

March 5, 2025

Submitted Electronically via Rulemaking eComments Website

Office of Administrative Hearings
600 North Robert Street
P.O. Box 64620
Saint Paul, Minnesota 55164-0620

Re: Comment to Minnesota Proposed Rules on Virtual Currency Disclosures

To Whom it May Concern:

On behalf of NYDIG Trust Company LLC (“NYDIG Trust”) and NYDIG Execution LLC (“NYDIG Execution”), both money transmitters licensed in Minnesota (collectively “NYDIG”), we appreciate the opportunity to provide comments on the Minnesota Department of Commerce’s proposed rules relating to virtual-currency business activity disclosures. NYDIG Trust is a leading provider of regulated custody services for bitcoin, focusing on secure storage, client-directed transfers, and related services for institutional clients, such as corporations and high net worth individuals. NYDIG Execution facilitates client trading of bitcoin, providing seamless access to liquidity while adhering to robust compliance and regulatory standards. Both entities are dedicated to fostering trust and regulatory compliance in the digital asset space.

While we share the Department’s goal of ensuring consumers receive clear and meaningful disclosures when engaging in virtual currency transactions, we have significant concerns regarding the prescriptive nature of the proposed rules. We believe there are better alternatives to meaningfully advance the state’s consumer protection goals without imposing undue burdens on businesses and business purpose initiatives.

We encourage the Department to hold a public hearing to gather additional input from stakeholders, ensuring that the final rules reflect the needs of both consumers and industry participants. Additionally, we provide the following specific comments on the proposed rules.

While disclosures arguably facilitate greater customer understanding, the Department should tailor them to (1) reflect a better understanding of virtual currency activity, and (2) clearly apply to consumers and not institutional clients, so as to not be overly burdensome.

While we agree that disclosures are effective in enhancing consumer comprehension, the Department's proposed "clear and prominent" requirements not only do not fit virtual currency business activities, but also appear to have a broader reach than intended by seemingly applying to both consumers and more sophisticated business partners. We provide additional detail regarding both concerns below.

First, Section 2675.8510(1)(B) outlines specific requirements, including specific font, spacing, and format, for virtual currency business activity disclosures that are required to be given to persons engaging in this activity. We respectfully submit that the proposed rules fail to consider the many types and channels of customer interactions that may apply to virtual currency activity. Particularly in the virtual currency space, font size and spacing requirements often do not fully translate as appropriate disclosures. For example, in a fully digital display, font sizes may be less clear and conspicuous than other disclosure options and, to the extent they are clear and conspicuous, may not be easily read given the format of the disclosure (e.g., the excessive emphasis required for category titles may indicate to customers that no emphasized information is critical). We believe that the nature of these requirements is therefore likely to have the unintended effect of causing customer confusion, in addition to significantly increasing licensees' compliance costs in order to comply with such requirements for each customer channel.

Second, as drafted, the disclosure requirements seemingly apply to *all* customers, regardless of sophistication or risk. The Department's Statement of Need and Reasonableness notes the importance of balancing "the overall need for consumer protection in conjunction with industry practices," but creates a rule of general applicability instead of one focused on protecting "Minnesota consumers who conduct virtual currency transactions." Many highly sophisticated non-consumer entities undertake virtual currency activity and indeed for many such sophisticated customers, the disclosures as proposed are inapposite.

Rather, we propose that the Department retain the "clear and conspicuous" disclosure requirement as set forth under Minn. Stat. § 53B.72. Contextual expectations, such as requiring that disclosures be "no less prominent" than other text, can further allow flexibility for licensees to effectively provide all necessary and helpful disclosures while serving their customers. Retaining the "clear and conspicuous" standard would further acknowledge that different electronic formats may be optimal for different devices.

While NYDIG supports the goal of enhanced consumer protection in the virtual currency space, we urge the Department to adopt a more flexible performance and risk-based approach. By doing so, the regulatory framework can be more effectively tailored to both consumer and institutional needs, reducing unnecessary burdens while ensuring clear and meaningful disclosures.

Disclosure notices should be tailored to the virtual currency activity being conducted; mandatory inclusion of unrelated information could lead to customer confusion.

