

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 92
Committee Substitute Favorable 3/5/25
Committee Substitute #2 Favorable 4/16/25

Short Title: NC Digital Assets Investments Act.

(Public)

Sponsors:

Referred to:

February 12, 2025

A BILL TO BE ENTITLED
AN ACT TO AUTHORIZE THE STATE TREASURER TO INVEST IN QUALIFYING
DIGITAL ASSETS, EXAMINE THE FEASIBILITY TO ALLOW MEMBERS OF THE
STATE RETIREMENT INCOME PLAN AND MEMBERS OF THE 457(B) DEFERRED
COMPENSATION PLAN TO INVEST IN DIGITAL ASSETS, AND STUDY A STATE
RESERVE TO HOLD SEIZED OR FORFEITED DIGITAL ASSETS.

The General Assembly of North Carolina enacts:

SECTION 1. Article 6 of Chapter 147 of the General Statutes is amended by adding
a new section to read:

"§ 147-69.2E. Investments in digital assets.

(a) The following definitions apply in this section:

- (1) Designated funds. – Any of the funds described in G.S. 147-69.1(b) and G.S. 147-69.2(a).
- (2) Digital asset. – A virtual currency, cryptocurrency, native electronic asset, stablecoin, nonfungible token, or any other asset that is only digital and that confers economic, proprietary, or access rights or powers.
- (3) Secure custody solution. – A technological product or a blended product and service that employs advanced security measures to safeguard private keys and prevent unauthorized access.
- (4) Private key. – A unique element of cryptographic data used for signing transactions on a blockchain that is known to the owner of the unique element.

(b) The State Treasurer may invest the cash of the designated funds in digital assets only after obtaining an independent assessment by a third-party consultant that all of the following requirements for proposed investments have been met:

- (1) The digital assets are maintained with a secure custody solution.
- (2) The potential investment is appropriate for the designated fund's circumstances from a total portfolio perspective.
- (3) The control environment meets institutional investment industry requirements for independent risk and compliance oversight, operational robustness, and regulatory compliance.

(c) An investment in digital assets from any of the designated funds shall not exceed, in the aggregate, five percent (5%) of the balance of the designated fund."

SECTION 2. The Treasurer shall examine the feasibility of allowing members of the Supplemental Retirement Income Plan and members of the 457(b) Deferred Compensation Plan to elect to invest in digital assets, as defined in G.S. 147-69.2E, which are held as



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exchange-traded products. If the Treasurer determines such investment is appropriate and the Supplemental Retirement Board of Trustees agrees after reviewing the Treasurer's findings, then the Treasurer and Board may adopt rules to implement allowing State employees to invest, including the following:

- (1) Identifying appropriate investment vehicles.
- (2) Determining whether a maximum contribution allowable for members of the Supplemental Retirement Income Plan and members of the 457(b) Deferred Compensation Plan should be established and the amount of that contribution.
- (3) Establishing educational materials to inform State employees about digital asset basics and digital asset investment risks.
- (4) Any other rules the Treasurer deems necessary.

SECTION 3. The State Bureau of Investigation, in cooperation with the State Treasurer, local law enforcement agencies, and other statewide law enforcement agencies, shall study the feasibility of establishing the North Carolina Digital Asset Reserve (Reserve), with the purpose of retaining digital assets seized and forfeited to the State. The study shall include at least the following:

- (1) The State agency or department best suited to administer the Reserve.
- (2) The best method to hold assets in the Reserve.
- (3) The process for placing seized or forfeited assets in the Reserve.
- (4) The best method to time sales from the Reserve to maximize revenue to the Civil Penalty and Forfeiture Fund and benefit local boards of education.
- (5) Any other issues the stakeholders deem necessary.

The State Bureau of Investigation shall report the results of this study, including proposed legislation to create, implement, and administer the Reserve, to the Joint Legislative Oversight Committee on General Government no later than March 1, 2026.

SECTION 4. If House Bill 506, 2025 Regular Session, becomes law, G.S. 147-69.2E, as enacted in that act, is repealed. If Senate Bill 709, 2025 Regular Session, becomes law, then G.S. 147-69.2E, as enacted in that act, is repealed.

SECTION 5. If House Bill 506, 2025 Regular Session, or Senate Bill 709, 2025 Regular Session, becomes law, then G.S. 147-69.2E(b), as enacted in Section 1 of this act, reads as rewritten:

"(b) ~~The State Treasurer Investment Authority~~ may invest the cash of the designated funds in digital assets only after ~~obtaining approval by the Board of Directors. The approval shall be based on an independent assessment by a third-party consultant that all of the following requirements for proposed investments have been met:~~

- (1) The digital assets are maintained with a secure custody solution.
- (2) The potential investment is appropriate for the designated fund's circumstances from a total portfolio perspective.
- (3) The control environment meets institutional investment industry requirements for independent risk and compliance oversight, operational robustness, and regulatory compliance."

SECTION 6. This act is effective when it becomes law.