



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB3765

Introduced 2/9/2024, by Sen. Laura Ellman

SYNOPSIS AS INTRODUCED:

103SB3666, Art. 25 heading new
103SB3666, 25-1 new
103SB3666, 25-5 new
103SB3666, 25-10 new
103SB3666, 25-15 new
103SB3666, 25-20 new
103SB3666, 25-25 new
103SB3666, 25-30 new

If and only if Senate Bill 3666 of the 103rd General Assembly becomes law, amends the Digital Assets Regulation Act. Provides that an operator shall not accept or dispense more than \$1,000 or equivalent monetary value in a day from or to a customer via a digital asset kiosk. Sets forth provisions concerning customer disclosures, reporting physical addresses, and implementation of the provisions. Effective immediately or on the date Senate Bill 3666 of the 103rd General Assembly takes effect, whichever is later.

LRB103 39023 RTM 69160 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. If and only if Senate Bill 3666 of the 103rd
5 General Assembly becomes law, then the Digital Assets
6 Regulation Act is amended by adding Article 25 as follows:

7 (103SB3666, Art. 25 heading new)

8 ARTICLE 25. Digital Asset Kiosks

9 (103SB3666, 25-1 new)

10 Sec. 25-1. References to Article. This Article may be
11 referred to as the Digital Asset Kiosks Law.

12 (103SB3666, 25-5 new)

13 Sec. 25-5. Definitions. As used in this Article:

14 "Charges" means:

15 (1) fees or expenses paid by the customer; and

16 (2) the difference between the market price of the
17 digital asset and the price of the digital asset charged
18 to the customer.

19 "Digital asset kiosk" means an automated teller machine
20 that facilitates the buying, selling, or exchanging of digital
21 assets for fiat currency or other digital assets.

1 "Registered digital asset exchange" means a digital asset
2 exchange that is registered in this State pursuant to the
3 Digital Assets Regulation Act and that is neither an operator
4 nor controlled by the operator involved in a digital asset
5 kiosk transaction.

6 "Operator" means a person who owns, operates, or manages a
7 digital asset kiosk located in this State.

8 "Market price of the digital asset" means the current
9 market price of a particular digital asset publicly quoted on
10 a registered digital asset exchange for a particular time
11 specified in this Article, subject to any rules adopted by the
12 Department.

13 (103SB3666, 25-10 new)

14 Sec. 25-10. Daily transaction limit. An operator shall not
15 accept or dispense more than \$1,000 or equivalent monetary
16 value in a day from or to a customer via a digital asset kiosk.

17 (103SB3666, 25-15 new)

18 Sec. 25-15. Customer charges limit. An operator may not
19 directly or indirectly collect charges from a customer related
20 to a single digital asset kiosk transaction that exceeds the
21 greater of the following:

22 (1) \$5; or

23 (2) 15% of digital assets involved in the transaction
24 according to the market price of the digital asset at the

1 time the customer initiates the transaction.

2 (103SB3666, 25-20 new)

3 Sec. 25-20. Customer disclosures.

4 (a)(1) Before engaging in each digital asset kiosk
5 transaction with a customer, an operator shall provide a
6 written disclosure, in English and in the same language
7 principally used by the operator to advertise, solicit, or
8 negotiate with a customer, containing the terms and conditions
9 of the transaction that include, at a minimum, all of the
10 following:

11 (A) The amount of the digital assets involved in the
12 transaction.

13 (B) The amount, in United States dollars, of any
14 charges collected by the operator.

15 (C) The United States dollar price of the digital
16 assets that is charged to the customer and the United
17 States dollar market price of the digital assets.

18 (D) If an operator does not provide a method to
19 reverse or refund a transaction, a warning written
20 prominently in bold type stating the following: "Warning:
21 Losses due to fraudulent or accidental transactions may
22 not be recoverable and transactions are irreversible."

23 (2) The disclosures required by this subsection shall be
24 clear and conspicuous and provided separately from any other
25 disclosure provided by the operator.

1 (b) An operator shall provide a customer with a receipt
2 for any transaction made at the operator's digital asset kiosk
3 that includes all of the following information:

4 (1) The name of the customer.

5 (2) The date and time of the transaction.

6 (3) The name and contact information of the operator.

7 (4) The amount of the digital assets involved in the
8 transaction.

9 (5) The amount of United States dollars or other fiat
10 currency involved in the transaction.

11 (6) The amount, in United States dollars, of any
12 charges collected by the operator in relation to the
13 transaction.

14 (7) The amount, in United States dollars, of any
15 spread between the United States dollar price of the
16 digital asset that is charged to the customer and the
17 United States dollar market price of the digital asset.

18 (8) The name of the registered digital asset exchange
19 that the operator used to calculate the spread described
20 in paragraph (7).

21 (103SB3666, 25-25 new)

22 Sec. 25-25. Reporting physical addresses.

23 (a) An operator shall provide to the Department a list of
24 all physical addresses of digital asset kiosks that the
25 operator owns, operates, or manages in this State, in a form

1 prescribed by the Department.

2 (b) An operator shall provide the Department with updates
3 to the list required by subsection (a) of this Section within
4 30 days of any changes in a form prescribed by the Department.

5 (c) The Department shall make the list required by
6 subsection (a) of this Section and contact information of each
7 operator available to the public on the Department's website.

8 (103SB3666, 25-30 new)

9 Sec. 25-30. Implementation.

10 (a) An operator shall comply with the Digital Assets
11 Regulation Act to the extent that the operator engages in
12 digital asset business activity.

13 (b) If an operator does not engage in digital asset
14 business activity but allows or facilitates another person to
15 engage in digital asset business activity via a digital asset
16 kiosk that is owned, operated, or managed by the operator, the
17 operator shall do all of the following:

18 (1) On or after July 1, 2026, ensure that the person
19 engaging in the digital asset business activity via the
20 digital asset kiosk is registered pursuant to the Digital
21 Assets Regulation Act or otherwise exempt from
22 registration.

23 (2) Ensure that any charges collected from a customer,
24 whether collected by the operator, a person engaging in
25 digital asset business activity via the digital asset

1 kiosk, or both, comply with the limits provided by Section
2 25-15.

3 (3) Comply with all other provisions of this Article.

4 (c) In addition to the fees and charges collected under
5 Section 1-20 of the Digital Assets Regulation Act, the
6 Department shall charge and collect fees from operators, which
7 shall be nonrefundable unless otherwise indicated, as follows:

8 (1) Each operator shall pay \$150 for each hour or part
9 thereof for each examiner or staff assigned to the
10 supervision of such operator plus actual travel costs for
11 any examination of digital asset kiosk activity pursuant
12 to this Article.

13 (2) On or after January 1, 2026, each operator shall
14 pay an annual registration fee to the Department of
15 \$35,000 for each digital asset kiosk located in this
16 State.

17 (3) Beginning one year after the effective date of
18 this Article, the Department may, by rule, amend the fees
19 set forth in this subsection in accordance with the
20 Digital Assets Regulation Act.

21 All moneys collected or received by the Department under
22 this Article shall be deposited into the Consumer Protection
23 Fund pursuant to Section 1-20 of the Digital Assets Regulation
24 Act.

25 (d) On or after January 1, 2026, a violation of this
26 Article is enforceable as a violation of Article 5 of the

1 Digital Assets Regulation Act.

2 Section 99. Effective date. This Act takes effect upon
3 becoming law or on the date Senate Bill 3666 of the 103rd
4 General Assembly takes effect, whichever is later.