

Cody Carbone
Chief Executive Officer, The Digital Chamber
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Chairman Scott, Ranking Member Warren, and members of the Committee, thank you for the opportunity to testify today.

My name is Cody Carbone, and I serve as Chief Executive Officer of The Digital Chamber, the world’s largest digital asset and blockchain trade association. Founded in 2014, our members include more than 250 companies globally across the digital asset and blockchain ecosystem, including exchanges, custodians, infrastructure providers, banks, developers, investors, and emerging technology companies working to build a safer, more competitive, and more inclusive financial system.

I am here today to offer solutions to the challenge of affordability weighing on Americans. The cost of accessing, moving, saving, and investing money should not be a barrier to any of these basic economic activities. The goal of the digital asset industry is to make it as easy to send money as it is to send an email.

For too long, American consumers and small businesses have been forced to operate on financial rails that are slow, expensive, and often difficult to access. These costs rarely appear as a single line item on a receipt, but they show up everywhere: in the price of groceries, in fees charged to small businesses, in the cost of sending money to family abroad, in the delay between earning a paycheck and being able to use it, and in the thousands of dollars families must pay to close on a home.

That is the hidden affordability problem digital assets can help solve.

Digital assets and blockchain technology will not, on their own, slow inflation, increase the housing supply or wages, or fix every cost pressure facing Americans. But they can reduce the impact of friction and fees and offer competitive alternatives across the global financial system.

This matters most for households with the least room for error. The Federal Reserve reported in May 2026 that only 63 percent of adults could cover a hypothetical \$400 emergency expense using cash, savings, or the equivalent – meaning more than one-third could not do so without

borrowing, selling something, or being unable to cover the expense at all.¹ The same survey found that 59 percent of adults had at least one major unexpected expense in the prior 12 months, with major vehicle repairs, home or appliance repairs, and major medical expenses among the most common.²

The FDIC's most recent national household survey found that 4.2 percent of U.S. households – approximately 5.6 million households – were unbanked in 2023, while another 14.2 percent – approximately 19 million households – were underbanked.³ These are the Americans most likely to rely on costly, high-interest stopgap measures such as check cashing, money orders, payday loans, pawn shops, and other nonbank financial services.

Even for banked consumers, delays and fees are real and costly. Consumers paid more than \$5.8 billion in overdraft and nonsufficient-fund fees in 2023, even after many institutions reduced those charges from pre-pandemic levels.⁴ And under Regulation CC, funds from many local checks generally do not have to be made fully available until the second business day after deposit, with only the first \$275 generally required to be available by the first business day.⁵ For a household living paycheck to paycheck, that delay is not an inconvenience. It is a cost.

Digital assets can help lower costs in three areas to directly address the challenge of affordability: cross-border payments, everyday merchant payments, and the transfer and ownership of assets.

First, digital assets can reduce the cost of cross-border money transfers.

The United States is the largest source of remittances in the world. The International Organization for Migration has reported that the United States has consistently been the top remittance-sending country, and World Bank bilateral estimates have placed U.S. outward

¹ Board of Governors of the Federal Reserve System. (2026, May). *Economic well-being of U.S. households in 2025*. <https://www.federalreserve.gov/publications/files/2025-report-economic-well-being-us-households-202605.pdf>

² *Ibid.*

³ Federal Deposit Insurance Corporation. (2024, November). 2023 FDIC National Survey of Unbanked and Underbanked Households. <https://www.fdic.gov/household-survey>

⁴ Consumer Financial Protection Bureau. (2024, April 24). Data spotlight: Overdraft/NSF revenue in 2023 down more than 50% versus pre-pandemic levels, saving consumers over \$6 billion annually. <https://www.consumerfinance.gov/data-research/research-reports/data-spotlight-overdraft-nsf-revenue-in-2023-down-more-than-50-versus-pre-pandemic-levels-saving-consumers-over-6-billion-annually/>

⁵ Board of Governors of the Federal Reserve System. (2025, December 12). Applying funds availability rules. <https://www.federalreserve.gov/supervisionreg/applying-funds-availability-rules.htm>

remittance flows at approximately \$200 billion in a recent year.⁶ Globally, remittances to low- and middle-income countries were estimated to reach \$685 billion in 2024 and were forecast by the World Bank to reach approximately \$690 billion in 2025.⁷

The World Bank's Remittance Prices Worldwide database reported that the global average cost of sending remittances was 6.36 percent in its latest available report, more than double the international target of 3 percent.⁸ At that price, a worker sending \$200 home may lose more than \$12 to fees before the money even reaches the intended recipient. Across hundreds of billions of dollars in global remittances, those fees represent a significant economic loss for working families.

