

Senator Tracy Pennycuick
Chair, Communications and Technology
Pennsylvania General Assembly
Capitol Building
Harrisburg, PA 17120

2870 Peachtree Rd. NW, #327
Atlanta, GA 30305
www.bitcoindepot.com

April 7, 2026

Chair Pennycuick and honorable members of the Senate Communications and Technology Committee:

Thank you for the opportunity to provide our position on SB 1015, regulating virtual currency kiosks. We support this legislation—including requirements on licensing, risk disclosures, and blockchain analytics.

Virtual currency kiosks grant customers the ability to convert cash directly into crypto. Our customers value this service for the same reason that consumers have long valued cash conversion services. And as the cryptoeconomy grows, the ability to convert cash directly to crypto will prove to be all the more valuable.

Our goal is to establish "rules for the road" that protect Pennsylvanians without stifling legitimate commerce. As evidence of our commitment to safety, on February 24, 2026, Bitcoin Depot became the first major operator in the industry to roll out a Per-Transaction ID Verification policy. While traditional financial institutions often rely on a single "onboarding" event, our new compliance enhancement requires identification for every single transaction at our kiosks. By moving to this "continuous verification" model, we have implemented a level of granular, real-time oversight that far exceeds the current standards of banks, payment apps, gift cards, and wire transfers.

We know a balanced approach is possible because we have helped build it in other states. In Ohio, for example, we worked directly with AARP Ohio to craft legislation that received support from both industry stakeholders and consumer advocates—the only bill in the nation to achieve such a consensus. As AARP Ohio noted, that legislation adds "critical guardrails" that stop fraud in its tracks while putting consumer safety first. Similarly, in Wyoming, we collaborated on a bill focused on robust licensure that AARP also supported. We believe we can achieve the same "win-win" outcome for the people of Pennsylvania.

It is also essential to combat the narrative that fraud is uniquely rampant in the kiosk industry. According to FBI data, the vast majority of cryptocurrency-related fraud occurs on centralized online exchanges, while wire fraud, payment apps, and gift card scams remain the primary vehicles for criminal syndicates. When a criminal utilizes VoIP services to spoof a caller ID and manipulates a victim into a state of panic, shifting 100% of the liability to kiosks ignores the critical roles played by telecommunications providers, the banking institutions that allow the

initial funding of these scams, and the data brokers who sell the personal information used to target victims.

In reality, kiosks represent a tiny fraction of the problem, and our proposed safeguards have a proven track record. A Sheriff in Wisconsin recently highlighted that mandatory warning signs alone can reduce crypto scams by 90% and noted that law enforcement can "follow the money very quickly" to recover funds. We are proactive partners with authorities and routinely work to connect local law enforcement with services that can help educate and assist them on how to investigate cryptocurrency-related scams.

Thank you for your consideration and for the opportunity to share our perspective.

Sincerely,



Christopher Edwards
Assistant General Counsel, Bitcoin Depot
Christopher.Edwards@bitcoindepot.com