

ORDINANCE NO. O-26-12

AN ORDINANCE OF THE CITY OF GARLAND, UTAH, ADDING A NEW CHAPTER TO THE GARLAND MUNICIPAL CODE TO PROHIBIT VIRTUAL CURRENCY KIOSKS WITHIN THE CITY; PROVIDING DEFINITIONS; PROVIDING ENFORCEMENT AND PENALTIES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

RECITALS

WHEREAS, the City Council of the City of Garland, Utah, finds that virtual currency kiosks, also known as cryptocurrency ATMs or Bitcoin teller machines, have been used in connection with fraud and scam schemes that have harmed residents in Utah;

WHEREAS, the City Council finds that transactions through virtual currency kiosks are often irreversible and can be used to rapidly transfer funds beyond recovery;

WHEREAS, the City Council finds that prohibiting the operation of virtual currency kiosks within Garland is a reasonable exercise of the City's police powers to protect the public health, safety, and welfare; and

WHEREAS, the City Council intends this ordinance to apply only within the corporate limits of Garland and not to regulate virtual currency ownership or transactions outside the City.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GARLAND, UTAH, AS FOLLOWS:

SECTION 1. Code Amendment

The Garland Municipal Code is hereby amended by adding a new **Chapter 10, Virtual Currency Kiosks** to Title 5, Police, Public Safety and Traffic (5-1-3), to read as in Attachment 1, attached hereto and incorporated hereby.

SECTION 2. Repealer

All ordinances or parts of ordinances in conflict with this ordinance are repealed to the extent of the conflict.

SECTION 3. Effective Date

This ordinance shall take effect after final passage and publication, unless otherwise required by law.

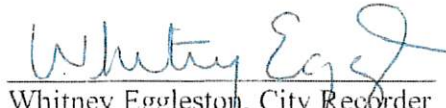
APPROVED, PASSED AND ADOPTED by the City Council of Garland, Utah, this 15 day of July, 2026.

GARLAND CITY



Danny Austin, Mayor

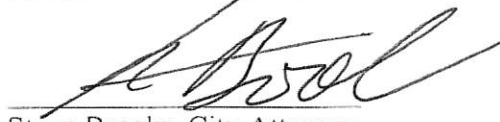
ATTEST:



Whitney Eggleston, City Recorder



APPROVED AS TO FORM:



Steve Brooks, City Attorney

VOTING:

Jeanette Atkinson	Yes ☒	No ☐
Josh Munns	Yes ☒	No ☐
Tena Allen	Yes ☒	No ☐
Jim Hall	Yes ☒	No ☐
Angie Johnsen	Yes ☐	No ☐ Absent

Attachment 1

TITLE 5 POLICE, PUBLIC SAFETY AND TRAFFIC

Chapter 10. Virtual Currency Kiosks

Section 5-10-1. Definitions.

For purposes of this chapter:

“Virtual currency” means a digital representation of value that is used as a medium of exchange, a unit of account, or a store of value, and that does not have legal tender status as recognized by the United States government.

“Virtual currency kiosk” means any automated, unattended, or semi-automated machine, device, or terminal that permits a person to buy, sell, exchange, or convert virtual currency for cash or other payment, and includes a cryptocurrency ATM, Bitcoin ATM, or BTM.

“Operator” means any person or entity that owns, leases, controls, manages, maintains, or operates a virtual currency kiosk, or that arranges for a kiosk to be placed on property within the City.

“Person” means an individual, corporation, partnership, limited liability company, association, trust, or other legal entity.

Section 5-10-2. Prohibition.

It is unlawful for any person to:

1. Operate, install, locate, maintain, or allow to be operated, installed, located, or maintained any virtual currency kiosk within the corporate limits of the City;
2. Enter into any agreement, lease, license, or other arrangement for the purpose of placing or operating a virtual currency kiosk within the City; or
3. Knowingly permit property under the person’s control to be used for the operation of a virtual currency kiosk within the City.

Section 5-10-3. Existing Kiosks.