The problem is that cross-border payments often depend on multiple parties, different systems, different time zones, currency conversion, compliance checks, and settlement processes that were not designed for the modern digital economy. GENIUS Act regulated US dollar-backed stablecoins can help reduce that friction.

A payment stablecoin can move value globally, around the clock, over blockchain-based infrastructure. While on-ramps, off-ramps, foreign exchange, compliance, custody, and wallet services may still involve costs, the underlying payment rail tends to be faster, more transparent, and more efficient than many legacy cross-border systems.

The same problem affects American freelancers, contractors, and small businesses. For example, a designer in South Carolina working for a client in Europe, a software developer in Arizona paid by a company in Asia, or a manufacturer in Ohio paying an overseas supplier all

⁶ International Organization for Migration. (2024). *World Migration Report 2024: International remittances*. <https://worldmigrationreport.iom.int/what-we-do/world-migration-report-2024/chapter-2/international-remittances>

Ratha, D., Plaza, S., & Kim, E. J. (2022, December 19). *Bilateral remittance matrix (new)*. World Bank Blogs. <https://blogs.worldbank.org/en/peoplemove/bilateral-remittance-matrix-new>

⁷ Ratha, D., Plaza, S., & Kim, E. J. (2024, December 18). *In 2024, remittance flows to low- and middle-income countries are expected to reach \$685 billion, larger than FDI and ODA combined*. World Bank Blogs. <https://blogs.worldbank.org/en/peoplemove/in-2024--remittance-flows-to-low--and-middle-income-countries-ar>

Monterroso, O. (2025, February 27). *Global remittances cycle*. Board of Governors of the Federal Reserve System. <https://www.federalreserve.gov/econres/notes/feds-notes/global-remittances-cycle-20250227.html>

⁸ World Bank. (2025, September). *Remittance prices worldwide quarterly: Issue 54, September 2025*. https://remittanceprices.worldbank.org/sites/default/files/2026-04/RPW_main_report_and_annex_Q325.pdf
United Nations Economic Commission for Europe. (n.d.). *Remittance costs as a proportion of the amount remitted*. Retrieved June 21, 2026, from <https://w3.unece.org/SDG/en/Indicator?id=126>

face the same basic problem: global payments are slow and expensive, creating a burden on those working to innovate and grow much-needed jobs in their communities

That is why business-to-business payments have become a fast-growing real-world use case for stablecoins. McKinsey estimated in February 2026 that B2B stablecoin payments accounted for roughly \$226 billion, or about 60 percent of global stablecoin payment volume, and that B2B stablecoin payments had increased 733 percent year over year.⁹ Artemis, Castle Island Ventures, and Dragonfly similarly found significant growth in stablecoin payment activity, including B2B use cases such as treasury operations and cross-border settlement.¹⁰

Businesses are using these tools because the payment rails are secure and fast. Lower-cost cross-border payments make American workers and American businesses more competitive, and all American consumers deserve access to these innovations.

Second, digital assets can put competitive pressure on the cost of everyday payments.

