



February 13, 2026

ENGROSSED HOUSE BILL No. 1042

DIGEST OF HB 1042 (Updated February 11, 2026 12:45 pm - DI 154)

Citations Affected: IC 2-3.5; IC 5-10; IC 5-10.3; IC 5-10.4; IC 5-36; IC 28-8; IC 34-46; IC 35-37; IC 36-1.

Synopsis: Regulation and investment of cryptocurrency. Provides that the following shall offer, as a regular investment program, a self directed brokerage account that offers at least one cryptocurrency investment option: (1) The legislators' defined contribution plan. (2) The Hoosier START plan. (3) Specified public employees' retirement fund plans and accounts. (4) Specified teachers' retirement fund plans and accounts (including the teachers' pre-1996 account). Prohibits a public agency, other than the department of financial institutions, or a county, municipality, or township from adopting or enforcing a rule,
(Continued next page)

Effective: July 1, 2026.

Pierce K, Teshka, Judy, VanNatter

(SENATE SPONSORS — WALKER K, BALDWIN)

December 2, 2025, read first time and referred to Committee on Financial Institutions.
January 14, 2026, amended, reported — Do Pass.
January 20, 2026, read second time, amended, ordered engrossed.
January 21, 2026, engrossed.
January 22, 2026, read third time, passed. Yeas 53, nays 42.

SENATE ACTION

January 26, 2026, read first time and referred to Committee on Insurance and Financial Institutions.
February 12, 2026, amended, reported favorably — Do Pass.

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Digest Continued

ordinance, or other regulation that does any of the following: (1) Prohibits, restricts, or impairs an individual's ability to: (A) accept digital assets as a method of payment for legal goods and services; or (B) take custody of digital assets using specified technologies. (2) Imposes taxes or fees on: (A) use or acceptance of digital assets as a method of payment for legal goods and services; or (B) taking or maintaining custody of digital assets using a self-hosted wallet or hardware wallet; that are not applicable to comparable financial transactions that do not involve digital assets. (3) Prohibits, restricts, or impairs the ability of an individual or business to engage in specified activities pertaining to blockchains. Prohibits a public agency, other than the department of financial institutions, from adopting or enforcing a rule, ordinance, or other regulation that prohibits operation of a digital mining business. Prohibits a county, municipality, or township from adopting or enforcing a rule, ordinance, or other regulation that does any of the following: (1) Prohibits a digital asset mining business from operating in an area zoned for industrial use, or subjects a digital asset mining business located in an area zoned for industrial use to noise restrictions that are not applicable to other businesses operating in an area zoned for industrial use. (2) Prohibits private digital asset mining in a private residence located in an area that is zoned for residential use, or subjects private digital asset mining in a residence located in an area zoned for residential use to noise restrictions that do not apply to other residences in an area zoned for residential use. Provides that development or use of software for noncustodial transfer of digital assets does not constitute money transmission for purposes of statutes regarding licensure of money transmitters. Provides that a court may compel a person to disclose a digital asset private key only if no other admissible information is sufficient to provide access to the digital asset.



February 13, 2026

Second Regular Session of the 124th General Assembly (2026)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in *this style type*, additions will appear in **this style type**, and deletions will appear in *this style type*.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2025 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1042

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 2-3.5-2-2.8 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2026]: **Sec. 2.8. "Cryptocurrency" means a virtual currency**
4 **that:**

- 5 (1) **is not issued by a central authority;**
6 (2) **is designed to function as a medium of exchange; and**
7 (3) **uses encryption technology to:**
8 (A) **regulate the generation of units of currency;**
9 (B) **verify fund transfers; and**
10 (C) **prevent counterfeiting.**

11 **The term does not include payment stablecoin.**

12 SECTION 2. IC 2-3.5-5-3.3 IS ADDED TO THE INDIANA CODE
13 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
14 1, 2026]: **Sec. 3.3. (a) Not later than July 1, 2027, the board shall**
15 **offer, as a regular investment program within the defined**

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1 contribution fund, a self directed brokerage account that offers at
2 least one (1) cryptocurrency investment option.

3 (b) The board may adopt requirements and rules that apply to
4 a cryptocurrency investment option under a self directed
5 brokerage account offered under subsection (a), including the
6 following:

7 (1) The board's investment guidelines and limits for the
8 cryptocurrency investment option.

9 (2) A participant's selection of and changes to the
10 participant's investment options.

