

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Banking and Insurance

BILL: SB 198

INTRODUCER: Senator Rouson

SUBJECT: Virtual Currency Kiosks

DATE: January 27, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Moody</u>	<u>Knudson</u>	<u>BI</u>	<u>Pre-meeting</u>
2.	_____	_____	<u>CM</u>	_____
3.	_____	_____	<u>RC</u>	_____

I. Summary:

SB 198 establishes a regulatory framework for virtual currency kiosks and protects users of kiosks by requiring certain disclosures, restricting the total dollar amount of transactions per customer each calendar day, requiring a customer to be provided with an electronic receipt, and requiring a full refund in specified circumstances. The bill authorizes the Financial Services Commission (Commission) to adopt rules to administer the provisions of the bill.

The bill has an indeterminate fiscal impact on state government expenditures. *See* Section V. Fiscal Impact Statement.

The bill is effective January 1, 2027.

II. Present Situation:

A virtual currency kiosk, also known as a cryptocurrency kiosk or a Bitcoin automatic teller machine (ATM), is a physical machine that enables customers to exchange virtual currencies for fiat currency or other virtual currencies.¹ As of January 2026, there are over 30,000 virtual currency kiosks in the United States.² Consumers are typically charged fees between 9 percent and 12 percent of the value of the transaction but such fees may range from four percent to greater than 20 percent of the value of a transaction.³

¹ National Association of Attorneys General, *Your Bitcoin on Every Block: An Introduction to Cryptocurrency Kiosks*, May 4, 2022, available at [Your Bitcoin on Every Block: An Introduction to Cryptocurrency Kiosks \(naag.org\)](https://naag.org/your-bitcoin-on-every-block-an-introduction-to-cryptocurrency-kiosks) (last visited Jan. 14, 2026) (hereinafter cited as “Attorneys General Article on Cryptocurrency Kiosks”).

² Coin ATM Radar, *Bitcoin ATM Installations Growth (United States)*, available at [Bitcoin ATM Installation Growth in United States](https://coinatmradar.com/bitcoin-atm-installation-growth-in-united-states/) (last visited Jan. 14, 2026).

³ Attorneys General Article on Cryptocurrency Kiosks

A virtual currency kiosk may be unidirectional, only allowing the sale of virtual currency, or bidirectional, allowing for both the sale and purchase of virtual currency.⁴ To purchase virtual currency from a kiosk, a consumer may store the purchased virtual currency in their own wallet or send the currency to a third party's wallet if the purchaser has a quick response (QR) code to that person's wallet.⁵ To sell virtual currency from a kiosk, a user deposits virtual currency into the machine's wallet, which is usually done by use of a QR code displayed on the kiosk's screen, and the kiosk dispenses cash when the transaction is completed.⁶

Federal Regulation

The Financial Crimes Enforcement Network ("FinCEN"), a bureau of the United States Department of Treasury,⁷ is responsible for safeguarding the financial system from illegal use, combatting money laundering and related crimes, and promoting national security.⁸ Unless an exception applies, a money services business⁹ (MSB) must register with FinCEN.¹⁰ A MSB registration period is a two-calendar-year period.¹¹ Any person who fails to comply with the registration requirements is liable for a civil penalty of \$5,000 for each violation.¹² A MSB must develop, implement, and maintain an anti-money laundering program, which includes, amongst other things, verifying customer identification.¹³ A MSB must also comply with anti-money laundering reporting requirements, such as reporting certain payment transactions by, through, or to the MSB which involves a transaction more than \$10,000.¹⁴

FinCEN has issued guidance that, unless an exception applies, an administrator¹⁵ or exchanger¹⁶ that: (a) accepts or transmits, or (b) buys or sells, virtual currency¹⁷ is a money transmitter that are subject to money services business registration, reporting, and recordkeeping requirements.¹⁸

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ 31 C.F.R. s. 1010.100(s).

⁸ The U.S. Treasury Financial Crimes Enforcement Network, *Financial Crimes Enforcement Network: Mission*, available at [Mission | FinCEN.gov](#) (last visited Jan. 14, 2026).