Federal Reserve data show how central card payments have become to everyday commerce. In 2024, credit cards accounted for 35 percent of consumer payments by number, and debit cards accounted for another 30 percent. Cash accounted for 14 percent.¹¹

The cost of accepting card payments is material. In a 2025 report, the Government Accountability Office found that selected federal entities collected approximately \$43.6 billion from consumers using credit, debit, and other payment cards in fiscal year 2023 and paid approximately \$784 million in related fees. Those fees equaled 1.8 percent of revenue, and interchange fees accounted for nearly 90 percent of the fees paid by those entities.¹²

⁹ Higginson, M., Zorrilla, A., Madden, J., & Kirchner, M. (2026, February 18). *Stablecoins in payments: What the raw transaction numbers miss*. McKinsey & Company. <https://www.mckinsey.com/industries/financial-services/our-insights/stablecoins-in-payments-what-the-raw-transaction-numbers-miss>

¹⁰ Artemis Analytics, Castle Island Ventures, & Dragonfly. (2025, May). *Stablecoin payments from the ground up*. <https://castleisland.vc/wp-content/uploads/2025/06/artemis-stablecoin-payments-from-the-ground-up-2025.pdf>

¹¹ Federal Reserve Financial Services. (2025). *2025 findings from the Diary of Consumer Payment Choice*. <https://www.frbservices.org/news/research/2025-findings-from-the-diary-of-consumer-payment-choice>

¹² U.S. Government Accountability Office. (2025, April 30). *Payment cards: Costs and benefits for federal entities* (GAO-25-107298). <https://www.gao.gov/products/gao-25-107298>

Federal Reserve data also show that payment network fees are significant. In 2023, network fees to all parties in debit card transactions increased to \$12.95 billion, and acquirers and merchants paid 64.9 percent of those network fees.¹³

For large businesses, payment acceptance costs are a major operating expense. For small businesses operating on thin margins, they can be especially difficult to absorb. And because payment costs are part of doing business, they can affect prices, margins, wages, investment, and consumer choice.

Blockchain-based payment rails can introduce another option.

A regulated dollar-backed stablecoin can settle faster and often at lower cost than many traditional payment methods. Stripe, for example, lists stablecoin payment acceptance at 1.5 percent of the transaction amount in U.S. dollars, including conversion to fiat, wallet and AML screening, fraud prevention, and gas sponsorship.¹⁴ Stripe has also stated that stablecoin transfers typically incur flat network fees, often measured in pennies, and that for certain businesses, stablecoin payments can cost about half as much as other payment methods.¹⁵

Properly regulated dollar-backed stablecoins can allow certain payments to settle faster, with greater transparency, and with a different cost structure than legacy payment systems. They should not replace cards, cash, ACH, wire transfers, or other payment methods. Different payment methods serve different needs, and consumers should be empowered with the best choices possible for their individual needs and preferences.

A cheaper, faster, compliant payment rail can give merchants more choices. It can allow businesses to experiment with lower-cost payment options. It can create pressure for incumbent payment systems to improve. And over time, greater competition in payments can benefit consumers.

It is also consistent with the way American markets work best. When a new rail can move the same dollar more efficiently, the answer should not be to block it. The answer should be to regulate it properly, supervise it effectively, and allow responsible market participants to compete.

¹³ Board of Governors of the Federal Reserve System. (2025, December 31). *2023 interchange fee revenue, covered issuer costs, and covered issuer and merchant fraud losses related to debit card transactions*. <https://www.federalreserve.gov/paymentsystems/2023-interchange-fee.htm>

¹⁴ Stripe. (n.d.). *Pricing & fees*. Retrieved June 21, 2026, from <https://stripe.com/pricing>

¹⁵ Stripe. (2026, February 16). *Stablecoin payments explained: A guide for businesses*. <https://stripe.com/resources/more/stablecoin-payments>

That competition matters for small businesses. A family-owned restaurant, a local grocery store, a contractor, a barber shop, or an online seller may not have the bargaining power of a national retailer. Safer, more compliant, lower-cost options position businesses better to compete, invest, hire, and serve their customers.

Consumers benefit when payment systems compete, especially when innovation happens under U.S. rules, rather than in offshore markets where American regulators have less visibility to protect consumers.

Because of this Committee's leadership, Congress has already taken a major step. The GENIUS Act created a federal framework for payment stablecoins, including requirements for reserve backing, public reserve disclosures, supervision, and compliance. That framework can help give consumers, businesses, banks, and regulators greater confidence that payment stablecoins are backed, redeemable, supervised, and compliant.¹⁶

Third, digital assets can reduce barriers to owning and transferring assets.

