

CHAPTER 341

FINANCIAL INSTITUTIONS

SENATE BILL 25-079

BY SENATOR(S) Rich and Roberts, Hinrichsen, Kipp;
also REPRESENTATIVE(S) Taggart and Jackson, Bacon, Joseph, Lieder, Mabrey, Paschal, Ricks, Rutinel.

AN ACT**CONCERNING THE "COLORADO VENDING OF DIGITAL ASSETS ACT".**

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** article 112 to title 11 as follows:

ARTICLE 112
Colorado Vending of Digital Assets

11-112-101. Short title. THE SHORT TITLE OF THIS ARTICLE 112 IS THE "COLORADO VENDING OF DIGITAL ASSETS ACT".

11-112-102. Definitions. AS USED IN THIS ARTICLE 112, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "BLOCKCHAIN TECHNOLOGY" HAS THE MEANING SET FORTH IN SECTION 24-36-121.5 (2)(a).

(2) (a) "NEW CUSTOMER" MEANS A CUSTOMER TRANSACTING AT A VIRTUAL CURRENCY KIOSK IN COLORADO WHO HAS BEEN A CUSTOMER OF AN OWNER OR OPERATOR OF A VIRTUAL CURRENCY KIOSK FOR LESS THAN SEVEN DAYS.

(b) SEVEN DAYS AFTER A CUSTOMER FIRST TRANSACTS WITH AN OWNER OR OPERATOR OF A VIRTUAL CURRENCY KIOSK, THE CUSTOMER IS CONSIDERED AN EXISTING CUSTOMER AND IS NOT SUBJECT TO THE NEW CUSTOMER TRANSACTION LIMIT DESCRIBED IN SECTION 11-112-103 (6).

(3) "TRANSACTION HASH" MEANS A UNIQUE IDENTIFIER MADE UP OF A STRING OF

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

CHARACTERS THAT ACTS AS A RECORD AND PROVIDES PROOF THAT A TRANSACTION WAS VERIFIED AND ADDED TO BLOCKCHAIN TECHNOLOGY.

(4) (a) "VIRTUAL CURRENCY" MEANS A TYPE OF DIGITAL UNIT THAT IS USED AS A MEDIUM OF EXCHANGE OR A FORM OF DIGITALLY STORED VALUE OR THAT IS INCORPORATED INTO PAYMENT SYSTEM TECHNOLOGY.

(b) "VIRTUAL CURRENCY" INCLUDES DIGITAL UNITS THAT:

(I) HAVE A CENTRALIZED REPOSITORY OR ADMINISTRATOR;

(II) ARE DECENTRALIZED AND HAVE NO CENTRALIZED REPOSITORY OR ADMINISTRATOR; OR

(III) MAY BE CREATED OR OBTAINED BY COMPUTING OR MANUFACTURING EFFORT.

(c) "VIRTUAL CURRENCY" DOES NOT INCLUDE DIGITAL UNITS THAT:

(I) ARE USED SOLELY WITHIN ONLINE GAMING PLATFORMS, WITH NO MARKET OR APPLICATION OUTSIDE THE GAMING PLATFORMS;

(II) ARE USED EXCLUSIVELY AS PART OF A CONSUMER AFFINITY OR REWARDS PROGRAM AND CAN BE APPLIED AS PAYMENT FOR PURCHASES WITH THE ISSUER OR OTHER DESIGNATED MERCHANTS BUT CANNOT BE CONVERTED INTO OR REDEEMED FOR FIAT CURRENCY; OR

(III) ARE USED AS PART OF A CONSUMER AFFINITY OR REWARDS PROGRAM OFFERED THROUGH AN INSTITUTION THAT IS INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR THE NATIONAL CREDIT UNION ADMINISTRATION.

(5) "VIRTUAL CURRENCY ADDRESS" MEANS AN ALPHANUMERIC IDENTIFIER REPRESENTING A DESTINATION FOR A VIRTUAL CURRENCY TRANSFER THAT IS ASSOCIATED WITH A VIRTUAL CURRENCY WALLET.

(6) "VIRTUAL CURRENCY KIOSK" MEANS AN ELECTRONIC TERMINAL ACTING AS A MECHANICAL AGENT OF THE OWNER OR OPERATOR TO ENABLE THE OWNER OR OPERATOR TO FACILITATE THE EXCHANGE OF VIRTUAL CURRENCY FOR OTHER VIRTUAL CURRENCY OR FIAT CURRENCY, INCLUDING BY:

(a) CONNECTING TO A SEPARATE VIRTUAL CURRENCY EXCHANGER THAT PERFORMS THE ACTUAL VIRTUAL CURRENCY TRANSMISSION; OR

(b) DRAWING UPON THE VIRTUAL CURRENCY IN THE POSSESSION OF THE OWNER OR OPERATOR OF THE ELECTRONIC TERMINAL.

