Koegel and O'Driscoll from the Committee on Commerce Finance and Policy to which was referred:

H. F. No. 3642, A bill for an act relating to commerce; prohibiting virtual currency kiosks; amending Minnesota Statutes 2024, section 53B.69, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 53B; repealing Minnesota Statutes 2024, sections 53B.69, subdivisions 1, 2, 3, 3a, 3b, 3c, 4, 5, 6a, 7, 8, 9, 11, 12, 13; 53B.70; 53B.71; 53B.72; 53B.73; 53B.74; 53B.75.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2024, section 53B.69, subdivision 10, is amended to read:

Subd. 10. **Virtual currency kiosk.** "Virtual currency kiosk" means an electronic terminal acting as a mechanical agent or a person acting on behalf of the virtual currency kiosk operator to enable the virtual currency kiosk operator to facilitate the exchange of virtual currency for money, bank credit, or other virtual currency, including but not limited to by (1) connecting directly to a separate virtual currency exchanger that performs the actual virtual currency transmission, or (2) drawing upon the virtual currency in the possession of the electronic terminal's operator.

Sec. 2. **[53B.751] VIRTUAL CURRENCY KIOSKS; PROHIBITION.**

Subdivision 1. **Virtual currency kiosks prohibited.** (a) Beginning August 1, 2026, a person is prohibited from installing, operating, maintaining, or making available for use a virtual currency kiosk.

(b) On or before December 31, 2026, a virtual currency kiosk operator must remove the virtual currency kiosk from any location where the virtual currency kiosk is visible or accessible to the public.

Subd. 2. **Payout.** (a) On or before December 31, 2026, a virtual currency kiosk operator that conducts virtual currency transactions exclusively through a virtual currency kiosk must pay out any money or virtual currency held for or owed to a new or existing customer that exists as a result of virtual currency kiosk transactions.

(b) A new or existing customer may elect, at any time before December 31, 2026, to receive a payout under this subdivision:

(1) in United States dollars, in an amount equal to the market value of the customer's virtual currency plus any fiat currency; or

(2) to a virtual currency wallet designated by the customer.

(c) A virtual currency kiosk operator must make a payout under this subdivision in the manner elected by a new or existing customer under paragraph (b). If a new or existing customer elects the option under paragraph (b), clause (2), the virtual currency kiosk operator must transfer the full amount of the money and virtual currency being held for or owed to the new or existing customer to the customer's designated virtual currency wallet within 30 days of the date the customer submits the payout request.

(d) A payout to a new or existing customer must be recorded on the applicable blockchain. A virtual currency kiosk operator must retain proof that a transfer was made and must make retained proof available to the commissioner upon request.

Subd. 3. **Exception.** A virtual currency kiosk operator is not required to make a payout under subdivision 2 if the operator maintains, at all times, other lawful means for new and existing customers to access, transfer, redeem, or otherwise transact a customer's money or virtual currency that exists as a result of virtual currency kiosk transactions.

EFFECTIVE DATE. This section is effective August 1, 2026.

Sec. 3. **REPEALER.**

(a) Minnesota Statutes 2024, section 53B.75, subdivisions 1, 2, 3, and 5, are repealed.

(b) Minnesota Statutes 2024, sections 53B.69, subdivisions 3b and 3c; and 53B.75, subdivision 4, are repealed.

EFFECTIVE DATE. Paragraph (a) is effective August 1, 2026. Paragraph (b) is effective January 17, 2027."

Amend the title as follows:

Page 1, line 2, after the second semicolon, insert "providing for customer payouts;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill be placed on the General Register.

This Committee action taken March 18, 2026

...., Co-Chair

...., Co-Chair