

§ 53-442. (Effective January 1, 2027) Definitions.

The following definitions apply in this Article:

- (1) Bank Secrecy Act. – The Bank Secrecy Act, 31 U.S.C. § 5311, et seq., and its implementing rules and regulations, as amended and recodified from time to time.
- (2) Blockchain. – A distributed digital ledger or database which is chronological, consensus-based, decentralized, and mathematically verified in nature.
- (3) Blockchain analytics. – A software service that uses data from various virtual currencies and their applicable blockchains to provide a risk rating specific to digital wallet addresses from users of virtual currency kiosks.
- (4) Commissioner. – The Commissioner of Banks of the State of North Carolina.
- (5) Digital wallet. – Hardware or software that enables individuals to store and use virtual currency.
- (6) Digital wallet address. – An alphanumeric identifier representing a destination on a blockchain for a virtual currency transfer that is associated with a digital wallet.
- (7) Dollar. – The United States dollar.
- (8) Existing virtual currency customer. – A person whose first transaction with a licensee to transmit virtual currency occurred more than 30 days ago.
- (9) Fiat currency. – A medium of exchange that is authorized or adopted by the United States government as part of its currency and is not backed by a commodity.
- (10) Individual. – A natural person.
- (11) New virtual currency customer. – A person that has no previous transactions with a licensee to transmit virtual currency or a person whose first transaction with a licensee to transmit virtual currency occurs within the past 30 days.
- (12) NMLS. – The Nationwide Multistate Licensing System and Registry developed by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators and owned and operated by the State Regulatory Registry, LLC, or any successor or affiliated entity, for the licensing and registration of persons in financial services industries.
- (13) Prevailing market value. – The value, in dollars, to buy or sell a particular virtual currency, as applicable, at the time of the transaction, as quoted on a virtual currency exchange operated by a licensee based in the United States and having sufficient transaction volume to reflect the prevailing market price of the virtual currency.
- (14) Spread. – The amount, in dollars, of any difference between the dollar price of the virtual currency that is charged to the customer to buy, sell, exchange, swap, or convert the virtual currency and the prevailing market value of the virtual currency at the time of the transaction.
- (15) United States PATRIOT Act. – The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 and its implementing rules and regulations, as amended and recodified from time to time.
- (16) Virtual currency. – Any type of digital unit that is used as a medium of exchange or a form of digitally stored value or that is incorporated into payment system technology. Virtual currency includes digital units of exchange that (i) have a centralized repository or administrator, (ii) are decentralized and have no centralized repository or administrator, or (iii) may be created or obtained by computing or manufacturing effort. Virtual currency

does not include digital units that are used (i) solely within online gaming platforms with no market or application outside of the gaming platforms or (ii) exclusively as part of a consumer affinity or rewards program and can be applied solely as payment for purchases with the issuer or other designated merchants but cannot be converted into or redeemed for fiat currency.

- (17) Virtual currency kiosk. – Any fully automated electronic machine owned, operated, or used by a virtual currency kiosk operator that enables the owner or operator to facilitate the transfer of fiat currency to a public key that is recorded on the blockchain, as directed by the customer.
- (18) Virtual currency kiosk operator. – A corporation, limited liability company, limited liability partnership, or foreign entity qualified to do business in the State that operates a virtual currency kiosk within the State. The term does not include a business location, property owner, lessee, or other person that provides space for a virtual currency kiosk manufactured or distributed by a third party. (2026-45, s. 1.)