America's Credit Unions

July 21, 2026

The Honorable John Thune
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Charles Schumer
Minority Leader
United States Senate
Washington, DC 20510

**Re: Senate Consideration of H.R. 3633, the Digital Asset Market Clarity Act of 2025**

Dear Leader Thune and Leader Schumer:

On behalf of America's Credit Unions and the Credit Union League system, we are writing regarding the Senate's consideration of H.R. 3633, the Digital Asset Market Clarity Act of 2025 (the CLARITY Act).

**The CLARITY Act Envisions a Role for Credit Unions in Digital Assets**

We applaud the work of the Banking Committee for developing a Senate version of the bill that will help the United States be a leader when it comes to digital assets and ensures that credit unions can be part of that process. In particular, we are pleased with the work the Committee and the bill's sponsors have done to ensure that the National Credit Union Administration (NCUA) has legal authority over credit unions participating in innovative digital asset services. We appreciate the Committee working with credit unions and the NCUA to ensure that the version of the CLARITY Act before the Senate provides clear authorization for both federal credit unions (FCUs) and federally insured, state-chartered credit unions (FISCUs) to participate in innovative digital asset activities in Section 401. This is an improvement over what was reported out of Committee. We also appreciate that they have worked with the credit union industry to envision a path for privately insured, state-chartered credit unions to have opportunities in this space as well. The Committee and the bill's sponsors deserve credit for crafting a strong package in this area that deserves support.

**Payment of Interest or Yield on Stablecoins**

While the yield prohibition is a small component of the CLARITY Act overall, it bears outsize significance for depository institutions. To be clear, we are supportive of the vast majority of the CLARITY Act, particularly provisions which are essential for maintaining the competitive relevance of credit unions, and believe it should become law. In this context, however, we would support Congress refining the prohibition on yield in a way that ensures credit unions can continue supplying credit to local communities while having the ability to meaningfully engage with growing digital asset markets.

Congress recognized, when it passed the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act), that allowing stablecoin issuers to pay interest or yield on stablecoins would have a destabilizing effect on depository institutions and fundamentally alter the composition of deposit funding used to drive economic growth.[1] The sufficiency of the GENIUS Act's prohibition has since come under scrutiny as incumbent stablecoin issuers and digital asset exchanges have sought clarification that various indirect rewards or other consideration should nonetheless be accommodated as long as it is not strictly characterized as interest or yield.

We appreciate the bipartisan work of the Banking Committee in seeking to find a solution to concerns raised by financial institutions about the payment of interest or yield on stablecoins in Section 404. While the compromise is an improvement over previous iterations of the bill, credit unions still share some of the unease that others have raised about a weaker prohibition's potential impact on deposit outflow from traditional financial institutions.

In particular, we have concerns about the narrow formulation of the prohibition on interest and yield that could open structuring opportunities that could allow functionally passive reward structures (even if nominally activity-based) and undermine the Congressional intent of the prohibition. Additionally, it is important that the idle holding of payment stablecoins for long periods or to achieve specific balances should not be incentivized. We are concerned that the language in the bill is not strong enough regarding this issue and could fail to meaningfully mitigate deposit flight. We would support efforts to further amend this language to tighten the prohibition on payment of interest or yield on stablecoins.

Ideally, the CLARITY Act will integrate the world of traditional finance with an emerging digital asset sector with minimal disruption to the millions of Americans who depend on reliable access to credit through their local credit union. We agree that the goal should not be to pick winners or losers between crypto and traditional finance.

We thank you for this opportunity to share our thoughts on the important role that credit unions play in the financial services ecosystem, particularly with newly emerging technologies, stablecoins, and digital assets. Our organizations stand ready to continue working with Congress on this important topic.

Sincerely,

America's Credit Unions
Alabama Credit Union Association – The League of Credit Unions & Affiliates
Alaska Credit Union League
Arizona's Credit Unions
Arkansas Credit Union Association
Association of Vermont Credit Unions
California's Credit Unions
Carolinas Credit Union League (NC and SC)

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[1] *See* Treasury, TBAC Presentation, "Digital Money" (April 30, 2025), *available at* https://home.treasury.gov/system/files/221/TBACCharge2Q22025.pdf.

Colorado's Credit Unions
Connecticut's Credit Unions
Credit Union Association of New Mexico
CrossState Credit Union Association (NJ and PA)
Dakota Credit Union Association (ND and SD)
Delaware Credit Unions – Cooperative Credit Union Association
Florida Credit Union Association – The League of Credit Unions & Affiliates
Georgia Credit Union Association – The League of Credit Unions & Affiliates
Hawaii Credit Union League
Idaho's Credit Unions
Illinois Credit Union League
Indiana Credit Union League
Iowa Credit Union League
Kansas Credit Union Association
Kentucky's Credit Unions
Louisiana Credit Union Association
Maine Credit Union League
Massachusetts Credit Unions – Cooperative Credit Union Association
MD|DC Credit Union Association
Michigan Credit Union League
Minnesota Credit Union Network
Mississippi Credit Union Association
Missouri Credit Union Association
Montana's Credit Unions
Nebraska Credit Union League
Nevada's Credit Unions
New Hampshire Credit Unions – Cooperative Credit Union Association
New York Credit Union Association
Ohio Credit Union League
Oklahoma Credit Union Association
Oregon's Credit Unions
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Tennessee Credit Union League
Texas Credit Union Association
The Wisconsin Credit Union League
Utah Credit Union Association
Virginia Credit Union Association – The League of Credit Unions & Affiliates
Washington's Credit Unions
West Virginia Credit Union League
Wyoming's Credit Unions

cc: Members of the United States Senate