

By: Representative Aguirre

To: Banking and Financial  
Services

HOUSE BILL NO. 1625  
(As Sent to Governor)

1 AN ACT TO CREATE THE MISSISSIPPI VIRTUAL CURRENCY KIOSK  
2 CONSUMER PROTECTION ACT; TO PROHIBIT A PERSON FROM OPERATING A  
3 VIRTUAL CURRENCY KIOSK WITHOUT BEING LICENSED UNDER THE MONEY  
4 TRANSMISSION MODERNIZATION ACT; TO DEFINE TERMS; TO REQUIRE  
5 CERTAIN DISCLOSURES BY VIRTUAL CURRENCY KIOSK OPERATORS REGARDING  
6 THE RISKS OF VIRTUAL CURRENCY KIOSK TRANSACTIONS; TO IMPLEMENT  
7 CERTAIN FRAUD PREVENTION MEASURES; TO REQUIRE VIRTUAL CURRENCY  
8 KIOSK OPERATORS TO PROVIDE RECEIPTS TO CUSTOMERS; TO PROVIDE  
9 CERTAIN TRANSACTION LIMITS FOR NEW CUSTOMERS AND FOR EXISTING  
10 CUSTOMERS; TO AMEND SECTIONS 75-16-21 AND 75-16-69, MISSISSIPPI  
11 CODE OF 1972, TO CONFORM WITH THE PROVISIONS OF THIS ACT; AND FOR  
12 RELATED PURPOSES.

13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

14 **SECTION 1.** This act shall be known and may be cited as the  
15 "Mississippi Virtual Currency Kiosk Consumer Protection Act."

16 **SECTION 2.** The definitions provided in Section 75-16-5 shall  
17 also apply to the terms used in this act, and for the purposes of  
18 this act, the following terms have the meanings as defined in this  
19 section, unless the context clearly indicates otherwise:

20 (a) "Blockchain analytics" means the analysis of data  
21 from blockchains or public distributed ledgers, including  
22 associated transaction information to provide risk-specific



23 information about virtual currency transactions and virtual  
24 currency addresses.

25 (b) "Blockchain analytics software" means a software  
26 service that uses blockchain analytics data to provide  
27 risk-specific information about virtual currency wallet addresses,  
28 among other things.

29 (c) "Commissioner" means the Commissioner of Banking  
30 and Consumer Finance.

31 (d) "Elder adult" means a person who is sixty (60)  
32 years of age or older.

33 (e) "Existing customer" means an individual who is not  
34 a new customer.

35 (f) "New customer" means an individual who has never  
36 previously transacted with the virtual currency kiosk operator.  
37 The new customer shall remain defined as such during the  
38 fourteen-day period after the first virtual currency kiosk  
39 transaction with the virtual currency kiosk operator.

40 (g) "Transaction hash" means a unique identifier made  
41 up of a string of characters that acts as a record of and provides  
42 proof that the transaction was verified and added to the  
43 blockchain.

44 (h) "Unique identifier" means a number or other  
45 identifier that is assigned by a protocol established by the  
46 automated licensing system approved operator. This will be  
47 determined by valid identification.



(i) "Virtual currency address" means an alphanumeric identifier associated with a virtual currency wallet identifying the location to which a virtual currency transaction can be sent.

(j) "Virtual currency kiosk" means a stand-alone automated platform through which a consumer may deposit or receive cash or use a credit or debit card to obtain virtual currency services.

(k) "Virtual currency kiosk operator" means a person that engages in virtual currency business activity through a virtual currency kiosk located in this state or a person that owns, operates or manages a virtual currency kiosk located in this state through which virtual currency business activity is offered.

(l) "Virtual currency kiosk transaction" means a transaction made at a virtual currency kiosk to purchase virtual currency with U.S. dollars or to sell virtual currency for U.S. dollars.

