



HOUSE BILL 1029: NC Digital Asset and Stablecoin Act.

2025-2026 General Assembly

Committee: House Commerce and Economic Development. If favorable, re-refer to Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House **Date:** May 12, 2026

Introduced by: Reps. Chesser, Willis, Ross, Schietzelt **Prepared by:** Amy Darden
Analysis of: PCS to First Edition Committee Counsel
H1029-CSBBf-30

OVERVIEW: *The PCS to House Bill 1029 would do the following:*

- *Create the Digital Asset Financial Act, which authorizes banks and credit unions to provide digital asset services, including custody services, staking services, and transaction services.*
- *Modify existing unclaimed property statutes to account for unclaimed digital assets.*
- *Create the North Carolina Stablecoin Act, which creates the State regulatory framework for the issuance of payment stablecoins by issuers in North Carolina as permitted by The Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act.*

BILL ANALYSIS:

Part I – The Digital Asset Financial Act would do the following:

- Create a new Article 26, the Digital Asset Financial Act, within Chapter 53, Regulation of Financial Services.
- Create definitions, including the following:
 - Control. – A person has control if the person satisfies the requirements of G.S. 25-12-105, which are the UCC requirements for control of controllable electronic records.
 - Custody of a digital asset. – The legal relationship in which a financial institution holds digital assets on behalf of a customer as bailee or trustee by maintaining possession or control of the digital assets and any associated keys, such that the digital assets remain the property of the customer, are not assets or liabilities of the financial institution, and are not available to satisfy claims of the financial institution's creditors.
 - Digital asset. – A natively electronic asset that confers economic, proprietary, or access rights and is recorded or stored in a blockchain, cryptographically secured distributed ledger, or similar technology. A digital asset is personal property.
 - Digital asset custody services. – The safekeeping, administration, or control of digital assets of behalf of customers by a financial institution, including any of the following:

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Director



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- Holding, controlling, or maintaining access to private keys necessary to transfer, encumber, or otherwise exercise control over digital assets belonging to or benefiting a customer.
- Maintaining digital assets in an omnibus, pooled, or segregated account structure on behalf of one or more customers.
- Exercising control over digital assets through any technical protocol, smart contract, multi signature arrangement, or contractual mechanism that functionally restricts or directs the disposition of a customer's digital assets.
- Staking. – Committing digital assets to a blockchain network to participate in the network's operations by validating transactions, proposing and attesting to blocks, and securing the network.
- Require a State-chartered bank or credit union intending to offer digital asset custody services to notify in advance the Commissioner of Banks (Commissioner) or Administrator of Credit Unions (Administrator) and to first obtain written approval from the Commissioner or Administrator before offering these services in a fiduciary capacity. The bank or credit union must also enter into a written custodial agreement with each customer, maintain no less than a 100% reserve of each digital asset, and undergo independent annual audits.
- Allow a State-chartered bank or credit union to utilize one or more subcustodians in providing digital asset custody services.
- Require a State-chartered bank or credit union intending to offer staking services to notify in advance the Commissioner or Administrator and to first obtain written approval from the Commissioner or Administrator before offering these services in a fiduciary capacity. All rewards, yield, or other benefits earned from the staking of a customer's digital assets shall accrue to the benefit of that customer.
- Require a State-chartered bank or credit union intending to offer digital asset transaction services to notify in advance the Commissioner or Administrator. The bank or credit union shall act solely in a fiduciary capacity for the benefit of its customers and shall not engage in proprietary trading of digital assets.
- Create anti-money laundering, cybersecurity, and other protective requirements.
- Prohibit a State-chartered bank or credit union from rehypothecating a customer's digital assets. Rehypothecation occurs when a financial institution uses a customer's assets as collateral for its own transactions.
- Make abandoned digital assets subject to the requirements in Article 4, the North Carolina Unclaimed Property Act, of Chapter 116B.
- Give rulemaking authority to the State Banking Commission and the Credit Union Commission.
- Provide specific enforcement and supervisory authority to the Commissioner and the Administrator.

Part I – Unclaimed Property:

- Add definitions relevant to digital assets to Chapter 116B – Escheats and Abandoned Property.
- Provide a presumption of abandonment for digital assets after five years under certain conditions.

