

MEMORANDUM

TO: Members of the Committee on Financial Services

FROM: Committee Majority Staff

DATE: March 6, 2025

SUBJECT: February 11, 2025, Full Committee Hearing: “Navigating the Digital Payments Ecosystem: Examining a Federal Framework for Payment Stablecoins and Consequences of a U.S. Central Bank Digital Currency”

On Tuesday, March 11, 2025, at 10:00 a.m. EST, the House Committee on Financial Services will hold a hearing in Room 2128 of the Rayburn House Office Building titled “Navigating the Digital Payments Ecosystem: Examining a Federal Framework for Payment Stablecoins and Consequences of a U.S. Central Bank Digital Currency.” The following witnesses will testify:

- Caroline Butler, Global Head of Digital Assets, The Bank of New York Mellon Corporation
- Charles Cascarilla, CEO and Co-Founder, Paxos
- Patrick Collison, CEO, Stripe
- Randall Guynn, Chairman, Financial Institutions Group, Davis Polk & Wardwell
- *Additional witnesses to be added*

This hearing will explore the potential of payment stablecoins as a cornerstone of a modern payment system and examine their current use cases, including remittances, cross-border payments, trade settlement, and business-to-business transfers. This hearing will also examine the legislative framework for payment stablecoin issuance proposed by the Stablecoin Transparency and Accountability for a Better Ledger Economy Act (STABLE) Act of 2025. It will provide Members with insights into how the STABLE Act impacts payment stablecoin issuers, protects consumers, and promotes competition. Finally, this hearing will contrast payment stablecoins from a U.S. Central Bank Digital Currency (CBDC) and underscore the importance of Congress prohibiting the development of a CBDC while establishing a framework that will help foster the growth of payment stablecoins.

Attached Legislation

1. **H.R. ___, the Stablecoin Transparency and Accountability for a Better Ledger Economy (STABLE) Act of 2025 (Steil):** This draft provides a clear regulatory framework for the issuance of payment stablecoins. The draft protects consumers by

establishing necessary federal guardrails for payment stablecoin issuance, redemption, and reserves, while at the same time fostering innovation in the U.S. through a tailored approach for new entrants into the marketplace.

2. **H.R. ___, the CBDC Anti-Surveillance State Act (Emmer):** H.R. ___, would amend Section 16 of the Federal Reserve Act to prohibit the Federal Reserve Banks from issuing a CBDC, or any substantially similar digital asset. Additionally, the bill would prohibit the Federal Reserve System and the Federal Open Market Committee from using a CBDC to implement monetary policy. The bill also expresses the sense of Congress that the Board of Governors of the Federal Reserve System currently does not have the authority to issue a U.S. CBDC.
3. **H.J. Res. 64, Disapproving the rule submitted by the Bureau of Consumer Financial Protection relating to “Defining Larger Participants of a Market for General-Use Digital Consumer Payment Applications” (Flood):** This Congressional Review Act (CRA) resolution overturns the CFPB rule on Defining Larger Participants of a Market for General-Use Digital Consumer Payment Applications.