

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 662
Finance

(Senator Kramer)

Financial Institutions - Payment Stablecoin Services - Establishment and
Regulation (Maryland Stablecoin Act)

This bill establishes a regulatory framework for “payment stablecoin service institutions” and “State issuers” in accordance with the federal GENIUS Act of 2025, and requires providers of stablecoin-related services in the State to be certified by the Office of Financial Regulation (OFR) within the Maryland Department of Labor (MD Labor). The bill also lowers the examination fee for a new commercial bank charter from \$15,000 to \$7,000. **The bill takes effect January 1, 2027.**

Fiscal Summary

State Effect: OFR can implement the provisions of the bill with existing budgeted resources, as discussed below. Special fund revenues are not anticipated to be materially affected, as discussed below.

Local Effect: The bill does not materially affect local government operations or finances.

Small Business Effect: None.

Analysis

Bill Summary:

Select Definitions

“Payment stablecoin” has the meaning stated in the federal GENIUS Act of 2025. It means a digital asset that is, or is designed to be, used as a means of payment or settlement and

(1) obligates the issuer to convert, redeem, or repurchase for a fixed amount of monetary value, not including a digital asset denominated by a fixed amount of monetary value and (2) represents that such issuer will maintain, or create the reasonable expectation that it will maintain, a stable value relative to the value of a fixed amount of monetary value. It does not include a digital asset that is a national currency.

“Payment stablecoin-related services” means:

- exchanging payment stablecoin for monetary value;
- providing custodial or safekeeping services to permitted payment stablecoin issuers as specified in federal law;
- managing required reserve assets for permitted payment stablecoin issuers, including purchasing, selling, and holding such reserve assets consistent with State and federal law;
- providing custodial or safekeeping services for payment stablecoins or private keys of payment stablecoin consistent with the federal GENIUS Act of 2025; or
- undertaking activities that: (1) facilitate the use of stablecoin in accordance with the federal GENIUS Act of 2025; (2) are not inconsistent with the federal GENIUS Act of 2025; and (3) are authorized by the Commissioner in writing.

Payment stablecoin-related services does not include issuing payment stablecoins.

“Payment stablecoin services institution” means a nondepository trust company or a credit union service organization (1) primarily engaged in the business of providing payment stablecoin-related services and (2) authorized by the Commissioner, as specified, to provide payment stablecoin-related services.

“State issuer” means a nondepository trust company authorized by the Commissioner, as specified, to become a State qualified payment stablecoin issuer.

Applicability of Existing Financial Institution Laws

The bill specifies and clarifies the applicability of existing laws for financial institutions as they relate to stablecoin. Generally speaking, the bill:

- authorizes the Commissioner to participate in the Nationwide Multistate Licensing System for persons who engage in stablecoin-related business;
- specifies that certain limitations on the Commissioner’s regulatory authority do not apply to the Commissioner’s enforcement authority related to stablecoin;
- specifies that Commissioner must grant a nondepository trust company the power to engage in business related to stablecoin, as specified;

- specifies additional information that must be included in the articles of incorporation for a nondepository trust company that seeks the Commissioner’s authorization to engage in business related to stablecoin;
- requires a commercial bank and credit union to notify the Commissioner, as specified, prior to seeking authorization from a federal banking agency to become a permitted payment stablecoin issuer or providing payment stablecoin-related services permitted by applicable State and federal law;
- specifies that certain existing requirements that govern trust companies do not apply to a nondepository trust company authorized by the Commissioner to engage in business related to stablecoin;
- establishes separate requirements related to capital stock that apply for nondepository trust companies engaging in business related to stablecoin;
- specifies that requirements of current law related to the pledging of securities or delivery of surety bonds do not apply to nondepository trust companies that engage in business related to stablecoin; and
- requires the Commissioner to determine the assessments it charges each banking institution engaged in business related to stablecoin.

