STATE OF NEW YORK

10246

IN ASSEMBLY

February 12, 2026

Introduced by M. of A. LEE -- read once and referred to the Committee on Banks

AN ACT to amend the financial services law, in relation to prohibiting unlicensed activities of virtual currency businesses

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The financial services law is amended by adding a new section 408-b to read as follows:

§ 408-b. Unlicensed virtual currency businesses. (a) For the purposes of this section, a "prohibited unlicensed virtual currency act" shall mean engaging in an activity in this state for which a license is required by the department, without such license.

(b) In addition to any civil or criminal liability provided by law:

(1) any person who engages in a prohibited unlicensed virtual currency act shall be guilty of a class A misdemeanor;

(2) any person who engages in a prohibited unlicensed virtual currency act, and in the course of that violation engages in virtual currency business activity, as defined by the department, that receives for transmission, transmits, stores, holds, maintains custody or control, buys, sells, provides exchange services, administers, or issues virtual currency: (A) with a total value of twenty-five thousand dollars or more during a period of thirty days or less, or a total of two hundred fifty thousand dollars or more during a period of one year or less; or (B) knowing said virtual currency to be the proceeds of any criminal conduct, shall be guilty of a class E felony;

(3) any person who engages in a prohibited unlicensed virtual currency act, and in the course of that violation engages in virtual currency business activity, as defined by the department, that receives for transmission, transmits, stores, holds, maintains custody or control, buys, sells, provides exchange services, administers, or issues virtual currency with a total value of fifty thousand dollars or more during a period of thirty days or less, or a total of five hundred thousand dollars or more during a period of one year or less, shall be guilty of a class D felony; and

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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(4) any person who engages in a prohibited unlicensed virtual currency act, and in the course of that violation engages in virtual currency business activity, as defined by the department, that receives for transmission, transmits, stores, holds, maintains custody or control, buys, sells, provides exchange services, administers, or issues virtual currency with a total value of one hundred thousand dollars or more during a period of thirty days or less, or a total of one million dollars or more during a period of one year or less, shall be guilty of a class C felony.

§ 2. This act shall take effect immediately.