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Department of the Treasury
Office of Consumer Policy
1500 Pennsylvania Avenue NW
Washington, DC
20220

30 June, 2025

Re: Consultation Response Related to the Executive Order, “Modernizing Payments To and From America's Bank Account”

Dear Mr. Curtis and Ms. Esposito,

Circle Internet Group, Inc. (“Circle”) appreciates the opportunity to respond to the Office of Consumer Policy’s request for public comment on the President's Executive Order (E.O.) 14247 on “Modernizing Payments To and From America's Bank Account.” As a global financial technology company, Circle believes that enhancing the U.S. payments system, including addressing frictions in disbursements from the national account, is a measure not just of upgrading existing processes but of developing smarter means of financial interconnectivity that can offer efficient and more equitable access. We believe that digital payments technology that offers inherent transparency creates an opportunity to overcome some of the legacy challenges highlighted in E.O. 14247 and put Federal agencies on a path towards more responsive and accountable disbursement from the national account.

Circle strongly supports the U.S. Treasury Department’s initiative under E.O. 14247 and its policy goals of strengthening the resilience of the U.S. national account against financial fraud and improper payments, while reducing costs to American taxpayers^[OBJ]. Modern innovations in payments technology, including the use of tokenized assets operating on public ledgers, offers the inherent potential to help achieve these objectives by enabling near-instant, secure, transparent and auditable transactions. This view is not Circle’s alone. Policymakers around the world are developing regulatory frameworks to responsibly harness the potential of payment stablecoins, including in the U.S. with the Senate's passage on June 17 of the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act). This U.S. framework would establish a first-of-its-kind federal payments regulatory framework which, in turn, reflects the view that distributed ledger technology presents not just meaningful benefits over paper-based means of transfer—physical cash and checks—but the opportunity to make the U.S. payments space safer and more accessible to American consumers.

Circle likewise sees modernizing the Treasury Department’s approach to public finance as central to addressing the barriers to financial access for populations that are underbanked or unbanked,



situations that can prevent federal payments from reaching their intended recipient at their time of need. In particular, we believe that well-regulated payment stablecoins can play a pivotal role in expanding financial access and creating more transparent and secure means of disbursement of vital public services. We offer specific comments below and look forward to continued partnership with the Treasury Department and other stakeholders to advance these shared objectives and ensure that the benefits of a more efficient national account reach all Americans.

Exploring Digital Alternatives for Public Financial Management

In the last two decades, digital payments have emerged as a critical force in addressing inefficiencies and disparities in the domestic banking and payments landscape, providing more efficient and accessible offerings to Americans for everyday transactions. These gains have relied heavily on the combination of upgrades to wholesale settlement systems (e.g. FedNow) with the use of novel offsetting and credit systems to address some of the persistent inefficiencies at the retail level. While these solutions are bearing some fruit, the benefits at the retail level—whether in paper check or EFT—will continue to remain constrained by structural frictions that add unnecessary costs, delays, and fraud risks. As fast payment systems such as FedNow continue to gain adoption, the benefits will continue to accrue predominantly at the wholesale level, leaving room for more efficient management of public funds targeting individual taxpayers and extending their reach to previously “unbankable” communities.

The advent of distributed ledger technologies (DLT) and tokenized settlement systems offers an alternative, inherently fast means of settlement, allowing payments to be processed at speed and scale with the added transparency of being disbursed on public ledgers. A cornerstone of this evolution is the advent of regulated payment stablecoins, such as Circle’s USDC, which are fully fiat-backed payments utilities that provide near-instant, affordable financial access anywhere with an internet connection. Payment stablecoins have demonstrated the ability to scale and process transaction volumes rivalling, if not exceeding, the largest retail payments networks, with billions of dollars in global flows being transacted each month.¹ As a regulated issuer, Circle has processed more than \$30 trillion in USDC transaction volume since USDC’s creation seven years ago. It is utilized by merchants, retail users, international organizations, and others for near-instant, low-cost payments. Circle has converted more than \$850 billion between fiat and USDC during that time, and has integrated with local institutions to provide faster, cheaper services to communities that may have struggled in the past for ready, much less affordable, bank access.

