

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

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HOUSE BILL 920  
Committee Substitute Favorable 6/2/26

Short Title: Virtual Currency Kiosk Consumer Prot. Act.

(Public)

Sponsors:

Referred to:

April 14, 2025

1 A BILL TO BE ENTITLED  
2 AN ACT TO ENACT THE VIRTUAL CURRENCY KIOSK CONSUMER PROTECTION  
3 ACT.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Chapter 53 of the General Statutes is amended by adding a new Article  
6 to read:

7 "Article 26.

8 "Virtual Currency Kiosk Consumer Protection Act.

9 "**§ 53-441. Short title.**

10 This Article may be cited as the Virtual Currency Kiosk Consumer Protection Act.

11 "**§ 53-442. Definitions.**

12 The following definitions apply in this Article:

- 13 (1) Bank Secrecy Act. – The Bank Secrecy Act, 31 U.S.C. § 5311, et seq., and its  
14 implementing rules and regulations, as amended and recodified from time to  
15 time.
- 16 (2) Blockchain. – A distributed digital ledger or database which is chronological,  
17 consensus-based, decentralized, and mathematically verified in nature.
- 18 (3) Blockchain analytics. – A software service that uses data from various virtual  
19 currencies and their applicable blockchains to provide a risk rating specific to  
20 digital wallet addresses from users of virtual currency kiosks.
- 21 (4) Commissioner. – The Commissioner of Banks of the State of North Carolina.
- 22 (5) Digital wallet. – Hardware or software that enables individuals to store and  
23 use virtual currency.
- 24 (6) Digital wallet address. – An alphanumeric identifier representing a destination  
25 on a blockchain for a virtual currency transfer that is associated with a digital  
26 wallet.
- 27 (7) Existing virtual currency customer. – A person whose first transaction with a  
28 licensee to transmit virtual currency occurred more than 30 days ago.
- 29 (8) Federal Deposit Insurance Corporation or Securities Investor Protection  
30 Corporation. – A bank, credit union, savings and loan association, trust  
31 company, savings association, savings bank, industrial bank, or industrial loan  
32 company organized under the laws of the United States or any state of the  
33 United States, if the bank, credit union, savings and loan association, trust  
34 company, savings association, savings bank, industrial bank, or industrial loan  
35 company has federally insured deposits.



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- 1           (9)    Fiat currency. – A medium of exchange that is authorized or adopted by the  
2           United States government as part of its currency and is not backed by a  
3           commodity.
- 4           (10) Individual. – A natural person.
- 5           (11) New virtual currency customer. – A person that has no previous transactions  
6           with a licensee to transmit virtual currency or a person whose first transaction  
7           with a licensee to transmit virtual currency occurs within the past 30 days.
- 8           (12) NMLS. – The Nationwide Multistate Licensing System and Registry  
9           developed by the Conference of State Bank Supervisors and the American  
10           Association of Residential Mortgage Regulators and owned and operated by  
11           the State Regulatory Registry, LLC, or any successor or affiliated entity, for  
12           the licensing and registration of persons in financial services industries.
- 13           (13) Spread. – The amount, in United States dollars, of any difference between the  
14           United States dollar price of the virtual currency that is charged to the  
15           customer and the United States dollar price of the virtual currency as listed by  
16           a licensed virtual currency exchange.
- 17           (14) United States PATRIOT Act. – The Uniting and Strengthening America by  
18           Providing Appropriate Tools Required to Intercept and Obstruct Terrorism  
19           Act of 2001 and its implementing rules and regulations, as amended and  
20           recodified from time to time.
- 21           (15) Virtual currency. – Any type of digital unit that is used as a medium of  
22           exchange or a form of digitally stored value or that is incorporated into  
23           payment system technology. Virtual currency shall be construed to include  
24           digital units of exchange that (i) have a centralized repository or administrator,  
25           (ii) are decentralized and have no centralized repository or administrator, or  
26           (iii) may be created or obtained by computing or manufacturing effort. Virtual  
27           currency shall not be construed to include digital units that are used (i) solely  
28           within online gaming platforms with no market or application outside of such  
29           gaming platforms or (ii) exclusively as part of a consumer affinity or rewards  
30           program and can be applied solely as payment for purchases with the issuer  
31           or other designated merchants but cannot be converted into or redeemed for  
32           fiat currency.
- 33           (16) Virtual currency kiosk. – Any fully automated electronic machine owned,  
34           operated, or used by a virtual currency kiosk operator that enables the owner  
35           or operator to facilitate the transfer of fiat currency to a public key that is  
36           recorded on the block chain, as directed by the customer.
- 37           (17) Virtual currency kiosk operator. – A corporation, limited liability company,  
38           limited liability partnership, or foreign entity qualified to do business in the  
39           State which operates a virtual currency kiosk within the State.

