



Why Democrats Should Support the GENIUS Act

The GENIUS Act represents the most comprehensive, bipartisan attempt to regulate the stablecoin market, one of the fastest-growing segments of digital finance. As stablecoins become increasingly important to global payments and financial infrastructure, Democrats have a once-in-a-decade opportunity to shape how this technology serves the public interest.

This legislation was **substantially improved through Democratic negotiations**, securing wins on consumer protection, financial stability, ethics, and national security. With these changes, the GENIUS Act now reflects the values of transparency, accountability, and equitable innovation. Opposing the bill now risks surrendering regulatory power and leaving consumers at the mercy of an unregulated status quo.

Key Messages:

→ **“The GENIUS Act is about protecting consumers, not advancing any one company or political narrative.”**

This bill applies the same rules to every issuer, whether they’re a large financial firm or a fintech startup. It **mandates full backing, clear redemption rights, and tough enforcement**. **Democrats have strengthened this bill** to ensure fairness, oversight, and accountability. **The focus should remain on building a secure, transparent system**, not on hypotheticals or personalities that have no bearing on how the law will be enforced.

→ **“The GENIUS Act draws a clear line between banking and commerce—then backs it up with enforceable rules.”**

The bill **prohibits large non-financial corporations** from issuing stablecoins **unless they meet strict standards** on risk, consumer privacy, and fair competition. It **ensures that innovation doesn’t come at the cost of consumer trust or market stability**. **Any new activity must be approved through rigorous federal oversight**. **Democrats made sure of that.**

→ **“This bill ends regulatory ambiguity and brings bad actors out of the shadows.”**

It subjects every U.S.-facing stablecoin issuer to federal AML and counter-terrorism financing rules. It gives Treasury, the Fed, and FDIC joint oversight of foreign regimes to prevent one agency from rubber-stamping bad actors. Offshore players like Tether will no longer operate unchecked in U.S. markets. This is the first real playbook for responsible regulation, and Democrats crafted it.

→ **“Democrats strengthened consumer protections—then locked them in.”**

The GENIUS Act now includes clear bankruptcy prioritization, redemptions at par, monthly audits, and independent reserve validation. It bans deceptive marketing (like claiming FDIC insurance), prohibits commingling of funds, and maintains CFPB and FTC enforcement authority. These are real wins for consumers and a direct result of Democratic leadership.

→ **“This is the most progressive digital asset legislation to ever pass out of a Senate committee—and Democrats made it stronger.”**

From systemic risk reporting and ethics guardrails to expanded AML authority and national security checks, the GENIUS Act reflects months of good-faith negotiation. Opposing the bill now would be walking away from real regulatory structure and leaving the status quo untouched. That’s not leadership.

Bottom Line:

Democrats have spent months shaping the GENIUS Act into one of the most robust digital asset bills ever written—now is the moment to lead. This legislation delivers the consumer protections and national security safeguards that the public expects: full reserve backing, strict redemption rights, anti-money laundering enforcement, and clear ethical standards. It applies equally to every issuer, no matter how powerful or well-connected, and gives regulators the tools to hold them accountable.

We cannot let this moment slip away because of personal distractions or headlines about any one company or figure. Senate Democrats have an opportunity to lead with clarity and conviction—and to send a message that responsible innovation and meaningful oversight go hand in hand. Let’s get this done.