Office of Financial Regulation – Stablecoin Regulator

The bill establishes OFR as the State payment stablecoin regulator. The Commissioner must apply for certification of OFR as the regulator in accordance with the procedures established in the federal Genius Act of 2025. In accordance with the regulatory framework established by the bill, the Commissioner may issue a certificate authorizing:

- a nondepository trust company to engage in business as a payment stablecoin services institution or a State issuer; or
- a credit union service organization to engage in business as a payment stablecoin services institution.

To the extent not otherwise prohibited by law, the Commissioner may grant to any applicant those powers deemed necessary to facilitate the products and services that the Commissioner approves under the framework established by the bill. The bill includes requirements related to the sharing of information by the Commissioner, as specified.

The Commissioner may adopt regulations to (1) implement the bill; (2) ensure any activities, products, or services authorized by the bill are conducted in a safe, sound, and efficient manner; and (3) facilitate certification of OFR as the State payment stablecoin regulator. To facilitate the certification, the Commissioner may adopt regulations governing nondepository trust companies seeking authority to act as a State issuer that

waive or modify the requirements of the regulation of commercial banks and savings banks in the Financial Institutions Article.

The bill grants the Commissioner broad enforcement power to regulate and oversee stablecoin-related business in the State. Among other things, the bill specifies the circumstances under which a certificate may be suspended or revoked and authorizes a certificate holder to willingly surrender its certificate, as specified.

Regulation of Stablecoin – Applicability

The regulatory framework established by the bill related to stablecoin applies to a (1) nondepository trust company seeking to engage in business as a state issuer or payment stablecoin services institution and (2) credit union service organization seeking to engage in business as a payment stablecoin services institution. The bill specifies the other provisions of law within the Financial Institutions Article that apply to the formation of one of these entities that intends to engage in business related to stablecoin.

The holder of a certificate from OFR may exercise only powers that the Commissioner grants in accordance with the regulatory framework established by the bill and listed in the certificate. An applicant may not engage in business related to stablecoin without a certificate.

Additional Procedures, Processes, and Specifications

The bill establishes various other procedures, processes, responsibilities, and specifications related to stablecoin, including those related to:

- eligibility requirements for an applicant to obtain a certificate from OFR;
- the application process for an applicant to obtain a certificate from OFR;
- the required examination fee that must be paid by a certificate applicant (which must be equal to the examination fee for a new commercial bank charter that is reduced from \$15,000 to \$7,000 by the bill);
- issues that OFR must consider when determining whether an applicant should be granted a certificate;
- information that must be included in an application for it to be deemed complete;
- processes that must be followed once an application is approved;
- processes that must be followed when OFR denies an application;
- information that must be contained within each certificate;
- processes that must be followed for a certificate to be amended;
- the rights and privileges granted to certificate holders;

- prohibited activities for certificate holders; and
- additional specifications for State issuers.

Current Law:

Office of Financial Regulation

The financial services industry in Maryland is regulated by OFR within MD Labor and the Securities Division of the Office of the Attorney General. Under the direction and authority of the Commissioner of Financial Regulation, OFR regulates State-chartered and State-licensed financial institutions operating in Maryland. These include depository institutions such as Maryland-chartered banks, trust companies, bank holding companies, and credit unions, as well as nondepository entities such as money transmitters, check cashers, consumer lenders, sales finance companies, installment lenders, mortgage lenders, mortgage loan originators, credit services businesses, debt management services providers, debt settlement services providers, consumer reporting agencies, and collection agencies.

OFR's activities are set out in Titles 1 through 7, 11, and 12 of the Financial Institutions Article. In addition, the office supervises certain activities found in Title 12 and Title 14 of the Commercial Law Article and Title 7 of the Business Regulation Article.