11 (3) The valuation of a participant's account.

12 (4) The allocation and payment of administrative expenses for
13 the cryptocurrency investment option.

14 (c) The board shall determine the appropriate administrative
15 fees to be charged to the participant's accounts.

16 SECTION 3. IC 5-10-1.1-0.5 IS ADDED TO THE INDIANA
17 CODE AS A NEW SECTION TO READ AS FOLLOWS
18 [EFFECTIVE JULY 1, 2026]: **Sec. 0.5. As used in this chapter,**
19 **"cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.**

20 SECTION 4. IC 5-10-1.1-4.3 IS ADDED TO THE INDIANA
21 CODE AS A NEW SECTION TO READ AS FOLLOWS
22 [EFFECTIVE JULY 1, 2026]: **Sec. 4.3. (a) Not later than July 1,**
23 **2027, the deferred compensation committee shall offer, as a regular**
24 **investment program within the defined contribution fund, a self**
25 **directed brokerage account that offers at least one (1)**
26 **cryptocurrency investment option.**

27 (b) The deferred compensation committee may adopt
28 requirements and rules that apply to a cryptocurrency investment
29 option under a self directed brokerage account offered under
30 subsection (a), including the following:

31 (1) The deferred compensation committee's investment
32 guidelines and limits for the cryptocurrency investment
33 option.

34 (2) A plan participant's selection of and changes to the plan
35 participant's investment options.

36 (3) The valuation of a plan participant's account.

37 (4) The allocation and payment of administrative expenses for
38 the cryptocurrency investment option.

39 (c) The deferred compensation committee shall determine the
40 appropriate administrative fees to be charged to the plan
41 participant accounts.

42 SECTION 5. IC 5-10.3-1-1.3 IS ADDED TO THE INDIANA



1 CODE AS A NEW SECTION TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2026]: **Sec. 1.3.** As used in this article,
3 "cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.

4 SECTION 6. IC 5-10.3-5-3.5 IS ADDED TO THE INDIANA
5 CODE AS A NEW SECTION TO READ AS FOLLOWS
6 [EFFECTIVE JULY 1, 2026]: **Sec. 3.5.** (a) Not later than July 1,
7 2027, the board shall offer, as a regular investment program within
8 the annuity savings accounts described in IC 5-10.2-2-2(a), a self
9 directed brokerage account that offers at least one (1)
10 cryptocurrency investment option.

11 (b) The board may adopt requirements and rules that apply to
12 a cryptocurrency investment option under a self directed
13 brokerage account offered under subsection (a), including the
14 following:

15 (1) The board's investment guidelines and limits for the
16 cryptocurrency investment option.

17 (2) A member's selection of and changes to the member's
18 investment options.

19 (3) The valuation of a member's account.

20 (4) The allocation and payment of administrative expenses for
21 the cryptocurrency investment option.

22 (c) The board shall determine the appropriate administrative
23 fees to be charged to the member accounts.

24 SECTION 7. IC 5-10.3-12-22.5 IS ADDED TO THE INDIANA
25 CODE AS A NEW SECTION TO READ AS FOLLOWS
26 [EFFECTIVE JULY 1, 2026]: **Sec. 22.5.** (a) Not later than July 1,
27 2027, the board shall offer, as a regular investment program within
28 the plan, a self directed brokerage account that offers at least one
29 (1) cryptocurrency investment option.

30 (b) The board may adopt requirements and rules that apply to
31 a cryptocurrency investment option under a self directed
32 brokerage account offered under subsection (a), including the
33 following:

34 (1) The board's investment guidelines and limits for the
35 cryptocurrency investment option.

36 (2) A member's selection of and changes to the member's
37 investment options.

38 (3) The valuation of a member's account.

39 (4) The allocation and payment of administrative expenses for
40 the cryptocurrency investment option.

41 (c) The board shall determine the appropriate administrative
42 fees to be charged to the member accounts.