⁹ "Money services business" is defined as a person wherever located doing business, whether or not on a regular basis or as an organized or licensed business concern, wholly or in substantial part within the United States, in one or more of the capacities specified under federal law. 31 C.F.R. s. 1010.100(ff).

¹⁰ 31 C.F.R. s. 1022.380(a).

¹¹ 31 C.F.R. s. 1022.380(b).

¹² 31 C.F.R. s. 1022.380(e) (providing that each day a violation continues constitutes a separate violation).

¹³ 31 C.F.R. s. 1022.210.

¹⁴ 31 C.F.R. s. 1010.311.

¹⁵ "Administrator" is defined as "a person engaged as a business in issuing (putting into circulation) a virtual currency, and who has the authority to redeem (to withdraw from circulation) such virtual currency." The U. S. Treasury FinCEN, *Application of FinCEN's Regulations to Persons Administering, Exchanging, or Using Virtual Currencies*, Mar. 18, 2013, available at [Application of FinCEN's Regulations to Persons Administering, Exchanging, or Using Virtual Currencies | FinCEN.gov](#) (last visited Jan. 14, 2026) (hereinafter cited as "FinCEN Guidance on Persons Administering, Exchanging, or Using Virtual Currency").

¹⁶ "Exchanger" is defined as "a person engaged as a business in the exchange of virtual currency for real currency, funds, or other virtual currency." *Id.*

¹⁷ "Virtual Currency" is defined "as a medium of exchange that operates like a currency in some environments, but does not have all of attributes of real currency." "Convertible" virtual currency has an equivalent value in real currency, or acts as a substitute for real currency. *Id.*

¹⁸ FinCEN Guidance on Persons Administering, Exchanging, or Using Virtual Currency. "Money transmitter" is defined as "a person who provides money transmitter services, which means the acceptance of currency, funds, or other value that

Therefore, FinCEN treats virtual currency kiosk operators as MSBs, subject to registration regulations.¹⁹ Notwithstanding this requirement, the United States Government Accountability Office (“GAO”) reports that only 164 of the estimated 297 kiosk operators in the United States were registered in 2020, which has contributed to federal agencies, such as FinCEN, facing challenges in identifying virtual currency kiosk locations.²⁰

Florida Regulation of Money Services Businesses

The Florida Office of Financial Regulation (OFR) is responsible for all activities of the Financial Services Commission (Commission) relating to the regulation of banks, credit unions, other financial institutions, finance companies, and the securities industry.²¹

Money Services Businesses

As part the OFR’s responsibilities, the OFR oversees MSBs. As of January 2025, there were a total of 663 MSBs licensed by the OFR with an additional 42,846 authorized locations and branches.²² A MSB includes any person located or doing business in Florida who acts as, amongst other things, a money transmitter.^{23,24} Money transmitters reported \$591,129,248,691 in transmissions during the Fiscal Year 2024-2025.²⁵

Licenses issued to MSBs are valid until April 30 of the second year following the date of issuance and are valid for two years.²⁶ A MSB that does not renew its license by April 30 of their expiration year are deemed inactive and, if the license is not reactivated within 60 days, the license will permanently expire.²⁷ An MSB must submit any application required by rule and pay

substitutes for currency from one person and the transmission of currency, funds, or other value that substitutes for currency to another location or person by any means.” “Any means” includes, but is not limited to, “a financial agency or institution, a Federal Reserve Bank, an electronic funds transfer network, or an informal value transfer system.”

31 C.F.R. s. 1010.100(ff)(5)(A).

¹⁹ *Id.*; See also Article on US GAO Urges New Virtual Currency Regulations.

²⁰ The GAO, *Virtual Currencies Additional Information Could Improve Federal Agency Efforts to Counter Human and Drug Trafficking [Reissued with Revisions Feb. 7, 2022]*, GAO-22-105462, Published: Dec. 8, 2021, Publicly Released: Jan. 10, 2022, available at <https://www.gao.gov/products/gao-22-105462> (last visited Jan. 14, 2026).

²¹ Section 20.121(3)(a)2., F.S.

²² Email from Jason Holloway, Director of Fintech Policy, OFR to Jacqueline Moody, Florida Senate Committee on Banking and Insurance, Senior Attorney, *Re: SB 292 – Virtual Currency Kiosk*, (Mar. 18, 2025) (on file with the Senate Committee on Banking and Insurance).

