PUBLIC COMMENT OF EMPTY SET LLC

Docket No. NCUA-2025-1335

Investments in and Licensing of Permitted Payment Stablecoin Issuers

Submitted to: National Credit Union Administration

Submitted by: Empty Set LLC (Nevada Series LLC) Brice Love, Sole Member brice@emptysetllc.com

Date: March 20, 2026 **Re:** Proposed Rule — Investments in and Licensing of Permitted Payment Stablecoin Issuers, 91 Fed. Reg. 6531 (Feb. 12, 2026), Docket No. NCUA-2025-1335 **Submitted via:** Regulations.gov

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I. INTRODUCTION AND INTEREST OF EMPTY SET LLC

Empty Set LLC respectfully submits this comment in response to the National Credit Union Administration's proposed rule on investments in and licensing of Permitted Payment Stablecoin Issuers ("PPSIs") under the GENIUS Act.

Empty Set LLC is a Nevada limited liability company holding forty-three patents covering artificial intelligence agent credentialing, insurance modeling, governance simulation, and autonomous entity operations. The company has filed public comments with eleven federal agencies on AI governance and submitted policy briefs to five state legislatures regarding the legal frameworks for AI agents in business structures. Empty Set is developing the credentialing infrastructure that will enable AI agents to operate as accountable, insurable participants in commercial activity.

Our interest in this proceeding is specific: autonomous AI agents will increasingly transact via payment stablecoins. The NCUA's licensing framework for PPSIs will shape whether credit unions — the financial institutions that disproportionately serve underserved communities — can participate in the emerging infrastructure of AI-augmented commerce, or whether that infrastructure will be built exclusively by large banks and nonbank technology companies.

II. AI AGENTS AND PAYMENT STABLECOINS: THE CONVERGENCE

The GENIUS Act establishes a regulatory framework for payment stablecoins at a moment when the primary growth vector for stablecoin transaction volume is not human-to-human commerce. It is machine-to-machine commerce conducted by autonomous AI agents.

AI agents are autonomous software systems that execute multi-step commercial tasks —

purchasing computing resources, acquiring data feeds, settling contractual obligations, and managing financial workflows — with minimal human oversight. These agents require a settlement layer that is instantaneous, programmable, and available continuously. Traditional bank rails — with batch processing, business-hour limitations, and human-mediated authorization — cannot serve this function. Payment stablecoins can.

This convergence is already in market. Circle and Stripe are building payment systems specifically designed for AI agent transactions. Coinbase's x402 protocol embeds stablecoin payments directly into HTTP requests, enabling an AI agent to encounter a paywall, pay in USDC, and continue its task without human intervention. Industry estimates project that AI agent-mediated commerce will generate trillions in transaction volume within the next five years, with stablecoins displacing a significant share of traditional card-based settlement.

The NCUA's PPSI licensing framework will determine whether credit union-issued stablecoins can serve this emerging transaction ecosystem, or whether AI agent commerce will flow exclusively through stablecoins issued by large banks and nonbank fintech companies.

III. RESPONSES TO SPECIFIC QUESTIONS POSED BY THE BOARD

A. Technological Capability Documentation

The Board asks what specific technological capabilities and documentation applicants should provide regarding reserve management, transaction monitoring, cybersecurity, and operational resilience.

Empty Set LLC recommends that the Board consider requiring PPSI applicants to document their capacity to process transactions initiated by autonomous AI agents — not only human customers. Specifically:

1. Agent Authentication. PPSI systems should be capable of verifying that an AI agent presenting a transaction request has been authorized by a human principal through a recognized consent delegation protocol. The National Institute of Standards and Technology's AI Agent Standards Initiative is developing identity and authorization frameworks for autonomous systems. PPSI technological capability requirements should reference and align with emerging NIST standards.

2. Transaction Velocity Monitoring. AI agents transact at machine speed — orders of magnitude faster than human customers. PPSI transaction monitoring systems must be designed to detect anomalous patterns at AI-native transaction velocities, not merely human-scale velocities. Compliance thresholds, suspicious activity triggers, and rate-limiting mechanisms should account for the distinct behavioral signatures of AI agent commerce.

3. Credential Verification. Private-sector credentialing bodies are developing certification standards for AI agents — comparable to what HITRUST provides for cybersecurity in healthcare or what UL provides for product safety. The Board should consider recognizing

compliance with established AI agent credentialing standards as relevant evidence of a PPSI's technological capability, particularly regarding the cybersecurity and operational resilience requirements.

B. Non-Credit Union Investor Participation

The Board asks whether non-credit union investors should be permitted in NCUA-licensed PPSIs, and if so, whether caps should apply.

Empty Set LLC supports permitting non-credit union investment in PPSIs, with appropriate safeguards, for three reasons:

1. Capital formation. Building stablecoin issuance infrastructure requires significant upfront investment in technology, compliance systems, and reserves. Credit unions — particularly smaller institutions serving underserved communities — may lack the capital to fund PPSI subsidiaries independently. Permitting outside investment expands access to the stablecoin ecosystem beyond the largest, best-capitalized credit unions.