(m) "Virtual currency storage" means:

(i) Maintaining possession, custody or control over virtual currency on behalf of another person, including as a virtual currency control-services vendor;

(ii) Issuing, transferring or otherwise granting or providing to any person in this state any claim or right or any physical, digital or electronic instrument, receipt, certificate or record representing any claim or right to receive, redeem,



72 withdraw, transfer, exchange or control any virtual currency or  
73 amount of virtual currency; or

74 (iii) Receiving possession, custody or control  
75 over virtual currency from a person in this state in return for a  
76 promise or obligation to return, repay, exchange or transfer such  
77 virtual currency or a like amount of such virtual currency.

78 (n) "Virtual currency wallet" means a software  
79 application or other mechanism providing a means for holding,  
80 storing and transferring virtual currency.

81 **SECTION 3.** (1) A virtual currency kiosk operator may not  
82 engage in virtual currency kiosk activity or hold itself out as  
83 being able to engage in such activity with or on behalf of another  
84 person without having first obtained a license under the Money  
85 Transmission Modernization Act, Section 75-16-1 et seq.

86 (2) A virtual currency kiosk operator shall comply with all  
87 requirements of a money transmitter and shall be subject to the  
88 provisions of the Money Transmission Modernization Act, including  
89 all duties, requirements and fees imposed on licensees, and the  
90 Mississippi Department of Banking and Consumer Finance shall  
91 exercise all power and authority and perform all duties with  
92 respect to virtual currency kiosk operators as are provided in the  
93 Money Transmission Modernization Act; however, in the case of a  
94 conflict, the provisions of this act shall control.

95 **SECTION 4.** (1) A virtual currency kiosk operator may not  
96 use any sign or handwritten or printed paper using the words



"automatic teller machine" or "ATM" or any other words in a manner reasonably calculated to convey the impression that the entity is engaged in the business of banking unless the act is done by or on behalf of an entity conducting banking activities pursuant to Title 81, Mississippi Code of 1972.

(2) Nothing in this section shall prohibit the commissioner from making a determination that a name proposed to be registered is potentially misleading to the public and requiring the registrant to select a name that is not potentially misleading.

**SECTION 5.** (1) (a) The virtual currency kiosk operator, in establishing a relationship with a customer and before entering into an initial virtual currency kiosk transaction for, on behalf of or with the customer, shall disclose in clear, conspicuous and legible writing, both: (i) in English; and (ii) in the language principally used by the licensee or authorized delegate to advertise, solicit or negotiate, either orally or in writing, for a transaction conducted in person, electronically or by phone, if other than English; all material risks generally associated with virtual currency.

(b) The material risks associated with virtual currency required to be disclosed under paragraph (a) of this subsection (1) include, but are not limited to:

(i) A disclosure that is acknowledged by the customer and provided separately from the disclosures provided



under subparagraphs (ii) and (vii) of this paragraph (b), and written prominently and in bold type, stating the following:

**WARNING: CONSUMER FRAUD OFTEN STARTS WITH CONTACT FROM A STRANGER WHO IS INITIATING A DISHONEST SCHEME. I UNDERSTAND THAT CRIMINAL ACTIVITY MAY APPEAR IN MANY FORMS, INCLUDING:**

**(1) Claims of a frozen bank account or credit card.**

**(2) Fraudulent bank transactions.**

**(3) Claims of identity theft or job offerings in exchange for payments.**

**(4) Requests for payments to government agencies or companies.**

**(5) Requests for disaster relief donations or loans.**

**(6) Offers to purchase tickets for lotteries, sweepstakes, or drawings for vehicles.**

**(7) Prompts to click on desktop popups, such as virus warnings or communication from alleged familiar merchants.**

**(8) Communication from someone impersonating a representative of your bank or a law enforcement officer.**

**IF YOU BELIEVE YOU ARE BEING SCAMMED, CALL A LOCAL LAW ENFORCEMENT OFFICER BEFORE ANY TRANSACTION.**

**WARNING: FUNDS LOST DUE TO USER ERROR OR FRAUD MAY NOT BE RECOVERABLE. TRANSACTIONS CONDUCTED ON THIS VIRTUAL CURRENCY KIOSK ARE IRREVERSIBLE. I UNDERSTAND THESE RISKS AND WISH TO CONTINUE WITH CONDUCTING MY VIRTUAL CURRENCY KIOSK TRANSACTION. PROTECT YOURSELF FROM FRAUD. NEVER SEND MONEY TO SOMEONE YOU DO NOT KNOW.**