Additionally, Section 2675.8510(1)(B) appears to require disclosures in languages in which a licensee may not do business. Indeed, requiring the repetition of written disclosures in six languages – five of which are likely irrelevant to any given person – further interferes with the ability of the disclosures to be clearly understood. This places a significant burden on a licensee to prepare a disclosure in a language that licensee does not use, notwithstanding a compliance obligation to ensure the disclosures are clear and accurate in languages the licensee may be ill-equipped to employ. Instead, disclosures should be required to be provided in languages used to market a product or service to customers or potential customers.

The proposed rules' other prescriptive disclosure requirements are also likely to cause confusion. Specifically, the header requirements set forth in Section 2675.8510(1)(D) are likely to mislead clients, as many of the headers – such as “insurance coverage” – may not apply in a given transaction. The related requirement under Sections 2675.8510(1)(C) and 2675.8510(3) requiring separate acknowledgment of each of ten disclosure items – noting again that some may not apply – could also lead to confusion and causes a material impediment to the customer's ability to conduct business.

These disclosures also do not account for sophisticated users, such as institutional customers. Institutional customers may have negotiated bespoke agreements tailored to their needs, and for whom the consumer-style protections and repetitive disclosure acknowledgments are likely to frustrate while providing no benefit.

We believe the inflexible disclosure requirements impose a significant compliance burden on businesses without commensurate protection to consumers. While prescriptive disclosures – in language and format – could serve as a safe harbor, we propose the Department remove the universal mandate for specific headings in disclosures, allowing businesses to structure the necessary disclosures in a manner best suited to their operations and customer base.

Receipts should reflect the specific activity conducted and be tailored to the customers' needs.

Section 2675.8510(4) outlines specific requirements related to the provision of customer receipts upon concluding a virtual currency transaction. We respectfully submit that as proposed, this requirement fails to appreciate the diversity of business models in the virtual currency space. For example, NYDIG Execution facilitates trading for customers, where the key information includes the size of the trade, price, commission, and other trade-specific details. Settlement information, such as transaction hashes, is more appropriately handled by custodians like NYDIG Trust. Businesses should have the discretion to include information relevant to their role in the transaction lifecycle. Oftentimes, this specialization and resulting distribution of roles among multiple businesses offers material benefits to customers.

We instead believe that receipt requirements should require licensees to include any information that is material to the transaction. This would provide businesses with the flexibility to tailor receipts to their specific role in the transaction lifecycle while ensuring customers receive the information they need.

* * *

NYDIG Trust and NYDIG Execution support efforts to enhance consumer protections in the virtual currency space but urge the Department to reconsider the overly prescriptive nature of the proposed rules. By adopting a more flexible, performance-based approach, the Department can achieve its objectives while fostering innovation and competition in the industry.

We appreciate the opportunity to provide these comments and would welcome the chance to further discuss our recommendations. Please feel free to contact me at reuben.grinberg@nydig.com or 212-847-7884 if you have any questions or require additional information.

Sincerely,

Reuben Grinberg

General Counsel and Chief Compliance Officer

NYDIG Trust Company LLC

NYDIG Execution LLC



Office of Administrative Hearings
600 North Robert Street, P.O. Box 644620
Saint Paul, MN 55164-0620

BITCOIN DEPOT
2870 Peachtree Rd. NW, #327
Atlanta, GA 30305
www.bitcoindepot.com
PH: (678) 961-0059
FAX: (470) 430-3609

March 4, 2025

Request for Comment re: Proposed Minnesota Regulation 3740

Thank you for the opportunity to provide feedback on the proposed regulation 3740. We appreciate the Department's collaboration with the industry on the implementation of SF 4097. Our concerns with the proposed regulation centers solely on the timing of the required implementation. Respectfully, we would request as lengthy an implementation period as the Department is willing to grant.

Bitcoin Depot's Primary Business Model

The Company's primary business model is to buy and sell Bitcoin at close to 8,500 kiosks throughout the country. Company-owned Automated Teller Machines (BTMs) kiosks throughout the United States (and Canada) that are installed at various locations, such as convenience stores and gas stations. The kiosks have only the ability to sell Bitcoin to customers. For an up-to-date count of kiosks and locations, please refer to the Company's website (www.bitcoindepot.com/locations).

The Company's BTMs offer customers the option of exchanging fiat currency for Bitcoin. The Company employs its own software platform called Bitaccess to determine the applicable exchange rate at the time of the transaction, and the Company charges a percentage markup plus a flat fee.

