

GENIUS Act aims to tightly regulate U.S. stablecoins—must be 1:1 backed by cash/Treasuries.

- Latest updates show bipartisan support building, led by Lummis, making passage likely.
- Bitcoin isn't directly regulated but benefits from clearer stablecoin infrastructure.
- Banks could issue compliant stables, lend them out against BTC collateral.
- JPMorgan's shift signals institutional acceptance, likely influenced by regulatory clarity.
- Cantor Fitzgerald likely included in 21 to provide regulatory legitimacy and custody role.
- Tether may face pressure or restructure to stay competitive if GENIUS passes.
- 21 Capital is perfectly positioned—can operate under GENIUS or continue globally via Tether.
  - GENIUS passes: they scale with U.S.-compliant products via Cantor.
  - Status quo holds: they profit globally through Tether's existing network.
  - Like a collared options trade: downside is hedged, upside is open-ended.
- GENIUS Act is currently clean but likely to attract unrelated riders (e.g., surveillance rules).
- \$600 threshold is debated as both a surveillance trigger and a crypto tax exemption.