Summary Sheet

Agenda Item: 11.

Meeting Date: October 7, 2026

Subject:
Ordinance 2026-115, First Reading, Convertible Virtual Currency Kiosks (Brad Mock)

Requested Action:
Request to hold public hearing and approve the first reading of Ordinance 2026-115, creating Section 1032 of the land development code of the City of Coral Springs, entitled “convertible virtual currency kiosks”, to prohibit “Convertible Virtual Currency Kiosks” in certain places; providing for conflict; providing for severability; providing for codification; providing for an effective date; and set second reading to October 21, 2026.
Funding Source: Not Applicable.
Strategic Goal: A Family-Friendly Community.
(REQUEST TO HOLD PUBLIC HEARING, APPROVE, SET SECOND READING)

Funding Source:
Not Applicable

Placement:
Public Hearings/Special Meeting Announcements

Attachments: Ordinance 2026-115
Business Impact Estimate

Background / Description:
The City Commission finds that prohibiting the physical placement and operation of CVC kiosks within the City is reasonably related to the protection of the health, safety, and welfare of the public and constitutes an appropriate exercise of the City’s home rule and police powers and further finds it to be in the best interests of its citizens and that individuals have other access to purchase and transact virtual currency.

Presenting:
Brad Mock

ORDINANCE NO. 2026-115

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF CORAL SPRINGS, FLORIDA, CREATING SECTION 1032 OF THE LAND DEVELOPMENT CODE OF THE CITY OF CORAL SPRINGS, ENTITLED "CONVERTIBLE VIRTUAL CURRENCY KIOSKS", TO PROHIBIT CONVERIBLE VIRTUAL CURRENCY KIOSKS IN CERTAIN PLACES; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Article VIII, Section 2(b) of the Florida Constitution and Section 166.021, Florida Statutes, confer upon Florida municipalities broad home rule authority to exercise governmental, corporate, and proprietary powers for municipal purposes except when expressly prohibited by law; and

WHEREAS, the City Commission finds that protecting residents and visitors from fraud, theft, financial exploitation, and other criminal activity constitutes a valid municipal purpose and an appropriate exercise of the City's police powers; and

WHEREAS, convertible virtual currency kiosks ("CVC Kiosk"), sometimes referred to as cryptocurrency automated teller machines, cryptocurrency ATMs, Bitcoin ATMs, or similar terms allow users to exchange fiat currency or other value for virtual currency through a physical electronic terminal; and

WHEREAS, CVC Kiosk transactions may be completed rapidly and may result in the transfer of funds to virtual currency wallets controlled by persons located outside the City, outside the State of Florida, or outside the United States; and

WHEREAS, once a virtual currency transaction is completed, the transaction may be difficult or impossible for the customer, financial institution, kiosk operator, or law enforcement agency to reverse or recover; and

WHEREAS, according to FinCEN Notice FIN-2025-NTC1, the Federal Bureau of Investigation's Internet Crime Complaint Center reports that criminals engaged in fraud schemes often direct victims to use a CVC kiosk to send payments under false pretenses; and

WHEREAS, FIN-2025-NTC1 states that in 2024, the Federal Bureau of Investigation received more than 10,956 complaints reporting the use of CVC kiosks, with victim losses of approximately $247,700,000; and

WHEREAS, in addition, FIN-2025-NTC1 provides that FinCEN's analysis of certain bank information has revealed that CVC kiosks have been used to launder suspected drug proceeds, including proceeds for transnational criminal organizations; and

WHEREAS, in the City of Coral Springs, over the past two years, victims in Coral Springs have been scammed out of over $320,000 by criminals who required their victims to use CVC kiosks; and

WHEREAS, based upon the analysis of the Coral Springs Police Department, over 50% of all victims over the past two years are over the age of 60 in those cases; and

WHEREAS, in 44% of those cases, the victims were required to make multiple transactions at a CVC kiosk; and