Bitcoin Depot's Company History

The Company was established in 2016 and has grown to be the largest cryptocurrency kiosk network in the United States by investing in people, technology, and processes that support a culture of compliance. The Company became a public entity on June 30, 2023, and trades on the NASDAQ under the ticker symbol BTM. By virtue of being a public company, the Company is fully accountable to the Securities & Exchange Commission (SEC). Additionally, the Company is a registered Money Services Business ("MSB") with the Financial Crimes Enforcement Network (FinCEN) and its primary regulator, the Internal Revenue Service (IRS).

Bitcoin Depot's Mature Compliance Program

The Company's Chief Compliance Officer directly reports to the Company's Chief Executive Officer ("CEO"), with dotted line reporting to the Chief Operating Officer ("COO") and the Board of Directors. The program is fully documented in policies and procedures and is reviewed annually by an independent third-party auditor.

- Bank Secrecy Act (BSA) / Anti-Money Laundering (AML) / Office of Foreign Assets Control (OFAC) Compliance
 - The Company's Chief Compliance Officer, Mark Smalley, has over 25 years of applicable



legal and compliance experience.

- Three dedicated AML compliance teams - one focused on customer diligence, one focused on transaction monitoring and investigations, and one focused on law enforcement relations and education.
- Dedicated analysts reviewing Know Your Customer (KYC), OFAC, sanctions, and Politically Exposed Person (PEP) alerts.
- Full compliance with all applicable federal, state, and local laws, including suspicious activity reporting, currency transaction reporting, and funds travel rule compliance.

Privacy and Consumer Compliance

- Dedicated compliance resources to ensure compliance with all applicable consumer protection laws, including complaints, funds availability, abandoned property, and refunds. Fully compliant with all applicable federal and state privacy laws, including contract provisions, data accessibility, and opt-in / opt-out provisions.

Licensing & Registration

- Registered with FinCEN as an MSB.
- Registered with the Secretary of State in every state, the District of Columbia and Puerto Rico.
- For state money transmitter licenses, the Company is either licensed in the state or periodically confirms with the state that its no-action position remains unchanged. Currently, the company has approximately 19 state money transmitter or virtual currency licenses.
 - AL, AK, AR, CT, DC, FL, GA, IA, IL, LA, NV, NM, NC, OH, PR, RI, VT, and WA.
 - 29 MTL Applications in process, including the NY BitLicense Application.

Enterprise Risk Management

- Comprehensive Enterprise-wide risk assessments including AML / BSA / OFAC
- Fully operational self-testing program.
- Enterprise-wide compliance training program including Anti-Money Laundering, OFAC and Sanctions, Know Your Customer and Enhanced Due Diligence, Consumer and Privacy, and Corporate Ethics and Conduct.
- Business Resiliency and Third Party Risk Management.

Information and Data Security

- Policies for Bitcoin Depot are designed to comply with state licensing, General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), and Security Operations Center (SOC) compliance, and our desire is to be the most secure and trusted cryptocurrency operator in the industry.
- Security - Protecting our environment and data is of the highest priority. Our network and endpoints are secured with an endpoint security agent (Antivirus, Malware and Data Loss Protection (DLP), and patch management), email security, intrusion detection and prevention, User access and roles, and centralized monitoring and alerts systems.
- Data Protection - Protecting Personal Identifiable Information (PII) data is a requirement, and Bitcoin Depot has implemented steps to protect sensitive data in transit and at rest (stored in database).
- Availability - Servicing our customers is also a high priority. Our backend process and architecture are designed to provide high availability and uptime and processing our customer transactions in a timely and efficient manner.



Bitcoin Depot's Monitoring Process and Consumer Safeguarding

The Company employs the most state-of-the-art and sophisticated transaction monitoring and case management software to detect and prevent financial crimes. Additionally, the Company utilizes third-party blockchain analytics services to identify higher-risk and criminal wallets. The Company has implemented consumer safeguards. More specifically, the Company would state the following:

- The Company has implemented a number of customer-facing safeguards to warn about scam-related activity in the form of hard copy warnings physically present on the kiosk as well as online screen notices several of which require the customer to make affirmative attestations before moving past the screen, and short text messages. Copies of these warning messages are attached at the end of this letter.
- The Company does not host customer wallets, nor does it assume custody of customer funds.
- The Company only sells Bitcoin, which has been labeled a commodity by various regulatory agencies. The Company does not sell or provide services for any other cryptocurrency.
- Prior to completing a transaction, the customer must consent to the Company's publicly available Terms & Conditions. Moreover, the Terms & Conditions state that the customer is required to send the Bitcoin only to their own wallet.
- The Company has begun linking customer wallet addresses to individual user accounts along with requiring an affirmative wallet ownership attestation to block Bitcoin from being sent to third parties directly from a customer completing a transaction at the kiosk. While the Company has implemented these practices and works on a best-efforts basis to prevent a customer at the kiosk from sending Bitcoin directly to a third party during a transaction instead of their own Bitcoin wallet, it can still occur in a very small percentage of the company's transactions.