(ii) Virtual currency is not backed or insured by the government, and accounts and value balances are not subject to protections of the Federal Deposit Insurance Corporation, National Credit Union Administration, or Securities Investor Protection Corporation;

(iii) A virtual currency transaction may be deemed to be made when recorded on a public ledger, which may not be the date or time when the customer initiates the virtual currency transaction;

(iv) The value of virtual currency may be derived from the continued willingness of market participants to exchange fiat currency for virtual currency, which may result in the permanent and total loss of the value of a particular virtual currency if the market for that virtual currency disappears;

(v) The volatility and unpredictability of the price of virtual currency relative to fiat currency may result in a significant loss over a short period of time;

(vi) A bond maintained by the virtual currency kiosk operator for the benefit of the customers of the virtual currency kiosk operator may not be sufficient to cover all losses incurred by customers; and

(vii) Virtual currency transactions are irreversible and may be used by a person seeking to defraud customers. As used in this subparagraph (vii), "seeking to defraud customers" includes, but is not limited to:



- 171 1. Impersonating a customer's family or  
172 friends;
- 173 2. Threatening jail time;
- 174 3. Stating that a customer's identity has  
175 been stolen;
- 176 4. Insisting that a customer withdraw money  
177 from the customer's bank account and purchase virtual currency; or
- 178 5. Alleging that a customer's personal  
179 computer has been hacked.

180 (2) (a) A virtual currency kiosk operator, when opening an  
181 account for a new customer and before entering into an initial  
182 virtual currency transaction for, on behalf of, or with the  
183 customer, shall disclose in clear, conspicuous and legible  
184 writing, using not less than twenty-four (24) point  
185 sans-serif-type font, both: (i) in English; and (ii) in the  
186 language principally used by the licensee or authorized delegate  
187 to advertise, solicit or negotiate, either orally or in writing,  
188 for a transaction conducted in person, electronically or by phone,  
189 if other than English; using not less than twenty-four (24) point  
190 sans-serif-type font, all relevant terms and conditions associated  
191 with the products, services and activities of the virtual currency  
192 kiosk operator and virtual currency generally.

193 (b) The disclosure required under paragraph (a) of this  
194 subsection (2) shall include, but is not limited to:



(i) The customer's liability for unauthorized virtual currency transactions;

(ii) The customer's right to stop payment of a preauthorized virtual currency transfer and the procedure used to initiate a stop-payment order;

(iii) The circumstances under which the virtual currency kiosk operator, absent a court or government order, will disclose information concerning the customer's account to third parties;

(iv) The requirement that the virtual currency kiosk operator communicate to the customer what customer information may be disclosed to third parties;

(v) The customer's right to receive a receipt for a virtual currency transaction at the time of the transaction;

(vi) Upon a change in the rules or policies of the operator, the customer's right to consent to the changed rules or policies before performing a transaction after the change; and

(vii) Any other disclosures that are customarily provided in connection with opening a person's account.

(3) (a) A virtual currency kiosk operator, before each transaction in virtual currency for, on behalf of, or with a customer, shall disclose to the customer in an easily readable manner that is in clear, conspicuous and legible writing, using not less than twenty-four (24) point sans-serif-type font, both: (i) in English; and (ii) in the language principally used by the



licensee or authorized delegate to advertise, solicit or negotiate, either orally or in writing, for a transaction conducted in person, electronically or by phone, if other than English; the terms and conditions of the virtual currency transaction.