1 SECTION 8. IC 5-10.4-1-5.4 IS ADDED TO THE INDIANA
 2 CODE AS A NEW SECTION TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2026]: **Sec. 5.4. "Cryptocurrency" has the**
 4 **meaning set forth in IC 2-3.5-2-2.8.**

5 SECTION 9. IC 5-10.4-3-10.5 IS ADDED TO THE INDIANA
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2026]: **Sec. 10.5. (a) Not later than July 1,**
 8 **2027, the board shall offer, as a regular investment program within**
 9 **the annuity savings accounts described in IC 5-10.4-2-2, a self**
 10 **directed brokerage account that offers at least one (1)**
 11 **cryptocurrency investment option.**

12 **(b) The board may adopt requirements and rules that apply to**
 13 **a cryptocurrency investment option under a self directed**
 14 **brokerage account offered under subsection (a), including the**
 15 **following:**

16 **(1) The board's investment guidelines and limits for the**
 17 **cryptocurrency investment option.**

18 **(2) A member's selection of and changes to the member's**
 19 **investment options.**

20 **(3) The valuation of a member's account.**

21 **(4) The allocation and payment of administrative expenses for**
 22 **the cryptocurrency investment option.**

23 **(c) The board shall determine the appropriate administrative**
 24 **fees to be charged to the member accounts.**

25 SECTION 10. IC 5-10.4-8-8.5 IS ADDED TO THE INDIANA
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2026]: **Sec. 8.5. (a) Not later than July 1,**
 28 **2027, the board shall offer, as a regular investment program within**
 29 **the plan, a self directed brokerage account that offers at least one**
 30 **(1) cryptocurrency investment option.**

31 **(b) The board may adopt requirements and rules that apply to**
 32 **a cryptocurrency investment option under a self directed**
 33 **brokerage account offered under subsection (a), including the**
 34 **following:**

35 **(1) The board's investment guidelines and limits for the**
 36 **cryptocurrency investment option.**

37 **(2) A member's selection of and changes to the member's**
 38 **investment options.**

39 **(3) The valuation of a member's account.**

40 **(4) The allocation and payment of administrative expenses for**
 41 **the cryptocurrency investment option.**

42 **(c) The board shall determine the appropriate administrative**



1 fees to be charged to the member accounts.

2 SECTION 11. IC 5-36 IS ADDED TO THE INDIANA CODE AS
3 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
4 2026]:

5 **ARTICLE 36. AUTHORITY OF ADMINISTRATIVE**
6 **AGENCIES TO REGULATE DIGITAL ASSETS**

7 **Chapter 1. Definitions**

8 **Sec. 1. The definitions in this chapter apply throughout this**
9 **article.**

10 **Sec. 2. "Blockchain" means data that is:**

- 11 (1) shared across a network to create a ledger of verified
12 transactions or information among network participants; and
13 (2) linked using cryptography to maintain the integrity of the
14 ledger and to execute other functions;

15 including data that is distributed among network participants in an
16 automated manner to concurrently update network participants on
17 the state of the ledger and any other functions.

18 **Sec. 3. "Blockchain protocol" means executable software that:**

- 19 (1) is governed by a set of predefined rules that:
20 (A) execute autonomously without human intervention;
21 and
22 (B) can be altered by a predetermined process;

23 including predefined rules that use a previously existing
24 blockchain as a base;

- 25 (2) facilitates transfer of data and electronic records and
26 allows the data and electronic records to be broadcast to
27 nodes; and
28 (3) is deployed to a blockchain;

29 including a smart contract or network of smart contracts.

30 **Sec. 4. "Digital asset" means:**

- 31 (1) virtual currency;
32 (2) cryptocurrency (as defined in IC 2-3.5-2-2.8);
33 (3) payment stablecoin (as defined in 12 U.S.C. 5901(22));
34 (4) fungible tokens and nonfungible tokens; and
35 (5) other assets that:
36 (A) exist only in electronic form; and
37 (B) confer economic, proprietary, or access rights or
38 powers.

39 **Sec. 5. "Digital asset mining" means using computing devices to**
40 **run software that is specifically designed or utilized for the purpose**
41 **of validating data and securing a blockchain network.**

42 **Sec. 6. "Digital asset mining business" means multiple**



1 computing devices at a single location that:

- 2 (1) are used to perform digital asset mining; and
 3 (2) consume, in total, an annual average of more than one (1)
 4 megawatt of energy in performing digital asset mining.

5 Sec. 7. "Hardware wallet" means:

- 6 (1) a physical device that:
 7 (A) is not continuously connected to the Internet; and
 8 (B) allows an individual to secure and transfer digital
 9 assets; or
 10 (2) a physical device that enables the owner of digital assets to
 11 retain independent control over the digital assets.

