

## BLOCKCHAIN & BANKING POLICY BRIEF

April 2026 Updates | Federal Regulatory & Legislative Intelligence | Mortar Strategies

April 2026 was the year's most concentrated burst of stablecoin and tokenization policy. Four federal agencies issued GENIUS Act implementation rules within ten days, establishing reserve, AML, sanctions, and state-equivalency standards governing bank-affiliated stablecoin programs by early 2027. The White House simultaneously pressured the Senate Banking Committee to markup the CLARITY Act, which would resolve SEC/CFTC jurisdiction over tokenized securities. The PACE Act, introduced April 21, cemented stablecoins as co-equal federal payment infrastructure. The window is compressing: CLARITY clears committee by mid-May or waits until 2030.

### APRIL 2026 POLICY, REGULATORY, AND LEGISLATIVE ACTIONS: STABLECOINS & TOKENIZATION

Date	Body	Action	What It Does	Why It Matters
Apr 3	Treasury / FinCEN	GENIUS Act State Equivalency NPRM	Sets federal threshold states must meet to retain regulatory authority over stablecoin issuers <\$10B.	Determines whether WY, NH, and AZ programs stay under state oversight or transfer to federal jurisdiction.
Apr 7	FDIC	GENIUS Act Implementation NPRM	Proposes rules for bank-subsidary stablecoin issuers (PPSIs), including reserve, custody, and tokenized deposit treatment.	Explicitly accommodates blockchain-based deposit recordkeeping. A tokenized deposit meeting the statutory definition qualifies as a 'deposit', tech-agnostic.
Apr 8	White House / CEA	Stablecoin Yield Economic Analysis	Finds yield prohibition adds only \$2.1B in bank lending (0.02%), an \$800M net consumer welfare cost. Worst-case requires 6x market growth.	Directly undercuts the banking industry's structural argument against stablecoin yield. Used as a coordinated WH pressure tool ahead of the CLARITY Act markup.
Apr 9	Treasury (Bessent)	WSJ Op-Ed on CLARITY Act	Bessent publicly calls on the Senate Banking Committee to hold a markup, warning inaction cedes global financial leadership to Singapore & Abu Dhabi.	First cabinet-level public ultimatum on the CLARITY Act. Triggered Coinbase CEO Brian Armstrong to reverse his opposition and publicly endorse the bill.
Apr 9–10	FinCEN / OFAC	GENIUS Act AML/Sanctions NPRM	Requires all PPSIs to maintain BSA compliance & sanctions programs. PPSIs must be able to freeze or burn tokens via smart contract on lawful order.	First legally mandated sanctions compliance obligation for stablecoin issuers. The freeze/burn requirement is a novel operational standard with no analog in traditional banking.
Apr 11	Sen. Lummis (R-WY)	CLARITY Act April 25 Deadline Warning	Lummis warns that without a Senate Banking Committee markup by April 25, CLARITY won't advance until 2030 due to the midterm calendar.	Sets effective deadline for SEC/CFTC jurisdiction clarity over tokenized securities. JPM analysts cited passage as a mid-year 'positive catalyst' for institutional tokenization.
Apr 14	Sen. Scott (R-SC)	CLARITY Markup Timeline Statement	Senate Banking Committee Chairman tells Fox Business the markup may slip to May, citing unresolved stablecoin yield language, DeFi provisions, and GOP vote count.	Confirms legislative bottleneck. The yield dispute, banks vs. crypto on passive yield permissibility, remains the primary obstacle for both CLARITY and the downstream tokenized securities framework.
Apr 21	Rep. Young Kim (R-CA)	PACE Act Introduced	Directs Fed and OCC to establish interoperability standards for stablecoin integration into U.S. payment rails alongside ACH, RTP, and FedNow.	First legislation treating stablecoins as co-equal payment infrastructure in federal law. Relevant to tokenized deposit pilots and B2B settlement regardless of CLARITY's fate.

## STRATEGIC OUTLOOK

### The Rulemaking Clock Is Running

- Four agencies issued GENIUS Act rules in April; final rules due July 18, 2026. Institutions have months, not years, to structure stablecoin and tokenized deposit programs. FDIC's blockchain deposit recordkeeping accommodation removes the main legal ambiguity around bank-issued tokenized instruments.
- FinCEN/OFAC's freeze-and-burn smart contract requirement is a compliance standard with no traditional banking analog. Institutions must build now.

### Yield Dispute Shapes Competitive Landscape

- The CEA analysis and Bessent's op-ed are a coordinated executive push against the banking industry's yield objections, those numbers are now in the legislative record. A yield prohibition advantages bank-affiliated programs by eliminating a non-bank differentiator; removing it advantages consumer-facing products.
- Banking trade groups are lobbying beyond lead negotiators to the Banking Committee fully, the yield fight is not over even as broader coalition consolidates.

### CLARITY Is the Tokenization Unlocking Event

- CLARITY resolves the SEC/CFTC jurisdiction question blocking institutional tokenization at scale. Without it, every token structure carries undisclosed regulatory exposure. The PACE Act treats stablecoins as co-equal payment rail infrastructure regardless of CLARITY's outcome, a structural shift in how banks must architect payments.
- Moreno's warning of failure means no revisitation until 2030 defines the stakes. The next 30 days are the key.

## INDUSTRY IMPACT

### Effect on the Banking Industry

- The FDIC's GENIUS Act NPRM is the most consequential near-term action for banks. It creates a compliant path for bank-subsiary stablecoin issuers and explicitly accommodates tokenized deposits, removing the primary legal barrier to bank-affiliated stablecoin programs. Banks with existing AML/KYC infrastructure are structurally positioned to absorb GENIUS Act compliance costs.
- The FDIC's rule also clarifies that blockchain-based deposit recordkeeping does not affect deposit insurance treatment, a critical threshold that opens the door for banks to pilot tokenized deposit products without losing regulatory standing. However, FinCEN/OFAC freeze-and-burn requirement introduces a novel smart-contract obligation that has no traditional banking precedent; banks must build new operational capabilities, not adapt existing ones.
- The yield dispute is the defining competitive question. A prohibition advantages bank-affiliated stablecoin programs; its removal advantages fintech and non-bank issuers. Banks are lobbying hard to hold yield restrictions in the final CLARITY text, results will shape how competitive the stablecoin market becomes for TradFi groups.

### Effect on the Blockchain Industry

- April 2026 represents a structural inflection point for blockchain firms operating in financial services. The FinCEN/OFAC AML/Sanctions NPRM is the most operationally demanding action, stablecoin issuers must now build sanctions compliance programs and smart-contract-level freeze/burn capabilities that have no analog in TradFi. Many firms will need huge investment to qualify as PPSIs.
- The CLARITY Act's trajectory is the defining legislative variable. Passage would resolve the SEC/CFTC jurisdiction ambiguity that has blocked institutional tokenization at scale and constrained token issuance, exchange listings, and institutional LP structures. JPMorgan analysts explicitly cited it as a mid-year positive catalyst. Failure until 2030 means continued undisclosed regulatory exposure across every token structure.
- The PACE Act's introduction signals a broader shift: stablecoins are being legislatively reclassified from asset class to infrastructure. For blockchain firms, this creates both opportunity, integration into the national payments architecture, and obligation, as co-equal infrastructure status brings co-equal regulatory expectations.