(b) The terms and conditions required under paragraph (a) of this subsection (3) shall include, but are not limited to:

- (i) The amount of the transaction;
- (ii) The total amount of all fees, expenses, commissions and charges borne by the customer, including, but not limited to, applicable exchange rates, displayed both as a dollar amount and as a percentage of the transaction;
- (iii) The type and nature of the virtual currency transaction;
- (iv) A warning that, once executed, the virtual currency transaction may not be undone, if applicable;
- (v) A daily virtual currency transaction limit;
- (vi) The difference in the sale price of the virtual currency versus the current market price; and
- (vii) Any other disclosures that are customarily given in connection with a virtual currency transaction.

(4) A virtual currency kiosk operator shall ensure that each customer acknowledges receipt of all disclosures required under this section.



(5) (a) Before the acceptance of any cash or funding for a virtual currency transaction, a virtual currency kiosk operator must require every customer, regardless of age, to respond to the following requests:

(i) Enter the name, job title, and employer or company represented by the person instructing you to use this machine.

(ii) If no one is instructing you to use this machine, click the box that says "I am not on the phone with anyone," and enter the purpose for which you are buying virtual currency.

(b) Additionally, the virtual currency kiosk operator must require the customer to answer at least five (5) of the following questions, which shall be generated randomly so that the same five (5) questions do not appear before each transaction:

(i) "Are you sending this money in response to a demand for payment to unfreeze a bank account, investment account or credit card?"

(ii) "Are you sending this money to someone offering a job or some other financial benefit, such as the purchase of lottery tickets, sweepstakes entries or prize drawings?"

(iii) "Are you sending this money to someone claiming to be a representative of a financial institution, such as a bank, mortgage company or loan company, or a bill collector?"



269                   (iv) "Are you sending this money to someone  
270 claiming to be a law enforcement officer or representative of a  
271 government agency?"

272                   (v) "Are you sending this money to someone  
273 claiming to represent a disaster relief organization or some other  
274 type of charitable organization?"

275                   (vi) "Are you sending this money in response to a  
276 prompt from a popup message on your computer desktop, an email, a  
277 text message, a telephone call, or some other communication from  
278 an unknown merchant containing computer virus or fraud warnings?"

279                   (vii) "Are you sending this money to someone posing  
280 as a romantic partner or potential business partner whom you have  
281 never met in a face-to-face, in-person meeting?"

282                   (viii) "Are you sending this money to someone  
283 threatening you or a relative or loved one with arrest, fines,  
284 fees, a lawsuit, foreclosure or repossession?"

285                   (ix) "Are you sending this money in response to a  
286 threat of any kind, including physical, financial or reputational  
287 harm, to you, a relative or a loved one?"

288                   (c) Each question must appear separately and require a  
289 response via an on-screen prompt, except as provided for elder  
290 adults in Section 8 of this act, before proceeding to the next  
291 question. If the customer enters a name in response to the  
292 request in paragraph (a)(i) of this subsection (5), or responds



with "yes" or with a similar affirmative answer to any question asked under paragraph (b) of this subsection (5):

(i) The transaction shall be declined and voided upon completion of the questions;

(ii) The virtual currency kiosk must display a "Fraud Warning" that instructs the customer to contact local law enforcement; and

(iii) The virtual currency kiosk operator shall not collect any fees or funds from the customer.

(d) The security questions provided in paragraphs (a) and (b) of this subsection (5) shall be implemented by all virtual currency kiosk operators no later than January 1, 2027.

