

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 25-0363.01 Clare Haffner x6137

SENATE BILL 25-079

SENATE SPONSORSHIP

Rich and Roberts, Kipp

HOUSE SPONSORSHIP

Taggart and Jackson,

Senate Committees
Judiciary

House Committees
Finance

A BILL FOR AN ACT

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

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill enacts the "Colorado Vending of Digital Assets Act", which requires an owner or operator of a virtual currency kiosk to:

- Provide certain disclosures to customers of the virtual currency kiosk;
- Provide each customer with a printed and an electronic receipt detailing the customer's virtual currency transaction; and
- Fully refund a customer's first virtual currency transaction

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

HOUSE
Amended 2nd Reading
April 23, 2025

SENATE
3rd Reading Unamended
February 28, 2025

SENATE
Amended 2nd Reading
February 27, 2025

if the virtual currency transaction is to a virtual currency wallet or exchange located outside of the United States and is determined by law enforcement to be fraudulent.

The bill establishes a daily transaction limit of \$1,000 for a customer of a virtual currency kiosk.

The bill defines "virtual currency" as 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. "Virtual currency kiosk" is defined as 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.

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

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

4 **ARTICLE 112**

5 **Colorado Vending of Digital Assets**

6 **11-112-101. Short title.** THE SHORT TITLE OF THIS ARTICLE 112 IS
7 THE "COLORADO VENDING OF DIGITAL ASSETS ACT".

8 **11-112-102. Definitions.** AS USED IN THIS ARTICLE 112, UNLESS
9 THE CONTEXT OTHERWISE REQUIRES:

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

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

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

1 (3) "TRANSACTION HASH" MEANS A UNIQUE IDENTIFIER MADE UP
2 OF A STRING OF CHARACTERS THAT ACTS AS A RECORD AND PROVIDES
3 PROOF THAT A TRANSACTION WAS VERIFIED AND ADDED TO BLOCKCHAIN
4 TECHNOLOGY.

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

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

10 (I) HAVE A CENTRALIZED REPOSITORY OR ADMINISTRATOR;

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

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

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

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

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

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

26 (5) "VIRTUAL CURRENCY ADDRESS" MEANS AN ALPHANUMERIC
27 IDENTIFIER REPRESENTING A DESTINATION FOR A VIRTUAL CURRENCY

1 TRANSFER THAT IS ASSOCIATED WITH A VIRTUAL CURRENCY WALLET.

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

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

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

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

14 **11-112-103. Virtual currency kiosks - disclosures - receipts -**
15 **daily limit - cancellation and refund.** (1) BEFORE ENTERING INTO A
16 VIRTUAL CURRENCY TRANSACTION FOR, ON BEHALF OF, OR WITH A
17 CUSTOMER, THE OWNER OR OPERATOR OF A VIRTUAL CURRENCY KIOSK
18 SHALL DISCLOSE TO THE CUSTOMER IN CLEAR AND CONSPICUOUS WRITING
19 IN THE ENGLISH LANGUAGE ALL MATERIAL RISKS ASSOCIATED WITH
20 VIRTUAL CURRENCY. THE DISCLOSURES MUST BE DISPLAYED ON THE
21 SCREEN OF THE VIRTUAL CURRENCY KIOSK WITH THE ABILITY FOR A
22 CUSTOMER TO ACKNOWLEDGE RECEIPT OF THE DISCLOSURES. THE
23 DISCLOSURES MUST INCLUDE AT LEAST THE FOLLOWING STATEMENT:

24 **WARNING: THIS TECHNOLOGY CAN BE USED TO**
25 **DEFRAUD YOU. IF YOU HAVE BEEN DIRECTED TO THIS**
26 **MACHINE BY SOMEONE CLAIMING TO BE A GOVERNMENT**
27 **AGENT, BILL COLLECTOR, LAW ENFORCEMENT OFFICER,**

1 **OR ANYONE YOU DO NOT KNOW PERSONALLY, STOP THIS**
2 **TRANSACTION IMMEDIATELY AND CONTACT YOUR**
3 **FINANCIAL ADVISOR AND LOCAL LAW ENFORCEMENT.**

4 ==

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

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

13 ==

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

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

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

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

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

1 FOLLOWING:

2 (a) THE AMOUNT OF THE TRANSACTION;

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

5 (c) THE TYPE AND NATURE OF THE TRANSACTION;

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

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

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

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

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

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

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

25 (c) THE FEE CHARGED;

26 (d) THE EXCHANGE RATE, IF APPLICABLE;

27 (e) A STATEMENT OF THE LIABILITY OF THE OWNER OR OPERATOR

1 FOR NONDELIVERY OR DELAYED DELIVERY OF THE CURRENCY FOR WHICH
2 THE CUSTOMER EXCHANGED VIRTUAL CURRENCY; AND

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

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

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

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

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

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

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

27 (b) IF THE CONDITIONS OF SUBSECTION (7)(a) OF THIS SECTION ARE

1 MET, THE OWNER OR OPERATOR SHALL ISSUE A FULL REFUND WITHIN
2 SEVENTY-TWO HOURS AFTER BEING NOTIFIED THAT THE VIRTUAL
3 CURRENCY TRANSACTION WAS FRAUDULENT.

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