

Sen. Rawlings – 26 RS BR 1 (as of 12.17.25)

This bill enacts the following measures to strengthen Kentucky's economic infrastructure:

- Prohibits the use of Central Bank Digital Currencies (CBDCs) by the state, state agencies, and local governments;
- Prohibits certain foreign investments in digital asset mining businesses in Kentucky;
- Authorizes up to 10% of the state's total excess cash to be invested in bullion and prohibits investment in CBDCs;
- Recognizes gold and silver specie as legal tender in Kentucky;
- Requires the State Treasurer to establish or designate a bullion depository and one (1) or more electronic payment systems to facilitate transactional gold and silver in Kentucky; and
- Creates a comprehensive licensing and regulatory framework for virtual currency kiosks that are physically located in Kentucky. Key features include:
 - Use of a uniform licensing system;
 - A minimum surety bond and net worth requirement of \$100,000 each;
 - A \$3,000 maximum daily transaction limit;
 - A 72-hour hold or refund requirement;
 - Mandatory disclosures and receipts for kiosk transactions;
 - A requirement for licensees to adopt anti-fraud and information security policies; and
 - Investigatory, examination, reporting, and enforcement authority provided to the Kentucky Department of Financial Institutions.