Key Regulatory Considerations

We applaud the Department's goal to promote inclusion in all financial transactions. Currently, our kiosks are configured to easily add multiple languages at the beginning of a transaction, where we would normally require a customer to accept our terms and conditions. However, the proposed regulation's requirements to add multiple languages to the disclosures of a transaction summary happen towards the end of a transaction flow, where our kiosks are not currently configured to easily add languages. While we are supportive of the goal of the regulation to ensure disclosures are available and easily read by all customers in their native language, the implementation of the regulation would require a significant development and engineering effort by operators to comply. **To that end, we would ask that the Department consider an effective date of no earlier than July 1, 2026.**

Bitcoin Depot is proud of the company that we have established and the services we provide to consumers in the United States, Canada, and Minnesota. Minnesota should be, likewise, excited to have companies like Bitcoin Depot doing business within the state. Bitcoin Depot has established itself as a key player in an emerging market that has balanced economic growth with Compliance and Consumer Protection. Our Company wants Minnesota to regulate this space to encourage the good actors to flourish while weeding out the bad actors through regulation.

Bitcoin Depot respectfully requests the opportunity to continue working to allow for a better understanding of a complex and non-traditional technology that is elective yet appealing to many Minnesota citizens looking to diversify their assets and financial tools. We look forward to additional conversations, and please do not hesitate to contact me with any questions.

Sincerely,

/S/ Mark J. Smalley

Mark J. Smalley,
Chief Compliance Officer

March 5, 2025

Mark Hastie
Director of Non-Depository Financial Institutions
Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, MN 55101

RECEIVED

By: OAH on 3/5/2025

Peter Herzog Attachment

**RE: Proposed Rules Relating to Virtual-Currency Business Activity Disclosures,
Minnesota Rules, 2675.8500 and 2675.8510; Revisor's ID Number R-04895; OAH docket
number 22-9009-40271**

Director Hastie:

Thank you for the opportunity to provide comments on proposed rules relating to virtual-currency business activity disclosures.

The Crypto Council for Innovation (CCI) is a global alliance of industry leaders in the digital asset and Web3 sectors that serves to educate consumers and policymakers and advocate for policy that spurs responsible innovation. We use an evidence-based approach to support governments worldwide that are shaping and encouraging the responsible regulation of this innovative technology. We believe that constructive partnership between government and business stakeholders is critical to crafting sound policy and regulation that benefits consumers and innovators.

Digital assets and blockchain applications more generally are significant and evolving technological innovations with many use cases developed under a variety of business models. These innovations are bringing increased transparency, security, efficiency, and inclusion not only to financial services, but to other sectors as well. To this end, CCI continues to advocate for the development of modern, coherent, and fit-for-purpose policy frameworks to foster responsible digital asset innovation in the United States. Fortunately, U.S. States have led in engaging with the digital assets industry and establishing proper state-based frameworks for digital asset market participants. Indeed, state-based frameworks can serve as an efficient and effective regulatory model for our industry.

Clear and conspicuous customer disclosures are critical to ensuring transparency and confidence for consumers and investors when engaging with digital asset intermediaries. However, CCI has concerns with the disclosure requirements outlined in the proposed rules. For instance, the specificity as to what constitutes a 'clear and conspicuous' manner with which disclosures must be made to consumers under Subpart 1b is overly prescriptive. It does not appear to allow room for this information to be presented differently in an app-based user

experience, which is how most digital information is presented by virtual currency licensees. For example, disclosures presented on the screen of a phone may require a smaller font in order to be readable compared to how information might need to be presented on a kiosk. It is also unclear if such prescriptive requirements, specifically as it relates to font, spacing, size, and boldness, might actually hinder readability in certain contexts, including, for example, when translating notices into foreign languages. Requiring the disclosures to be “clear, conspicuous, and easily readable” should be enforceable enough without requiring such specificity. For those reasons, we suggest striking Subpart 1b (1) and (2).

