

FAQs: Nebraska's Cryptocurrency ATM Law

Cryptocurrency kiosks – or crypto ATMs – offer a legitimate way to buy cryptocurrency, but they have also become a favored tool of scammers. Nebraska is fighting back against fraudsters who abuse this technology.

In early 2025, the Nebraska Legislature passed, and Governor Jim Pillen signed, the bipartisan Controllable Electronic Record Fraud Prevention Act (LB 609).

The new law gives the Nebraska Department of Banking and Finance (“Department”) along with law enforcement officials new tools to fight theft committed with the use of crypto kiosks. LB 609 is effective September 2, 2025.

Because the Department is the agency responsible for enforcing the Nebraska Money Transmitters Act, LB 609 tasks the Department with the licensing and supervision of crypto ATM operations.

Below are some frequently asked questions regarding Nebraska's cryptocurrency ATM requirements under LB 609.

What is LB 609 and what does it do?

LB609 is designed to help protect Nebraskans against fraud schemes that are carried out using crypto ATMs. Among other things, this law requires crypto ATM operators to:

- Obtain a license issued by the Department;
- Register the location of each crypto ATM;
- Limit the transactions that can be conducted by a person in a single day;
- Provide specific disclosures to customers;
- Ensure that relevant information is included on transaction receipts;
- Abide by a cap on fees charged per transaction; and
- Issue refunds to consumers who meet certain conditions.

What is a crypto ATM? How is it different than a traditional ATM?

While a crypto ATM may look like a traditional bank ATM, they offer very different services. You may even see crypto ATMs in locations where traditional ATMs are located, such as gas stations, convenience stores, or retail locations. Sometimes, the only way to tell the difference is by checking for a name on the machine or by interacting with it to see what services it offers.

A traditional ATM is established by a bank or credit union, and will have the name of that financial institution on the machine. These machines offer services to account holders of that institution, as well as customers of other institutions that operate on the same ATM network – allowing consumers to access their account for activities such as withdrawing funds from a checking or savings account.

Meanwhile, a crypto ATM allows consumers to deposit cash or transfer funds to purchase cryptocurrency and send it to a digital wallet. These machines will not have the name of a bank or credit union on them since they are operated by different types of companies.

What kind of license is required by a crypto ATM operator?

LB 609 requires crypto ATM operators doing business in Nebraska to obtain a money transmitters license. To obtain and maintain this license, a company must provide evidence that they have the business experience, competence, character, and general fitness necessary to operate a licensed and supervised institution that works with a consumer's money. Licensing oversight is just one tool available under this new law.

How can I check if an operator has a license?

There are multiple ways to check if a crypto ATM operator is licensed to do business in Nebraska, including:

- Check NMLS Consumer Access (nmlsconsumeraccess.org), which can be used to search names of operators to see if they are licensed and if disciplinary action has been taken against them in the past.
- Contact the Department to check if a crypto ATM company is licensed in Nebraska or to verify that a crypto ATM location has been registered. Call the Department at 402-471-2171 or send an email to dob.complaints@nebraska.gov. In the future, the Department will also publish lists of licensed operators and registered crypto ATM locations at ndbf.nebraska.gov/money-transmitters.

How does this law help protect consumers from fraud?

Under this law, crypto ATMs must follow certain requirements, including:

- Establishing daily transaction limits of \$2,000 for new customers and \$10,500 for existing customers.
- Providing various disclosures and warnings to consumers to help identify fraud.
- Giving detailed receipts for each transaction a customer makes on a crypto ATM.
- Limiting fees charged to the consumer to 18% of the value of the total transaction.
- Offering live customer support and methods for contacting law enforcement and the Department.

How do the refund provisions in this law work?

One of the most important provisions of the new legislation is a requirement that crypto ATM operators offer refunds to customers who are victims of crypto ATM-related fraud.

To qualify for a refund, **a customer must contact the crypto ATM operator and either law enforcement or the Department within 30 days of the fraudulent transaction.**

Because the Department is the primary regulator for crypto ATM operators, consumers are strongly encouraged to reach out to the Department directly if they believe they are a victim of fraud involving a crypto ATM.

How do I report if I was the victim of a fraud involving a crypto ATM?

If you were fraudulently induced to send money to a scammer using a crypto ATM, it is extremely important that you **report it immediately**.

The Department can be reached at 402-471-2171, or dob.complaints@nebraska.gov, or through its online complaint portal at ndbf.nebraska.gov/consumers/complaints. Local law enforcement should also be contacted.

What kind of refund are victims of fraud entitled to under this new law?

The amount required to be refunded to someone who is a victim of crypto ATM-related fraud depends on whether the victim had made previous transactions with the crypto ATM operator before – and how long ago that transaction occurred.

For a new customer, or someone who has never made a transaction with that specific crypto ATM operator – and is within a 14-day period after the customer’s first transaction with that specific crypto ATM operator – a full refund of the transaction amount and all fees is required under LB 609.

For an existing customer – or someone who made a previous transaction with that specific crypto ATM operator more than 14 days ago – the refund is limited to only the fees charged for the transaction and does not include the amount of the transaction.

What information should I include in my report when I request a refund due to fraud?

Include the following information in the report:

- The contact information for the victim;
- A description of the fraud that took place;
- Amount of the transaction(s);
- Name of the crypto ATM operator;
- Location of the crypto ATM involved; and
- Any details you can provide regarding the fraudster, such as emails and phone numbers.

Remember, there is a strict deadline to request a refund – the request must be made to the crypto ATM operator **and** either law enforcement or the Department within 30 days of the fraudulent transaction. If you are unable to find contact information for the crypto ATM operator, reach out to the Department as soon as possible so staff can assist you in locating this information.

Under the new law, crypto ATM operators must provide customers with a detailed receipt for each transaction they make. Much of the information that is required to be on this receipt will be Important in obtaining a refund, so a copy of the receipt should be provided to the Department along with your report or complaint form. **It is extremely important that you keep your transaction receipt.** If someone coaches you or tells you that you must throw it away, this is a red flag that you may be involved in a fraudulent scheme.

After you file a complaint or contact the Department to make this report, Department staff may reach out to you for additional details.

The Department has also developed a site solely for aiding consumers and providing education and information regarding personal finance, protecting against fraud, and overall financial literacy. This initiative, called “Make Cents Make Sense,” is available at MakeCentsMakeSense.Nebraska.gov. More on LB 609, along with other fraud prevention information, is available on this site.