

286.13-060 Renewal fee -- Reinstatement of expired license -- Annual renewal report. (Effective April 30, 2027)

- (1) As used in this section, "United States dollar equivalent of virtual currency" means the equivalent value of virtual currency in United States dollars shown on a virtual currency exchange based in the United States for a particular date or period.
- (2) On or before December 31 of each year, each licensee shall:
 - (a) Pay a nonrefundable annual renewal fee to the department that is determined by the commissioner in accordance with KRS 286.13-070; and
 - (b) File the licensee's annual renewal report with the commissioner in accordance with subsection (5) of this section.
- (3) The failure of a licensee to comply with subsection (2) of this section shall result in the expiration of the licensee's license by operation of law on January 1 of the following year.
- (4) (a) The commissioner may reinstate an expired license if, before February 1 of the calendar year in which the license expired, the licensee:
 1. Pays the annual renewal fee and files the annual renewal report required under subsection (2) of this section; and
 2. Pays a civil penalty to the department that is equal to the amount of the annual renewal fee determined by the commissioner in accordance with KRS 286.13-070.(b) Any reinstatement of a license under paragraph (a) of this subsection shall be retroactive to January 1 of the calendar year in which the license expired.
- (5) Except as provided in subsection (6) of this section, each licensee shall file an annual renewal report with the commissioner that contains all of the following:
 - (a) A copy of:
 1. The licensee's most recent audited annual financial statement; or
 2. If the licensee is a wholly owned subsidiary of another corporation, the:
 - a. Most recent audited consolidated annual financial statement of the parent corporation; or
 - b. Licensee's most recent audited consolidated annual financial statements;
 - (b) A description of the following, if the information has not been previously reported to the commissioner on any other report filed under this subtitle:
 1. Any material changes to any of the information submitted by the licensee on its original application; and
 2. Any data security breach involving the licensee;
 - (c) A list of the licensee's permissible investments under KRS 286.13-085;
 - (d) A certification from the licensee that the licensee continues to maintain permissible investments in accordance with KRS 286.13-085;
 - (e) A list of each location where the licensee, or an agent of the licensee, conducts virtual currency kiosk business in this state;

- (f) For January 1 to December 31 of the preceding calendar year and January 1 to September 30 of the current year:
 - 1. The number of virtual currency kiosk transactions at each location in this state where the licensee, or an agent of the licensee, conducts virtual currency kiosk business;
 - 2. The United States dollar amount of virtual currency kiosk transactions at each location in this state where the licensee, or an agent of the licensee, conducts virtual currency kiosk business; and
 - 3. The total number and dollar amount of refund requests received by the licensee, or an agent of the licensee, from virtual currency kiosk users that were:
 - a. Granted by the licensee or agent; and
 - b. Denied by the licensee or agent;
 - (g) As of December 31 of the preceding calendar year and September 30 of the current year:
 - 1. The amount of United States dollar equivalent of virtual currency in the possession or control of the licensee or an agent of the licensee;
 - 2. The number of virtual currency kiosk users for whom the licensee, or an agent of the licensee, had possession or control of virtual currency; and
 - 3. The amount of United States dollar equivalent of virtual currency in the possession or control of the licensee, or an agent of the licensee, on behalf of virtual currency kiosk users;
 - (h) Evidence that the licensee continues to satisfy the requirements of KRS 286.13-050;
 - (i) The name, business address, email address, and telephone number of the licensee's chief compliance officer for virtual currency kiosk business conducted in this state; and
 - (j) Any other information the commissioner determines is necessary to aid in the enforcement of this subtitle.
- (6) A licensee that was not licensed in Kentucky at any time between January 1 and October 31 of a calendar year shall not be required to file an annual renewal report for the following year.

Effective: April 30, 2027

History: Created 2026 Ky. Acts ch. 126, sec. 11, effective April 30, 2027.