

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 2141

STATE OF NEW JERSEY

DATED: JUNE 8, 2026

The Senate Commerce Committee reports favorably Senate Bill No. 2141.

This bill prohibits any business entity from owning, controlling, installing, or managing a cryptocurrency automatic teller machine (ATM) in this State.

Under the bill, cryptocurrency is defined as any digital form of currency that functions as a medium of exchange through a decentralized computer network without reliance on any central authority such as a government or financial institution. In addition, a cryptocurrency ATM means a physical, internet-connected kiosk allowing users to buy, sell, send, or receive cryptocurrency by depositing money using a debit card, credit card, or cash.

Under the provisions of the bill, owning, controlling, installing, managing, selling, or offering for sale a cryptocurrency ATM in this State is an unlawful practice under the consumer fraud act, punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense. In addition, violations may result in cease and desist orders issued by the Attorney General, the assessment of punitive damages, and the awarding of treble damages and costs to the injured party.

While cryptocurrency ATMs offer a convenient way for individuals to buy, sell, send, or receive digital currencies, there has been a significant rise in scams associated with their use. According to the United States Federal Trade Commission's Consumer Sentinel Network, fraud losses linked to these cryptocurrency automatic teller machines have surged nearly tenfold since 2020 to more than \$110 million in 2023 and exceeded \$65 million in just the first half of 2024. Since many incidents of fraud go unreported, these figures likely represent only a portion of the overall impact. It is the sponsor's intent to protect consumers from falling victim to financial losses associated with the use of cryptocurrency automatic teller machines.

This bill was pre-filed for introduction in the 2026-2027 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.