



Glenn "Chip" Curry
Senator, District 11

THE MAINE SENATE
132nd Legislature

3 State House Station
Augusta, Maine 04333

Testimony of Senator Chip Curry introducing
LD 1339, "An Act to Regulate Virtual Currency Kiosks"
Before the Joint Standing Committee on Health Coverage, Insurance and Financial Services
April 17, 2025

Senator Bailey, Representative Mathieson, and distinguished members of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, my name is Chip Curry. I represent Senate District 11, which encompasses all 26 rural, coastal, and island communities of Waldo County. Thank you for the opportunity to present LD 1339, "An Act to Regulate Virtual Currency Kiosks."

This bill addresses an emerging and largely unregulated corner of the financial marketplace that has become an unfortunate new front in consumer fraud, one that especially targets seniors and individuals unfamiliar with cryptocurrency.

This issue was first brought to my attention by a constituent who, unfortunately, experienced firsthand how these machines can be used to exploit people. After hearing their concerns, I contacted the Maine Bureau of Consumer Credit Protection to learn more. The Bureau confirmed the trend and, in response, developed the policy framework you see in LD 1339, which I am proud to sponsor on their behalf.

A virtual currency kiosk is a stand-alone machine, often placed in gas stations or convenience stores, that enables someone to insert cash and receive cryptocurrency like Bitcoin. They operate a bit like an ATM, but with a critical difference: these machines don't just dispense cash — they convert it into a digital asset and send it to a digital wallet, often with steep fees and little oversight.

This is not how most investors or everyday users manage their cryptocurrency. Just as someone investing in the stock market would use a full-service brokerage like Charles Schwab or a regulated trading platform like Fidelity or Robinhood, those buying cryptocurrency typically use established digital exchanges that are subject to oversight and offer some level of consumer accountability. Virtual currency kiosks, on the other hand, occupy a much murkier space. They aren't mainstream tools of innovation. More often, they've become tools for exploitation.

The Bureau of Consumer Credit Protection has seen a disturbing rise in scams in which bad actors, posing as tech support, IRS agents, or even family members, coerce victims into using these kiosks to send money. The process is fast, opaque, and nearly impossible to reverse. Once the money is gone, it's gone.



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LD 1339 proposes a straightforward set of guardrails:

- It requires virtual currency kiosk operators to be licensed as money transmitters.
- It caps daily transactions at \$1,000 per customer and limits fees to \$5 or 3%, whichever is greater.
- It ensures that users receive receipts with critical information like transaction details and exchange rates.
- It also gives victims a path to request a refund if they can show that the transaction was part of a documented scam.

It also ensures that kiosk operators tell the truth up front — disclosing the risks, the fees, and the fact that cryptocurrency is volatile and transactions often irreversible.

These are basic protections. They won't solve every scam, but they will make it harder for bad actors to harm vulnerable Mainers. It also sends a clear message that we take consumer protection seriously in Maine.

The Bureau will be able to walk through the technical elements of the bill in more detail and answer any specific questions the Committee may have. I'm grateful to them for their work and to this committee for your attention to this issue.

Sincerely,

Chip Curry

State Senator, District 11

Representing the twenty-six rural, coastal, and island communities of Waldo County