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What's in Your (Crypto) Wallet? Trump's Executive Order on Digital Financial Technology



Last week, President Trump issued an executive order, titled “[Strengthening American Leadership in Digital Financial Technology](#)” (EO), establishing the administration’s policy to promote digital asset technologies and the growth of blockchain technologies. The accompanying fact sheet is available [here](#). The EO includes four key directives:

1. *Policy Direction*: The EO emphasizes the policy of the administration to promote the lawful use by individuals and companies of public blockchain networks and digital assets without persecution; to preserve U.S. dollar sovereignty, including through U.S. dollar-backed stablecoins; to enable participation in mining, validating, and self-custody of digital assets; to provide regulatory clarity and certainty; and to ensure open access to banking services for individuals and businesses engaged in digital asset activities.
2. *CBDC Prohibition*: The EO directs any agency to immediately halt any plans or initiatives related to the creation of Central Bank Digital Currencies (CBDCs) and further prohibits agencies from taking any action to establish, issue, or promote CBDCs in the United States or around the world. The EO defines a CBDC as “a form of digital money or monetary value, denominated in the national unit of account, which is a direct liability of the central bank” and bases the prohibition on the stated risk that CBDCs “threaten the stability of the financial system, individual privacy, and the sovereignty of the United States.”
3. *Prior Guidance Revocation*: To align with the policies established under the EO, the EO revokes [Executive Order 14067 \(dated March 9, 2022\)](#), which included, among other things, directives to evaluate digital asset-related risks for purposes of supporting anti-money laundering and consumer protection goals and to pursue research and development efforts to explore the merits of a U.S.-issued CBDC. The EO also revoked the Department of the Treasury’s [Framework for International Engagement on Digital Assets \(dated July 7, 2022\)](#), which addressed “interagency engagement with foreign counterparts and in international fora” and which was developed pursuant to Executive Order 14067. The EO further directs the Secretary of the Treasury to rescind all policies, directives, and guidance issued pursuant to Executive Order 14067 and the resulting framework published by the Department of Treasury.

4. *Establish a Working Group*: The EO goes on to establish the President’s Working Group on Digital Asset Markets (Working Group) within the National Economic Council. The Working Group will be chaired by the White House Special Advisor for AI and Crypto, also known as the Crypto Czar (Chair), and will include officials from multiple federal agencies, including the Secretary of the Treasury, the Chairman of the Securities and Exchange Commission, and the Chairman of the Commodity Futures Trading Commission. Given the EO’s policy focus on stablecoins and ensuring access to banking services for the digital asset industry, it is perhaps notable that the EO’s Working Group does not include participants from the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the Office of the Comptroller of the Currency. The EO establishes three deliverables for the Working Group:

- **Identify Digital Asset Policies**: Within 30 days of the EO (by February 22, 2025), the Department of the Treasury, Department of Justice, Securities and Exchange Commission, and other agencies in the Working Group are directed to identify all regulations, guidance documents, and orders that affect the digital assets sector (Digital Asset Policies).
- **Digital Asset Policies Recommendations**: Within 60 days of the EO (by March 24, 2025), the Department of the Treasury, Department of Justice, Securities and Exchange Commission, and other agencies in the Working Group are directed to submit to the Chair recommendations on whether to rescind, modify, or adopt into regulation the Digital Asset Policies.
- **Digital Asset Proposals**: Within 180 days of the EO (by July 22, 2025), the Working Group will propose a recommended federal legislative and regulatory framework supporting the EO’s enumerated policy goals for digital assets, including stablecoins, in the United States. Specifically, the proposal must address (i) market structure, oversight, consumer protection, and risk management for the issuance and operation of digital assets and (ii) the merits of and potential criteria for creating and maintaining a “digital asset stockpile,” commonly understood to refer to a strategic reserve of digital assets, and whether such stockpile should include digital assets lawfully seized pursuant to federal law enforcement efforts.

The EO represents a major shift in the federal government’s stance toward the digital asset industry, and we expect to see further measures take shape in the coming weeks and months. We will continue to monitor the implementation of the EO and the activities of the Working Group.

## Authors

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