



TOWN OF IPSWICH

IPSWICH, MASSACHUSETTS 01938

The following is a “True Copy Attest” of the doings of Article 12 of the October 28, 2025 Special Town Meeting.

ARTICLE 12– Amend General Bylaw - Prohibition of Crypto Currency Machines

Submitted by: *Select Board*

To see if the Town will vote to amend its General Bylaw by adding the Chapter 133 as set forth below to prohibit the installation and use of cryptocurrency machines (also known as Bitcoin ATMs (BTMs), or virtual currency kiosks) in Ipswich, as follows:

§ 133-1 Purpose and intent

This Bylaw prohibits the installation and use of cryptocurrency machines (also known as Bitcoin ATMs, BTMs, or virtual currency kiosks) in Ipswich. BTMs allow users to buy or sell virtual or cryptocurrencies using cash or debit/credit cards. They have become a significant instrument in financial fraud and scams nationwide. Criminals use BTMs because of the anonymity, the avoidance of third-party financial intermediaries validating the transaction, and the fact that the transactions are irrevocable.

The Ipswich Police Department has limited resources to investigate, pursue and prosecute these types of criminal activities. In addition, these virtual transactions allow transfers of funds overseas, impeding the ability of any U.S. law enforcement agency to recover such funds. This Bylaw is one step in attempting to limit the impact of illicit BTM use on Ipswich residents. The purpose of this Article is to prohibit the use of BTMs within the Town as necessary and appropriate to prevent crime, protect personal property, and promote the health, safety, and welfare of the residents of Ipswich.

§ 133-2 Definitions

“Virtual Currency” a digital representation of value that: (1) is used as a medium of exchange, unit of account, or store of value; and (2) is not money, whether or not denominated in money, and thus does not have legal tender status. Virtual currency does not include transactions where a merchant grants, as part of a rewards program, value that cannot be exchanged with the merchant for money, bank credit, or virtual currency. It also does not include digital representation of value issued by or on behalf of a publisher used solely within an online game.

"Virtual Currency Kiosk" means an electronic terminal located in an area accessible to the general public that enables the exchange of Virtual Currency for money, bank credit, or other virtual currency.

§ 133-3 Virtual Currency Kiosks prohibited

It shall be unlawful for any person or entity to host, allow, operate, permit, locate or place a Virtual Currency Kiosk within the Town of Ipswich. All Virtual Currency Kiosks existing in the Town as of the Effective Date of this Ordinance must be removed within 60 days after the Effective Date. This section does not apply to any virtual currency transfers that are conducted without the use of a Virtual Currency Kiosk and does not intend to interfere with other types and methods of virtual currency transfers.

§ 133-4 Administration and enforcement.

A. This Article shall be enforced by the Select Board or its designee (the "Enforcement Authority").

B. This Article may be enforced through any lawful means, including but not limited to non-criminal disposition pursuant to MGL c. 40, § 21D. In the event of such disposition, and subject to the safeguards of § 21D, any business or individual that violates any provision of this Article shall be subject to the following penalties:

- (1) Upon the first violation, the Enforcement Authority shall provide the violator with written notice of the violation. The written notice shall also state that the violator has 30 days after receipt of such notice to cure the violation before the imposition of a fine.
- (2) After the 30-day cure period, if the violation has not been cured, the Enforcement Authority shall impose the following fines:
 - (a) A fine of \$300 for the first violation following receipt of the written notice referred to in Subsection B(1) above; and
 - (b) A fine of \$300 for any further violation.
- (3) Each day that the violator continues to operate the Virtual Currency Kiosk shall constitute a separate violation of this Article. Fines are cumulative and each day or portion thereof shall constitute a separate offense.
- (4) The Enforcement Authority may also bring a complaint on behalf of the Town in accordance with MGL c. 40, § 21D, in addition to the imposition of any fines.

; and further that non-substantive changes in the numbering of this Bylaw be permitted in order that it be in compliance with the numbering format of the Town's General Bylaw; or take any action relative thereto.

Summary: A prohibition on the installation or use of cryptocurrency machines (also known as Bitcoin ATMs or BTMs) that allow users to buy or sell cryptocurrencies using cash or debit/credit cards. These machines are being used by criminals to defraud our citizens. The BTMs are able to convert fiat currency (cash) into virtual cryptocurrency currency instantaneously and irreversibly, which exposes the most vulnerable of our citizens to unnecessary larceny/fraud risk. Once this unregulated transaction is executed, the cryptocurrency is immediately "hacked" and the victim's money is stolen, with little to no hope of recovering the money.

This requires a simple majority vote.

MOTION: I, Charles Surpitski, Select Board, move that the Town amend its General Bylaw as printed in Article 12 of the Warrant for this Special Town Meeting, except that the word "Ordinance" in Section 133-3 shall be replaced with the word 'Bylaw'.

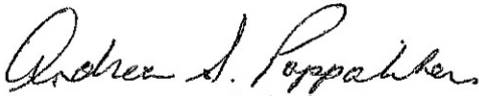
Police Chief Paul Nikas and Detective Edward Gallivan spoke from the floor in favor of the Article and Motion. A resident also spoke in favor from the floor. The Town Moderator called for a vote if no one had any additional comments.

Motion seconded.

**Select Board Recommend: 5-0
Finance Committee Recommend: 5-3
School Committee Recommend: 6-0-1**

ACTION: Yes: 186 No: 18. Article 12 carries by the necessary majority.

A True Copy Attest:



Andrea S. Pappalimberis
Town Clerk