Any virtual currency kiosk located within the City on the effective date of this chapter shall be removed or permanently disabled within sixty (60) days after the effective date. Each day after that period that a kiosk remains in violation constitutes a separate offense.

Section 5-10-4. Scope.

This chapter does not prohibit a person from owning, holding, transferring, or accepting virtual currency by means other than a virtual currency kiosk, nor does it prohibit virtual currency activity occurring outside the corporate limits of the City. The chapter is limited to conduct and property located within Garland.

Section 5-10-5. Enforcement.

The City may enforce this chapter through any lawful means, including notice of violation, misdemeanor citation, civil abatement, injunction, or other legal or equitable relief.

Section 5-10-6. Penalty.

Any person who violates this chapter is guilty of a class B misdemeanor. Each day a violation continues is a separate offense.

Section 5-10-7. Severability.

If any provision of this chapter or its application to any person or circumstance is held invalid, the remainder of the chapter and the application of the provision to other persons or circumstances shall not be affected.

ATTORNEY REPORT TO THE CITY COUNCIL

TO: Garland City Council

FROM: Steve Brooks

DATE: July 14, 2026

SUBJECT: Proposed Ordinance Prohibiting Virtual Currency Kiosks Within Garland City Limits

Recommendation

Approve Ordinance No. O-26-12, adding a new chapter to the Garland Municipal Code prohibiting virtual currency kiosks within the City and establishing enforcement provisions. The proposed ordinance is intended to reduce fraud exposure and protect residents from scam activity associated with cryptocurrency kiosks.

Background

This matter came because of a request from the Chief of Police.

Utah cities have recently experienced fraud concerns tied to virtual currency kiosks, and at least two Utah municipalities have taken local action to prohibit them. Layton reported nearly \$2 million in fraud-related losses over several years, and Brigham City has also adopted a virtual currency kiosk ordinance with class B misdemeanor enforcement.

State law has also moved toward regulating virtual currency kiosks, including consumer protections and warnings. Utah law defines “virtual currency” as a digital representation of value used as a medium of exchange, unit of account, or store of value, and not having legal tender status recognized by the United States government.

Policy Considerations

The proposed ordinance is narrowly tailored. It does not ban cryptocurrency generally, does not prohibit online exchanges or peer-to-peer transfers, and does not regulate transactions outside Garland. Instead, it targets physical kiosks within city limits that have been associated with fraud and irreversible losses.

The ordinance provides a sixty (60) day period for existing kiosks to be removed or disabled, which is consistent with recent Utah municipal practice.

Legal and Practical Effect

The ordinance applies only to conduct and property within the corporate limits of Garland. It may indirectly affect Garland residents and other Utah residents who would otherwise use kiosks in Garland, but it does not regulate statewide activity or conduct outside the city. Using the same “virtual currency” terminology as Utah law helps keep the city ordinance consistent with state policy.

Fiscal Impact

The fiscal impact is expected to be minimal. Enforcement may require some staff time for notices, follow-up, and possible code enforcement or police action, but no significant new ongoing expenses are anticipated unless violations occur.

Attachments

1. Proposed Ordinance No. O-26-12.
2. Draft findings and recitals.
3. Notice of violation template. (Optional)
4. Public information handout. (Optional)

Suggested Legal Findings and Motion Language

Required Findings

For a strong council record, the ordinance and staff report should make findings like these:

1. Virtual currency kiosks have been used in connection with fraud, scams, and financial exploitation.
2. Losses from kiosk-based fraud are often irreversible or difficult to recover.
3. The City has a legitimate police-power interest in protecting public health, safety, and welfare.
4. The ordinance is limited to kiosks physically located within Garland city limits.
5. The ordinance does not prohibit cryptocurrency generally, only kiosk operations.
6. The ordinance is consistent with Utah's statutory framework for virtual currency kiosks and related consumer protections.

Suggested Council Record Language

If you want the minutes to be clean and complete, you can have the record reflect:

- The Council reviewed the staff report and proposed ordinance.
- The Council determined the ordinance is a local public-safety measure.
- The Council confirmed the ordinance does not ban cryptocurrency generally.
- The Council acknowledged the compliance period for any existing kiosk.
- The Council adopted the ordinance on [first/second] reading.