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- Update notice requirements to apparent owners of abandoned property and set the threshold to give notice for all property at a value of \$25.00 or more.
- Expand reporting requirements to the Treasurer to include all property at a value of \$25.00 or more and securities, business debt, dividends, and digital assets in any amount.
- Set requirements for delivering custody of presumed abandoned digital assets to the State Treasurer.
- Allow the State Treasurer to stake presumed abandoned digital assets, subject to certain conditions, and accrue the rewards, yield, or other benefits for the benefit of the State.
- Allow the State Treasurer to sell presumed abandoned digital assets after a three-year holding period.
- Exclude the definition of digital asset in G.S. 53-441 from Chapter 36F – Revised Uniform Fiduciary Access to Digital Assets Act, which deals with social media.

Part II – The North Carolina Stablecoin Act would do the following:

- Create Article 27, the North Carolina Stablecoin Act, within Chapter 53, Regulation of Financial Services.
- Define relevant terms, including payment stablecoin, which is a digital asset designed or marketed to be used as a means of payment that the issuer undertakes to convert, redeem, or repurchase for a fixed amount of monetary value, but is not legal tender, a deposit, or a security.
- Require issuers of payment stablecoins to obtain a license from the Commissioner to operate as a stablecoin issuer in North Carolina. Additionally, it provides alternative authorization methods for insured depository institutions and insured credit unions, issuers qualified in other states, and foreign entities to issue in the State.
- Set a process for licensing, including a statutory decision period, provisional license, standards for retaining the license, application fee of \$2,500, and a renewal process.
- Create obligations for licensed stablecoin issuers, including filing a monthly certificate with the Commissioner affirming the maintenance of one-to-one reserves, obtaining annual audits of reserves, and reporting requirements.
- Set an annual assessment to be paid to the Commissioner. The assessment will be calculated on a sliding scale depending on the amount of payment stablecoins issued and the amount outstanding reported by the licensee for the previous calendar year. The assessment may be collected annually or in periodic installments.
- Define permissible activities for stablecoin issuers, including issuing and redeeming payment stablecoins, providing custodial safekeeping services for payment stablecoins, and any other activity the Commissioner expressly authorizes in writing.
- Require a stablecoin issuer to maintain, at all times, eligible reserve assets having an aggregate nominal value of not less than 100% of the outstanding issued payment stablecoins and require the issuer to monitor the value of its reserves daily.
- Require stablecoin issuers licensed or authorized in North Carolina to comply with all federal law governing the payment, provision, promise, or offering of interest, yield, rewards, rebates, incentives, or other consideration in connection with a payment stablecoin.

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- Create anti-money laundering, customer identification, and compliance requirements that align with current federal law.
- Grant the Commissioner the authority to supervise and examine stablecoin issuers and require the Commissioner to conduct a full examination of each issuer at least once every 24 months.
- Give the Commissioner enforcement powers, including cease and desist orders, civil penalties, license suspension or denial, and injunctive relief. A knowing and willful violation of this Article is a class 1 misdemeanor.
- Allow the Commissioner to enter a memorandum of understanding with any federal agency to conduct joint, alternate, or coordinated exemptions or enforcement actions.
- Give rulemaking authority to the North Carolina State Banking Commission to implement this act, meeting or exceeding the minimum requirements of the GENIUS Act and any relevant successor federal law.
- Provide emergency powers to the Commissioner in the event of a natural disaster or national, regional, State, or local emergency.
- Require the Commissioner to provide a semiannual report to the State Banking Commission regarding the status of all licenses issued, examinations conducted, and enforcement actions taken during the reporting period.

EFFECTIVE DATE: Subsections (b) through (h) of Part I become effective on or after 18 months after this act becomes law. The remainder of Part I is effective when it becomes law. Part II becomes effective the earlier of January 18, 2027, or 120 days after the date on which the primary federal payment stablecoin regulators issue any final regulations implementing the GENIUS Act. Except as otherwise provided, the act is effective when it becomes law.

BACKGROUND: The Guiding and Establishing National Innovation for U.S. Stablecoins (GENIUS) Act was signed into law in July 2025 and granted authorization for states to establish a substantially similar regulatory framework for stablecoin issuers under \$10 billion dollars.

David Unwin and Zoey Howe contributed to this summary.