

286.13-110 Written complaint -- Investigation -- Routine examination -- Powers of commissioner -- Licensee deemed to consent to investigation -- Examination-related information. (Effective April 30, 2027)

- (1) Any person may file a written complaint with the commissioner relating to:
 - (a) Virtual currency kiosk business in this state; or
 - (b) The conduct of any person engaged or participating in virtual currency kiosk business in this state.
- (2) The commissioner may conduct an investigation, upon complaint or otherwise, of any virtual currency kiosk operator or other person within or outside this state that he or she deems necessary to:
 - (a) Discover violations of this subtitle, including violations of any administrative regulation promulgated, or order issued, under this subtitle; or
 - (b) Secure information necessary for the proper enforcement of this subtitle.
- (3)
 - (a) The commissioner may conduct routine examinations of the virtual currency kiosk affairs, business, offices, books, accounts, and records of licensees and agents of licensees.
 - (b) A licensee shall pay a reasonable fee sufficient to cover the cost of each routine examination based upon fair compensation for time and actual expenses.
 - (c) Upon written notice of the amount assessed under paragraph (b) of this subsection, the licensee shall become liable for and pay the assessment to the department.
- (4) To the extent necessary to conduct any investigation or examination authorized under this section, the commissioner may:
 - (a) Compel the attendance of any person or obtain any books, accounts, or records by subpoenas;
 - (b) Administer oaths and affirmations;
 - (c) Examine under oath or affirmation all persons whose testimony he or she may require; and
 - (d) To the extent permitted under federal law, access and review records and related information relating to compliance with federal anti-money laundering laws, including suspicious activity reports filed pursuant to the Bank Secrecy Act, 31 U.S.C. sec. 5311 et seq., as amended.
- (5) As a condition of licensure under this subtitle, a licensee and its agents shall, by operation of law, be deemed to consent to any examination or investigation conducted under this section, whether or not prior notice is given to the licensee or agent.
- (6) When conducting an investigation or examination, the commissioner may do any of the following:
 - (a) Conduct an on-site or off-site investigation or examination;
 - (b) Participate in a joint or concurrent investigation or examination with one (1) or more states or federal agencies, including a multistate investigation or

examination; and

- (c) Accept and rely upon an investigation or examination report of one (1) or more states or federal agencies, including a multistate investigation or examination report.
- (7) (a) Except as provided in paragraph (b) of this subsection and KRS 286.13-115, a routine examination report, related correspondence, and examination-related information shall:
- 1. Be considered confidential by law and privileged; and
 - 2. Not be subject to disclosure under KRS 61.870 to 61.884.
- (b) A licensee:
- 1. May disclose a Kentucky routine examination report to a financial institution upon written request from the financial institution for the purpose of assisting the financial institution in its compliance with the Bank Secrecy Act, 31 U.S.C. secs. 5311 to 5332 and 31 C.F.R. pt. 103; and
 - 2. Shall provide written notice to the commissioner of a disclosure made under this paragraph at the same time that the disclosure is made.

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History: Created 2026 Ky. Acts ch. 126, sec. 21, effective April 30, 2027.