WHEREAS, the City Commission finds that the physical accessibility, speed, relative anonymity, and irreversibility associated with CVC kiosk transactions create risks that differ materially from ordinary retail payment transactions and from virtual currency transactions initiated by individuals through their own computers, mobile devices, or personal digital wallets; and

WHEREAS, victims of CVC kiosk fraud suffer substantial and almost always irrecoverable financial losses, and investigation of such offenses require significant municipal law enforcement resources and frequently do not lead to identification or apprehension of a suspect; and

WHEREAS, the Florida Legislature enacted Chapter 2026-178, Laws of Florida, establishing certain regulations under Chapter 560, Florida Statutes, governing CVC kiosk businesses, including state registration and operational requirements; and

WHEREAS, the City recognizes and does not seek through this Ordinance to interfere with the State of Florida's regulation, registration, supervision, disclosure requirements, transaction requirements, refund requirements, or other regulation of money services businesses or CVC kiosk businesses under Chapter 560, Florida Statutes; and

WHEREAS, the City recognizes and does not seek through this Ordinance to infringe upon or regulate any device or entity to the extent such regulation is expressly preempted by Section 655.017, Florida Statutes, or other applicable state or federal law; and

WHEREAS, instead, the City Commission finds that the physical presence and operation of CVC kiosks within the territorial boundaries of the City presents a distinct local public safety concern appropriately addressed through the City's municipal police power; and

WHEREAS, the City Commission finds that prohibiting the physical placement and operation of CVC kiosks within the City is reasonably related to the protection of the health, safety, and welfare of the public and constitutes an appropriate exercise of the City's home rule and police powers and further finds it to be in the best interests of its citizens and that individuals have other access to purchase and transact virtual currency.

NOW THEREFORE BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF CORAL SPRINGS, FLORIDA:

SECTION 1. The foregoing "WHEREAS" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Ordinance upon adoption hereof.

SECTION 2. That Section 1032 of the Land Development Code of the City of Coral Springs entitled "Convertible Virtual Currency Kiosks", is hereby created to read as follows:

Sec. 1032. Convertible Virtual Currency Kiosks.

(a) Purpose and intent.

The purpose of this section is to protect the public from fraud, financial exploitation, theft, and related criminal activity associated with the use of publicly accessible virtual currency kiosks and to reduce the public safety and law enforcement burdens associated with such activity.

This section is intended solely to regulate the physical placement of convertible virtual currency kiosks within the territorial limits of the City of Coral Springs.

(b) Definitions.

For purposes of this section, the following words and phrases shall have the meanings set forth below:

"*Virtual currency*" shall mean a medium of exchange in electronic or digital format that is not fiat currency. The term does not include a medium of exchange in electronic or digital format that is:

(1) issued by or on behalf of a publisher and used solely within an online game, game platform, or family of games sold by the same publisher or offered on the same game platform; or

(2) used exclusively as part of a consumer affinity or rewards program and can be applied solely as payment for purchases with the issuer or other designated merchants but cannot be converted into or redeemed for currency or another medium of exchange.

"Convertible virtual currency kiosk" shall mean an electronic terminal that enables a person to exchange fiat currency or virtual currency for virtual currency, including through the use of cash, payment card, or a virtual currency wallet, whether the terminal permits one-way or two-way transactions. A convertible virtual currency kiosk may also be known as a "cryptocurrency ATM" or "Bitcoin ATM." For purposes of this section, a convertible virtual currency kiosk does not mean:

(1) a personal computer;
(2) a personal tablet or phone;
(3) a personal digital wallet or device used by its owner or authorized user to conduct a lawful virtual currency transaction; and
(4) an ordinary point-of-sale terminal used by a merchant solely to accept virtual currency as payment for lawful goods or services provided by that merchant;
(5) any device to the extent regulation of that device by the City is expressly preempted by Section 655.017, Florida Statutes, or other applicable state or federal law.