Lastly, it would be prudent to futureproof the method of receiving a receipt in Subpart 3 as communications technology continues to develop. Adding ‘or such other format as the commissioner may approve’ to the current list of physical, email or SMS only could achieve this.

Thank you again for the opportunity to provide these thoughts. CCI would be pleased to further engage on ways to ensure the responsible growth of the digital asset industry in Minnesota.

Respectfully,

A handwritten signature in dark ink, appearing to read 'Ji Kim', with a stylized flourish at the end.

Ji Kim
President and Acting CEO
Crypto Council for Innovation



Jon Turke
Director of Government Affairs
CoinFlip
433 W. Van Buren Street, Suite 1050N
Chicago, IL 60607
jturke@coinflip.tech
920.450.8707

March 5, 2025

Department of Commerce
Office of Administrative Hearings
600 North Robert Street
P.O. Box 64620
Saint Paul, MN 55164-0620

RE: Request for Delayed Implementation Period for Language Requirement in Rule Draft RD4895

To Whom it May Concern:

I am writing on behalf of CoinFlip regarding the proposed permanent rules outlined in Rule Draft RD4895, specifically the language requirement provisions detailed in Section 2675.8510, Subpart 1(B). We recognize and appreciate the Department's efforts to ensure clear and accessible disclosures for all customers engaging in virtual-currency business activities. However, we respectfully request to delay the implementation period until July 1, 2026 to fully comply with these new language requirements.

Our request is based on the following considerations:

1. **Operational Adjustments:** Implementing the new multilingual disclosure requirements requires significant operational changes, including updating software systems, revising documentation, and ensuring compliance across all customer-facing platforms.
2. **Translation and Accuracy Assurance:** To meet the rule's mandate effectively, we must engage certified translation services to provide accurate and legally sound translations in Spanish, Somali, Hmong, Vietnamese, and Chinese. Additional time is necessary to vet and verify these translations to prevent any misinterpretation of critical financial information.
3. **Employee Training and Compliance Measures:** Our customer service teams must be trained to understand and properly communicate these new disclosures. A phased

approach over the requested one-year period would allow for comprehensive staff training and seamless implementation.

4. **System Integration and Testing:** We need to ensure that virtual-currency kiosks and other transactional platforms can properly display and require acknowledgment of disclosures in multiple languages. Proper integration and user testing will be essential to prevent disruptions in service.

Given these factors, we propose a phased implementation schedule, with progress updates provided to the Department to demonstrate our commitment to compliance. We believe this approach aligns with the intent of the regulation while allowing for a practical and effective rollout.

We appreciate your consideration of this request and welcome any opportunity to discuss this matter further. Please let us know if a meeting or additional documentation would be helpful in reviewing our proposal.

Sincerely,

Jon Turke
Director of Government Affairs

From: [Smith, Sam \(He/Him/His\) \(COMM\)](#)
To: [Thorson, Terri \(She/Her/Hers\) \(COMM\)](#)
Subject: FW: CoinFlip & question regarding rulemaking process
Date: Thursday, March 6, 2025 1:35:53 PM
Attachments: [image002.png](#)
[image003.jpg](#)

Sam Smith

Government Affairs Director

651-539-0000

mn.gov/commerce

Minnesota Department of Commerce

85 7th Place East, Suite 280 | Saint Paul, MN 55101



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From: Smith, Sam (He/Him/His) (COMM)
Sent: Tuesday, March 4, 2025 9:52 PM
To: Fritz, Acacia <afritz@fredgov.com>
Cc: Hayden, Jeff <jhayden@fredgov.com>; Holliday, Cody <cholliday@fredgov.com>
Subject: RE: CoinFlip & question regarding rulemaking process

Thanks for reaching out, Acacia. Unfortunately, we are not able to offer a timeline for rulemaking at this time. However, the deadline to submit comments and requests for hearings on the rule must be received by tomorrow at 4:30 PM. You can find instructions on how to submit either in the Dual Notice. I would encourage CoinFlip to consider participating if they haven't already. Please let me know if you have any other questions.