12 Sec. 8. "Node" means software:

- 13 (1) that:
 14 (A) communicates with other devices or participants on a
 15 blockchain to maintain consensus and integrity of the
 16 blockchain;
 17 (B) creates and validates blocks of transactions;
 18 (C) contains and updates a copy of a blockchain; or
 19 (D) performs any combination of the functions described
 20 in clauses (A) through (D); and
 21 (2) that does not exercise discretion over transactions initiated
 22 by the end user of a blockchain protocol.

23 Sec. 9. "Private digital asset mining" means digital asset
 24 mining:

- 25 (1) that is conducted by an individual; and
 26 (2) the individual's conduct of which does not consume an
 27 annual average of more than one (1) megawatt of energy.

28 Sec. 10. "Public agency" means a board, commission,
 29 department, division, bureau, committee, agency, office,
 30 instrumentality, authority, or other entity exercising any part of
 31 the executive, including the administrative, power of the state.

32 Sec. 11. "Self-hosted wallet" means a digital interface used to:

- 33 (1) secure and transfer digital assets; and
 34 (2) retain independent control over the digital assets by the
 35 owner of the digital assets.

36 Sec. 12. "Smart contract" means a computer program that:

- 37 (1) is hosted and executed on a blockchain network; and
 38 (2) consists of code specifying predetermined conditions that,
 39 when met, trigger predetermined outcomes.

40 Sec. 13. "Stake" or "staking" means committing digital assets
 41 to a blockchain network to participate in the blockchain network's
 42 operations by validating transactions, proposing or attesting to



1 **blocks, and securing the blockchain network.**

2 **Sec. 14. "Validate" means performance of a process by which**
 3 **a blockchain protocol, through its consensus mechanism, confirms**
 4 **the authenticity and accuracy of transactions or other data entries**
 5 **that are then recorded on a blockchain protocol.**

6 **Chapter 2. Regulation of Digital Assets**

7 **Sec. 1. (a) No public agency other than the department of**
 8 **financial institutions may adopt or enforce a rule or other**
 9 **regulation that would have the effect of prohibiting, restricting, or**
 10 **impairing the ability of a person to:**

11 (1) **use or accept digital assets as a method of payment for**
 12 **legal goods and services; or**

13 (2) **take or maintain custody of digital assets using a**
 14 **self-hosted wallet or hardware wallet.**

15 **(b) No public agency other than the department of financial**
 16 **institutions may impose taxes or fees on:**

17 (1) **use or acceptance of digital assets as a method of payment**
 18 **for legal goods and services; or**

19 (2) **taking or maintaining custody of digital assets using a**
 20 **self-hosted wallet or hardware wallet;**

21 **that are not applicable to comparable financial transactions that**
 22 **do not involve digital assets.**

23 **Sec. 2. No public agency other than the department of financial**
 24 **institutions may adopt or enforce a rule or other regulation that**
 25 **would have the effect of prohibiting, restricting, or impairing the**
 26 **ability of an individual or business to do any of the following:**

27 (1) **Operate a node for the purpose of connecting to a**
 28 **blockchain protocol and participating in the operation of the**
 29 **blockchain protocol.**

30 (2) **Develop software on a blockchain protocol.**

31 (3) **Transfer digital assets to another individual or business**
 32 **using a blockchain protocol.**

33 (4) **Participate in staking on a blockchain protocol.**

34 **Sec. 3. (a) Except as provided in subsection (b), no public agency**
 35 **other than the department of financial institutions may prohibit**
 36 **the operation of a digital asset mining business.**

37 **(b) A public agency may enforce rules or other regulations**
 38 **applicable to a digital asset mining business's location as zoned, in**
 39 **compliance with IC 36-7-4.**

40 **SECTION 12. IC 28-8-4.1-201, AS ADDED BY P.L.198-2023,**
 41 **SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE**
 42 **JULY 1, 2026]: Sec. 201. The following definitions apply throughout**