(c) Prohibition.

It shall be unlawful for any person or entity to install, locate, place, maintain, operate, or make available for public or otherwise have in a location open to the public a convertible virtual currency kiosk within the City. This prohibition shall not apply to a convertible virtual currency kiosk owned and operated by the government for a governmental purpose or to any device or activity to the extent regulation thereof by the City is expressly preempted by Section 655.017, Florida Statutes, or other applicable state or federal law.

The prohibition in this subsection applies regardless of the name, branding, configuration, ownership structure, transaction direction, or technology used by a device if the device otherwise meets the definition of a convertible virtual currency kiosk under this section.

(d) Existing virtual currency kiosks; removal.

(1) Any prohibited convertible virtual currency kiosk physically located within the City of Coral Springs as of the effective date of this Ordinance shall be removed and shall permanently cease operation no later than sixty (60) calendar days following the effective date of this Ordinance. If a written contract for the placement or location of the kiosk was entered into on or before August 25, 2026, the convertible virtual currency kiosk must be removed upon expiration of the then-current contractual term or by August 25, 2027, whichever occurs first.

(2) No contract amendment, extension, renewal, assignment, transfer, relocation, replacement, or modification occurring after August 25, 2026, shall extend the removal deadline established in subsection (1). A kiosk qualifying under subsection (1) may not be relocated to another location within the jurisdictional limits of the City of Coral Springs or replaced with another kiosk during the period before its required removal.

(3) A person or entity claiming the benefit of the extended removal period in subsection (1) shall, upon request by the City, provide a complete executed copy of the qualifying written contract and documentation sufficient to establish its execution date, then-current term, and expiration date.

(e) Applicability; activities not prohibited.

Nothing in this section shall be construed to prohibit or regulate:

(1) the lawful ownership or possession of virtual currency;
(2) the lawful purchase, sale, exchange, storage, transfer, transmission, or receipt of virtual currency;
(3) the use of a personal electronic devices or personal digital wallets to engage in an otherwise lawful virtual currency transaction;
(4) the acceptance by a merchant of virtual currency as payment for lawful goods or services through an ordinary point-of-sale system that is not a convertible virtual currency kiosk;
(5) Blockchain technology, distributed-ledger technology, or any other lawful technology unrelated to the physical operation of a convertible virtual currency kiosk within the city; or
(6) any activity that the city is prohibited from regulating by state or federal law.

(f) Enforcement.

(1) Any person, operator, host, property owner, tenant, occupant, business operator, or other responsible party who violates this section may be subject to enforcement pursuant to the city's Code of Ordinances, Land Development Code, and Chapter 162, Florida Statutes.

(2) The city may issue a notice of violation to any one (1) or more of the following:
(a) any person who knowingly installs, maintains, hosts, operates, permits, or causes a convertible virtual currency kiosk to remain in violation of this

section; (b) a tenant, occupant, or business operator exercising control over the premises upon which the convertible virtual currency kiosk is located; and (c) the owner of the property upon which the convertible virtual currency kiosk is located.

(3) Each person or entity whose own conduct, control of the premises, or failure to act constitutes a violation of this section may be held independently responsible for that violation. Enforcement against one responsible person or entity does not preclude enforcement against any other responsible person or entity for the same violation.

(g) Violations.

(1) Each convertible virtual currency kiosk located in violation of this section constitutes a separate violation regardless of whether one or more convertible virtual currency kiosks are located on the same property or in the same area.

(2) The City Commission hereby declares all convertible virtual currency kiosks located in the City of Coral Springs in violation of this section as a public welfare and safety violation.

(3) Any fine imposed pursuant to this section shall accrue for each day that the violation continues, in accordance with Section 162.09, Florida Statutes, as amended, and this Code.

(h) Other remedies.

(1) In addition to any penalties arising out of Chapter 162, Florida Statutes, and this Code, the city may seek temporary or permanent injunctive relief, declaratory relief, or any other remedy available at law or in equity to enforce this section.

