

May 15, 2026

WASHINGTON POLICY STRATEGY Potomac Perspective

Brian Gardner
Chief Washington Policy Strategist
bgardner@stifel.com



The Senate Banking Committee approved the CLARITY Act, 15-9. Two committee Democrats joined all 13 Republicans in advancing the bill to the Senate floor. The vote was clearly a positive for the bill's prospects, but it also carried some warning signs. The bill's prospects improved, but we think by less than what others perceive to be the case.

- **Passing is good** – Thursday's vote in the Senate Banking Committee to approve the CLARITY Act is undoubtedly positive for the bill. The fact that two committee Democrats (Senator Ruben Gallego (Democrat-Arizona) and Angela Alsobrooks (Democrat-Maryland)) voted for the bill is also a positive development.
- **Work to be done** – We viewed Gallego and Alsobrooks as the two most likely Democrats to support the bill, but we also thought it was possible that several others – Senators Mark Warner (Democrat-Virginia), Catherine Cortez Masto (Democrat-Nevada), Raphael Warnock (Democrat-Georgia), Andy Kim (Democrat-New Jersey), and Lisa Blunt Rochester (Democrat-Delaware) – might also vote "yes." None of them did.
 - **At least eight Democratic votes will be needed to pass the bill on the Senate floor. Several of the necessary votes will have to come from some of the committee Democrats who voted "no" on Thursday.** The top sticking points for Democrats will likely be the bill's ethics rules for government officials and protections against the use of digital assets for illicit finance.
- **Stablecoin yield issue faded** – It does not appear that the Stablecoin yield issue will make or break the CLARITY Act. If the bill passes, it seems unlikely that there will be significant changes in the current language on the Stablecoin yield issue.
- **Next steps** – In order for the CLARITY Act to pass in 2026, it probably needs to get through the Senate by the end of July – preferably in June. If the Senate fails to pass the bill before the August recess, the bill's prospects would deteriorate materially.
 - Prior to Thursday's vote, we thought that the chance the bill would pass in 2026 were around 40%. We now think it is a 50/50 call. We would have been more constructive on the bill's outlook if more than two Democrats had voted for it. By contrast, Kalshi estimates the probability of the bill passing this year at 77%, up from 68% on Monday.

Subscribe to Our Podcast!



Season 5 of the Potomac Perspective podcast is underway! To access a broader discussion of these and other topics, please download and listen to the latest episode of our [Potomac Perspective podcast](#).

DISCLOSURE

This material is prepared by the Washington Policy Strategy Group of Stifel, Nicolaus & Company, Incorporated ("Stifel"). This material is for informational purposes only and is not an offer or solicitation to purchase or sell any security or instrument or to participate in any trading strategy discussed herein. The information contained is taken from sources believed to be reliable but is not guaranteed by Stifel as to accuracy or completeness. The opinions expressed are those of the Washington Policy Strategy Group and may differ from those of other departments that produce similar material and are current as of the date of this publication and are subject to change without notice. Past performance is not necessarily a guide to future performance. Stifel does not provide accounting, tax or legal advice and clients are advised to consult with their accounting, tax or legal advisors prior to making any investment decision. Additional Information Available Upon Request. Stifel Nicolaus & Company, Incorporated is a broker-dealer registered with the United States Securities and Exchange Commission and is a member FINRA, NYSE & SIPC. © 2026

0526.8930028.1