**SECTION 6.** (1) A virtual currency kiosk operator, upon the completion of a virtual currency transaction, shall provide to the customer a receipt, in both physical (paper) and electronic (email or SMS) form, containing:

(a) The name of, and contact information for, the virtual currency kiosk operator, including, but not limited to, the virtual currency kiosk operator's business address and a customer service telephone number established by the virtual currency kiosk operator to answer questions and register complaints;

(b) The name of the customer;



316           (c) The type, value, date and precise time of the  
317 virtual currency transaction, transaction hash or identification  
318 number, and each virtual currency address;  
319           (d) The amount of the virtual currency transaction  
320 expressed in United States currency;  
321           (e) The public virtual currency address of the  
322 customer;  
323           (f) The unique identifier of the virtual currency kiosk  
324 operator;  
325           (g) The full amount of each fee charged, including, but  
326 not limited to, a fee charged directly or indirectly by the  
327 virtual currency kiosk operator, or a third party involved in the  
328 virtual currency transaction;  
329           (h) The exchange rate, if applicable;  
330           (i) Any tax collected by the virtual currency kiosk  
331 operator for the virtual currency transaction;  
332           (j) A statement of the liability of the virtual  
333 currency kiosk operator for nondelivery or delayed delivery;  
334           (k) A statement of the refund policy of the virtual  
335 currency kiosk operator and instructions on how to obtain a  
336 refund, including the email address, web address or telephone  
337 number the customer should use to request a refund and the time  
338 limits within which to obtain a refund;  
339           (l) The name and telephone number of the Department of  
340 Banking and Consumer Finance and a statement disclosing that the



virtual currency kiosk operator's customers may contact the department with questions or complaints about the virtual currency kiosk operator's virtual currency kiosk services or the refund process; and

(m) Any additional information the commissioner may require.

(2) The receipt required under subsection (1) of this section shall be provided in:

(a) A retainable form;

(b) English; and

(c) The language principally used by the virtual currency kiosk operator to advertise, solicit or negotiate, orally or in writing.

**SECTION 7.** (1) A virtual currency kiosk operator shall not accept transactions of more than One Thousand Dollars (\$1,000.00) per day in cash or the equivalent in virtual currency for new customers and Seven Thousand Five Hundred Dollars (\$7,500.00) per day in cash or the equivalent in virtual currency for existing customers.

(2) A virtual currency kiosk operator shall hold the funds received in the first virtual currency kiosk transaction by a new customer in a non-interest-bearing account for a period of ninety-six (96) hours before completing the transaction, and the new customer may not carry out another transaction during the ninety-six-hour holding period. After the ninety-six-hour period



366 following the first transaction, the new customer may make daily  
367 transactions.

368 (3) The transaction limit for new customers shall not exceed  
369 Five Thousand Dollars (\$5,000.00) in cash or the equivalent in  
370 virtual currency in the fourteen-day period after the first  
371 virtual currency kiosk transaction with the virtual currency kiosk  
372 operator.

373 (4) The virtual currency kiosk operator shall issue a refund  
374 of the full amount of the transaction if requested by the customer  
375 within the initial ninety-six-hour holding period under subsection  
376 (2) of this section.

377 **SECTION 8.** (1) As used in this section, the following terms  
378 have the meanings as defined in this subsection:

379 (a) "Live screening" means a real-time, audio-visual  
380 interaction between the customer at the virtual currency kiosk and  
381 a live representative of the virtual currency kiosk operator,  
382 conducted via a camera and microphone integrated into the virtual  
383 currency kiosk.

384 (b) "Third-party coaching" means an interaction between  
385 a customer and a third party during which the customer  
386 communicates with, or receives instructions from, a third party  
387 via telephone or other electronic device during the course of a  
388 virtual currency kiosk transaction.

389 (2) Upon the request of a customer, a virtual currency kiosk  
390 operator shall issue a refund to a new customer for the full



amount of all transactions made within the fourteen-day new customer time period. In order to receive a refund under this subsection (2), a new customer must have:

(a) Been fraudulently induced to engage in the virtual currency transactions;

(b) Contacted both the virtual currency kiosk operator and a government or law enforcement entity to inform them of the fraudulent nature of the transaction agency within ninety (90) days of the last transaction to occur during the fourteen-day new customer time period; and

(c) Submitted proof of the fraud incident, such as a police report or sworn declaration detailing the fraudulent nature of the transaction or transactions.

