

**Senate File 2296 - Reprinted**

SENATE FILE 2296  
BY COMMITTEE ON TECHNOLOGY

(SUCCESSOR TO SSB 3086)

(As Amended and Passed by the Senate March 2, 2026)

**A BILL FOR**

1 An Act relating to digital financial kiosks, modifying civil  
2 penalties, and including effective date and applicability  
3 provisions.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 533C.1004, subsection 1, paragraph a,  
2 subparagraph (2), Code 2026, is amended to read as follows:

3 (2) ~~The difference between the current market price of a~~  
4 ~~digital financial asset on a licensed digital financial asset~~  
5 exchange prevailing market value of a digital financial asset  
6 at the time of a transaction and the price of the digital  
7 financial asset charged to a consumer.

8 Sec. 2. Section 533C.1004, subsection 1, paragraphs c and d,  
9 Code 2026, are amended to read as follows:

10 c. (1) "Digital financial asset" means a virtual digital  
11 representation of value or rights that can be transferred,  
12 stored, or traded electronically and used for payment or  
13 investment purposes is used as a medium of exchange, unit of  
14 account, or store of value, and is not money, whether or not  
15 denominated in money.

16 (2) "Digital financial asset" does not include any of the  
17 following:

18 (a) A transaction in which a merchant grants, as part of an  
19 affinity or rewards program, value that cannot be taken from  
20 or exchanged with the merchant for money, bank credit, or a  
21 digital financial asset.

22 (b) A digital representation of value issued by or on behalf  
23 of a publisher and used solely within an online game, game  
24 platform, or family of games sold by the same publisher or  
25 offered on the same game platform.

26 d. "Digital financial asset transaction kiosk" means an  
27 electronic terminal acting as a mechanical agent of an operator  
28 to enable the operator to facilitate the exchange of a digital  
29 financial asset for money, bank credit, or other digital  
30 financial asset, including but not limited to any of the  
31 following:

32 (1) ~~By connecting directly to a separate licensed digital~~  
33 ~~financial asset exchange that performs the digital financial~~  
34 ~~asset transaction.~~

35 (2) ~~By drawing upon a digital financial asset in the~~

1 ~~possession of the operator that enables a digital financial~~  
2 ~~asset kiosk operator to facilitate the exchange of digital~~  
3 ~~financial assets for money, bank credit, or other digital~~  
4 ~~financial assets.~~

5 Sec. 3. Section 533C.1004, subsection 1, paragraph f, Code  
6 2026, is amended by striking the paragraph.

7 Sec. 4. Section 533C.1004, Code 2026, is amended by adding  
8 the following new subsection:

9 NEW SUBSECTION. 1A. *License required.* Any digital  
10 financial asset kiosk operator who owns, operates, solicits,  
11 markets, advertises, or facilitates a digital financial asset  
12 kiosk in this state shall be deemed to be engaged in the  
13 business of money transmission and must obtain a license under  
14 section 533C.301.

15 Sec. 5. Section 533C.1004, subsection 3, paragraph b, Code  
16 2026, is amended to read as follows:

17 *b.* Fifteen percent of the United States currency equivalent  
18 of the digital financial assets involved in the digital  
19 financial asset transaction according to the ~~public quoted~~  
20 ~~market price of the digital financial asset on a licensed~~  
21 ~~digital financial asset exchange~~ prevailing market value of  
22 such digital financial asset at the date and time the consumer  
23 initiates the digital financial asset transaction.

24 Sec. 6. Section 533C.1004, subsection 5, paragraph e, Code  
25 2026, is amended to read as follows:

26 *e.* ~~(1)~~ The dollar amount of all charges collected by  
27 the operator in relation to the digital financial asset  
28 transaction.

29 ~~(2)~~ ~~The legal name of the licensed digital financial asset~~  
30 ~~exchange the operator used to calculate the charges described~~  
31 ~~in subsection 1, paragraph "a", subparagraph (2).~~

32 Sec. 7. Section 533C.1004, subsection 6, Code 2026, is  
33 amended to read as follows:

34 6. *Required report.* An operator shall ~~provide a list to~~  
35 ~~the division of banking of the street address locations of all~~

1 ~~digital financial asset transaction kiosks that the operator~~  
2 ~~owns, operates, or manages in this state~~ report to the division  
3 of banking the location of each digital financial asset  
4 transaction kiosk that the operator owns, operates, or manages  
5 within this state as an authorized delegate pursuant to section  
6 533C.603. An operator shall provide the division with updates  
7 to the list within thirty calendar days of any change to the  
8 list. The division shall make each operator's list available  
9 to the public via the division's internet site.

10 Sec. 8. Section 533C.1004, subsection 7, paragraph a, Code  
11 2026, is amended by striking the paragraph.

12 Sec. 9. Section 533C.1004, subsection 10, paragraphs a and  
13 b, Code 2026, are amended to read as follows:

14 a. ~~If the attorney general has reasonable belief that an~~  
15 ~~operator is in violation of this section, the attorney general~~  
16 ~~has the sole authority to bring civil action to provide for all~~  
17 ~~of the following:~~

18 (1) ~~Enjoin further violations by the operator.~~

19 (2) ~~Enforce compliance with this section.~~

20 (3) ~~Civil penalties in an amount not more than ten thousand~~  
21 ~~dollars for each violation of this section.~~

22 (4) ~~Other remedies permitted under law~~ A violation of this  
23 section is an unlawful practice under section 714.16.

24 b. ~~If~~ Notwithstanding the civil penalty limit under section  
25 714.16, subsection 7, if the attorney general has reasonable  
26 belief that a person is in violation of an injunction issued  
27 ~~under this subsection~~ section 714.16, subsection 2, paragraph  
28 "t", the attorney general has the sole authority to bring a  
29 civil action to provide for a civil penalties penalty for  
30 violation of the injunction in an amount not more than one  
31 hundred thousand dollars.

32 Sec. 10. Section 714.16, subsection 2, Code 2026, is amended  
33 by adding the following new paragraph:

34 NEW PARAGRAPH. t. It shall be an unlawful practice for a  
35 person to violate section 533C.1004.

S.F. 2296

1     Sec. 11. EFFECTIVE DATE. This Act, being deemed of  
2 immediate importance, takes effect upon enactment.

3     Sec. 12. APPLICABILITY. This Act applies to civil actions  
4 commenced on or after the effective date of this Act.