- 1 this chapter:
- 2 (1) "Acting in concert" means persons knowingly acting together
- 3 with a common goal of jointly acquiring control of a licensee
- 4 whether or not pursuant to an express agreement.
- 5 (2) "Authorized delegate" means a person a licensee designates to
- 6 engage in money transmission on behalf of the licensee.
- 7 (3) "Average daily money transmission liability", with respect to
- 8 a calendar quarter, means:
- 9 (A) the sum of the amounts of a licensee's outstanding money
- 10 transmission obligations in Indiana at the end of each day in
- 11 the calendar quarter; divided by
- 12 (B) the total number of days in that calendar quarter.
- 13 For purposes of this subdivision, a "calendar quarter" is a quarter
- 14 ending on March 31, June 30, September 30, or December 31.
- 15 (4) "Bank Secrecy Act" means:
- 16 (A) the Bank Secrecy Act (31 U.S.C. 5311 et seq.); and
- 17 (B) regulations adopted under the Bank Secrecy Act (31
- 18 U.S.C. 5311 et seq.).
- 19 (5) "Closed loop stored value" means stored value that is
- 20 redeemable by the issuer only for goods or services provided by
- 21 the issuer or the issuer's affiliate or by franchisees of the issuer or
- 22 the issuer's affiliate, except to the extent required by applicable
- 23 law to be redeemable in cash for its cash value.
- 24 (6) "Control" means any of the following:
- 25 (A) The power to vote, directly or indirectly, at least
- 26 twenty-five percent (25%) of the outstanding voting shares or
- 27 voting interests of a licensee or of a person in control of a
- 28 licensee.
- 29 (B) The power to elect or appoint a majority of key individuals
- 30 or executive officers, managers, directors, trustees, or other
- 31 persons exercising managerial authority of a person in control
- 32 of a licensee.
- 33 (C) The power to exercise, directly or indirectly, a controlling
- 34 influence over the management or policies of a licensee or of
- 35 a person in control of a licensee. For purposes of this clause,
- 36 a person is presumed to exercise a controlling influence if the
- 37 person holds the power to vote, directly or indirectly, at least
- 38 ten percent (10%) of the outstanding voting shares or voting
- 39 interests of a licensee or of a person in control of a licensee.
- 40 However, a person presumed to exercise a controlling
- 41 influence under this clause may rebut the presumption of
- 42 control if the person is a passive investor.



1 For purposes of this subdivision, the percentage of a person
 2 controlled by any other person is determined by aggregating the
 3 other person's interest with the interest of any other immediate
 4 family member of that person, including the person's spouse,
 5 parents, children, siblings, mothers-in-law and fathers-in-law,
 6 sons-in-law and daughters-in-law, and any other person who
 7 shares the person's home.

8 (7) "Department" refers to the members of the department of
 9 financial institutions.

10 (8) "Director" refers to the director of the department appointed
 11 under IC 28-11-2-1.

12 (9) "Eligible rating" means a credit rating of any of the three (3)
 13 highest rating categories provided by an eligible rating service,
 14 including any rating category modifiers, such as "plus" or "minus"
 15 for S&P Global, or an equivalent modifier for any other eligible
 16 rating service. The term includes the following:

17 (A) A long term credit rating equal to at least A- by S&P
 18 Global, or an equivalent long term credit rating for any other
 19 eligible rating service.

20 (B) A short term credit rating equal to at least A-2 by S&P
 21 Global, or an equivalent short term credit rating for any other
 22 eligible rating service.

23 In any case in which the credit ratings differ among eligible rating
 24 services, the highest rating applies in determining whether the
 25 credit rating is an "eligible rating" as defined in this subdivision.

26 (10) "Eligible rating service" means:

27 (A) a nationally recognized statistical rating organization, as
 28 defined by the United States Securities and Exchange
 29 Commission; or

30 (B) any other organization designated as such by the director.

31 (11) "Federally insured depository financial institution" means:

32 (A) a bank;

33 (B) a credit union;

34 (C) a savings and loan association;

35 (D) a trust company;

36 (E) a corporate fiduciary;

37 (F) a savings association;

38 (G) a savings bank;

39 (H) an industrial bank; or

40 (I) an industrial loan company;

41 that is organized under the law of the United States or any state of
 42 the United States and that has federally or privately insured