(2) The remedies provided in this section are cumulative and not exclusive.

(3) The city may recover its lawful costs of enforcement to the extent authorized by law.

(4) Nothing herein shall be construed to require the city to pursue any particular enforcement remedy before seeking another remedy authorized by law. The city may institute an action for temporary or permanent injunctive relief, declaratory relief, or other equitable relief without first exhausting administrative or code enforcement remedies, to the extent permitted by law.

(i) Business tax receipts and other city approvals.

The issuance of a city business tax receipt, zoning approval, certificate of use, building permit, electrical permit, or any other city permit, authorization, approval, inspection, or governmental action shall not authorize activity prohibited by this section, shall not create a

vested right to own, maintain, host, operate, or use a virtual currency kiosk within the city, and shall not constitute approval of a prohibited activity or estop the city from enforcing this section.

(j) State and federal law.

Nothing in this section is intended to:

(1) establish a municipal registration or licensure system for a virtual currency kiosk business;
(2) regulate matters expressly preempted by the State of Florida or the federal government;
(3) alter, diminish, supplement, or replace any obligation imposed upon a virtual currency kiosk business by Chapter 560, Florida Statutes, or other applicable state or federal law; or
(4) prevent a state or federal agency from exercising any jurisdiction or enforcement authority granted to such agency by law.

To the extent any provision of this section could reasonably be construed in more than one manner, it shall be construed in the manner that preserves the city's lawful home rule authority while avoiding conflict with controlling state or federal law.

SECTION 3. Repeal Of Conflicting Ordinances. All prior ordinances or resolutions or parts thereof in conflict herewith are hereby Repealed to the extent of such conflict.

SECTION 4. Severability. If any section, sentence, clause or phrase of this Ordinance is held to be invalid or unconstitutional by any court or competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this Ordinance.

SECTION 5. Inclusion In Code. It is the intention of the City Commission of the City of Coral Springs, Florida, that the provisions of this Ordinance shall become and be made a part of the City of Coral Springs Code of Ordinances; and that the sections of this ordinance may be renumbered or re-lettered and the word "ordinance" may be changed to "section," "article," or such other appropriate word or phrase in order to accomplish such intentions.

SECTION 6. Effective Date. This Ordinance shall become effective upon the approval of the City Commission unless another effective date is specified in this Ordinance.

PASSED ON FIRST READING THIS ___ DAY OF _____, 2026.
PASSED ON SECOND READING THIS ___ DAY OF _____, 2026.

_____
SCOTT BROOK, MAYOR

ATTEST:

_____
GEORGIA ELLIOTT, CMC, CITY CLERK

Unanimous ___
Motion /2nd

			Yes	No
___	___	MAYOR BROOK	___	___
___	___	COMMISSIONER CERRA	___	___
___	___	COMMISSIONER MCHUGH	___	___
___	___	COMMISSIONER SIMMONS	___	___

City of Coral Springs
Business Impact Estimate Form

This Business Impact Estimate Form is provided in accordance with ***Section 166.041(4), Florida Statutes*** *and must be included in the agenda item backup for each proposed ordinance on first reading. A Business Impact Estimate Form must be prepared and posted on the City's website for each ordinance by the date that the notice of the proposed ordinance is published, regardless of whether the ordinance is exempted under Section A below. This Business Impact Estimate Form may be revised following its initial posting.*

Title and File ID # of proposed ordinance:
ORDINANCE NO. 2026-115 AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF CORAL SPRINGS, FLORIDA, CREATING SECTION 1032 OF THE LAND DEVELOPMENT CODE OF THE CITY OF CORAL SPRINGS, ENTITLED "CONVERTIBLE VIRTUAL CURRENCY KIOSKS", TO PROHIBIT CONVERIBLE VIRTUAL CURRENCY KIOSKS IN CERTAIN PLACES; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR AN EFFECTIVE DATE.

