

HOUSE BILL NO. 5986

May 19, 2026, Introduced by Reps. Koleszar, T. Carter, Weiss, Wegela, Xiong, Young, Rheingans, MacDonell, Martus and Morgan and referred to Committee on Regulatory Reform.

A bill to prohibit the installation and operation of cryptocurrency kiosks; to provide for the powers and duties of certain state and local governmental officers and entities; to prescribe civil sanctions; and to provide remedies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act may be cited as the "cryptocurrency kiosk
2 prohibition act".

3 Sec. 3. As used in this act:

4 (a) "Commissioner" means that term as defined in section 3 of
5 the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239,

1 MCL 432.3.

2 (b) "Cryptocurrency" means digital currency in which
3 encryption techniques are used to regulate the generation of units
4 of currency and verify the transfer of funds, and that operates
5 independently of a central bank.

6 (c) "Cryptocurrency kiosk" means a kiosk, automated teller
7 machine, vending machine, or other electronic terminal that enables
8 a cryptocurrency kiosk operator to facilitate the purchase, sale,
9 or exchange of money for cryptocurrency or of cryptocurrency for
10 money. Cryptocurrency kiosk includes, but is not limited to, an
11 electronic terminal that does either of the following:

12 (i) Connects directly to a separate cryptocurrency exchange
13 that performs the cryptocurrency transmission.

14 (ii) Draws on cryptocurrency that is in the possession of the
15 operator of the electronic terminal.

16 (d) "Cryptocurrency kiosk operator" means a person that owns
17 or operates a cryptocurrency kiosk.

18 (e) "Money" means a medium of exchange authorized or adopted
19 by the United States or a foreign government as a part of its
20 currency that is customarily used and accepted as a medium of
21 exchange in the country of issuance. The term includes a monetary
22 unit of account established by an intergovernmental organization or
23 by agreement between 2 or more governments.

24 (f) "Person" means an individual or a partnership,
25 corporation, limited liability company, association, governmental
26 entity, or other legal entity.

27 Sec. 5. A person shall not do any of the following:

28 (a) Install or operate a cryptocurrency kiosk.

29 (b) Allow a cryptocurrency kiosk to be installed or operated

1 on any premises that the person owns, leases, or controls.

2 Sec. 7. (1) A person that violates section 5 is subject to a
3 civil fine of not more than \$100.00 for each day of violation. The
4 prosecutor of the county in which the violation occurred or the
5 attorney general may bring an action to collect the civil fine. A
6 civil fine collected under this section must be deposited in the
7 general fund.

8 (2) If a county prosecutor or the attorney general brings an
9 action against a person under subsection (1), the county prosecutor
10 or attorney general shall provide written notice to the
11 commissioner of each of the following events not later than 7 days
12 after the occurrence of the event:

13 (a) The commencement of the action.

14 (b) Any determination made in the action as to whether the
15 person violated section 5.

16 (c) Any appeal filed by the person.

17 (3) A person that violates section 5 is subject to a licensing
18 action under this subsection if the person holds a lottery sales
19 agent license under the McCauley-Traxler-Law-Bowman-McNeely lottery
20 act, 1972 PA 239, MCL 432.1 to 432.47. If a person is determined to
21 have violated section 5 in an action brought under subsection (1),
22 the commissioner shall suspend the person's lottery sales agent
23 license for 90 days.

24 Enacting section 1. This act takes effect 90 days after the
25 date it is enacted into law.

26 Enacting section 2. This act does not take effect unless
27 Senate Bill No. ____ (request no. S06776'26 a) or House Bill No.
28 5987 (request no. H06776'26 a) of the 103rd Legislature is enacted
29 into law.