- 1 deposits as permitted by state or federal law.
- 2 (12) "In Indiana", with respect to the location of a transaction,
- 3 means the following:
- 4 (A) At a physical location in Indiana, for a transaction
- 5 requested in person.
- 6 (B) For a transaction requested electronically or by telephone,
- 7 a determination made by the provider of money transmission,
- 8 by relying on the following, that the person requesting the
- 9 transaction is in Indiana:
- 10 (i) Information, provided by the person, regarding the
- 11 location of the individual's residential address or the
- 12 business entity's principal place of business or other physical
- 13 address location, as applicable.
- 14 (ii) Any records associated with the person that the provider
- 15 of money transmission may have that indicate the person's
- 16 location, including an address associated with an account.
- 17 (13) "Individual" means a natural person.
- 18 (14) "Key individual" means an individual ultimately responsible
- 19 for establishing or directing policies and procedures of a licensee,
- 20 such as an executive officer, manager, director, or trustee.
- 21 (15) "Licensee" means a person licensed under this chapter.
- 22 (16) "Material litigation" means litigation that, according to
- 23 United States generally accepted accounting principles, is
- 24 significant to a person's financial health and would be required to
- 25 be disclosed in the person's annual audited financial statements,
- 26 report to shareholders, or similar records.
- 27 (17) "Money" means a medium of exchange that is issued by the
- 28 United States government or by a foreign government. The term
- 29 includes a monetary unit of account established by an
- 30 intergovernmental organization or by agreement between two (2)
- 31 or more governments.
- 32 (18) "Monetary value" means a medium of exchange, whether or
- 33 not redeemable in money.
- 34 (19) "Money transmission" means any of the following:
- 35 (A) Selling or issuing payment instruments to a person located
- 36 in Indiana.
- 37 (B) Selling or issuing stored value to a person located in
- 38 Indiana.
- 39 (C) Receiving money for transmission from a person located
- 40 in Indiana.
- 41 The term does not include the provision of solely online or
- 42 telecommunications services or network access. **The term does**



- 1 **not include development or use of software for noncustodial**
 2 **transfer of digital assets (as defined by IC 5-36-1-4).**
 3 (20) "MSB accredited state" means a state agency that is
 4 accredited by the Conference of State Bank Supervisors and
 5 Money Transmitter Regulators Association for money
 6 transmission licensing and supervision.
 7 (21) "Multistate licensing process" means an agreement entered
 8 into by and among state regulators related to:
 9 (A) coordinated processing of applications for money
 10 transmission licenses;
 11 (B) applications for the acquisition and control of a licensee;
 12 (C) control determinations; or
 13 (D) notice and information requirements for a change of key
 14 individuals.
 15 (22) "NMLS" means the Nationwide Multistate Licensing System
 16 and Registry:
 17 (A) developed by the Conference of State Bank Supervisors
 18 and the American Association of Residential Mortgage
 19 Regulators; and
 20 (B) owned and operated by the State Regulatory Registry,
 21 LLC, or by any successor or affiliated entity;
 22 for the licensing and registry of persons in financial services
 23 industries.
 24 (23) "Outstanding money transmission obligation", as established
 25 and extinguished in accordance with applicable state law, means:
 26 (A) any payment instrument or stored value that:
 27 (i) is issued or sold by a licensee to a person located in the
 28 United States, or reported as sold by an authorized delegate
 29 of the licensee to a person located in the United States; and
 30 (ii) has not yet been paid or refunded by or for the licensee,
 31 or escheated in accordance with applicable abandoned
 32 property laws; or
 33 (B) any money that:
 34 (i) is received for transmission by a licensee, or by an
 35 authorized delegate of the licensee, from a person located in
 36 the United States; and
 37 (ii) has not been received by the payee or refunded to the
 38 seller, or escheated in accordance with applicable
 39 abandoned property laws.
 40 For purposes of this subdivision, a person is located "in the
 41 United States" if the person is located in any state, territory, or
 42 possession of the United States or in the District of Columbia, the



