

# CHAPMAN

# On-Chain Spotlight

April 27, 2026

## On-Chain in the News

### Regulatory Happenings

---

- **April 23:** The US military is running a live Bitcoin node for cybersecurity testing, framing Bitcoin as a tool of US power projection and national security amid strategic competition with China. The military node is not mining but is being used to monitor and test network security using the Bitcoin protocol – read more [here](#).
- **April 21:** Arizona is considering legislation (SB 1649 and SB 1042) to create and responsibly manage a diversified state digital-asset reserve, which is to be funded initially by seized assets – read [SB 1649](#) and [SB 1042](#).
- **April 21:** Representatives Sam Liccardo and Young Kim introduced the bipartisan PACE Act to create an optional OCC oversight regime for qualified nonbank payment providers and, if enacted, grant them direct access to Fedwire, FedNow, and FedACH – read more [here](#).
- **April 21:** The UK Treasury announced a plan to unify payments regulation across traditional payments, stablecoins, and tokenized deposits by regulating payment stablecoins under a new issuance regime, expanding FCA authority over Open Banking and AI-driven payments, and reducing stablecoin administrative burdens – read more [here](#).
- **April 20:** Senate momentum on the CLARITY Act is stalling, with Sen. Thom Tillis signaling no Senate Banking Committee markup in April amid unresolved disputes over stablecoin rewards, even as industry and advocates press leadership to schedule action soon – read more [here](#).
- **April 17:** The Crypto Council for Innovation acquired the Digital Energy Council to create a dedicated working group within CCI that will advocate grid resilience, responsible mining, and US competitiveness as power demand from mining and data centers accelerates – see more [here](#).

### Market Happenings

---

- **April 23:** Tether froze \$344 million in USDT on the Tron blockchain following US law enforcement requests related to suspected illicit activity – read the announcement [here](#).
- **April 22:** Crypto trading firm GSR launched its first ETF, the Crypto Core3 ETF (BESO) on Nasdaq, offering investors actively managed exposure to Bitcoin, Ether, and Solana, with the added benefit of earning staking rewards on eligible assets – read the model portfolio [here](#).
- **April 22:** SoFi now offers XRP deposits to its 13.7 million customers, joining Bitcoin, Ethereum, and Solana on its platform. However, users currently can't withdraw XRP (or any crypto) to external wallets, drawing criticism that SoFi's setup offers only price exposure without enabling actual on-chain XRP activity – read more [here](#).
- **April 21:** Ramp has added support for Tether's USDT across Ethereum, Solana, and the Plasma network and is offering 1:1, fee-free USD-to-USDT and USDT-to-USD onramps and offramps – read more [here](#).
- **April 21:** DoorDash is partnering with Tempo to pilot stablecoin-based payouts, starting with merchant disbursements, as Tempo also announced that Stripe, Coastal Bank, and ARQ are migrating stablecoin payment operations onto its network – read the announcement [here](#).

- **April 21:** The BRICS+ consortium is launching BRICS Pay, a decentralized, non-US alternative to SWIFT that enables cross-border payments and local-currency QR code settlements. This is designed to compete with US stablecoins and modeled as a Global South response to Bank for International Settlements' Project Agora – read about the consortium [here](#).
- **April 20:** Kraken's parent company, Payward, agreed to acquire US derivatives exchange Bitnomial for up to \$550 million, gaining Bitnomial's CFTC licenses and crypto-native clearing infrastructure – read more [here](#).
- **April 20:** Coinbase launched crypto-backed USDC loans for UK users, allowing them to borrow up to \$5 million in USDC against Bitcoin, Ether, or cbETH collateral via the Morpho protocol on Base – read more [here](#).
- **April 18:** An attacker exploited Kelp DAO's LayerZero-powered bridge to drain 116,500 rsETH (about \$292 million), triggering emergency market freezes across DeFi protocols such as Aave, SparkLend, and Fluid. The incident is the largest DeFi hack of 2026 – read more [here](#).
- **April 17:** Circle launched USDC Bridge, a native cross-chain transfer product built on its Cross-Chain Transfer Protocol (CCTP) that moves native USDC between blockchains via a 1:1 burn-and-mint mechanism – see the overview [here](#).
- **March 26:** COTI announced the upcoming launch of COTI Nightfall, an Ethereum ZK Rollup privacy solution originally developed by EY, enabling confidential transactions and smart contracts across multiple token standards – read the announcement [here](#).
- **March 26:** EY launched its Blockchain Privacy Sandbox to make it easier for developers to test privacy-preserving smart contracts on public blockchains, as new EY-Parthenon survey data shows stablecoin adoption is set to accelerate sharply following the GENIUS Act. Reporting that over half of global corporations and financial institutions expect to adopt stablecoins in the next 6–12 months – read the announcement [here](#) and the report [here](#).

