

Honolulu, Hawaii

**FEB 12** , 2026

RE: H.B. No. 1642  
H.D. 1

Honorable Nadine K. Nakamura  
Speaker, House of Representatives  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Madame:

Your Committee on Consumer Protection & Commerce, to which  
was referred H.B. No. 1642 entitled:

"A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION,"

begs leave to report as follows:

The purpose of this measure is to prohibit, beginning October  
1, 2026, the ownership, operation, or management in the State of a  
digital financial asset transaction kiosk that accepts United  
States currency from a customer in exchange for a digital  
financial asset.

Your Committee received testimony in support of this measure  
from the Department of Commerce and Consumer Affairs. Your  
Committee received testimony in opposition to this measure from  
CoinFlip; Bitcoin Depot; America Digital Inc. d/b/a American  
Bitcoin; and Hilt Ventures, LLC. Your Committee received comments  
on this measure from AARP Hawai'i.

Your Committee finds that digital financial asset transaction  
kiosks - colloquially known as cryptoATMs - are a type of  
electronic kiosk where customers can buy and sell digital  
financial assets, or cryptocurrencies, using cash or credit cards.  
These kiosks provide an accessible, physical entry point for  
persons to invest in digital financial assets (digital currencies)



with cash and without the need of a complex online exchange account.

However, your Committee further finds that these kiosks are increasingly being used in scams targeting older adults. In these scams, victims are convinced to use the kiosks to transfer cryptocurrencies to a wallet address controlled by the scammer. Investigations from the attorneys general for the District of Columbia and Iowa have determined that more than ninety-three percent of transactions at kiosks they investigated were scam transactions.

Since consumers have other means of participating in the digital financial asset market, your Committee believes it is appropriate to completely ban purchases of digital financial assets through these kiosks. Your Committee notes that this measure only prohibits the acceptance of United States currency from a customer in exchange for digital financial assets through these kiosks; this measure does not affect the ability to exchange digital financial assets for other types of digital financial assets or ability to sell digital financial assets for United States currency through these kiosks.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1642, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1642, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.



Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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SCOT Z. MATAYOSHI, Chair



