



STATE OF CALIFORNIA

Department of Financial Protection and Innovation

GOVERNOR **Gavin Newsom** • COMMISSIONER **Clothilde V. Hewlett**

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Court Upholds Daily Transaction Limit for Crypto Kiosks

SACRAMENTO — The Department of Financial Protection and Innovation (DFPI) announced today that the Superior Court for Los Angeles County has upheld the [Digital Financial Assets Law’s](#) landmark consumer protections for users of crypto asset kiosks, commonly known as “Bitcoin ATMs.”

The plaintiff, the Alliance for the Fair Access to Cryptocurrency Terminals (the Alliance), alleged in a lawsuit served on the DFPI in January 2024 that the \$1,000 per customer per day crypto kiosk withdrawal limit in the Digital Financial Assets Law was unreasonable and exceeded the Legislature’s authority.

With its [ruling](#), the Court found that the cap on daily transactions at crypto kiosks was a reasonable method for limiting fraud.

“The law’s common-sense restrictions, including a \$1,000 daily limit at crypto kiosks, protect consumers from fraudulent transactions and limit the use of kiosks for illicit purposes. The Department will continue implementing this important legislation, which will strengthen responsible innovation in the state’s crypto industry and protect Californians,” said DFPI Commissioner Clothilde Hewlett.

About the Digital Financial Assets Law

On October 13, 2023, Governor Gavin Newsom signed [Assembly Bill 39](#) and [Senate Bill 401](#), which together created the DFAL. The DFAL is a first-of-its-kind law that protects California consumers and the market from risky crypto asset business practices.

Beginning July 1, 2025, the DFAL prohibits an entity from engaging in digital financial asset business activity unless the entity holds a license from the DFPI. Digital financial business activity includes the activities of exchanging, storing, or transferring a digital financial asset, which are more commonly known as crypto assets. The new law promotes consumer and investor protection by creating a robust regulatory framework, including supervision and enforcement authority, for certain crypto asset activities, including the operation of crypto kiosks.

In addition to the daily limit at issue in the now-dismissed lawsuit, DFAL protects users of crypto kiosks by limiting fees operators may charge and mandating new disclosures. Kiosk operators in California will also need to apply for a DFAL license.

More information about the DFPI’s efforts to implement the DFAL, including a frequently asked questions page and a page for kiosk operators, can be found at dfpi.ca.gov/dfal.

About the DFPI

The California Department of Financial Protection and Innovation (DFPI) protects consumers, regulates financial services, and fosters responsible innovation. The DFPI protects consumers by establishing and enforcing financial regulations that promote transparency and accountability. We empower all Californians to access a fair and equitable financial marketplace through education and preventing potential risks, fraud, and abuse. Learn more at dfpi.ca.gov.

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