Tokenization is the process of representing ownership, rights, or claims on a blockchain. That can include financial assets, such as funds, bonds, Treasuries, private credit, collateral, and commodities. But it can also include real estate interests, invoices, receivables, warehouse receipts, supply chain records, intellectual property royalties, energy credits, and other records of ownership or entitlement.

That matters because today, too many markets still rely on fragmented, paper records, and duplicative processes. One system records ownership. Another verifies documents. Another sends payment instructions. Another clears the transaction. Another settles it. Another reconciles the records after the fact.

Tokenization can help reduce that friction by allowing ownership records, transfer instructions, payment, settlement, and verification to operate through a shared digital infrastructure. That can mean clearer records, faster settlement, stronger auditability, fewer duplicative checks, and lower administrative costs.

This matters across the economy.

For funds and securities, tokenization can make issuance, subscriptions, redemptions, transfer agency functions, and investor recordkeeping more efficient.

¹⁶ The White House. (2025, July 18). *Fact sheet: President Donald J. Trump signs GENIUS Act into law.* <https://www.whitehouse.gov/fact-sheets/2025/07/fact-sheet-president-donald-j-trump-signs-genius-act-into-law/>

For Treasuries and collateral, it can help assets move more efficiently through the financial rules and regulations that support the markets Americans rely on every day.

For small businesses, tokenized invoices and receivables can help verify payment rights, improve recordkeeping, and unlock working capital faster.

For supply chains, tokenized warehouse receipts and inventory records improve transparency and accuracy about who owns what, where it is, and when it changed hands.

And for real estate, tokenization can help modernize one of the most expensive and paper-heavy transactions most Americans will ever experience.

When a family buys a home, thousands of dollars can be consumed by the process of transferring ownership, verifying title, moving funds, recording documents, and closing the transaction. Closing costs often range from 2 to 5 percent of the purchase price, not including the down payment.¹⁷

On a \$350,000 home, which is currently lower than the median U.S. average price, that can mean \$7,000 to \$17,500 before a family receives the keys.

While those costs pay for important protections, it should concern everyone on this Committee that the largest financial transaction most Americans will ever make still depends on a process that can be fragmented, paper-heavy, duplicative, and expensive.

Homeownership is already hard enough, especially for first-time buyers. Fannie Mae has found that closing costs are a meaningful obstacle for first-time and low-income homebuyers. In an analysis of approximately 1.1 million home purchase loans acquired in 2020, Fannie Mae found that more than 14 percent of low-income first-time homebuyers had closing costs equal to or exceeding their down payment.¹⁸

Modernizing record-keeping, including proof of ownership, transferring value, and settling transactions, are a few ways to make life easier for our neighbors through transparency, reducing duplicative verification, improving auditability and expanding efficient pathways for transferring interests in assets, rights, and records.

¹⁷ Fannie Mae. (n.d.). *How you can prepare for the costs of homeownership*. Retrieved June 21, 2026, from <https://yourhome.fanniemae.com/buy/how-you-can-prepare-costs-homeownership>

¹⁸ Mota, N., & Palim, M. (2021, December 2). *Barriers to entry: Closing costs for first-time and low-income homebuyers*. Fannie Mae. <https://www.fanniemae.com/research-and-insights/publications/barriers-entry-closing-costs-first-time-and-low-income-homebuyers>

Beyond lowering costs, tokenization can be a key to unlocking access to ownership by reducing the cost of entry for large-scale investments.

Fractional ownership, when properly regulated, can allow participation in smaller increments while preserving investor protections, disclosures, custody standards, suitability requirements, transfer restrictions, and market integrity rules.

That expands wealth-building opportunities beyond those with existing wealth. Though not yet operating at a national scale, the potential is easy to see in the efforts made so far to tokenize and offer small shares for investors to buy and hold.