## Litigation, Enforcement, and Examinations

---

- **April 23:** The CFTC charged Army service member Gannon Ken Van Dyke with insider trading for allegedly using classified knowledge of the US operation to capture Venezuela's former president to generate more than \$400,000 in profits on Polymarket. This marks the agency's first event contract insider trading case and the first use of the "Eddie Murphy Rule" regarding misuse of government information in US futures markets – read the press release [here](#).
- **April 22:** Kalshi has fined and suspended three political candidates (two congressional and one Senate) for "insider trading" by betting on their own election races, with penalties ranging from \$539 to over \$6,200 and five-year suspensions. Kalshi says this enforces its CFTC-approved rules and underscores ongoing concerns about market manipulation – read the announcement [here](#).
- **April 21:** Justin Sun, creator of the Tron blockchain, sued World Liberty Financial, alleging the firm unlawfully froze his \$WLF tokens and defrauded him after he invested \$45 million in the project. The lawsuit claims World Liberty changed its token contract to allow blacklisting without investor approval, threatened Sun – read the lawsuit [here](#).
- **April 21:** New York Attorney General Letitia James sued Coinbase and Gemini, alleging their "prediction market" platforms illegally operate as unlicensed gambling in New York (including offering betting to 18–20-year-olds and on certain prohibited games) and seeking injunctions, fines, forfeiture of profits, and customer restitution – read the press release [here](#).
- **April 16:** A federal judge in California dismissed the federal securities claims in a class action over Caitlyn Jenner's \$JENNER memecoin, ruling it is not a security under Howey because the complaint failed to plausibly allege a "common enterprise," leaving any remaining non-federal claims for state court – read more [here](#).

## Sharing Our Insights

---

Chapman attorneys have been focused on the cryptocurrency, digital asset, and blockchain ecosystem for many years, and we have assisted clients in shaping industry understanding and strategy through substantive thought leadership. Our attorneys regularly share their insights at prominent industry forums, translating complex regulatory and market developments into actionable guidance for stakeholders navigating this dynamic space.

## We Are Here to Help

---

We are available at any time to answer questions, discuss scenarios, and provide guidance. Reach out to any member of our Cryptocurrency, Digital Assets, and Blockchain team or the Chapman attorney with whom you work.



This document has been prepared by Chapman and Cutler LLP attorneys for informational purposes only. It is general in nature and based on authorities that are subject to change. It is not intended as legal advice and no attorney-client relationship is created. Accordingly, readers should consult with, and seek the advice of, their own counsel with respect to any individual situation that involves the material contained in this document, the application of such material to their specific circumstances, or any questions relating to their own affairs that may be raised by such material.

To the extent that any part of this summary is interpreted to provide tax advice, (i) no taxpayer may rely upon this summary for the purposes of avoiding penalties, (ii) this summary may be interpreted for tax purposes as being prepared in connection with the promotion of the transactions described, and (iii) taxpayers should consult independent tax advisors.

© 2026 Chapman and Cutler LLP. All rights reserved. Attorney Advertising Material.