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ONE-PAGE BRIEF · V1.0 · NOV. 6, 2026

Treasury's GENIUS Act section 3 rule draws industry support and a fight over who checks foreign issuers

TREAS-DO-2026-0496 · Proposed rule · comments August 18, 2026 to October 19, 2026 (62 days)

QUESTION

An issuer, exchange, bank or law practice preparing for the GENIUS Act asked where the organizations that filed agree and disagree on Treasury's section 3 rule, which duties are most likely to change in the final rule, and what to do before the Act takes effect on January 18, 2027.

BOTTOM LINE

Organized interests back Treasury's section 3 rule and split over its design. The core dispute is who carries the risk of checking a foreign issuer: the issuer, the service provider that lists its coin, or the government through public lists. Circle (0132) and the banking groups want providers to rest on official records; Better Markets (0113) and Americans for Financial Reform (0156) want heavier checks or a determination by Treasury itself. A second dispute is how far the participation examples in § 1523.2(d), which carry criminal exposure, reach market makers and technical intermediaries. Opposition to the rule's text is thin. Of the 47 opposing comments, 16 copy one anonymous letter about the Treasury Secretary's financial interests and reserve audits, 14 more are anonymous, 14 come from individuals and 3 from organizations.

9 FORECASTS TO SCORE WHEN THE FINAL RULE PUBLISHES

#	FORECAST	LIKELIHOOD	CONFIDENCE	CONFIRMED IF
1	Treasury publishes the final section 3 rule by 30 June 2027	Roughly even chance	Low	Federal Register, RIN 1505-AC95
2	The final rule keeps service-provider reliance on a foreign issuer's representation after due diligence, § 1523.3(c)	Very likely	Moderate	Final text of § 1523.3(c)
3	The final rule or preamble names official records, the OCC's section 18 list or Treasury's section 8 notices, as part of the required diligence	Likely	Moderate	Final rule and preamble
4	Checking official lists alone satisfies the diligence duty, a full safe harbor	Unlikely	Moderate	Final text of § 1523.3(c)
5	The reasonable-belief safe harbors in §§ 1523.2(c) and 1523.3(e) survive in some form	Very likely	Moderate	Final text of §§ 1523.2(c) and 1523.3(e)
6	Treasury explains, in the preamble or in examples, how market making, distribution and infrastructure services relate to an unlawful issuance under § 1523.2(d)	Likely	Moderate	Final preamble and Appendix A
7	The rule text of § 1523.2(d) adds an express coordination, purpose or material-connection requirement	Roughly even chance	Low	Final text of § 1523.2(d)
8	§ 1523.2(d) becomes an exhaustive list	Unlikely	Moderate	Final text of § 1523.2(d)
9	Treasury withdraws the proposal or issues a new proposal before a final rule	Very unlikely	Moderate	Federal Register, Unified Agenda

WHAT THE RECORD SHOWS

1	Organized interests support a section 3 rule and divide over its design.
2	The central dispute is the gatekeeper duty on service providers.
3	The participation examples draw requests for limits and none for removal.
34.0%	Opposition comes from one campaign and anonymous filers.
5.6%	A small share of the record is about something else.

WHO SHOULD ACT NOW

- Exchange or custodian listing foreign-issued coins
- Foreign issuer seeking U.S. access
- U.S. issuer
- Market maker, infrastructure or DeFi developer
- Bank or credit union
- Law practice or policy team

DATES TO WATCH proposal published 18 August 2026; comments closed 19 October 2026; no final rule found as of 6 November 2026. The Act takes effect on 18 January 2027, the 18-month date under section 20, because no final rules arrived in time to set an earlier one; from that date the issuance prohibition and the lawful-order condition for foreign-issued coins in § 1523.3(b) apply, and the OCC's final rule takes effect the same day. The broader restriction on service providers offering stablecoins from non-permitted issuers applies from 18 July 2028. Watch the Federal Register and the Unified Agenda for RIN 1505-AC95.

Full report. Read the full report online, with a source for every number and the data files, or download it as a PDF. Download this page as a PDF. Request a report on your docket, or write to vpanitz@wisc.edu.

Likelihood terms follow ICD 203 and are analyst judgments. Vanessa Panitz and John Panitz, ComtIQ.