(3) Each virtual currency kiosk operator shall:

(a) Obtain a copy of a government-issued identification card that identifies each customer of the virtual currency kiosk operator;

(b) Maintain restrictions that prevent more than one (1) customer of the virtual currency kiosk operator from using the same virtual currency wallet; and

(c) Be able to prevent virtual currency wallets that have been flagged as potentially connected to fraudulent or other criminal activity from being used at a virtual currency kiosk owned or operated by the virtual currency kiosk operator.



415           (4) All virtual currency kiosks operators shall use  
416 blockchain analytics software to assist in the prevention of  
417 sending purchased virtual currency from a kiosk to a digital  
418 wallet known to be affiliated with fraudulent, sanctioned or  
419 illicit activity at the time of a transaction. The commissioner  
420 may request evidence from any operator of current use of  
421 blockchain analytics.

422           (5) All virtual currency kiosk operators shall take  
423 reasonable steps to detect and prevent fraud, including  
424 establishing and maintaining a written anti-fraud policy, which  
425 shall include, but not be limited to, the following:

426                   (a) The identification and assessment of fraud-related  
427 risk areas;

428                   (b) Procedures and controls to protect against  
429 identified risks;

430                   (c) Allocation of responsibility for monitoring risks;  
431 and

432                   (d) Procedures for the periodic evaluation and revision  
433 of the anti-fraud procedures, controls and monitoring mechanisms.

434           (6) All virtual currency kiosk operators shall offer, during  
435 the hours of operation of the virtual currency kiosks owned or  
436 operated by the virtual currency kiosk operator, live customer  
437 support by telephone from a toll-free telephone number prominently  
438 displayed at or on the virtual currency kiosk.



(7) All virtual currency kiosk operators shall designate a customer service representative to identify and speak by telephone with an elder adult who is a new customer before the elder adult who is a new customer completes his or her first virtual currency transaction with the virtual currency kiosk operator. During the communication, which shall be recorded and retained by the virtual currency kiosk operator, the virtual currency kiosk operator shall:

(a) Reconfirm any attestations made by the new customer at a virtual currency kiosk owned or operated by the virtual currency kiosk operator;

(b) Discuss the transaction;

(c) Discuss types of fraudulent schemes relating to virtual currency;

(d) Identify, through live screening or automated monitoring, whether an elder adult is engaging in or receiving third-party coaching; and

(e) Identify, through live screening or automated monitoring, whether an elder adult is on the phone or using a headset during the virtual currency kiosk transaction.

The virtual currency kiosk operator's approval of the transaction shall be dependent upon the virtual currency kiosk operator's assessment of the communication.

(8) All virtual currency kiosk operators shall designate and employ a chief compliance officer who shall:



(a) Be qualified to coordinate and monitor a compliance program to ensure compliance with this section and all other applicable federal laws and regulations and state laws and rules;

(b) Not own more than twenty percent (20%) of the virtual currency kiosk operator that employs the officer; and

(c) Use full-time employees to fulfill the virtual currency kiosk operator's compliance responsibilities under federal laws and regulations and state laws and rules.

(9) If the virtual currency kiosk operator determines, through live screening or automated monitoring, that a customer who is an elder adult is on the phone or using a headset during the virtual currency kiosk transaction:

(a) The virtual currency kiosk transaction must be immediately halted and voided;

(b) The virtual currency kiosk operator shall refuse to process any further virtual currency kiosk transactions for that customer for a period of no less than twenty-four (24) hours; and

(c) The virtual currency kiosk operator shall preserve and retain a record of the declined virtual currency kiosk transaction and the reason for the decline.

**SECTION 9.** All virtual currency kiosk operators shall notify the Mississippi Department of Banking and Consumer Finance of any customer complaint or refund request within seventy-two (72) hours of receipt of the customer complaint or refund request.