The mission of OFR is to ensure that the citizens of Maryland are able to conduct their financial transactions through safe, sound, and well-managed institutions that comply with Maryland law, while providing a flexible, yet sound regulatory environment that promotes fair competition, encourages innovative business development, and supports the economy of Maryland. OFR supervises the activities of the financial services industry through periodic on-site examinations and off-site monitoring programs. Additionally, OFR provides assistance to consumers by investigating complaints of questionable business practices involving State-chartered, licensed, and registered financial institutions under its supervision and authority.

OFR may undertake investigatory examinations to determine whether a person has violated any law, regulation, rule, or order over which the office has jurisdiction. The office has authority to enforce the laws and regulations against individuals and entities that are licensed by OFR, as well as unlicensed persons that engage in an activity requiring licensure. OFR may suspend or revoke a license, issue a cease and desist order, and impose a fine.

License and Registration Fees

Licensing and registration fees for each type of license or registration are established annually by OFR through a combination of fixed license fees and an assessment structure

that matches the costs incurred by OFR during the licensing and supervision process. To the extent the Nondepository Special Fund within OFR has insufficient funds to meet the target amount for a given year, OFR is authorized to seek an assessment from licensees to replenish the fund.

OFR charges, among other fees, a nonrefundable examination fee for a new commercial bank charter, as specified. The fee is \$15,000.

Assessments

OFR is required to impose annual assessments on each State-chartered banking institution and credit union to cover the expenses of regulating them. The assessment amounts vary based on the deposit levels of the financial institution.

Banking institutions that accept deposits or retain funds in deposit accounts are subject to a graduated annual assessment of \$8,000 plus \$0.12 for each \$1,000 of the assets of the institution over \$50 million but up to \$250 million, \$0.10 for each \$1,000 of assets over \$250 million but up to \$500 million, \$0.09 for each \$1,000 of assets over \$500 million but up to \$1 billion, \$0.08 for each \$1,000 of assets over \$1 billion but up to \$10 billion, and \$0.07 for each \$1,000 of assets over \$10 billion.

Credit unions with assets of \$300,000 or greater are subject to an annual assessment of \$1,000, plus \$0.08 for each \$1,000 of the assets of the institution over \$1 million.

Federal GENIUS Act of 2025

The [federal GENIUS Act of 2025](#) was signed into law in July of 2025 and represents the first major federal law regulating stablecoins and stablecoin providers. Broadly speaking, the Act:

- establishes licensing and oversight requirements for stablecoin issuers, which can include banks and nonbank entities;
- requires stablecoin issuers to hold 100% of reserves in cash, treasury securities, or similar securities;
- requires stablecoin to be backed by eligible assets on a 1:1 basis;
- requires stablecoin issuers to release periodic public disclosure statements and submit to routine audits on reserves; and
- establishes certain consumer protections, including that if an issuer files for bankruptcy, stablecoin holders get priority over creditors.

Nationwide Mortgage Licensing System and Registry

Maryland uses the Nationwide Mortgage Licensing System and Registry, universally known as “NMLS,” for licensing and renewal of money transmitters.

State Fiscal Effect: OFR advises that the provisions of the bill are necessary to comply with the federal GENIUS Act of 2025. However, OFR is uncertain of the extent, if any, to which qualified entities will seek out certification under the bill. OFR further advises that it does not intend to use NMLS to register entities under the bill and will therefore not incur related fees. This analysis assumes that very few entities apply to OFR for certification within the five-year timeframe covered by this fiscal and policy note, and that OFR can implement the provisions of the bill using existing budgeted resources.

Further, although the bill reduces the new charter examination fee for commercial banks (which is also the application fee for a stablecoin certificate under the bill), it is assumed that the new charter examination fee is assessed infrequently. Further, OFR advises that it intends to recuperate any foregone revenues from the reduction to the new charter examination fee using its authority to collect annual assessments. Therefore, revenues for OFR are not materially affected by the bill.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 1355 (Delegate Amprey) - Economic Matters.

Information Source(s): Maryland Department of Labor; Department of Legislative Services

Fiscal Note History: First Reader - February 25, 2026
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