2. Technological expertise. AI infrastructure companies, fintech firms, and standards development organizations bring technical capabilities that complement credit unions' community relationships and regulatory standing. A PPSI that combines a credit union's trust relationship with an AI technology partner's operational infrastructure is better positioned to serve the emerging AI-augmented economy than either entity alone.

3. Innovation incentives. The GENIUS Act explicitly provides that the "use of an open, public, or decentralized network cannot be the sole basis for denial" of a PPSI application. This statutory provision reflects a legislative intent to encourage technological innovation in stablecoin issuance. Restricting PPSI ownership to credit unions alone would narrow the innovation pipeline in tension with this statutory signal.

We recommend that non-credit union investment be permitted up to 49% of any class of voting securities, preserving credit union control while enabling partnership structures. Alternatively, the Board could adopt a tiered approach: unrestricted non-CU investment in non-voting securities, with a cap on voting securities to preserve credit union governance authority.

C. CUSO Interpretation

The Board asks whether it should reconsider its interpretation that Federal Credit Union subsidiaries must qualify as Credit Union Service Organizations (CUSOs) to become PPSIs.

Empty Set LLC recommends that the Board adopt a flexible interpretation. The GENIUS Act does not mandate that PPSIs be structured as CUSOs. The Act permits credit union subsidiaries to apply for PPSI licensing, and the subsidiary form should accommodate the organizational structures that emerging technology demands.

AI-augmented business entities — including entities with novel governance structures such as Decentralized Autonomous Organizations and human-AI hybrid management — are being recognized by an increasing number of state legislatures. Wyoming, New Hampshire, Tennessee, and Virginia have enacted or are considering frameworks for such entities. A rigid

CUSO-only interpretation could exclude organizational forms that the broader legal system is moving to accommodate.

We recommend that the Board permit non-CUSO subsidiary structures for PPSIs, provided the subsidiary meets all GENIUS Act requirements for reserves, redemption, and consumer protection, regardless of its internal organizational form.

D. Licensing and Examination Fees

The Board asks whether fees should be imposed on PPSI applicants or whether costs should be absorbed through existing budget processes.

Empty Set LLC recommends that the Board adopt a graduated fee structure that does not create a barrier to entry for smaller credit unions. A flat fee model would disproportionately burden small institutions and concentrate stablecoin issuance among large credit unions — the opposite of the GENIUS Act's purpose.

We recommend: - Application fees scaled to the applying credit union's asset size - A fee waiver or reduction for credit unions designated as Community Development Financial Institutions (CDFIs) or serving predominantly low-income communities - Examination fees assessed on an ongoing basis, proportional to stablecoin issuance volume, rather than as a fixed annual charge

This structure ensures that the communities most likely to benefit from stablecoin access — underbanked populations, rural communities, minority-owned businesses — are not priced out of participation by the licensing regime itself.

IV. THE CREDIT UNION OPPORTUNITY IN AI-AUGMENTED COMMERCE

Credit unions serve over 140 million members, disproportionately drawn from communities that are underserved by traditional banking. These are the same communities where AI co-founding — the use of AI agents as operational partners in sole proprietorships and small businesses — has the greatest potential to create economic value.

Consider the sole proprietor — the plumber, the electrician, the food truck operator — who operates without employees. An AI co-founder manages scheduling, invoicing, compliance, and client communication. That AI agent needs financial infrastructure: a way to receive payments, pay vendors, settle obligations, and maintain records. A credit union-issued stablecoin, accessible through a PPSI licensed under this framework, could serve as that infrastructure — keeping the financial activity within the cooperative system rather than routing it through a large bank or a nonbank fintech platform.

The 29.8 million nonemployer businesses in the United States — 82% of all small businesses, including 95.8% of Black-owned businesses — represent an enormous potential market for

AI-augmented financial services delivered through credit unions. The NCUA's PPSI licensing framework should be designed to enable this opportunity, not inadvertently foreclose it.

V. CONCLUSION

The GENIUS Act represents the first federal framework for payment stablecoins. The NCUA's implementing regulations will determine whether credit unions can serve as the financial infrastructure for the next generation of AI-augmented commerce, or whether that role will default to large banks and technology incumbents.

Empty Set LLC urges the Board to:

1. Require PPSI applicants to document their capacity to process AI agent-initiated transactions, including agent authentication, velocity monitoring, and credential verification capabilities;
2. Permit non-credit union investment in PPSIs to expand capital access and technological partnership opportunities;
3. Adopt a flexible interpretation of subsidiary structures that accommodates emerging organizational forms;
4. Implement graduated licensing fees that do not create barriers for smaller credit unions serving underserved communities; and
5. Align technological capability requirements with emerging NIST AI agent standards and private-sector credentialing frameworks.

The credit union system has a historic opportunity to position itself at the center of AI-augmented commerce. The Board's decisions in this rulemaking will determine whether that opportunity is realized.

Respectfully submitted,

Brice Love Sole Member, Empty Set LLC brice@emptysetllc.com

Empty Set LLC | Nevada Series LLC | USPTO Customer No. 226299