Sam Smith

Government Affairs Director

651-539-0000

mn.gov/commerce

Minnesota Department of Commerce

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From: Fritz, Acacia <afritz@fredgov.com>

Sent: Tuesday, March 4, 2025 3:06 PM

To: Smith, Sam (He/Him/His) (COMM) <sam.smith@state.mn.us>

Cc: Hayden, Jeff <jhayden@fredgov.com>; Holliday, Cody <cholliday@fredgov.com>

Subject: CoinFlip & question regarding rulemaking process

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Good afternoon, Sam,

My name is Acacia, and I work with Jeff Hayden and Cody Holliday at Fredrikson. We have a client, CoinFlip, that's currently awaiting decisions regarding the proposed rules relating to Virtual-Currency Business Activity Disclosures, 2675.8500 and 2675.8510. They are wanting to know how long after the Minnesota Department of Commerce make the rules; does it take for them to then implement?

Would you happen to know what the timeline would be?

[Rulemaking Manual Form for Giving Dual Notice](#)
[Rule Draft RD4895](#)

Please let me know if you have any questions or need additional information.

Best,
Acacia

Acacia Fritz (she/her/hers)
Government Relations Group Administrator

afritz@fredgov.com

Fredrikson Government Relations, LLC / 525 Park Street / Suite 350 / St. Paul MN 55103-2111

main [612-492-7700](tel:612-492-7700) **direct** [612-492-7553](tel:612-492-7553) **web** fredgov.com



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From: [Hastie, Mark \(COMM\)](#)
To: [Fleisher, Adam J.](#)
Cc: [Thorson, Terri \(She/Her/Hers\) \(COMM\)](#); [Crow, Michael \(COMM\)](#)
Subject: RE: DUAL NOTICE: Notice of Intent to Adopt Rules and Proposed Rules Relating to Virtual-Currency Disclosures
Date: Monday, February 3, 2025 2:16:00 PM
Attachments: [image001.png](#)

Hello Adam,

Thank you for your email. At this point, I would say that you should file a formal comment, and then we can review and respond. That way we can do so through the rulemaking process that way, and go from there. We will still be saving your email for our records as well.

Regards,

Mark

Mark Hastie

Director of Non-Depository Financial Institutions

He/Him/His

651-539-1720 Office

612-398-9154 Mobile

mark.hastie@state.mn.us

mn.gov/commerce

Minnesota Department of Commerce

85 7th Place East, Suite 280 | Saint Paul, MN 55101

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From: Fleisher, Adam J. <afleisher@cooley.com>
Sent: Wednesday, January 29, 2025 6:28 PM
To: Hastie, Mark (COMM) <mark.hastie@state.mn.us>
Subject: FW: DUAL NOTICE: Notice of Intent to Adopt Rules and Proposed Rules Relating to Virtual-Currency Disclosures

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Hey Mark, before submitting formal comments, one quick clarification on this item—

2675.8510 REQUIRED DISCLOSURES.

Subpart 1. Time and form.

A. A licensee must make the disclosures required by Minnesota Statutes, section 53B.72, at the time the licensee establishes a relationship to conduct a virtual-currency business activity transaction with a person. A virtual-currency business activity that constitutes a virtual-currency kiosk transaction is subject to the disclosures required under Minnesota Statutes, section 53B.75.

B. The disclosures must be provided to the person in a written notice that is clear, conspicuous, and easily readable. The written notice must be provided in English and in any other predominant language spoken by the licensee's customers, including at a minimum Spanish, Somali, Hmong, Vietnamese, and Chinese.

Is the Department's intent to require covered virtual currency operates to provide disclosures translated into and made available in all of these languages as a matter of law? Or is this if the licensee's customers predominately speak this language and obtain services/receive marketing in this language? I am just trying to figure out what this will entail.

Thanks!!

From: Minnesota Department of Commerce <MNCommerce@public.govdelivery.com>

Sent: Thursday, January 16, 2025 4:46 PM

To: Fleisher, Adam J. <afleisher@cooley.com>

Subject: DUAL NOTICE: Notice of Intent to Adopt Rules and Proposed Rules Relating to Virtual-Currency Disclosures

[External]



NOTICE: Notice of Intent to Adopt Rules Without a Public Hearing Unless 25 or More Persons Request a Hearing, and Notice of Hearing if 25 or More Requests for Hearing Are Received

Proposed Rules Relating to Virtual-Currency Business Activity Disclosures, Minnesota Rules, 2675.8500 and 2675.8510; Revisor's ID Number R-04895; OAH docket number 22-9009-40271

To Whom It May Concern

Please find linked the Department's [Dual Notice and proposed rules concerning virtual currency customer disclosures](#). Details of how to request a hearing or submit a written comment in support of or in opposition to the proposed rules are contained in the attached Dual Notice. **Comments are due by 4:30 p.m. on March 5, 2025.** The Dual Notice and proposed rules will be published in the January 27, 2025, *State Register* and are listed on the Department of Commerce's rulemaking [webpage](#).