²³ Section 560.103(24), F.S. defines “money transmitter” as corporation, limited liability company, limited liability partnership, or foreign entity qualified to do business in Florida which receives currency, monetary value, a payment instrument, or virtual currency²³ for the purpose of acting as an intermediary to transmit currency, monetary value, a payment instrument, or virtual currency from one person to another location or person by means, including transmission by wire, facsimile, electronic transfer, courier, the Internet, or through bill payment services or other businesses that facilitate such transfer within this country, or to or from this country. The term includes only an intermediary that can unilaterally execute or indefinitely prevent a transaction.

²⁴ Section 560.103(23), F.S.

²⁵ Email from Jason Holloway, Director of Fintech Policy, OFR to Jacqueline Moody, Florida Senate Committee on Banking and Insurance, Senior Attorney, *Re: SB 198 – Virtual Currency*, (Jan. 15, 2026) (on file with the Senate Committee on Banking and Insurance) (hereinafter cited as “OFR Email Re: SB 198”).

²⁶ Section 560.141(2), F.S.

²⁷ Section 560.142(4), F.S.

the renewal or reactivation fee online via the Regulatory Enforcement and Licensing (REAL) System to renew or reactivate a license.²⁸

Once licensed, an MSB is required to report any change in control persons.^{29,30} If any person, directly or indirectly or acting by or through one or more persons, proposes to purchase or acquire a controlling interest in an MSB, such person or group must submit a new application for licensure at least 30 days before such purchase or acquisition.³¹ Such a change of control application is not required where the person or group of persons has previously complied with applicable licensing provisions, provided that they are currently affiliated with the MSB, or where the person or group of persons is currently licensed with the OFR as an MSB.³² A change of control application must be accompanied by the payment of an initial licensing fee³³ and a fee per branch or authorized vendor,³⁴ up to a maximum of \$20,000.³⁵

The OFR has enforcement authority against MSBs for violating any state law relating to the detection and prevention of money laundering.³⁶

Virtual Currency Kiosk Businesses

The OFR reports that there are currently 39 known operators and a total of 3178 known kiosks in Florida.³⁷ Under current Florida law, an operator of a virtual currency kiosk that falls within the

²⁸ Section 560.142(1), F.S.

²⁹ Section 560.103(10), F.S., defines “Control person,” with respect to a money services business, as any of the following: (a) A person who holds the title of president, treasurer, chief executive officer, chief financial officer, chief operations officer, chief legal officer, or compliance officer for a money services business; (b) A person who holds any of the officer, general partner, manager, or managing member positions named in the money services business’s governing documents. As used in this paragraph, the term “governing documents” includes bylaws, articles of incorporation or organization, partnership agreements, shareholder agreements, and management or operating agreements; (c) A director of the money services business’s board of directors; (d) A shareholder in whose name shares are registered in the records of a corporation for profit, whether incorporated under the laws of this state or organized under the laws of any other jurisdiction and existing in that legal form, who owns 25 percent or more of a class of the company’s equity securities; (e) A general partner or a limited partner, as those terms are defined in s. 620.1102, F.S., who has a 25 percent or more transferable interest, as defined in s. 620.1102, F.S., of a limited partnership, limited liability limited partnership, foreign limited partnership, or foreign limited liability limited partnership, as those terms are defined in s. 620.1102, F.S. (f) A member, who is a person that owns a membership interest in a limited liability company or a foreign limited liability company, as those terms are defined in s. 605.0102(36) and (26), F.S., respectively, that holds a 25 percent or more membership interest in such company. As used in this subsection, the term “membership interest” means a member’s right to receive distributions or other rights, such as voting rights or management rights, under the articles of organization; (g) A natural person who indirectly owns 25 percent or more of the shares or stock interest, transferable interest as defined in s. 620.1102, F.S., or membership interest as defined in paragraph (f), of any legal entities referred to in paragraphs (d)-(f).

³⁰ Section 560.126(3), F.S.

³¹ Section 560.126(3)(a), F.S.; r. 69v-560.201(4), F.A.C.

³² Section 560.126(3)(c), F.S.; r. 69v-560.201(6), F.A.C.