Motion Language

A concise council motion could read:

I move that the City Council adopt Ordinance No.O-26-12, adding a new chapter to the Garland Municipal Code prohibiting virtual currency kiosks within the corporate limits of Garland, finding that such kiosks have been associated with fraud and financial harm, that the ordinance is a reasonable exercise of the City's police powers, and that the ordinance is limited to kiosk operations within Garland city limits.

CITY OF GARLAND, UTAH
NOTICE OF VIOLATION AND ORDER TO COMPLY
Ordinance No. 0-26-12 - Virtual Currency Kiosks

Date: _____

To: _____ [Owner/Operator Name]

Mailing Address: _____

Property Address / Kiosk Location: _____

Notice

This notice is issued to inform you that a virtual currency kiosk, as defined in Garland City Ordinance No. [____], is located at the above property in violation of the ordinance. Utah's current kiosk framework recognizes virtual currency kiosks as a regulated category and requires operators to comply with state requirements, while local ordinances may prohibit kiosks within city limits.

Violation

The following conduct violates the Garland City Code:

- Operating, installing, locating, or maintaining a virtual currency kiosk within the corporate limits of Garland.
- Allowing property under your control to be used for the operation of a virtual currency kiosk.
- Failing to remove or disable an existing kiosk within the time allowed by ordinance.

Order to Comply

You are hereby ordered to do one or both of the following, as applicable:

1. Cease operation of the virtual currency kiosk immediately; and
2. Remove or permanently disable the kiosk no later than **[insert deadline, e.g., 60 days from ordinance effective date or a shorter notice deadline if already past that date]**.

Required Response

By no later than **[insert response deadline]**, you must provide written confirmation to the City that:

- The kiosk has been removed or disabled; or
- You have ceased the prohibited use and will not resume it within Garland city limits.

Failure to Comply

If you do not comply with this notice, the City may pursue one or more of the following remedies:

- A criminal citation for violation of the ordinance.
- Civil abatement or injunctive relief.
- Additional enforcement action under the Garland City Code.
- Daily penalties, if authorized by ordinance and applicable law.

Each day the violation continues may be treated as a separate offense if the ordinance so provides.

Contact

Questions regarding this notice may be directed to:

_____ (Code Enforcement / Police Department)

_____ [Phone]

_____ [Email]

Issued by:

_____ [Title]

City of Garland, Utah

Signature: _____

Date: _____

Public Information Handout

CITY OF GARLAND, UTAH

Virtual Currency Kiosk Ordinance: What Residents Should Know

What is a virtual currency kiosk?

A virtual currency kiosk is a machine that lets a person buy, sell, or exchange virtual currency for cash or other payment. These devices are often called cryptocurrency ATMs or Bitcoin ATMs. Utah law now treats virtual currency kiosks as a distinct regulatory category, and the state has adopted consumer-protection rules for them.

Why is the City acting?

The City Council is acting to reduce fraud, protect residents, and prevent financial losses associated with kiosk-based scams. Utah cities have reported serious losses tied to crypto kiosks, and local ordinances have been adopted to address that risk.

Does this ban cryptocurrency?

No. The ordinance does **not** ban owning cryptocurrency, transferring cryptocurrency online, using digital wallets, or accepting virtual currency as payment in ordinary business transactions. It only prohibits the operation of virtual currency kiosks within Garland city limits.

Who is affected?

The ordinance affects kiosk owners, operators, property owners, and businesses that host or allow kiosks in Garland. Garland residents may also be affected if they currently use a kiosk in the city. People may still use virtual currency through other legal means outside the city.

What happens if a kiosk is already in Garland?

Existing kiosks must be removed or permanently disabled within the time allowed by the ordinance. If they are not, the City may issue notices and pursue enforcement, including citations or other legal remedies.

Where can I get more information?

Contact _____ [City Department / Phone / Email] or review the ordinance text on the City's website.