

REFERENCE TITLE: state retirement systems; digital assets

State of Arizona  
Senate  
Fifty-sixth Legislature  
Second Regular Session  
2024

## **SCR 1016**

Introduced by  
Senators Hoffman; Petersen; Representative Chaplik

### A CONCURRENT RESOLUTION

SUPPORTING THE POTENTIAL USE OF DIGITAL ASSETS BY THE ARIZONA STATE  
RETIREMENT SYSTEM AND THE PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1           Whereas, the landscape of financial investments is rapidly evolving  
2 with the advent of digital assets like Bitcoin, which has a market cap of  
3 approximately one trillion dollars; and

4           Whereas, digital assets such as Bitcoin gained significant interest  
5 in the realm of exchange traded funds (ETFs); and

6           Whereas, there are large retirement funds that have dedicated  
7 significant seed funding for a proposed spot Bitcoin ETF, signaling  
8 growing institutional interest in such investment vehicles; and

9           Whereas, the global assets under management for firms that have  
10 filed for a Bitcoin ETF are over 16 trillion dollars; and

11           Whereas, the United States Securities and Exchange Commission (SEC)  
12 has approved eleven spot Bitcoin ETFs as of January 10, 2024 and the  
13 Bitcoin ETFs began trading on January 11, 2024; and

14           Whereas, pension funds traditionally have exposure to a diverse  
15 number of sectors of the economy, including commodities such as gold and  
16 silver, which are traditionally invested in via ETFs; and

17           Whereas, the federal government holds approximately 200,000 Bitcoin;  
18 and

19           Whereas, Arizona's state retirement systems have an obligation to  
20 meet the best interests of their members; and

21           Whereas, the role of Bitcoin and other digital assets in the modern  
22 financial ecosystem continues to grow, particularly in the context of  
23 ETFs; and

24           Whereas, it is important that the Arizona State Retirement System  
25 and the Public Safety Personnel Retirement System work with the State  
26 Treasurer's office to evaluate the potential risks and benefits of  
27 investing in Bitcoin and digital asset ETFs, given the evolving regulatory  
28 landscape and growing market capitalization.

29 Therefore

30 Be it resolved by the Senate of the State of Arizona, the House of

31 Representatives concurring:

32           That the Members of the Legislature encourage the Arizona State  
33 Retirement System and the Public Safety Personnel Retirement System to:

34           1. Closely monitor the developments in Bitcoin ETFs and other  
35 digital asset ETFs and consider the implications of including such assets  
36 in their investment portfolios after, to the extent possible, consulting  
37 with any firms that have been granted SEC approval to offer a digital  
38 asset ETF.

39           2. Consider the implications of including a digital asset ETF in  
40 their investment portfolios.

1           3. Submit a comprehensive report on the feasibility, risk and  
2 potential benefits of directing a portion of state retirement system  
3 monies into digital asset ETFs, including a list of options and  
4 recommendations for how this state might safely invest in the digital  
5 asset class, to the State Treasurer's office, the President of the Senate  
6 and the Speaker of the House of Representatives at least three months  
7 before the beginning of the fifty-seventh legislature, first regular  
8 session.