³³ Fees are determined by whether the MSB is licensed under Part II or Part III of Chapter 560. Initial licensing fees under Part II licenses require a \$375 license application fee per s. 560.143(1)(a), F.S. Part III licenses require a \$188 license application fee per s. 560.143(b), F.S.

³⁴ Section 560.143(1)(c) and (d), F.S., provides that both the per branch fee and the authorized vendor fee are \$38.

³⁵ Section 560.143(1)(g), F.S.

³⁶ Section 560.123, F.S.

³⁷ OFR Email Re: SB 198 (citing Coin ATM Radar, *Bitcoin ATMs in Florida*, available at: [Bitcoin ATM Florida, FL United States](#) (last visited Jan. 15, 2026)).

definition of a money transmitter is required to be licensed as a MSB. Florida does not have a separate regulatory regime for virtual currency businesses or virtual currency kiosk businesses.

The OFR reports that the Federal Bureau of Investigation (FBI) and the Federal Trade Commission (FTC) have received complaints from Florida of alleged victim losses related to virtual currency kiosks totaling about \$33 million³⁸ to approximately 1,739 Florida victims from January 2020 to March 2025.³⁹ Since January 2024, the OFR has opened approximately 75 investigations regarding approximately \$1.8 million relating to virtual currency kiosk losses.⁴⁰

Other States' Laws

Over ten states have passed laws regulating virtual currency kiosks.⁴¹ All of the states that regulate kiosks have requirements for operators of the kiosks to be licensed or registered,⁴² except Colorado and Iowa.⁴³ All of them have consist of all or some⁴⁴ of the following provisions that require:

- Specified disclosures before a customer can initiate a transaction;
 - An electronic receipt to be provided to the customer upon completion of a transaction;
 - A refund to be issued to certain customers in specified circumstances; and
 - An owner or operator to limit the daily transaction amount per customer.
- Some state laws contain additional protections, for instance several states provide for anti-fraud regulation⁴⁵ and fee caps.⁴⁶

III. Effect of Proposed Changes:

Section 1 creates s. 560.215, F.S., establishes the regulatory framework for virtual currency kiosks. The section defines the following terms:

³⁸ OFR Email Re: SB 198.

³⁹ Email from Jason Holloway, Director of Fintech Policy, OFR, to Jacqueline Moody, Florida Senate Committee on Banking and Insurance, Senior Attorney, *Virtual Currency Kiosk Businesses*, (Mar. 18, 2025) (on file with Senate Committee on Banking and Insurance) (forwarding email from Alex B Toledo, Chief, Bureau of Financial Investigations, OFR to Jason Holloway, Director of Fintech Policy, OFR, *Re: [EXT] HB 319 Virtual Currency Kiosk Businesses*, (Mar. 10, 2025) (on file with the Senate Committee on Banking and Insurance)).

⁴⁰ *Id.*

⁴¹ Arizona (A.R.S. s. 6-1236), Arkansas (A.C.A. s. 23-55-1008), California (CA Fin. Code ss. 3901 – 3907), Colorado (SB 25-079), Connecticut (Conn. Gen. Stat. 36a-595 to 36a-612), Illinois (30 ILCS 105/5.1030), Iowa (Iowa Code s. 533C.1004), Louisiana (La. Act No. 369 (HB 483) (2025)), Maryland (Md. Code, Financial Institutions, s. 12-1201 et seq.), Missouri (RSMo s. 361.1100), Nebraska (Neb. Rev. Stat. ss. 8-3032 – 8-3042), North Dakota (HB 1447 (2025)), Oklahoma (Okla. Stat. tit. 6, s. 1520), Rhode Island (R.I. Gen. Law ss. 19-14.3-3.9 to 3.13), Vermont (8 V.S.A. s. 2577), Maine (32 M.R.S. s. 6169).

⁴² California does not require a license for operators of kiosks unless, on or after July 1, 2026, the operator engages in digital financial asset business activity via kiosks. Cal. Fin. Code s. 3907.

⁴³ Colorado SB 25-079 (2025); Iowa Code s. 533C.1004.

