

CS/SB 662 – Virtual Currency Kiosk Businesses

This bill creates multiple statutes. It creates s. 560.03, F.S., stating the requirements “to apply to be registered as a virtual currency kiosk business...” and also creates s. 560.02, F.S., stating that “a virtual currency kiosk business in this state may not operate without first registering, or renewing its registration, in accordance with s. 560.503, F.S.” Furthermore, an **unranked, 3rd degree felony (Level 1 by default)** is added for when, “unless licensed as a money services business pursuant to part II of this chapter, an entity...operates or solicits business as a virtual currency kiosk business without first being registered with the office or without maintaining its registration.” An additional **unranked, 3rd degree felony (Level 1 by default)** is created for “a person who registers or attempts to register as a virtual currency kiosk business by means of fraud, misrepresentation, or concealment.”

This bill also creates s. 560.04, F.S., stating the “disclosures or attestations required...” to be “displayed by a virtual currency kiosk.” It also creates s. 560.06, F.S., adding an **unranked, 3rd degree felony (Level 1 by default)** for when “an owner-operator of a virtual currency kiosk...violates s. 560.504, F.S.” It also adds a **2nd degree misdemeanor** for other violations, including “operating a virtual currency kiosk under any name other than that designated in the registration, unless written notification is given to the office...assigning or attempting to assign a virtual currency kiosk business registration issued...” and “...operating a virtual currency kiosk without using the required blockchain analytics.”

Per Office of Financial Regulation, there are currently 26 known owner-operators for kiosks in the state of Florida, but there is potentially a larger number not known to them, which this bill is seeking to resolve. With that understanding, it is not known what the pool of potential offenders will be once this statutory language goes into effect.

In FY 22-23, the incarceration rate for a Level 1, 3rd degree felony was 9.5%.

CONFERENCE ADOPTED ESTIMATE: Positive Indeterminate

Requested by: Senate