40 **"§ 53-443. Confidentiality.**

41       (a)    Except as otherwise provided in this section, all information or reports obtained by  
42       the Commissioner from a virtual currency kiosk operator and all information contained in or  
43       related to an examination, investigation, operating report, or condition report prepared by, on  
44       behalf of, or for the use of the Commissioner, are confidential and are not public records.

45       (b)    Information contained in the records of the Commissioner that is not confidential and  
46       may be available to the public either on the Commissioner's website, upon receipt by the  
47       Commissioner of a written request, or in NMLS shall include:

- 48           (1)    The name, business address, telephone number, and unique identifier of a  
49           virtual currency kiosk operator;
- 50           (2)    The business address of a virtual currency kiosk operator's registered agent  
51           for service; and

1           (3)   Copies of any final orders of the Commissioner relating to any violation of  
2           this Article or rules implementing this Article.

3   **"§ 53-444. Relationship to federal law.**

4           If anything in this Article is inconsistent with federal law, including, but not limited to, the  
5   Bank Secrecy Act or the United States PATRIOT Act, the applicable federal law shall govern to  
6   the extent of any inconsistency.

7   **"§ 53-445. Supervision.**

8           (a)   The Commissioner may request evidence of compliance with this Article or a rule  
9   adopted or order issued under this Article as reasonably necessary or appropriate to administer  
10   and enforce this Article, and other applicable law, including the Bank Secrecy Act and the United  
11   States PATRIOT Act.

12          (b)   A virtual currency kiosk operator shall provide the Commissioner all records the  
13   Commissioner may reasonably require to ensure compliance with this Article.

14   **"§ 53-446. Disclosures.**

15          (a)   Disclosures of Material Risks. – As part of establishing a relationship with a customer,  
16   and prior to entering into an initial transaction for, on behalf of, or with the customer, each virtual  
17   currency kiosk operator shall disclose in clear, conspicuous, and legible writing in the English  
18   language, whether in accessible terms of service or elsewhere, all material risks associated with  
19   its products, services, and activities and virtual currency generally, including disclosures  
20   substantially similar to the following:

21          "Virtual currency is not legal tender, is not backed by the government, and accounts and value  
22   balances are not subject to Federal Deposit Insurance Corporation or Securities Investor  
23   Protection Corporation protections.

24          Transactions in virtual currency may be irreversible, and, accordingly, losses due to  
25   fraudulent or accidental transactions may not be recoverable.

26          The nature of virtual currency may lead to an increased risk of fraud or cyber attack.

27          The nature of virtual currency means that any technological difficulties experienced by the  
28   virtual currency kiosk operator may prevent the access or use of a customer's virtual currency.

29          Any bond or trust account maintained by the virtual currency kiosk operator for the benefit  
30   of its customers may not be sufficient to cover all losses incurred by customers."

31          (b)   Disclosure of General Terms and Conditions. – When opening an account for a new  
32   customer, and prior to entering into an initial transaction for, on behalf of, or with the customer,  
33   each virtual currency kiosk operator shall disclose in clear, conspicuous, and legible writing in  
34   the English language, whether in accessible terms of service or elsewhere, all relevant terms and  
35   conditions associated with its products, services, and activities and virtual currency generally,  
36   including disclosures substantially similar to the following:

37           (1)   The customer's liability for unauthorized virtual currency transactions.

38           (2)   Under what circumstances the virtual currency kiosk operator will, absent a  
39   court or government order, disclose information concerning the customer's  
40   account to third parties.

