



STATE OF CALIFORNIA

Department of Financial Protection and Innovation

GOVERNOR **Gavin Newsom** • COMMISSIONER **Clothilde V. Hewlett**

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Contact:

DFPI.media@dfpi.ca.gov

DFPI Releases First Invitation for Comment for the Digital Financial Assets Law

SACRAMENTO — The Department of Financial Protection and Innovation (DFPI) announced today it is seeking public comment prior to engaging in formal rulemaking for the new [Digital Financial Assets Law](#) (DFAL), which was signed into law by Governor Gavin Newsom on Oct. 13, 2023.

The DFAL provides the DFPI with rulemaking authority and an 18-month delayed operative date to ensure the adopted regulatory framework can be thoughtfully tailored to address industry trends and mitigate consumer harm. As a result, DFPI is engaging in the rulemaking process to further the implementation of the DFAL.

The DFPI [seeks public comment](#) on topics related to the DFAL license application, licensure requirements, and stablecoin approval. The Commissioner invites interested parties to submit comments by Jan. 12, 2024.

Prior to the comment deadline, the DFPI will host a virtual informal listening session with stakeholders to discuss feedback on this informal invitation for comments on Jan. 8, 2024. Interested parties should email regulations@dfpi.ca.gov with the subject line “DFAL Listening Session RSVP” for an invitation to attend. The DFPI anticipates invitations for comment on additional topics in the future.

About the Digital Financial Assets Law

In the 2023-2024 legislative session, Governor Gavin Newsom [signed Assembly Bill 39](#) and [Senate Bill 401](#), which together create the DFAL.

Beginning July 1, 2025, the DFAL prohibits an entity from engaging in digital financial asset business activity unless the entity holds a license from the DFPI. Digital financial business activity includes activities such as exchanging, storing, or transferring a digital financial asset, such as a crypto asset. The new law promotes consumer and investor protection by creating a robust regulatory framework, including supervision and enforcement authority, for certain crypto activities.

About the DFPI

The California Department of Financial Protection and Innovation (DFPI) protects consumers, regulates financial services, and fosters responsible innovation. The DFPI protects consumers by establishing and enforcing financial regulations that promote transparency and accountability. We empower all Californians to access a fair and equitable financial marketplace through education and preventing potential risks, fraud, and abuse. Learn more at dfpi.ca.gov.

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