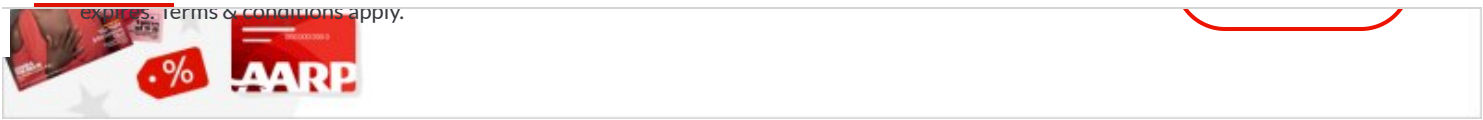


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ADVOCACY

States Take Aim at Crypto ATM Fraud

AARP is urging action where you live to protect consumers

By Carina Storrs, AARP

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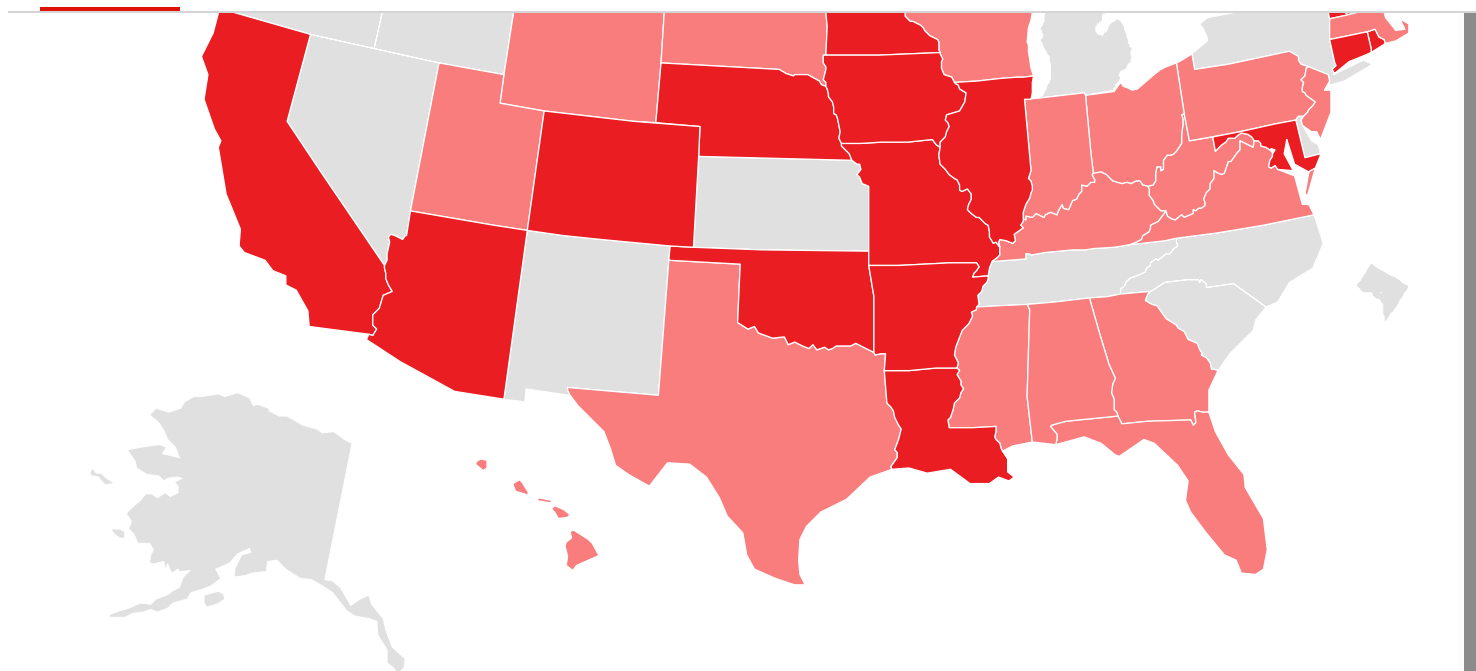
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Find out how your state is protecting adults 50-plus from crypto-kiosk scams

● Bill introduced ● Law enacted

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Last August, Linda Kay Simmons frantically drove to a gas station — her 6-year-old granddaughter in the back seat — to feed thousands of dollars into a cryptocurrency ATM. Two men claiming to be sheriff’s deputies had called earlier that day to warn she could face arrest for evading grand jury duty if she didn’t deposit the cash as a bail bond.

