

Honolulu, Hawaii

MAR 30 , 2026

RE: S.B. No. 2387
S.D. 1
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 S.B. No. 2387, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO DIGITAL FINANCIAL ASSET
TRANSACTION KIOSKS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a daily and monthly limit on the dollar volume
a customer may transact on a digital financial asset
transaction kiosk; and
- (2) Imposes various requirements on operators of digital
financial asset transaction kiosks, including the
implementation of fraud detection measures, the
disclosure of certain information, and the provision of
receipts.

Your Committee received testimony in support of this measure
from the Department of Commerce and Consumer Affairs; Hawai'i State
Council on Developmental Disabilities; Department of the
Prosecuting Attorney of the City and County of Honolulu;
Department of the Prosecuting Attorney of the County of Maui; AARP
Hawai'i; Hawai'i Family Caregiver Coalition; Holomua Collaborative;



Hawaii Bankers Association; Hawaii Credit Union League; and numerous individuals. Your Committee received comments on this measure from Hilt Ventures and CoinFlip.

Your Committee finds that a digital financial asset transaction kiosk is a type of electronic kiosk where customers can buy and sell digital financial assets, or cryptocurrencies, using cash or credit cards. While the operators of these kiosks are not subject to any oversight or regulation in their business practices by the State, federal law does require operators to comply with laws designed to combat money laundering and terrorist financing. Yet, consumers have no protections designed to protect their financial interests when transacting at these kiosks.

Your Committee further finds that these kiosks are also increasingly being used in scams targeting older adults. In these scams, victims are tricked into using the kiosks to purchase cryptocurrencies using cash or a credit card and then transfer the cryptocurrencies to a wallet address controlled by the scammer. This measure implements various actions to protect consumers from unscrupulous actors.

Your Committee has amended this measure by:

- (1) Prohibiting digital financial asset transaction kiosks from:
 - (A) Accepting United States currency by cash, credit card, or any other means, from a new customer in exchange for digital financial assets;
 - (B) Allowing any two customers to conduct transactions with the same digital financial asset wallet address; and
 - (C) Beginning January 1, 2030, accepting United States currency by cash, credit card, or any other means, from any customer in exchange for a digital financial asset;
- (2) Requiring disclosures to be provided in plain language and designed to be accessible to individuals with access and functional needs consistent with Act 172, Session Laws of Hawaii 2022;



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

Your Committee respectfully requests your Committee on Judiciary & Hawaiian Affairs, should it deliberate on this measure, to consider whether:

- (1) A person may be considered a customer under this measure if there is no exchange of money or digital financial assets; and
- (2) Another event would be a more appropriate trigger for determining whether a person is a new customer, including whether to allow persons to conduct transactions of less than an unsubstantial amount, such as \$100.

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 S.B. No. 2387, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2387, S.D. 1, 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,



SCOT Z. MATAOSHI, Chair



