

BLOCKCHAIN & BANKING POLICY BRIEF

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

March 2026 produced the month's defining regulatory architecture for stablecoins and tokenization. The OCC issued the most comprehensive GENIUS Act implementation NPRM to date, three banking regulators jointly resolved the capital treatment of tokenized securities, and the SEC and CFTC signed a coordination MOU before jointly publishing a landmark 68-page interpretive release establishing the first formal federal token taxonomy. For the first time, federal regulators have drawn clear lines: only tokenized securities remain under full SEC jurisdiction. Everything else, including GENIUS-compliant stablecoins, now has a defined regulatory lane. March built the institutional and legislative foundation that April's pressure campaign on the CLARITY Act would directly exploit.

MARCH 2026 ACTIONS: STABLECOINS & TOKENIZATION

Date	Body	Action	What It Does	Why It Matters
Mar 2	OCC	GENIUS Act NPRM, Stablecoin Issuance Framework	Establishes licensing, 1:1 reserves, redemption obligations, capital standards, and yield prohibition enforcement for OCC-supervised Permitted Payment Stablecoin Issuers (PPSIs).	Most expansive GENIUS Act rulemaking to date. Sets the prudential template for bank-affiliated stablecoin programs, permits tokenized reserve assets, and establishes anti-circumvention yield presumptions.
Mar 5	FRB / OCC / FDIC	Capital Treatment of Tokenized Securities FAQs	Joint FRB/OCC/FDIC guidance clarifying tokenized securities receive the same capital treatment as non-tokenized equivalents under existing bank capital rules.	Removes a major structural barrier for banks. Confirms tokenization does not create adverse capital treatment, opening the path for bank balance sheet integration of tokenized assets.
Mar 11	SEC / CFTC	Memorandum of Understanding (MOU) on Digital Assets	Establishes a formal coordination framework to eliminate duplicative oversight, clarify jurisdictional boundaries, and streamline digital asset pathways across six core areas.	First formal interagency coordination agreement on digital assets. Sets the institutional foundation for the SEC/CFTC architecture the CLARITY Act would codify into statute.
Mar 11	FDIC (Chairman Hill)	Stablecoin Pass-Through Insurance Policy Statement	Stablecoin reserves held at banks will not receive pass-through deposit insurance, only standard corporate coverage (\$250K) applies to the issuer's reserve account.	Clarifies a critical risk question for issuers and holders. Affects reserve asset strategy and disclosure requirements for all PPSIs.
Mar 17	SEC / CFTC	Joint Crypto Asset Interpretive Release: Token Taxonomy	68-page interpretation establishing five digital asset categories. Classifies 16 assets as digital commodities. Only tokenized securities remain under full SEC jurisdiction.	Most significant federal crypto guidance in over a decade. Resolves securities classification for most digital assets under existing law, without waiting for CLARITY.
Mar 25	House HFSC	Tokenization Hearing: "The Future of Finance"	Congressional examination covering RWA market growth (\$12B+ onchain), securities classification, custody frameworks, and capital markets modernization.	Sets the legislative table for H2 2026. Establishes the public record on institutional demand for tokenized asset frameworks directly relevant to the CLARITY Act.

STRATEGIC OUTLOOK

The Taxonomy As Federal Law; In Practice

- The March 17 joint interpretive release resolves the securities classification question for most digital assets without waiting for CLARITY, effective upon Federal Register publication. Only tokenized securities remain under full SEC jurisdiction; everything else now has a defined regulatory lane.
- This is the framework CLARITY would codify. If CLARITY fails, the interpretation remains the operative standard, the regulatory architecture exists with or without legislation.

The OCC NPRM Sets the Prudential Baseline

- The OCC's March 2 NPRM is the most operationally significant rulemaking for stablecoin issuance. Its anti-circumvention yield presumptions go beyond the GENIUS Act's statutory text, making any affiliate or third-party arrangement resulting in holder yield presumptively prohibited.
- The joint capital FAQ removes the last major balance sheet barrier: tokenized assets now carry the same capital treatment as traditional equivalents, making bank integration structurally viable for the first time.

March Lays Groundwork for April

- The SEC/CFTC MOU and joint taxonomy release demonstrated that agencies can harmonize without legislation, building the political momentum April's pressure campaign required. The Bessent op-ed, CEA analysis, and Lummis deadline warning followed directly from March's groundwork.
- The HFSC tokenization hearing put the \$12B RWA market on the congressional record, giving CLARITY Act supporters a factual foundation for markup arguments. March built cases; April brings pressure.

INDUSTRY IMPACT

Effect on the Banking Industry

- The joint capital FAQ is the most immediately valuable March action for banks. It confirms that tokenized Treasuries, tokenized loans, and other tokenized securities carry the same capital treatment as their traditional equivalents, eliminating the primary balance sheet disincentive to holding or dealing in tokenized assets.
- The OCC's NPRM is the most consequential near-term compliance action. Its prudential framework, licensing, 1:1 reserves, redemption timelines, anti-circumvention yield rules, is explicitly modeled on existing bank supervision. Banks with established prudential infrastructure are structurally advantaged; non-bank competitors face the steepest onboarding curve.
- The FDIC pass-through insurance clarification affects reserve strategy directly. Stablecoin reserves held at banks are insured only as corporate deposits (\$250K cap), not on a pass-through basis to holders. This affects how banks market reserve security and how issuers structure reserve custodial arrangements.

Effect on the Blockchain Industry

- The March 17 joint taxonomy is the most consequential March action for blockchain firms. For the first time, federal regulators have formally classified 16 assets as digital commodities and defined four categories that fall outside SEC jurisdiction. Issuers whose tokens qualify as digital commodities, collectibles, or tools now have a defined compliance path without waiting for CLARITY.
- The taxonomy's treatment of investment contract termination is particularly significant for token issuers: once essential managerial obligations are complete, the underlying asset is released from securities-law coverage. Tokens previously marketed as investment contracts may no longer require SEC registration, a structural unlock for blockchain project maturation.
- The SEC/CFTC MOU signals that the enforcement-first era is formally over. The MOU's 'minimum effective dose' language and commitment to reducing duplicative oversight represents a structural posture shift that will shape every subsequent agency action on digital assets through at least the end of the current administration.