

Cryptocurrency ATMs

FACT SHEET FOR LAW ENFORCEMENT

Nebraska's Cryptocurrency ATM Law

Through a new law, Nebraska's Controllable Electronic Record Fraud Prevention Act, located at Neb. Rev. Stat. §§ 8-3032 to 8-3042, the Nebraska Department of Banking and Finance (the "Department") is responsible for the regulation of cryptocurrency kiosks, also known as "crypto ATMs." This law includes several consumer protection provisions that the owners and operators of the crypto ATM machines must follow. This handout is designed to provide information to law enforcement regarding this new law, the relevant provisions, and when to refer matters to the Department.

Consumer Protection Provisions

- Licensure of crypto ATM companies
- Fee caps and transaction limits
- Disclosure and receipt requirements
- Refunds to defrauded consumers

Refund Provision

To be eligible for a refund, a consumer **MUST** report the fraudulently induced transaction to law enforcement or the Department **AND** to the crypto ATM operator within 30 days of the transaction. New customers may be eligible for a full refund of the principal and any transaction fees, while existing customers may be eligible for a refund of the transaction fees.

Referrals to the Department

As the Department is responsible for licensing the crypto ATM operators and is in the best position to assist defrauded consumers in pursuing a refund under the law, all crypto ATM-related reports should also be referred to the Department for review.

Any referrals to the Department should include as much transaction information as possible. Often, receipts from a transaction at a crypto ATM will have a variety of useful information that will help the Department initiate our investigation, so those should be included with referrals, where they are available. Our complaints portal can be accessed online at: <https://ndbf.nebraska.gov/consumers/complaints>. Additionally, the Department may be contacted via email at dob.complaints@nebraska.gov or via phone at 402-471-2171.

More information on this new law can be located on the Department's website at: <https://ndbf.nebraska.gov/industries/crypto-atms>.

Cryptocurrency ATM Victim Remediation Diagram