Mark Hastie Director of Non-Depository Financial Institutions

Please see below for the link to:

[Proposed Rules Relating to Virtual-Currency Business Activity Disclosures, Minnesota Rules, 2675.8500 and 2675.8510; Revisor's ID Number R-04895; OAH docket number 22-9009-40271](#)

Minnesota Department of Commerce | Financial Institutions

85 7th Place East - Suite 280 - Saint Paul, MN 55101

P: 651-539-1500 | F: 651-539-1547

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**In the Matter of Proposed Adoption of Rules Relating to
Virtual-currency Business Activity Disclosures, creating
Minnesota Rules, 2675.8500 and 2675.8510; Revisor's ID
Number: R-04895, OAH Docket No. 22-9009-40271.**

**Response to Comments Submitted During the Pre-Hearing Public Comment
Period, ending March 5, 2025**

June 17, 2025

I. Introduction

This document provides a response to the comments received in the above referenced rulemaking docket. During the public comment period six (6) comments were received.

A. Dual Notice

The Minnesota Commerce Department (Commerce) published its Notice of Intent to Adopt Rules with a Dual Notice (without a hearing unless 25 or more persons requests for Hearing are received) regarding the above-referenced proposed rulemaking docket in the State Register on January 27, 2025. The Notice provided for the submission of comments from January 27, 2025, through March 5, 2025.

Commerce has presented information demonstrating that the proposed rules are needed and reasonable as required by Minn. Stat. §§14.23, including in the Statement of Need and Reasonableness (SONAR).

B. Goals of Rulemaking

The statutory authority cited below requires the Department to determine by rule the time and form for virtual-currency business activity required disclosures. These rules are necessary in order to provide specific requirements on how and when licensees must provide the disclosures when conducting virtual-currency business activity with any person.

The proposed rules are intended to specify the point in time that the disclosures must be given, what “clear and conspicuous” means, the layout and format of the disclosures, how customers acknowledge receipt of the disclosures, and the requirements to provide a receipt at the conclusion of a virtual-currency business activity transaction. They are necessary to ensure that any customer who conducts one of these transactions will receive the required disclosures in a time and format that will fully comply with the requirements laid out in Minnesota Statutes, Section 53B.72.

C. Organization of Commerce’s Review and Response to Comments

This document supplements the SONAR, previously filed in this matter. This document contains Commerce’s response to comments submitted during the public comment period.

Generally, the commenters shared the Department’s goal of ensuring clear and meaningful disclosures for these transactions, but voiced concerns with nature of the proposed rules which was described as “prescriptive.” The comments also generally addressed the language requirements and requested a delayed effective date in order to give operators time to comply with the requirements.

In order to increase clarity, Commerce created Table 1 which includes: a list of the comments received, and is provided to indicate who commented, when they commented and which proposed rules they addressed, as well as providing a short title for each comment to be used the subsequent section, Response to Comments.

Table 1 - List of Comments Received

Commenter	Short Title	Comment Period/date	Proposed Rules Addressed
NYDIG Trust Company LLC	Comment to Minnesota Proposed Rules on Virtual Currency Disclosures	March 5, 2025	2675.8510, subpart (1)(b) 2675.8510, subpart (1)(c) 2675.8510, subpart (1)(d) 2675.8510, subpart (3) 2675.8510, subpart(4)
Bitcoin Depot	Request for Comment: Proposed Minnesota Regulation 3740	March 4, 2025	No specific rule parts identified
Crypto Council for Innovation	Cite to Revisor ID and OAH Docket Number	March 5, 2025	2675.8510 subparts 1(b), subpart 3
CoinFlip	Request for delayed implementation for language requirement in RD4895	March 4 (via email) and 5, 2025	2675.8510, subpart 1(b), and general implementation process question
TMSRT (The Money Services Round Table"	Clarification Question	Via Email on January 29, 2025 ¹	2675.8510, subpart 1(b)