41           (3)   The customer's right to receive periodic account statements and valuations  
42   from the virtual currency kiosk operator.

43           (4)   The customer's right to receive a receipt, trade ticket, or other evidence of a  
44   transaction.

45           (5)   The customer's right to prior notice of a change in the virtual currency kiosk  
46   operator's rules or policies.

47           (6)   The amount of the transaction denominated in United States dollars as well as  
48   the applicable virtual currency.

49           (7)   Any fees or expenses charged by the virtual currency kiosk operator.

50           (8)   Any applicable exchange rates.

1           (9) Other disclosures as are customarily given in connection with the opening of  
2           customer accounts.

3           (c) Warning Disclosure. – Prior to entering into a virtual currency transaction with a  
4 customer, each virtual currency kiosk operator shall ensure a warning is disclosed to a customer  
5 substantially similar to the following:

6           "Customer Notice. Please Read Carefully.

7           Were you contacted by someone urging you to use this kiosk? If so, you may be the victim  
8 of a scam, and you should NOT PROCEED with the transaction. Scammers often pretend to be:

9           · Your bank;

10          · Your software provider (these scammers often make contact through a pop-up message on  
11 your computer);

12          · A new friend or romantic interest who needs money (or who can help you invest in  
13 cryptocurrency);

14          · The police;

15          · A government agency (such as Social Security, Medicare, or the IRS);

16          · A utility;

17          · An investment advisor;

18          · A legal official (who may say that you have a criminal warrant or missed jury duty or owe  
19 bail money); or

20          · A legitimate sweepstakes (claiming you won the lottery and have to prepay to receive your  
21 winnings).

22          DO NOT USE THIS KIOSK under any of these circumstances or other situations where you  
23 are pressured to make a payment through a kiosk. Also, you should immediately report the scam  
24 to law enforcement.

25          I understand that the purchase and sale of cryptocurrency is a final irreversible and  
26 nonrefundable transaction.

27          I confirm I am sending funds to a wallet I own or directly have control over. I confirm that I  
28 am using funds gained from my own initiative to make my transaction."

29          (d) Disclosures Before Each Transaction. – Prior to the completion of each virtual  
30 currency transaction, each virtual currency kiosk operator shall ensure the following is disclosed  
31 in a clear and conspicuous manner to the customer:

32           (1) All fees and expenses associated with the transaction.

33           (2) The exchange rates.

34           (3) The spread, as defined in G.S. 53-442.

35           (4) Any customer liability.

36 **"§ 53-447. Receipts.**

37          (a) An owner of a virtual currency kiosk or a virtual currency kiosk operator, upon the  
38 completion of a virtual currency transaction, shall provide to the customer a receipt containing:

39           (1) The name of, and contact information for, the owner of the virtual currency  
40 kiosk or the virtual currency kiosk operator, including, without limitation, the  
41 owner of the virtual currency kiosk's or the virtual currency kiosk operator's  
42 business address and a customer service telephone number established by the  
43 owner of a virtual currency kiosk or the virtual currency kiosk operator to  
44 answer questions and register complaints.

45           (2) The name of the customer.

46           (3) The type, value, date and precise time of the virtual currency transaction,  
47 transaction hash or identification number, and each virtual currency address.

48           (4) The amount of the virtual currency transaction expressed in United States  
49 dollars.

50           (5) The public virtual currency address of the customer.

51           (6) The unique identifier of the virtual currency kiosk operator.

- 1           (7)    Any fee charged, including, without limitation, a fee charged directly or  
2           indirectly by the owner of the virtual currency kiosk or the virtual currency  
3           kiosk operator or a third party involved in the virtual currency transaction.  
4           (8)    The exchange rate of the virtual currency to United States dollars.  
5           (9)    Any tax collected by the owner of the virtual currency kiosk or the virtual  
6           currency kiosk operator for the virtual currency transaction.  
7           (10) A statement of the liability of the owner of the virtual currency kiosk or the  
8           virtual currency kiosk operator for nondelivery or delayed delivery.  
9           (11) A statement of the refund policy of the owner of the virtual currency kiosk or  
10           the virtual currency kiosk operator.  
11           (12) The name and telephone number of the Commissioner, and a statement  
12           disclosing that customers may contact the Commissioner with questions or  
13           complaints about virtual currency kiosk services provided by the owner or  
14           operator of the virtual currency kiosk.  
15           (13) The name of the licensed virtual currency exchange the operator used to  
16           calculate the spread.  
17           (14) The name and contact information of the designated recipient of the  
18           controllable electronic record transaction.  
19           (15) Any additional information the Commissioner may require.