(7) "VIRTUAL CURRENCY WALLET" MEANS A SOFTWARE APPLICATION OR OTHER MECHANISM PROVIDING A MEANS FOR HOLDING, STORING, AND TRANSFERRING VIRTUAL CURRENCY.

11-112-103. Virtual currency kiosks - disclosures - receipts - daily limit - cancellation and refund. (1) BEFORE ENTERING INTO A VIRTUAL CURRENCY

TRANSACTION FOR, ON BEHALF OF, OR WITH A CUSTOMER, THE OWNER OR OPERATOR OF A VIRTUAL CURRENCY KIOSK SHALL DISCLOSE TO THE CUSTOMER IN CLEAR AND CONSPICUOUS WRITING IN THE ENGLISH LANGUAGE ALL MATERIAL RISKS ASSOCIATED WITH VIRTUAL CURRENCY. THE DISCLOSURES MUST BE DISPLAYED ON THE SCREEN OF THE VIRTUAL CURRENCY KIOSK WITH THE ABILITY FOR A CUSTOMER TO ACKNOWLEDGE RECEIPT OF THE DISCLOSURES. THE DISCLOSURES MUST INCLUDE AT LEAST THE FOLLOWING STATEMENT:

WARNING: THIS TECHNOLOGY CAN BE USED TO DEFRAUD YOU. IF YOU HAVE BEEN DIRECTED TO THIS MACHINE BY SOMEONE CLAIMING TO BE A GOVERNMENT AGENT, BILL COLLECTOR, LAW ENFORCEMENT OFFICER, OR ANYONE YOU DO NOT KNOW PERSONALLY, STOP THIS TRANSACTION IMMEDIATELY AND CONTACT YOUR FINANCIAL ADVISOR AND LOCAL LAW ENFORCEMENT.

(2) WHEN OPENING AN ACCOUNT FOR A CUSTOMER, THE OWNER OR OPERATOR OF A VIRTUAL CURRENCY KIOSK SHALL DISCLOSE TO THE CUSTOMER IN CLEAR AND CONSPICUOUS WRITING IN THE ENGLISH LANGUAGE ALL RELEVANT TERMS AND CONDITIONS ASSOCIATED WITH THE PRODUCTS, SERVICES, AND ACTIVITIES OF THE OWNER OR OPERATOR AND VIRTUAL CURRENCY GENERALLY, INCLUDING THE FOLLOWING:

(a) THE CUSTOMER'S LIABILITY FOR UNAUTHORIZED VIRTUAL CURRENCY TRANSACTIONS;

(b) UNDER WHICH CIRCUMSTANCES THE OWNER OR OPERATOR WILL, ABSENT A COURT OR GOVERNMENT ORDER, DISCLOSE INFORMATION CONCERNING THE CUSTOMER'S ACCOUNT TO THIRD PARTIES;

(c) THE CUSTOMER'S RIGHT TO RECEIVE PERIODIC ACCOUNT STATEMENTS AND VALUATIONS FROM THE OWNER OR OPERATOR;

(d) THE CUSTOMER'S RIGHT TO RECEIVE A RECEIPT, A TRADE TICKET, OR OTHER EVIDENCE OF A VIRTUAL CURRENCY TRANSACTION; AND

(e) THE CUSTOMER'S RIGHT TO PRIOR NOTICE OF A CHANGE IN THE RULES OR POLICIES OF THE OWNER OR OPERATOR.

(3) PRIOR TO A TRANSACTION IN VIRTUAL CURRENCY FOR, ON BEHALF OF, OR WITH A CUSTOMER, THE OWNER OR OPERATOR OF A VIRTUAL CURRENCY KIOSK SHALL DISCLOSE TO THE CUSTOMER IN CLEAR AND CONSPICUOUS WRITING IN THE ENGLISH LANGUAGE THE TERMS AND CONDITIONS OF THE VIRTUAL CURRENCY TRANSACTION, INCLUDING THE FOLLOWING:

(a) THE AMOUNT OF THE TRANSACTION;

(b) THE FEES, EXPENSES, AND CHARGES BORNE BY THE CUSTOMER, INCLUDING APPLICABLE EXCHANGE RATES;

(c) THE TYPE AND NATURE OF THE TRANSACTION;

(d) A WARNING THAT, ONCE COMPLETED, THE TRANSACTION IS IRREVERSIBLE, IF APPLICABLE;

(e) THE DIFFERENCE IN THE VIRTUAL CURRENCY'S SALE PRICE VERSUS THE CURRENT MARKET PRICE; AND

(f) OTHER DISCLOSURES THAT ARE CUSTOMARILY GIVEN IN CONNECTION WITH A VIRTUAL CURRENCY TRANSACTION.