Major financial institutions, asset managers, technology companies, and market participants are already building toward a more efficient model for issuing, owning, transferring, and administering assets, rights, and records. Citi Institute projected in June 2026 that the global tokenized asset market could grow from approximately \$17 billion today to \$5.5 trillion by 2030.¹⁹ McKinsey has estimated that tokenized market capitalization could reach approximately \$2 trillion by 2030, excluding cryptocurrencies and stablecoins.²⁰

Those projections are not a guarantee. They show where markets are moving. A critical question that only Congress can answer is whether that activity will happen under U.S. rules, with U.S. regulators serving U.S. consumers and businesses, or whether it will move offshore.

Regulators are now implementing the GENIUS Act through rules governing issuer supervision, reserve standards, custodial and safekeeping requirements, Bank Secrecy Act obligations, sanctions compliance, and customer identification requirements.²¹

¹⁹ Citi Institute. (2026, June). *Tokenization 2030: Wall Street on-chain*. Citigroup. <https://www.citigroup.com/global/insights/tokenization-2030>

²⁰ Banerjee, A., Sevillano, J., Higginson, M., Rigo, D., & Spanz, G. (2024, June 20). *Tokenized financial assets: From pilot to scale*. McKinsey & Company. <https://www.mckinsey.com/industries/financial-services/our-insights/from-ripples-to-waves-the-transformational-power-of-tokenizing-assets>

²¹ Financial Crimes Enforcement Network. (2026, June 18). *FinCEN, agencies propose rule to implement GENIUS Act customer identification program requirement*. <https://www.fincen.gov/news/news-releases/fincen-agencies-propose-rule-implement-genius-act-customer-identification>
Federal Deposit Insurance Corporation. (2026, June 5). *Bank Secrecy Act and sanctions compliance standards for FDIC-supervised permitted payment stablecoin issuers*. *Federal Register*. <https://www.federalregister.gov/documents/2026/06/05/2026-11342/bank-secrecy-act-and-sanctions-compliance-standards-for-fdic-supervised-permitted-payment-stablecoin>
Office of the Comptroller of the Currency. (2026, February 25). *GENIUS Act regulations: Notice of proposed rulemaking*. <https://www.occ.gov/news-issuances/bulletins/2026/bulletin-2026-3.html>

The GENIUS Act was a major bipartisan accomplishment. It showed that Congress can create clear rules for digital assets that support innovation, protect consumers, and give regulators the tools they need.

And we recognize the heavy lifting this committee has continued to do to ensure consumers, innovators, and regulators can build onshore with confidence.

On May 14, 2026, this Committee advanced the Digital Asset Market Clarity Act by a bipartisan vote of 15 to 9.²² That vote matters because market structure is the foundation for responsible digital asset innovation, and because digital asset regulation should not be partisan.

A clear market structure framework will define who the primary regulator is for what kind of token, what disclosures are required, how intermediaries must operate, how customer assets are protected, and how illicit activity is policed.

This matters for affordability because uncertainty carries a real cost. Muddy, antiquated regulations push responsible companies to divert resources from product development to legal and compliance, and cause banks and regulated financial institutions to hesitate to engage in emerging and more efficient products. Consumers are left with fewer regulated options, and regulators are forced to oversee a market without clear statutory tools.

The better approach is clear, durable law: a framework that defines regulatory authority, and gives innovators commonsense rules and obligations to ensure consumers can confidently participate in the market and have long-term protections.

Digital assets are not a silver bullet for affordability, but they are a practical tool for reducing financial friction.

Digital assets can help lower those costs, but only if Congress provides the clarity needed to build responsibly.

The Digital Chamber and our members are committed to supporting fair, responsible regulation. We support strong consumer protections with clear rules for market participants and innovators. Such a framework encourages and supports innovation in the United States.

Thank you for the opportunity to testify. I look forward to your questions.

²² U.S. Senate Committee on Banking, Housing, and Urban Affairs. (2026, May 14). *Chairman Scott, Senate Banking Committee advance CLARITY Act in historic bipartisan vote.* <https://www.banking.senate.gov/newsroom/majority/chairman-scott-senate-banking-committee-advance-clarity-act-in-historic-bipartisan-vote>