20       (b)    The receipt required under subsection (a) of this section shall be provided as a  
21       physical written receipt unless the customer requests to receive an electronic receipt. The receipt  
22       shall satisfy all of the following:

- 23           (1)    Have a retainable form.  
24           (2)    Be written in English and in the language principally used by the owner of the  
25           virtual currency kiosk or the virtual currency kiosk operator to advertise,  
26           solicit, or negotiate, orally or in writing.

27       **§ 53-448. Blockchain analytics.**

28       All virtual currency kiosk operators must use blockchain analytics software to assist in the  
29       prevention of sending purchased virtual currency from a virtual currency kiosk operator to a  
30       digital wallet known to be affiliated with fraudulent activity at the time of a transaction. The  
31       Commissioner may request evidence from any virtual currency kiosk operator of current use of  
32       blockchain analytics.

33       **§ 53-449. Customer service.**

34       All virtual currency kiosk operators performing business in the State must provide live  
35       customer service, at a minimum, on Monday through Friday between 8:00 A.M. EST and 10:00  
36       P.M. EST. The customer service toll-free number must be displayed on the virtual currency kiosk  
37       or the virtual currency kiosk screens.

38       **§ 53-450. Anti-fraud policy.**

39       All virtual currency kiosk operators shall take reasonable steps to detect and prevent fraud,  
40       including establishing and maintaining a written anti-fraud policy. The anti-fraud policy shall, at  
41       a minimum, include:

- 42           (1)    The identification and assessment of fraud-related risk areas.  
43           (2)    Procedures and controls to protect against identified risks.  
44           (3)    Allocation of responsibility for monitoring risks.  
45           (4)    Procedures for the periodic evaluation and revision of the anti-fraud  
46           procedures, controls, and monitoring mechanisms.

47       **§ 53-451. Compliance policies.**

48       (a)    Each virtual currency kiosk operator is required to comply with the provisions of this  
49       Article, any lawful order, or rule, made or issued under the provisions of this Article, and all  
50       applicable federal and State laws, rules, and regulations.

1        (b) Each virtual currency kiosk shall maintain, implement, and enforce written  
2 compliance policies and procedures. Those policies and procedures must be reviewed and  
3 approved by the virtual currency kiosk operator's board of directors or an equivalent governing  
4 body of the virtual currency kiosk operator.

5 **"§ 53-452. Compliance officer.**

6        (a) Each virtual currency kiosk operator must designate and employ a compliance officer  
7 with the following requirements:

8            (1) The individual must be qualified to coordinate and monitor compliance with  
9 this Article and all other applicable federal and State laws, rules, and  
10 regulations.

11            (2) The individual must be employed full time by the virtual currency kiosk  
12 operator.

13            (3) The designated compliance officer cannot be any individual who owns more  
14 than twenty percent (20%) of the virtual currency kiosk operator by whom the  
15 individual is employed.

16        (b) Compliance responsibilities required under federal and State laws, rules, and  
17 regulations shall be completed by full-time employees of the virtual currency kiosk operator.

18 **"§ 53-453. Consumer protection officer.**

19        Each virtual currency kiosk operator must designate and employ a consumer protection  
20 officer with each of the following requirements:

21            (1) The individual must be qualified to coordinate and monitor compliance with  
22 this Article and all other applicable federal and State laws, rules, and  
23 regulations.

24            (2) The individual must be employed full time by the virtual currency kiosk  
25 operator.

26            (3) The designated consumer protection officer cannot be an individual who owns  
27 more than twenty percent (20%) of the virtual currency kiosk operator by  
28 whom the individual is employed.

