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Trump Signs Stablecoin Law, Marking Major Milestone for Crypto Adoption

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In a major step toward financial modernization, President Donald Trump signed the GENIUS Act into law on Friday, establishing the first comprehensive regulatory framework for stablecoins, cryptocurrencies pegged to the US dollar. The legislation marks a significant victory for the digital asset industry and is expected to accelerate the adoption of crypto as a legitimate means of payment.

The Guiding Elements for National Innovation in US Stablecoins (GENIUS) Act was approved in the House of Representatives with 308 votes in favor, gaining strong bipartisan support. It had earlier passed the Senate and received broad backing from the crypto sector and financial reform advocates.

At the signing event in Washington, President Trump stated, “This signing is a massive validation of your hard work and pioneering spirit. It’s good for the dollar and it’s good for the country.” The ceremony brought together lawmakers, Treasury officials, and top executives from firms like Robinhood, Gemini, and Tether.

The new law requires that all stablecoins be fully backed by liquid reserves, such as U.S. dollars and short-term Treasury bills, and mandates monthly public disclosures of reserve holdings. Supporters argue these requirements will enhance transparency, prevent systemic risks, and further integrate digital assets into the traditional economy.

Treasury Secretary Scott Bessent welcomed the development, stating that stablecoins would “reinforce the dollar’s global standing, expand access to the American financial system, and support demand for US Treasuries.”

Stablecoins are cryptocurrencies designed to maintain a steady value, typically pegged 1:1 to the US dollar. Once limited to use among crypto traders, their applications are rapidly expanding to instant remittances, digital commerce, and institutional settlements.

Industry analysts estimate that the stablecoin market, currently valued at over \$160 billion, according to CoinGecko, could exceed \$2 trillion by 2028 under the new law. Major firms like Circle and Ripple are actively pursuing banking licenses to leverage the legal clarity and reduce operational costs.

The Trump administration has actively supported digital asset growth. In March, the president signed an executive order to explore the use of Bitcoin in national reserves, and in January, he endorsed a meme-based cryptocurrency, \$TRUMP, which is operated by World Liberty Financial.

While critics, including some Democratic lawmakers and advocacy groups, argued the bill didn’t go far enough in blocking Big Tech from issuing coins or in curbing potential abuse by bad actors, Trump emphasized the law’s role in restoring American leadership in financial innovation.

“I pledged that we would bring back American liberty and make the United States the crypto capital of the world,” Trump said. “And that’s what we’ve done.”

Supporters of the bill view it as both a regulatory milestone and a boost to American financial competitiveness, as it positions the US to lead the next generation of digital finance, firmly rooted in the strength of the dollar and the principles of free enterprise.