**SECTION 10.**

Virtual currency kiosk operators shall ensure that all virtual currency kiosks are maintained in good working condition so that all requirements under this act are met.

**SECTION 11.**

The commissioner may exercise all power and authority and perform all duties with respect to virtual currency kiosk operators licensed under the Money Transmission Modernization Act as are provided in that act, subject to the provisions of Section 3 of this act, and the commissioner may also exercise the following powers and functions:

(a) The commissioner may adopt rules necessary to implement, administer and enforce this act.

(b) The commissioner may require any virtual currency kiosk to be disabled or removed from its location, at the operator's expense, if the operator fails to comply with the requirements of this act or the Money Transmission Modernization Act. Such order will remain effective until rescinded or released by the commissioner or appealed as provided in Section 75-16-73.

(c) Whenever the commissioner believes that any person is failing or omitting or is about to fail or omit to do anything required by the provisions of this act, or by any order of the commissioner, or is doing anything or about to do anything, or permitting anything or about to permit anything to be done, contrary to or in violation of this act or of any order of the commissioner, the commissioner may proceed with appropriate action as provided under the Money Transmission Modernization Act.



**SECTION 12.** Sections 1 through 11 of this act shall be  
codified in Title 75, Mississippi Code of 1972.

**SECTION 13.** Section 75-16-21, Mississippi Code of 1972, is  
amended as follows:

75-16-21. **License required.** (1) A person may not engage in  
the business of money transmission \* \* \*; advertise, solicit or  
hold itself out as providing money transmission; engage in virtual  
currency kiosk activity; or hold itself out as a virtual currency  
kiosk operator unless the person is licensed under this chapter.

(2) Subsection (1) of this section does not apply to:

(a) A person who is an authorized delegate of a person  
licensed under this chapter acting within the scope of authority  
conferred by a written contract with the licensee; or

(b) A person who is exempt pursuant to Section 75-16-7  
and does not engage in money transmission outside the scope of  
such exemption.

(3) A license issued under Section 75-16-29 is not  
transferable or assignable.

**SECTION 14.** Section 75-16-69, Mississippi Code of 1972, is  
amended as follows:

75-16-69. **Suspension and revocation.** (1) The commissioner  
may suspend or revoke a license or order a licensee to revoke the  
designation of an authorized delegate if:



(a) The licensee or any authorized delegate, agent, or representative violates this chapter or a rule or regulation adopted or an order issued under this chapter;

(b) The licensee or any authorized delegate, agent, or representative does not cooperate with an examination or investigation by the commissioner;

(c) The licensee or any authorized delegate, agent, or representative engages in fraud, intentional misrepresentation, or gross negligence;

(d) An authorized delegate is convicted of a violation of a state or federal anti-money laundering statute, or violates a rule or regulation adopted or an order issued under this chapter, as a result of the licensee's willful misconduct or willful blindness;

(e) The competence, experience, character, or general fitness of the licensee, authorized delegate, person in control of a licensee, key individual, or responsible person of the authorized delegate indicates that it is not in the public interest to permit the person to provide money transmission;

(f) The licensee or any authorized delegate, agent, or representative engages in an unsafe or unsound practice;

(g) The licensee is insolvent, suspends payment of its obligations, or makes a general assignment for the benefit of its creditors; \* \* \*



560           (h) The licensee does not remove an authorized delegate  
561 after the commissioner issues and serves upon the licensee a final  
562 order including a finding that the authorized delegate has  
563 violated this chapter \* \* \*; or

564           (i) The licensee is a virtual currency kiosk operator  
565 who has violated Sections 1 through 11 of this act.

566           (2) In determining whether a licensee is engaging in an  
567 unsafe or unsound practice, the commissioner may consider the size  
568 and condition of the licensee's money transmission, the magnitude  
569 of the loss, the gravity of the violation of this chapter, and the  
570 previous conduct of the person involved.

571           **SECTION 15.** This act shall take effect and be in force from  
572 and after July 1, 2026.