With Congress and the Administration prioritizing a federal prudential framework with clear rules around the use of stablecoins in payments and settlement, we see it as important to consider the

¹ Cambridge Centre for Alternative Finance, “[Cambridge Digital Money Dashboard](#),” accessed 13 Jan 2025.



factors that differentiate payment stablecoins from existing electronic funds flows in assessing the tools to modernize fiscal management, and offer the following:

- **Tracability and Programmability:** Payment stablecoins use public blockchain infrastructure which provides real-time, end-to-end visibility into transactions, offering improved compliance tools and ready integration with digital identity and compliance software. This level of transparency enables better oversight of public funds and reduces the risks of fraud throughout the payments chain. Likewise, programmability allows for purpose-bound and automated payments, ensuring precise control over fund flows while maintaining traceability. Circle has partnered with multilateral assistance organizations such as the UN Refugee Agency (UNHCR) to develop tools for disbursing and monitoring funds that have allowed funding agencies to both reach new and underserved communities as well as maintain real-time transparency to ensure that funds are utilized for their intended purposes. These features support financial inclusion by offering secure, compliant, and transparent access to payments for underbanked populations while offering federal agencies or the originating institutions greater visibility, control, and optionality into their payment flows. (See **Table 1** for UNHCR case study)
- **Efficiency and Reductions in Settlement Risk:** Stablecoins offer meaningful efficiency gains and settlement risk reduction over existing retail payments, reducing the potential that public funds are lost, double-spent, or fraudulently used. In addition to the benefits of digital transfers, payment stablecoins provide near instant payment vs. payment (PvP) settlement which creates a clear and publicly visible chain of custody. This can reduce the potential for fraud while funds are “in transit” and allow more timely identification of unspent or misspent funds, in turn helping reduce the \$657 million in FY2024 costs to oversee public disbursement. The use of PvP transactions also enables 24/7/365 liquidity which can allow timely disbursement of funds on weekends and bank holidays in the event of emergency disbursement needs. Lastly, DLT-based settlement systems nearly uniformly settle transactions on an intra-hour basis, offering the inherent potential to get funds expediently to their intended beneficiary.
- **Providing more Responsive Aid and Development:** The versatility and traceability of stablecoins also makes them ideal for delivering disaster assistance and payments to unbanked and under-banked populations. Stablecoins have proven to enhance the speed and accountability of aid disbursement and reduce fraud in largely cash-based pipelines, all while serving populations that may have little to no traditional financial access. This can offer meaningful impacts when aid needs to be disbursed at scale in timely fashion, for example during past crises like the COVID pandemic. Circle has partnered with UNHCR, International Rescue Committee (IRC), and other NGOs to develop and pilot stablecoin-based assistance programs, for example, delivering humanitarian aid to



internally displaced persons in Ukraine;² support for frontline healthcare workers in Venezuela;³ and assistance to financially remote jurisdictions. In addition to speed and cost savings, these programs allow multiple points of beneficiary validation integration with existing retail-facing financial institutions, and traceability of USDC following receipt by the beneficiary, while also serving as a safe store-of-value to beneficiaries. For disbursing agencies, Circle has found that the average transaction costs have shrunk from 3% down to 0.3-1.1% per USDC transaction compared with existing payments. In underbanked jurisdictions where cash payments dominate, USDC-based transfers have reduced the payment time for aid organizations from one week to one day. Lastly, Circle has piloted low-tech means of funds transfers with UN agencies that allow beneficiaries to access assistance funds without the use of an internet-enabled device, significantly widening the reach of tokenized payments. In financially remote areas, development organizations have seen their settlement time reduced from T+14 days down to T+0/1.