29 **"§ 53-454. Reporting virtual currency kiosk locations.**

30        (a) Each virtual currency kiosk operator shall submit a report of the location of each  
31 virtual currency kiosk located within the State within 45 days of the end of the calendar quarter.  
32 The Commissioner shall formulate a system for virtual currency kiosk operators to submit  
33 location information consistent with the requirements of this section.

34        (b) The location report shall include, at a minimum, the following regarding the location  
35 where a virtual currency kiosk is located:

36            (1) Company legal name.

37            (2) Any fictitious or trade name.

38            (3) Physical address.

39            (4) Start date of operation of virtual currency kiosk at location.

40            (5) End date of operation of virtual currency kiosk at location, if applicable.

41 **"§ 53-455. Money transmitter license.**

42        Any virtual currency kiosk operator who owns, operates, solicits, markets, advertises, or  
43 facilitates virtual currency kiosks in this State shall be deemed to be engaged in money  
44 transmission and require licensure under Article 16B of this Chapter.

45 **"§ 53-456. Virtual currency customers; daily limit; refunds; cancellation; fees.**

46        (a) Daily Limit. – A virtual currency kiosk operator shall impose a daily transaction limit  
47 equivalent to the following dollar values for transmissions of virtual currency through one or  
48 more of the operator's kiosks:

49            (1) One thousand dollars (\$1,000) for a new virtual currency customer.

50            (2) Two thousand five hundred dollars (\$2,500) for an existing virtual currency  
51 customer.

1 (b) Refunds. – The virtual currency kiosk operator shall refund the full dollar amount  
2 deposited into a kiosk if all of the following apply:

3 (1) The person was fraudulently induced to transmit the virtual currency.

4 (2) The person reported the fraudulent nature of the transmission to the virtual  
5 currency kiosk operator within 30 days of the transmission.

6 (c) Cancellation of Transaction. – A customer shall have the option to cancel any  
7 transaction and receive a full and immediate refund if the cancellation is done before the  
8 transaction is completed. The kiosk shall provide a receipt compliant with G.S. 53-447 for any  
9 cancelled transaction.

10 (d) Fees. – The aggregate fees and charges directly or indirectly charged to a customer  
11 related to a single transaction or series of related transactions involving virtual currency effected  
12 through a virtual currency kiosk in this State, including any difference between the price charged  
13 to a customer to buy, sell, exchange, swap, or virtual currency and the prevailing market value  
14 of such virtual currency at the time of such transaction, shall not exceed three percent (3%) of  
15 the United States dollar equivalent of the virtual currency involved in the transaction or  
16 transactions.

17 **"§ 53-457. Unfair trade practice.**

18 A violation of this Article is an unfair trade practice under G.S. 75-1.1.

19 **"§ 53-458. Facilitating or inducing a fraudulent virtual currency kiosk transaction a  
20 misdemeanor.**

21 It is unlawful for any person to facilitate or induce a fraudulent virtual currency kiosk  
22 transaction. Any person that violates this section is guilty of a Class 1 misdemeanor.

23 **"§ 53-459. Local government authority not preempted.**

24 Any local government may regulate virtual currency kiosks in a manner that does not conflict  
25 with this Article. Nothing in this Article shall limit a local government's authority to impose  
26 greater requirements or restrictions on virtual currency kiosks.

27 **"§ 53-460. Additional authorities and remedies.**

28 The implementation, administrative authority, and enforcement provisions of Article 16B of  
29 this Chapter apply to this Article."

30 **SECTION 2.** If any provision of this act or its application to any person or  
31 circumstance is held invalid, then the invalidity shall not affect other provisions or applications  
32 of the act that can be given effect without the invalid provision or application and, to that end,  
33 the provisions of this act shall be severable.

34 **SECTION 3.(a)** No later than December 1, 2026, the Commissioner shall adopt rules  
35 necessary to implement the provisions of this act.

36 **SECTION 3.(b)** This section is effective when it becomes law.

37 **SECTION 4.** Unless otherwise provided, this act becomes effective December 1,  
38 2026, and applies to offenses committed on or after that date.