The men demanded she stay on the phone, but concern for her granddaughter spurred the 71-year-old author from Moneta, Virginia, to borrow a phone from a stranger to call her daughter. Simmons ended up

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“I didn’t want to listen to her at first, but she was so adamant that I just stopped,” Simmons says.

[Cryptocurrency kiosks](#), also called crypto ATMs, are an increasingly popular tool that criminals use in fraud schemes, as the transactions typically move quickly into overseas exchanges that don’t have to comply with U.S. laws. The machines, which convert cash into digital currency, often resemble traditional ATMs and are located in supermarkets, bars, convenience stores and other common businesses.

Cryptocurrency kiosks were used in scams that led to more than \$333 million in reported losses in 2025, according to FBI data. More than 12,000 complaints were filed with the FBI's Internet Crime Complaint Center, which marked a "clear and consistent rise" in cryptocurrency kiosk scams over recent years "that is not slowing down" according to the agency.

Older people are particularly at risk. A 2024 FBI report found that among cases where the victim’s age was known, individuals age 60 and older accounted for 86 percent of the losses.

The FBI notes that the types of fraud most closely associated with crypto ATM use include extortion, tech support scams, government impersonators and investment schemes.

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state and to provide transaction receipts to help law enforcement with investigations.

AARP got involved in early 2024 – talking with law enforcement, fraud victims and other stakeholders to understand the problem and the types of legislation that could help, says Françoise Cleveland, a government affairs director with AARP’s national office. Many of AARP’s state offices around the country have spearheaded legislative efforts to crack down on crypto ATMs.

ARTICLE CONTINUES AFTER ADVERTISEMENT

“We just want to be sure that any customer [using] any payment, whether that’s crypto kiosks, gold or anything else, that there are good protections against fraud,” Cleveland says.

AARP anticipates that lawmakers in nearly every state that does not already have a law will consider legislation in 2026 or 2027.



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support, romance and impostor scams.

The money is especially hard to recover because it typically goes to overseas exchanges that don't have to cooperate with U.S. authorities, Calendine says.

Join Our Fight Against Fraud

Here's what you can do to help protect people 50 and older from scams and fraud:

- Sign up to become a [digital fraud fighter](#) to help raise awareness about the latest scams.
- [Read more](#) about how we're fighting for you every day in Congress and across the country.
- AARP is your fierce defender on the issues that matter to people 50-plus. [Become a member or renew](#) your membership today.

"It's just heartbreaking," he says. "A lot of people ... have worked their whole lives, and in a matter of an instant, it's gone."

In Virginia, AARP is urging state lawmakers to consider crypto ATM legislation during the 2026 legislative session.

"Legislation that establishes daily transaction limits, requires fraud

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who is leading the state’s charge on digital currency regulation.

Salim says that kiosk operators have been at the table and even supportive of most of the protections, if it means they can still have machines in the state.

Transparency, accountability

While state legislation to regulate crypto ATMs is relatively new, there are indications that such laws are helping curb the problem in California and Connecticut, the first states to pass bills in 2023.

Connecticut does not have statewide data for crypto ATM–related fraud complaints, but “we are not taking nearly as many ... cases,” says Matt Hogan, a detective with Connecticut State Police who helped draft the state’s consumer protection legislation.

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While California is still seeing increases in crypto ATM–related fraud complaints, possibly because victims are reporting it more, the daily transaction limit for customers appears to be reining in the amount lost per case, according to a spokesperson for the California Department of Financial Protection and Innovation.

In Vermont, lawmakers in 2025 extended a moratorium on new crypto

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2025.“By requiring transparency and accountability for cryptocurrency kiosks, we are taking steps to ensure that as digital finances are evolving, strong consumer safeguards are being put into place,” says Jina Ragland, AARP Nebraska’s senior associate state director for advocacy.

However, consumer protection laws won’t prevent all crypto ATM–related fraud, so enforcement is also key, says Iowa Attorney General Brenna Bird (R).

In 2025, Bird sued two kiosk operators in the state, Bitcoin Depot and CoinFlip, after her investigation found at least 95 percent of transactions at their machines were fraudulent and cost Iowans about \$20 million in less than three years.

Although Iowa passed a crypto kiosk consumer protection law in 2025, which Bird calls a “strong first step,” the lawsuit alleges operators violated an older law generally prohibiting companies from defrauding or deceiving consumers.

Other attorneys general across the U.S. are launching crypto kiosk investigations, Bird notes. In September, D.C. Attorney General Brian L. Schwalb (D) announced a lawsuit against Athena Bitcoin, one of the biggest U.S. operators, after his investigation found 93 percent of its transactions were fraudulent.

Carina Storrs is a New York City–based freelance journalist for AARP who covers health, science,