted some concerns regarding stablecoins, such as loss of monetary sovereignty and capital flight, particularly for emerging market and developing economies. The report stated: “If stablecoins continue to grow, they could pose financial stability risks, including the tail risk of fire sales of safe assets.”

State Update**Pennsylvania Enacts Bipartisan Law to Regulate Virtual Currency Transmitters**

- On June 27, Pennsylvania Gov. Josh Shapiro signed [Senate Bill 202](#) into law, now known as Act 7 of 2025. The law treats virtual currency transmission the same as traditional money transmission, requiring companies that transfer crypto for a fee to obtain a state money transmission license. The law states that virtual currency is included in the definition of money under the [Pennsylvania Money Transmitter Act](#) and will take effect 60 days after signing.

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