

March 24, 2026

Re: Letter of Support

Dear Chair, Vice-Chair, and Members of the Committee,

The Office of Financial Regulation (OFR) is Maryland's consumer financial protection agency. OFR provides this testimony in support of Senate Bill 741, Financial Institutions and Activities - Virtual Currency Kiosks - Alterations.

Key Provisions

- **Registration Clarification:** Confirms that *both* the owner of a virtual currency kiosk and the operator of the software must register with OFR under Financial Institutions 12-1201 et seq., thereby ensuring that businesses that actually provide services through kiosks must register.
- **Service Distinction:** Clarifies that these kiosks are *not* ATMs and prohibits operators from providing services identical to those of an ATM.

Impact

OFR is actively implementing the requirements established by 2025 SB 305 (Ch. 117), which affirmed the Office's authority to regulate these entities. OFR has already registered over 650 kiosks statewide and are working to ensure all relevant entities comply with existing requirements.

The modifications proposed in SB 741 directly address feedback from entities that mistakenly believed they were exempt from registration following last year's bill. By confirming which entities must register, this bill strengthens OFR's ability to:

- Ensure the responsible use of virtual currencies.
- Safeguard Maryland residents from potential fraud and abuse.

Conclusion

Because Senate Bill 741 clarifies the law for businesses and enhances consumer protection, the Office of Financial Regulation urges the Committee to issue a **favorable report**.