

2025 -- H 5636

LC000509

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO FINANCIAL INSTITUTIONS -- CURRENCY TRANSMISSIONS

Introduced By: Representatives Kennedy, Azzinaro, Edwards, Solomon, O'Brien,
Kazarian, and Diaz

Date Introduced: February 26, 2025

Referred To: House Innovation, Internet, & Technology

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 19-14.3-1.1 of the General Laws in Chapter 19-14.3 entitled
2 "Currency Transmissions" is hereby amended to read as follows:

3 **19-14.3-1.1. Definitions.**

4 In addition to the definitions provided in § 19-14-1 the following definitions are applicable
5 to this chapter:

6 (1) "Control" means:

7 (i) When used in reference to a transaction or relationship involving virtual currency, the
8 power to execute unilaterally or prevent indefinitely a virtual currency transaction; and

9 (ii) When used in reference to a person, the direct or indirect power to direct the
10 management, operations, or policies of the person through legal or beneficial ownership of twenty-
11 five percent (25%) or more of the voting power in the person or under a contract, arrangement, or
12 understanding.

13 (2) "Department" means the department of business regulation, division of banking.

14 (3) "Exchange," used as a verb, means to assume control of virtual currency from or on
15 behalf of a resident, at least momentarily, to sell, trade, or convert:

16 (i) Virtual currency for legal tender, bank credit, or one or more forms of virtual currency;

17 or

18 (ii) Legal tender or bank credit for one or more forms of virtual currency.

19 (4) "Legal tender" means a medium of exchange or unit of value, including the coin or

1 paper money of the United States, issued by the United States or by another government.

2 (5) "Licensee" means a person licensed under this chapter.

3 (6) "Monetary value" means a medium of exchange, whether or not redeemable in money.

4 (7) "Reciprocity agreement" means an arrangement between the department and the
5 appropriate licensing agency of another state that permits a licensee operating under a license
6 granted by the other state to engage in currency transmission business activity with or on behalf of
7 a resident.

8 (8) "Record" means information that is inscribed on a tangible medium or that is stored in
9 an electronic or other medium and is retrievable in perceivable form.

10 (9) "Registry" means the Nationwide Multistate Licensing System.

11 (10) "Resident":

12 (i) Means a person that:

13 (A) Is domiciled in this state;

14 (B) Is physically located in this state for more than one hundred eighty-three (183) days of
15 the previous three hundred sixty-five (365) days; or

16 (C) Has a place of business in this state; and

17 (ii) Includes a legal representative of a person that satisfies subsection (10)(i) of this
18 section.

19 (11) "Responsible individual" means an individual who has managerial authority with
20 respect to a licensee's currency transmission business activity with or on behalf of a resident.

21 (12) "Sign" means, with present intent to authenticate or adopt a record:

22 (i) To execute or adopt a tangible symbol; or

23 (ii) To attach to or logically associate with the record an electronic symbol, sound, or
24 process.

25 (13) "State" means a state of the United States, the District of Columbia, Puerto Rico, the
26 United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the
27 United States.

28 (14) "Store," except in the phrase "store of value," means to maintain control of virtual
29 currency on behalf of a resident by a person other than the resident. "Storage" and "storing" have
30 corresponding meanings.

31 (15) "Transfer" means to assume control of virtual currency from or on behalf of a resident
32 and to:

33 (i) Credit the virtual currency to the account of another person;

34 (ii) Move the virtual currency from one account of a resident to another account of the

1 same resident; or

2 (iii) Relinquish control of virtual currency to another person.

3 (16) "U.S. Dollar equivalent of virtual currency" means the equivalent value of a particular
4 virtual currency in United States dollars shown on a virtual currency exchange based in the United
5 States for a particular date or period specified in this chapter.

6 (17) "Virtual currency business activity" means:

7 (i) Exchanging, transferring, or storing virtual currency whether directly or through an
8 agreement with a virtual currency control-services vendor;

9 (ii) Holding electronic precious metals or electronic certificates representing interests in
10 precious metals on behalf of another person or issuing shares or electronic certificates representing
11 interests in precious metals; or

12 (iii) Exchanging one or more digital representations of value used within one or more
13 online games, game platforms, or family of games for:

14 (A) Virtual currency offered by or on behalf of the same publisher from which the original
15 digital representation of value was received; or

16 (B) Legal tender or bank credit outside the online game, game platform, or family of games
17 offered by or on behalf of the same publisher from which the original digital representation of value
18 was received.

19 (18) "Virtual currency control-services vendor" means a person who has control of virtual
20 currency solely under an agreement with a person who, on behalf of another person, assumes
21 control of virtual currency.

22 (19) "Virtual currency kiosk" means an electronic terminal acting as a mechanical agent of
23 the owner or operator to enable the owner or operator to facilitate the exchange of virtual currency
24 for fiat currency or other virtual currency including, but not limited to, by:

25 (i) Connecting directly to a separate virtual currency exchanger that performs the actual
26 virtual currency transmission; or

27 (ii) Drawing upon the virtual currency in the possession of the owner or operator of the
28 electronic terminal.

29 SECTION 2. Chapter 19-14.3 of the General Laws entitled "Currency Transmissions" is
30 hereby amended by adding thereto the following section:

31 **19-14.3-3.9. Virtual currency kiosk -- Receipts required.**

32 On or after January 1, 2026, any person who owns, operates, solicits, markets, advertises,
33 or facilitates virtual currency kiosks in this state shall provide customers of the virtual currency
34 kiosk with an option to receive a paper receipt, or electronic receipt, or both detailing the virtual

1 currency kiosk transaction. The receipt required by this section shall include any:

2 (i) Public virtual currency wallet addresses;

3 (ii) The full name of the account owner;

4 (iii) Unique transaction identifiers; and

5 (iv) Statements regarding the company fraud victim refund policy.

6 (b) In addition to mandatory paper receipts required pursuant to subsection (a) of this
7 section, virtual currency kiosk operators shall provide electronic copies of virtual currency kiosk
8 transactions to the customers email address or record with the operator of the virtual currency kiosk.

9 (c) Virtual currency kiosks unable to provide paper receipts at the time of the transactions
10 shall be disabled by the operator to prevent the processing of any virtual currency transaction
11 without a paper receipt.

12 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO FINANCIAL INSTITUTIONS -- CURRENCY TRANSMISSIONS

- 1 This act would provide that operators of virtual currency kiosks must provide customers
- 2 with a paper receipt, electronic receipt, or both of the transaction.
- 3 This act would take effect upon passage.

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