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CITY OF AMESBURY, MA

CITY OF AMESBURY
IN THE YEAR TWO THOUSAND TWENTY-SIX

SPONSORED BY: **BILL No.** 2026- 165

Kassandra Gove, Mayor

Steven Stanganelli, Councilor-at-Large

An Ordinance to amend the Amesbury Code of Ordinances by adding a new Chapter 446, entitled "Virtual currency automated teller machines," to prohibit the installation and operation of virtual currency automated teller machines (ATM), commonly referred to as cryptocurrency ATMs, Bitcoin ATMs, or virtual currency kiosks.

Summary: This ordinance establishes a new Chapter 446 of the Amesbury City Code to prohibit the installation and operation of virtual currency ATMs, commonly referred to as cryptocurrency ATMs, within the City. Virtual currency ATMs have increasingly been used in financial scams and fraudulent activities, particularly targeting older adults and vulnerable residents. These machines allow individuals to convert cash into cryptocurrency, often through transactions that are difficult to trace and nearly impossible to reverse, making it challenging for victims to recover stolen funds. This ordinance is intended to protect residents from financial exploitation and prevent these machines from being used to facilitate fraud within our community.

WHEREAS, the City of Amesbury through the Mayor and City Council has a duty to protect the economic interests of its residents, the reasons for this legislation are set forth in Addendum A; so therefore

Be it Ordained by the City Council of the City of Amesbury assembled, and by the authority of the same as follows:

1. That Amesbury Code of Ordinances is hereby amended to include a new Chapter 446, "Virtual currency automated teller machines", as follows:

§ 446-1 Purpose and Intent

The purpose of this chapter is to protect the health, safety, and welfare of residents of the City of Amesbury by prohibiting the installation and operation of virtual currency automated teller machines, commonly referred to as cryptocurrency ATMs, Bitcoin ATMs, or virtual currency kiosks.

The City recognizes that virtual currency ATMs may be used to facilitate financial fraud and scams, particularly those targeting older adults and other vulnerable individuals. Transactions conducted through these machines may be difficult to trace or reverse, creating significant financial risks for consumers.

§ 446-2 Definitions

For purposes of this chapter, the following definitions shall apply:

Virtual currency: A digital form of value that is not recognized as legal tender but may be used to purchase goods or services, measure value, or hold value for future use, including but not limited to Bitcoin, Litecoin, Ethereum, and similar blockchain-based tokens. Virtual currency does not include rewards or incentives provided by a business that cannot be converted into money, bank credit, or other virtual currency, or digital assets issued by a game publisher that may only be used within an online game.

Virtual currency automated teller machine (ATM): Any self-service kiosk, machine, terminal, or device installed in a publicly accessible location that enables users to purchase, sell, exchange, or transfer virtual currency using cash, debit cards, credit cards, or other forms of payment.

Operator: Any person, business, corporation, partnership, or other entity that owns, operates, maintains, or makes available a virtual currency automated teller machine.

§ 446-3 Prohibition

A. No person, business, corporation, partnership, or other entity shall install, operate, maintain, or make available for public use any virtual currency ATM within the City of Amesbury.
B. No owner, tenant, lessee, or person in control of any property or premises within the City of Amesbury shall permit the installation or operation of a virtual currency ATM on such property or premises.

C. Nothing in this chapter shall prohibit the lawful ownership, possession, purchase, sale, or exchange of cryptocurrency through methods other than a virtual currency ATM as defined herein.

§ 446-4 Enforcement and penalties

A. This chapter shall be enforced by the Director of Inspectional Services, or their authorized designees, consistent with applicable law.
B. Any person or entity found to be in violation of this chapter shall be subject to a fine not exceeding three hundred dollars ($300) for each violation.
C. Each day that a violation continues shall constitute a separate offense.
D. Violations of this chapter may be enforced through noncriminal disposition pursuant to M.G.L. Chapter 40, Section 21D, to the extent authorized by the City Code and applicable law to the effective date of this chapter shall cease operation and be removed within sixty (60) days following the effective date of this chapter.
E. In addition to the fines set forth herein, a violation of this chapter by an operator or by the owner or occupant of a licensed premises may constitute grounds for suspension or revocation of any City of Amesbury license or permit held by such operator, owner, or occupant, pursuant to the provisions of Chapter 334 of the City Code.

§ 446-5 Severability

If any section, subsection, sentence, clause, or provision of this chapter is determined to be invalid or unenforceable by a court of competent jurisdiction, such determination shall not affect the validity or enforceability of the remaining provisions.

2. In accordance with the City Charter, this Ordinance shall become effective at the expiration of 15 days after the date of adoption.

§ 446-6 Relationship to State Law

This chapter is intended to supplement and not to conflict with applicable state law. In the event the Commonwealth of Massachusetts enacts legislation governing the installation, operation, or prohibition of virtual currency automated teller machines, the City Council shall review this chapter for consistency with such legislation.

Addendum A: Reasons for Legislation

Cryptocurrency ATMs — also known as Bitcoin ATMs, BTMs, or virtual currency kiosks — allow users to rapidly convert cash into cryptocurrency and transmit it to anonymous digital wallets with little regulatory oversight; and

The FBI reported 296 complaints involving cryptocurrency kiosk scams in Massachusetts in 2025, representing $6,834,561 in losses, a figure law enforcement believes is significantly underreported; and

Massachusetts Attorney General Andrea Campbell has stated that "cryptocurrency kiosks have been linked to a growing number of scams and fraudulent transactions that put consumers at serious risk"; and

Massachusetts is the only New England state with no regulations governing cryptocurrency kiosks, which has allowed operators to proliferate without consumer safeguards; and

The neighboring City of Newburyport has advanced Ordinance 230 (2026) to prohibit the installation and operation of cryptocurrency machines citywide, developed in coordination with the Newburyport Police Department; and

The City of Haverhill, also within Essex County, enacted a cryptocurrency ATM ban in 2026, citing risks of financial fraud, money laundering, and lack of recourse for victims, and requiring removal within sixty (60) days under penalty of $300 per day; and

The Merrimac Police Department and the Essex County District Attorney's Office have documented cryptocurrency kiosk fraud victimizing residents of adjacent communities in the Merrimack Valley; and

At least 20 Massachusetts municipalities have enacted similar bans, including Gloucester, Peabody, Waltham, South Hadley, and Dartmouth; and

The City of Amesbury finds that, in the absence of adequate state regulation, it is necessary and appropriate to exercise its local police powers to protect residents — particularly older adults and other vulnerable community members — from the harms associated with unregulated cryptocurrency kiosks.