- **Facilitating AML and Identity Verification to Reduce Fraud:** Payment stablecoins and DLT-based assets also offer the potential to layer on top additional safeguards to prevent fraud and abuse. Technological advancements in digital identity and know-your-customer (KYC) information sharing have the potential to significantly enhance the security, efficiency, and scalability of anti-money laundering (AML) controls in domestic retail payments while reducing operational redundancies throughout the payment chain. Through their programmability, stablecoin networks can incorporate features such as automated KYC and AML checks, sanctions screening, and transaction monitoring, reducing operational redundancies while enhancing compliance and transaction security. By allowing precise control over fund flows, stablecoins likewise help minimize misuse and establish a more robust framework for audits and regulatory oversight.
 - Advances in digital identity solutions, including decentralized identity systems leveraging DLT, will also allow for secure and instant transfer and verification of identity information that is readily portable between federal agencies, a key enabler for fraud-detection. Such systems can be used for establishing portable credentials that can make payments more resilient, reducing unnecessary data storage and creating a more auditable path for compliance from the point of government disbursement through beneficiary receipt.

We look forward to further engaging with the Office of Consumer Policy and broader Treasury Department and supporting efforts to modernize the national account and stand ready to assist with any further requests.

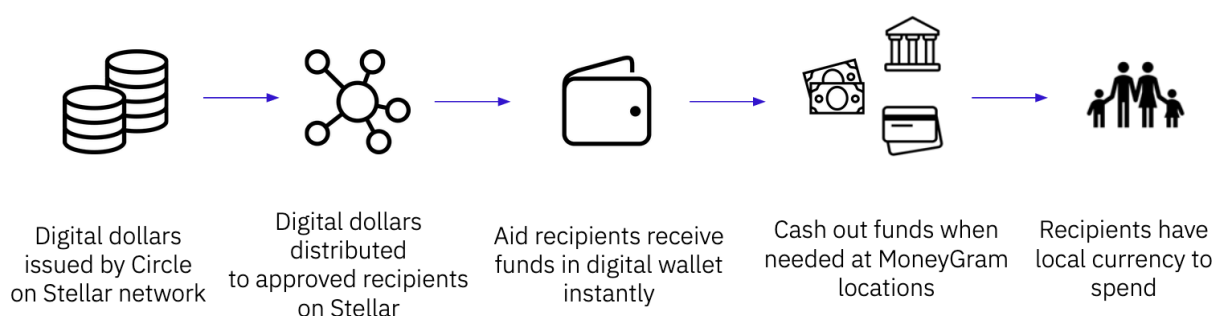
² [Circle, Stellar, MoneyGram and the UNHCR Convene to advance humanitarian aid](#), 13 Apr. 2023.

³ [Circle Partners with Bolivarian Republic of Venezuela and Airtm to Deliver Aid to Venezuelans Using USDC](#), 20 Nov. 2020.

Table 1 - Blockchain-Based Aid Disbursement to Ukrainian Refugees and Internally Displaced Persons

TECHNOLOGY

The UNHCR enrolls eligible individuals (among Ukraine's internally displaced persons) at participating UNHCR registration locations, sending Circle's USDC directly to a UN-selected wallet over a public blockchain network. The beneficiary then is able to secure and save USDC in their wallet, accessible on a smartphone, until they choose to cash out for approved purposes (e.g. rent, food, basic living expenses). Because of the transparent nature of blockchain, UNHCR is able to monitor the flow of aid to user wallets, mitigating the potential fraud and ensuring that individuals can access their funds without a bank account while IDPs are able to cross borders and maintain safe access to funds.



BENEFITS

This money provides humanitarian assistance to some of the most vulnerable among the 7.7 million Ukrainians that have been displaced due to the Russian invasion. With 37% of Ukrainians lacking access to a bank account, this program offers options to individuals who have historically been dependent on receiving and carrying physical cash. Recipients have the option to cash out their USDC into local currency, dollars, or euros at over 4,500 international locations in Ukraine and 380,000+ locations worldwide; cash is known to be the preferred assistance modality by people forcibly displaced, as it gives them the freedom to decide how to prioritize the assistance given, based on their personal need.