

286.13-085 Permissible investments. (Effective April 30, 2027)

- (1) Every virtual currency kiosk operator shall, at all times, maintain permissible investments that:
 - (a) Have a market value that is computed in accordance with generally accepted accounting principles; and
 - (b) Are not less than the aggregate amount of all of the operator's and its agents' outstanding virtual currency kiosk transactions.
- (2) Except to the extent otherwise limited in subsection (3) of this section, the investments permitted under KRS 286.11-015 are permissible for a virtual currency kiosk operator.
- (3) The commissioner may:
 - (a) Limit the extent to which a type of investment within a class of permissible investments may be considered a permissible investment, except for money, time deposits, savings deposits, demand deposits, and certificates of deposit issued by a federally insured financial institution; and
 - (b) By administrative regulation or order allow other types of investments that the commissioner determines to be substantially equivalent to other permissible investments in regards to safety and soundness.
- (4) Permissible investments, even if commingled with other assets of the virtual currency kiosk operator, shall be deemed by operation of law to be held in trust for the benefit of the purchasers and holders of the operator's outstanding virtual currency kiosk transactions in the event of the operator's insolvency or bankruptcy.

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History: Created 2026 Ky. Acts ch. 126, sec. 16, effective April 30, 2027.