

March 9, 2026

Members of the Minnesota House Commerce Committee  
Minnesota House of Representatives  
St. Paul, Minnesota

Dear Chair and Committee Members,

I am a civilian Case Investigator, writing on behalf of the Licensing Unit within the Minneapolis Police Department (MPD). In the course of my duties, I frequently encounter theft-by-swindle cases where citizens of Minneapolis are targeted and exploited emotionally and financially. When these cases involve Bitcoin, they can be extremely difficult to investigate, as there is no clear financial footprint or evidence trail. MPD simply does not have the resources or staffing to pursue every complex financial fraud case.

There are approximately 46 Bitcoin ATM kiosks within the city of Minneapolis. These are often found in gas stations, liquor stores, or convenience stores. As this is a relatively new fraud scheme, almost anyone can fall victim to a fraudster’s deception. However, our Minneapolis senior community is especially vulnerable. MPD sees approximately 57 Minnesota Adult Abuse Reporting Center (MAARC) reports per week, and many of those involve a financial fraud scheme and the use of Bitcoin.

In 2025, MPD investigated numerous financial fraud cases where the victims were induced to make payments via a Bitcoin ATM kiosk, resulting in a total loss of approximately \$82,000. However, there were at least 20 other online Bitcoin related cases which involved schemes of romance deception and fraudulent business investments, resulting in a total loss of nearly \$9,000,000. However, prosecution in these cases is rarely achieved because offenders often operate from overseas and exploit cryptocurrency systems that make identification and recovery of stolen funds exceptionally difficult for law enforcement.

#### CASE EXAMPLES:

MPD currently has an open investigation involving multiple victims who were induced to send money via a Bitcoin kiosk. Twelve of these victims are known and have been interviewed. Their ages range from 18-66. The twelve victims lost a total of \$18,880 collectively. However, they also lost much more than money. While I cannot discuss the details of the scheme since it’s an ongoing investigation, I can report that each one of the victims described overwhelming feelings of anxiety, fear, distrust, and embarrassment after realizing they were a victim of a fraud scheme. They all said the person on the other end of the phone sounded so real and official that they believed the lies they were told. The fraudster manipulated the victims’ emotions with the idea that they would be fired from their job, not accepted at university, or subjected to other life events detrimental to their self-confidence and future potential. Each victim I interviewed agreed that losing the money was hard, but losing their sense of security was worse.

Another MPD case was recently closed due to the lack of viable leads and manpower to pursue further investigation. In this case, the 80-year-old victim was induced into sending \$9,200 via a Bitcoin kiosk. An unknown caller claiming to be a Hennepin County Sheriff’s Officer informed the victim he did not show up for federal jury duty, and therefore there was a warrant out for his arrest. The victim was told he could avoid arrest and jail time if he paid a fee. The victim later confided in investigators that he felt it was a scam, but if there was a small chance it was legitimate, he needed to pay the fee. He was concerned his wife would be upset and scared if he was suddenly arrested and did not come home that evening. He shared that he was too embarrassed to admit this to his wife. He finally told her the truth about his fears, and it felt like a weight had been lifted. Luckily, in this situation, the victim had a supportive spouse and was not alone during this ordeal.

Last fall, a 76-year-old woman received a “Fraud Alert” on her iPad. After speaking with a phony “Inspector General of Social Security,” she withdrew \$35,000 from her bank account and drove to a local Holiday gas station where she planned on depositing the cash into a Bitcoin kiosk. She had only deposited \$2,000 when two employees of the gas station approached her and warned her of potential scams. MPD arrived and escorted her back to her bank, where she was able to re-deposit the remaining \$33,000. MPD honored the two citizens for stepping in and preventing a potentially catastrophic loss for the victim.

It is already challenging to investigate these crimes to the point of a successful prosecution, so it makes sense to eliminate the physical mechanisms often used to facilitate the fraud. Outreach and education about these Bitcoin scams to our Minneapolis residents is important. However, prohibiting Bitcoin ATM kiosks in our city, and within the state of Minnesota, would greatly reduce the financial and emotional toll these schemes cause.

I respectfully ask for your support of MN HF3642 to help protect Minnesotans from these scams.

Thank you for your time and consideration.

Kind regards,



Jennifer Johanna

Case Investigator, Minneapolis Police Department