⁴⁴ California law does not require a refund in specified circumstances. *See* Cal. Fin. Code s. 3901-3907. Louisiana law does not provide for receipt requirements. *See* La. Act No. 369 (HB 483) (2025)). Missouri law does not provide daily transaction limits. *See* Mo. Rev. Stat. s. 361.1100. Vermont law does not provide for specific disclosure requirements or receipt requirements. *See* 8 V.S.A. s. 2577.

⁴⁵ Examples include Louisiana, Nebraska, North Dakota, and Vermont.

⁴⁶ Examples include California, Illinois, Iowa, Maryland, Oklahoma, Rhode Island, and Maine have fee caps. Connecticut authorizes the Banking Commissioner to establish a schedule of maximum fees for specific kiosk services.

- “Blockchain” means a mathematically secured, chronological, decentralized, distributed, and digital ledger or database that consists of records of transactions that cannot be altered retroactively.
- “Existing customer” means a customer who has transacted with the owner or operator of a virtual currency kiosk for 7 or more days.
- “New customer” means a customer who has transacted with the owner or operator of a virtual currency kiosk for fewer than 7 days.
- “Transaction hash” means a unique identifier consisting of a string of characters which provides a verifiable record that a transaction has been confirmed and added to the blockchain.
- “Virtual currency kiosk” means an electronic terminal that acts as a mechanical agent of the owner or operator, enabling the owner or operator to facilitate the exchange of virtual currency for fiat currency or other virtual currency on behalf of a customer.
- “Virtual currency kiosk transaction” means the process in which a customer uses a virtual currency kiosk to exchange virtual currency for fiat currency or other virtual currency. A transaction begins at the point at which the customer is able to initiate a transaction, after the customer is given the option to select the type of transaction or account and does not include any of the screens that display the required terms and conditions, disclaimers, or attestations.
- “Wallet” means hardware or software that enables customers to store and use virtual currency.

The owner or operator of a kiosk must ensure that before a customer can initiate a virtual currency kiosk transaction the kiosk must clearly and consciously display the following disclosure:

WARNING: CONSUMER FRAUD OFTEN STARTS WITH CONTACT FROM A STRANGER. IF YOU HAVE BEEN DIRECTED TO THIS MACHINE BY SOMEONE CLAIMING TO BE A GOVERNMENT AGENT, BILL COLLECTOR, LAW ENFORCEMENT OFFICER, OR ANYONE YOU DO NOT KNOW PERSONALLY, STOP THIS TRANSACTION IMMEDIATELY AND CONTACT YOUR FINANCIAL ADVISOR OR LOCAL LAW ENFORCEMENT.

The bill prohibits an owner or operator of a kiosk from allowing a new customer or an existing customer to transact more than \$2,000 or \$10,500 per calendar day, respectively, in a single or multiple transactions. Once the transaction is completed, the owner or operator of a kiosk must provide the customer with an electronic receipt that includes the following information:

- The name and contact information of the owner or operator, including a toll-free telephone number.
- The date, time, value, and type of transaction.
- The transaction hash and each wallet used.
- The total fee charged.
- The exchange rate, if applicable.
- A statement of the owner’s or operator’s liability, if any, for nondelivery or delayed delivery of the currency.
- The refund policy of the owner or operator.

The bill requires an owner or operator of a kiosk to issue a full refund within 72 hours to a new customer if the customer's initial transaction if:

- The customer transferred virtual currency to a wallet or exchange located outside the United States.
- Within 60 days, the customer contacts both the owner or operator of the virtual currency kiosk and a law enforcement or governmental agency regarding the fraudulent nature of the transaction.
- The customer provides proof of fraud, such as a police report or a notarized affidavit.

The bill authorizes the Commission to adopt rules to administer the section.

Section 2 provides the bill is effective January 1, 2027.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The OFR reports the bill has an indeterminate fiscal impact on state government expenditures because “[i]t is unknown whether this bill will apply to licensed money transmitters.”⁴⁷

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates the following section of the Florida Statutes: 560.215.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill’s introducer or the Florida Senate.

⁴⁷ The OFR, *2026 Agency Legislative Bill Analysis, Florida Office of Financial Regulation for SB 198*, p. 3, Dec. 30, 2025 (on file with the Senate Committee on Banking and Insurance).