(4) THE OWNER OR OPERATOR OF A VIRTUAL CURRENCY KIOSK SHALL ENSURE THAT EACH CUSTOMER ACKNOWLEDGES RECEIPT OF ALL DISCLOSURES REQUIRED UNDER THIS SECTION.

(5) UPON THE COMPLETION OF A VIRTUAL CURRENCY TRANSACTION, THE OWNER OR OPERATOR OF A VIRTUAL CURRENCY KIOSK SHALL PROVIDE TO THE CUSTOMER AN ELECTRONIC RECEIPT CONTAINING THE FOLLOWING INFORMATION:

(a) THE NAME OF AND CONTACT INFORMATION FOR THE OWNER OR OPERATOR, INCLUDING A TELEPHONE NUMBER ESTABLISHED BY THE OWNER OR OPERATOR TO ANSWER QUESTIONS AND REGISTER COMPLAINTS;

(b) THE TYPE, VALUE, DATE, AND PRECISE TIME OF THE VIRTUAL CURRENCY TRANSACTION, THE TRANSACTION HASH, AND EACH VIRTUAL CURRENCY ADDRESS;

(c) THE FEE CHARGED;

(d) THE EXCHANGE RATE, IF APPLICABLE;

(e) A STATEMENT OF THE LIABILITY OF THE OWNER OR OPERATOR FOR NONDELIVERY OR DELAYED DELIVERY OF THE CURRENCY FOR WHICH THE CUSTOMER EXCHANGED VIRTUAL CURRENCY; AND

(f) A STATEMENT OF THE REFUND POLICY OF THE OWNER OR OPERATOR.

(6) (a) FOR A NEW CUSTOMER, THE MAXIMUM DAILY TRANSACTION LIMIT OF A VIRTUAL CURRENCY KIOSK IS TWO THOUSAND DOLLARS PER CUSTOMER.

(b) FOR AN EXISTING CUSTOMER, THE MAXIMUM DAILY TRANSACTION LIMIT OF A VIRTUAL CURRENCY KIOSK IS TEN THOUSAND FIVE HUNDRED DOLLARS PER CUSTOMER.

(7) (a) THE OWNER OR OPERATOR OF A VIRTUAL CURRENCY KIOSK SHALL, AT THE EXPENSE OF THE OWNER OR OPERATOR, ALLOW A CUSTOMER TO CANCEL AND RECEIVE A FULL REFUND FOR A VIRTUAL CURRENCY TRANSACTION IF:

(I) THE VIRTUAL CURRENCY TRANSACTION WAS THE CUSTOMER'S FIRST VIRTUAL CURRENCY TRANSACTION;

(II) THE VIRTUAL CURRENCY TRANSACTION WAS TO A VIRTUAL CURRENCY WALLET OR EXCHANGE LOCATED OUTSIDE OF THE UNITED STATES; AND

(III) WITHIN SIXTY DAYS AFTER THE VIRTUAL CURRENCY TRANSACTION, THE CUSTOMER CONTACTS THE OWNER OR OPERATOR OF THE VIRTUAL CURRENCY KIOSK AND A GOVERNMENT OR LAW ENFORCEMENT ENTITY REGARDING THE FRAUDULENT NATURE OF THE TRANSACTION AND SUBMITS PROOF OF THE FRAUD, SUCH AS A POLICE REPORT OR NOTARIZED DECLARATION DETAILING THE FRAUDULENT NATURE OF THE VIRTUAL CURRENCY TRANSACTION.

(b) IF THE CONDITIONS OF SUBSECTION (7)(a) OF THIS SECTION ARE MET, THE OWNER OR OPERATOR SHALL ISSUE A FULL REFUND WITHIN SEVENTY-TWO HOURS AFTER BEING NOTIFIED THAT THE VIRTUAL CURRENCY TRANSACTION WAS FRAUDULENT.

SECTION 2. Act subject to petition - effective date. This act takes effect January 1, 2026; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: June 2, 2025