The provisions contained in this Section A constitute exemptions as provided in Section 166.041(4)(c). If one or more boxes are checked in Section A below, a business impact estimate is not required by state law for the proposed ordinance.

Section A

- ☐ The proposed ordinance is required for compliance with Federal or State law or regulation;
- ☐ The proposed ordinance relates to the issuance or refinancing of debt;
- ☐ The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- ☐ The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant or other financial assistance accepted by the City;
- ☐ The proposed ordinance is an emergency ordinance;
- ☐ The proposed ordinance relates to procurement; or
- ☐ The proposed ordinance is enacted to implement the following:
  a. Development orders and development permits, as those terms are defined in s. 163.3164, and development agreements, as authorized by the Florida Local Government Development Agreement Act under ss. 163.3220-163.3243;
  b. Comprehensive plan amendments and land development regulation amendments initiated by an application by a private party other than the municipality;
  c. Sections 190.005 and 190.046;
  d. Section 553.73, relating to the Florida Building Code; or
  e. Section 633.202, relating to the Florida Fire Prevention Code.

If an exemption in Section A is applicable, then only Section A needs to be completed. If there is no exemption in Section A, Section B must be completed.

Section B This section with the business impact estimate must be completed if the proposed ordinance does not meet any of the exemptions in Section A.

1. A summary of the proposed ordinance which must include a statement of the public purpose (e.g., public health, safety, morals and welfare).

THE CITY COMMISSION FINDS THAT PROHIBITING THE PHYSICAL PLACEMENT AND OPERATION OF CVC KIOSKS WITHIN THE CITY IS REASONABLY RELATED TO THE PROTECTION OF THE HEALTH, SAFETY, AND WELFARE OF THE PUBLIC AND CONSTITUTES AN APPROPRIATE EXERCISE OF THE CITY'S HOME RULE AND POLICE POWERS AND FURTHER FINDS IT TO BE IN THE BEST INTERESTS OF IT CITIZENS AND THAT INDIVIDUALS HAVE OTHER ACCESS TO PURCHASE AND TRANSACT VIRTUAL CURRENCY.

2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the City, if any:

a) An estimate of direct compliance costs that businesses may reasonably incur.

(b) Any new charge or fee on businesses subject to the proposed ordinance, or for which businesses will be financially responsible; and

(c) An estimate of the City's regulatory costs, including an estimate of revenues from any new charges or fees to cover such costs.

3. Good faith estimate of the number of businesses likely to be impacted by the proposed ordinance:

4. Additional information/methodology for preparation, if any:

Prepared by: Brad Mock Chief of Police
Print name and title

Brad Mock
Brad Mock (Sep 23, 2026 09:14:53 EDT)
Signature and Date

Coral Springs Business Impact Estimate Form (Blank Fillable Form)

Final Audit Report 2026-09-23

Created:	2026-09-23
By:	Matt Hoffman (mhoffman@coralsprings.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAOtMZMWkLKknKpwXHfjdpK2k37URDyTKD

"Coral Springs Business Impact Estimate Form (Blank Fillable Form)" History

Web Form created by Matt Hoffman (mhoffman@coralsprings.gov)
2025-04-02 - 8:30:31 PM GMT

Web Form filled in by Brad Mock (bmock@coralsprings.gov)
2026-09-23 - 1:14:54 PM GMT- IP address: 199.27.247.2

Email verification link emailed to Brad Mock (bmock@coralsprings.gov)
2026-09-23 - 1:14:55 PM GMT

Email viewed by Brad Mock (bmock@coralsprings.gov)
2026-09-23 - 1:15:14 PM GMT- IP address: 199.27.247.2

E-signature verified by Brad Mock (bmock@coralsprings.gov)
2026-09-23 - 1:15:19 PM GMT- IP address: 198.55.118.242

Agreement completed.
2026-09-23 - 1:15:19 PM GMT