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Bitcoin and Ether Rise After U.S. Congress Passes Landmark Stablecoin Bill

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Bitcoin and Ether posted gains on Thursday following the U.S. Congress' approval of the GENIUS Act, a first-of-its-kind legislation providing a federal regulatory framework for stablecoins. The bill, aimed at increasing oversight and consumer protection in the rapidly expanding digital currency market, is now awaiting President Trump's signature.

The GENIUS Act (Guaranteed Electronic Network for Issuing United States Stablecoins) sets clear rules for the issuance and operation of U.S. dollar-pegged stablecoins. It mandates 1:1 backing with cash or cash-equivalent reserves, regular audits, anti-money laundering compliance, and strict licensing requirements for issuers.

Bitcoin rose by about 0.6% to trade above \$120,000, while Ether saw a sharper rally of nearly 6%, reaching over \$3,600, marking its highest level in several months. Market analysts attributed the gains to renewed investor confidence driven by regulatory clarity.

“The passage of the GENIUS Act marks a major step in legitimizing digital assets in the U.S. financial system,” said a senior analyst at a New York-based crypto fund. “This is the kind of framework institutional investors have been waiting for.”

The bill, which received bipartisan support in both chambers of Congress, is designed to prevent financial instability linked to unregulated stablecoin issuance. It bars the Federal Reserve from launching its own central bank digital currency (CBDC) without Congressional approval, further reinforcing private sector participation in the digital payments space.

With the crypto market capitalization now crossing the \$4 trillion mark, according to recent market data, the legislation is seen as a turning point for the industry. It also opens the door for regulated entities such as banks and fintech companies to offer stablecoin-based services under strict federal oversight.

The White House has not issued an official timeline for signing the bill into law, but sources suggest President Trump is expected to give his assent within days. Once enacted, the law is likely to reshape the stablecoin ecosystem and strengthen U.S. leadership in global fintech regulation.

The GENIUS Act also includes provisions prohibiting interest-bearing stablecoins and introduces penalties for non-compliance, adding layers of accountability long sought by consumer advocates and industry leaders alike.