January 12, 2026

The Honorable Mike Rounds,
United States Senate
Hart Senate Office Bldg., Suite 716
Washington, D.C. 20510

RE: Coalition in Support of Preserving Consumer Rewards and Competition in Digital Asset Legislation

Dear Senator Mike Rounds,

We, the undersigned organizations, write to thank the Senate Banking and Agriculture Committees for working to advance digital asset market structure legislation. It is critical that a markup and final passage of a market structure bill protect consumer choice, competition, and innovation while avoiding unnecessary restrictions that would deprive Americans of value, limit free enterprise, or harm competition.

For South Dakota, these issues are not theoretical. The state is home to a large and diverse population of consumers, entrepreneurs, and small businesses that rely on competitive payment options to manage costs, access capital, and transact efficiently. A staggering number of over **56,000 South Dakota adults** own crypto and it keeps on growing. Policies governing digital payments and stablecoins will directly affect how **South Dakotans** pay bills, send remittances, accept payments, and participate in the modern economy.

For years, our organizations have championed free market, pro-competition policies that ensure regulators do not pick winners and losers. Competition is the market solution to solving customer pain points, ranging from better pricing to better access. And innovation drives competition. **This dynamic is especially acute in South Dakota, where competition and innovation are essential to expanding affordable financial access across rural and remote communities.** As innovation introduces new products and services, consumer rewards and loyalty programs help drive adoption. They are legitimate, pro-competitive features of modern commerce - evidence of how open markets drive value to consumers.

Unfortunately, some proposals in the Senate risk repeating those same mistakes. Provisions under discussion would effectively ban or restrict rewards and incentives on stablecoins and other digital payment systems, a step that would destroy the economics of adoption, prevent new entrants from scaling, and lock in an aging payment system at the expense of new innovation that will go elsewhere in the world.

That outcome would not advance consumer protection or financial stability. It would simply preserve the power of entrenched incumbents by denying Americans the benefits of faster, cheaper, and more innovative payment options. The Senate should instead advance a framework that:

1. Promotes competition and innovation. Allow new payment technologies, including stablecoins, to compete on their merits rather than face preemptive bans or restrictions.

2. Protects consumer choice. Preserve Americans' ability to earn and use rewards, rebates, and loyalty incentives — the tangible value that competition creates.

3. Prevents regulatory capture. Ensure that the market structure framework cannot be used to shield incumbents from competition or to erect new barriers to entry.

4. Respects free enterprise. Avoid expanding federal control over private transactions or imposing restrictions that amount to price controls by another name.

We should not reverse or undermine the framework Congress has already enacted through the GENIUS Act. The digital asset debate should not become another vehicle for picking winners and losers in the marketplace. Congress has a narrow window to set clear, balanced rules that foster innovation while upholding America's tradition of open competition. Eliminating rewards or restricting consumer benefits would do the opposite.

We urge the Committees to reject any language that would limit rewards, rebates, or other competitive features of stablecoin-based payment systems. Furthermore, the Committees must move swiftly to a markup to deliver the necessary regulatory clarity that is critical for the industry. Doing so will ensure that innovation continues to serve consumers, entrepreneurs, and the broader economy. This is how the President's agenda of making America the crypto capital of the world can be achieved.

Sincerely,

David McIntosh
President
Club for Growth