¹ On March 6, 2025, the day after the comment period closed, Commerce received a comment letter from Adam Fleisher on behalf of his client, TMSRT. On March 12th and 21st Commerce emailed Mr. Fleisher asking him to provide information on when and how his comment letter was submitted to ensure it was submitted during the open comment period. Mr. Fleisher responded that he could not determine how to submit comments on the eComment website operated by OAH and instead emailed his comment letter to oah.webmaster@state.mn.us. He did not provide Commerce with the date he sent his email and did not respond to Commerce's third email requesting that information. Commerce is treating the comment letter submitted by Mr. Fleisher as untimely as it was received after the comment period closed. The Department will not respond or consider the issues raised in the letter.

D. Response to Comments

Commerce provides specific responses to comments below grouped by the proposed rule number.

2675.8510, Subpart 1(B) – language requirements and delayed implementation (in most part due to language requirements)

Summary of Comments: The comments raise concerns about requiring the notice to be provided in English, Spanish, Somali, Hmong, Vietnamese, Chinese, and any other predominant language spoken by the licensee’s customers. The concerns centered around providing notices in multiple languages that may be irrelevant to the customer and that notices will be more difficult to understand with the additional languages included. Commenters requested delayed implementation until July 2026 to comply with the requirements.

Raised by: NYDIG, Bitcoin Depot, CoinFlip, and TMSRT.

Response:

The Department disagrees that providing disclosures in multiple languages will interfere with the ability to be understood. The comments assume that customers are unable to distinguish the applicable language. The Department will accept licensees offering the language options during the start of the disclosure process such that customers can then select their preferred languages from those options and then proceed in those languages. This acceptance also responds to TMSRT’s email comments regarding the method to provide in all languages versus the predominant language of their customers when they obtain services or receive marketing.

The comments that there will be burdens on licensees to ensure the disclosures are clear and accurate in several languages contradicts the fact that the federal Remittance Transfer Rule already requires providers of remittance transfers to provide disclosures in English and in the foreign languages principally used market those services or by the sender. In other words, a virtual-currency licensee who is subject to these requirements under Minnesota law must already have the capability to provide materials in multiple languages in order to allow customers to send money across the world.

The Department selected these languages as they were identified as the most common non-English languages spoken by Minnesota residents.² The Department already requires debt collection agencies to provide information on credit counseling services available to debtors during initial written communications using the exact same languages under Minnesota Statutes, Section 332.365.

Any licensee who allows for foreign remittances is already subject to language requirements for disclosures, so it is not clear that licensees have not already had to translate disclosures to meet those requirements. As Minnesota’s money transmission law subjects virtual-currency operators to those requirements, the Department does not agree with the language issue assertions.

² Review of American Community Survey Data 2022 Report from Census Data.

Given the important consumer protection requirements necessitated by the nature of virtual-currency transactions, the requests for a delay in implementation until July 2026 for language or other requirements is not acceptable to the Department. Licensees have already been required to provide the substantive disclosures since January 1, 2024, and the enhanced virtual-currency kiosk disclosures since August 1, 2024. The proposed rules relate to the time and format of how the required disclosures are delivered to customers. After consideration of the views expressed in the comments, the Department will modify the proposed rule to include an effective date of January 1, 2026. This is a non-substantial modification because the Dual Notice published by the Department offered notification that modifications to the proposed rule may be made. The modification is a logical outgrowth given the comments received and the time necessary to implement the rule. Persons affected by the rule have been given fair warning because all affected licensees and the general public were provided notice, the substance of the rule is not affected, and the change only gives affected licensees more time to comply with the new requirements.

2675.8510, subpart 3 – Acknowledgment and Receipts

Summary of Comments: Two comments stated concern about the Department’s flexibility to approve others formats for the communication of receipts with changes in technology, and separate acknowledgment of each disclosure item could lead to confusion and impede a customer’s ability to conduct business.

Raised by: NYDIG and Crypto Council for Innovation.

Response:

The Department appreciates the concern about future technology for receipts. Should such technology in the future significantly alter the ability to comply with the requirement, then the Department would consider potential legislative or rulemaking changes. Having customers acknowledge each disclosure separately is not confusing and while it may slow down a transaction to ensure a customer fully understands a transaction, this will not stop a customer from ultimately completing a transaction.