

# Rhode Island Coalition for Elder Justice

Working together for a Safe and Just Elder Community



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March 12, 2025

House of Representatives  
RI General Assembly  
82 Smith Street  
Providence, RI 02903

## Re: Support of House Bill 5636, AN ACT RELATING TO FINANCIAL INSTITUTIONS -- CURRENCY TRANSMISSIONS

Dear Honorable Representatives,

The Rhode Island Coalition for Elder Justice is writing to express strong support for House Bill 5636, also known as the Currency Transmissions Act, which seeks to regulate virtual currency kiosk operations in Rhode Island. As technology continues to evolve and virtual currencies grow in prominence, it is imperative that we enact legislation that safeguards both consumers and businesses in our state. I believe this bill takes a crucial step toward ensuring transparency, fairness, and security within the virtual currency space.

The proposed legislation outlines essential measures such as licensing requirements for virtual currency kiosk operators, the implementation of a daily transaction limit, and the establishment of comprehensive disclosures to inform consumers of the risks associated with virtual currency transactions. Additionally, by requiring kiosk operators to utilize blockchain analytics to detect and prevent fraudulent activities, the bill addresses the growing concern of fraud within the virtual currency industry, in which older adults are becoming increasingly targets of.

One of the most important aspects of this bill is its focus on consumer protection. Virtual currency transactions, by nature, are irreversible and can be fraught with risk, including scams and fraudulent schemes. By mandating clear warnings about the potential for fraud, including guidance for customers on how to seek help if they believe they've been scammed, this legislation empowers Rhode Island residents to make informed decisions. Moreover, the refund policies outlined for new and existing customers, particularly those who have been fraudulently induced into transactions, offer crucial recourse for victims of fraud.

Furthermore, the bill's emphasis on a fee cap ensures that virtual currency transactions remain fair and accessible to all Rhode Islanders, preventing unscrupulous operators from taking advantage of vulnerable consumers. The requirement for live customer service during business hours further demonstrates a commitment to ensuring that consumers have access to assistance when needed.

As the use of virtual currencies becomes more prevalent and has been affecting older adults more often, it is essential that we continue to adapt and create a regulatory environment that is both innovative and protective. The Rhode Island Coalition for Elder Justice believes that House Bill 5636 provides a balanced approach that fosters the growth of the virtual currency industry while also ensures the safety and security of our residents, especially older adults.

FBI data shows that Rhode Islanders lost over ten million in 2023 to fraud linked to crypto kiosks, which is why we encourage you and your colleagues to pass this important legislation and take a proactive role in shaping a safer financial environment for Rhode Island's citizens. Thank you for your leadership on this matter.

Sincerely,

Robin Ashley Covington, MPA  
The Rhode Island Coalition for Elder Justice