- 1 Commonwealth of Puerto Rico, or a United States military
 2 installation located in a foreign country.
- 3 (24) "Passive investor" means a person that:
- 4 (A) does not have the power to elect a majority of key
 5 individuals or executive officers, managers, directors, trustees,
 6 or other persons exercising managerial authority over a person
 7 in control of a licensee;
- 8 (B) is not employed by and does not have any managerial
 9 duties with respect to the licensee or a person in control of the
 10 licensee;
- 11 (C) does not have the power to exercise, directly or indirectly,
 12 a controlling influence over the management or policies of the
 13 licensee or a person in control of the licensee; and
- 14 (D) either:
- 15 (i) attests to as facts the characteristics of passivity set forth
 16 in clauses (A) through (C), in a form and by a medium
 17 prescribed by the director; or
- 18 (ii) commits to the characteristics of passivity set forth in
 19 clauses (A) through (C) in a written document.
- 20 (25) "Payment instrument" means a written or electronic check,
 21 draft, money order, traveler's check, or other written or electronic
 22 instrument for the transmission or payment of money or monetary
 23 value, whether or not negotiable. The term does not include:
- 24 (A) stored value; or
- 25 (B) any instrument that:
- 26 (i) is redeemable by the issuer only for goods or services
 27 provided by the issuer or its affiliate, or franchisees of the
 28 issuer or its affiliate, except to the extent required by
 29 applicable law to be redeemable in cash for its cash value;
 30 or
- 31 (ii) is not sold to the public but is issued and distributed as
 32 part of a loyalty, rewards, or promotional program.
- 33 (26) "Person" means any individual, general partnership, limited
 34 partnership, limited liability company, corporation, trust,
 35 association, joint stock corporation, or other corporate entity, as
 36 so identified by the director.
- 37 (27) "Receiving money for transmission" means receiving money
 38 or monetary value in the United States for transmission within or
 39 outside the United States by electronic or other means. The term
 40 "money received for transmission" has a corresponding meaning.
- 41 (28) "Stored value" means monetary value representing a claim,
 42 against the issuer, that is evidenced by an electronic or digital



1 record and that is intended and accepted for use as a means of
 2 redemption for money or monetary value, or payment for goods
 3 or services. The term includes "prepaid access" as defined in 31
 4 CFR 1010.100. The term does not include:

- 5 (A) a payment instrument;
- 6 (B) closed loop stored value; or
- 7 (C) stored value not sold to the public but issued and
 8 distributed as part of a loyalty, rewards, or promotional
 9 program.

10 (29) "Tangible net worth" means the aggregate assets of a
 11 licensee, excluding all intangible assets, less liabilities, as
 12 determined in accordance with United States generally accepted
 13 accounting principles.

14 SECTION 13. IC 34-46-7 IS ADDED TO THE INDIANA CODE
 15 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2026]:

17 **Chapter 7. Privileged Financial Information**

18 **Sec. 1. As used in this chapter, "digital asset" means:**

- 19 (1) virtual currency;
- 20 (2) cryptocurrency (as defined in IC 2-3.5-2-2.8);
- 21 (3) payment stablecoin (as defined in 12 U.S.C. 5901(22));
- 22 (4) fungible tokens and nonfungible tokens; and
- 23 (5) other assets that:
 - 24 (A) exist only in electronic form; and
 - 25 (B) confer economic, proprietary, or access rights or
 26 powers.

27 **Sec. 2. As used in this chapter, "digital asset private key" means**
 28 **an alphanumeric code that is used to:**

- 29 (1) prove ownership of; and
- 30 (2) access;

31 **digital assets.**

32 **Sec. 3. A court may compel a person to disclose a digital asset**
 33 **private key only if no other admissible information is sufficient to**
 34 **provide access to the digital asset.**

35 SECTION 14. IC 35-37-7 IS ADDED TO THE INDIANA CODE
 36 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2026]:

38 **Chapter 7. Privileged Financial Information**

39 **Sec. 1. As used in this chapter, "digital asset" means:**

- 40 (1) virtual currency;
- 41 (2) cryptocurrency (as defined in IC 2-3.5-2-2.8);
- 42 (3) payment stablecoin (as defined in 12 U.S.C. 5901(22));



- 1 (4) fungible tokens and nonfungible tokens; and
- 2 (5) other assets that:
- 3 (A) exist only in electronic form; and
- 4 (B) confer economic, proprietary, or access rights or
- 5 powers.

6 **Sec. 2. As used in this chapter, "digital asset private key" means**
 7 **an alphanumeric code that is used to:**

- 8 (1) prove ownership of; and
- 9 (2) access;

10 **a digital asset.**

11 **Sec. 3. A court may compel a person to disclose a digital asset**
 12 **private key only if no other admissible information is sufficient to**
 13 **provide access to the digital asset.**

14 SECTION 15. IC 36-1-3-15 IS ADDED TO THE INDIANA CODE
 15 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 16 1, 2026]: **Sec. 15. (a) The definitions in IC 5-36-1 apply throughout**
 17 **this section.**

18 **(b) A unit may not adopt or enforce a rule or other regulation**
 19 **that would have the effect of prohibiting, restricting, or impairing**
 20 **the ability of a person to:**

- 21 (1) use or accept digital assets as a method of payment for
- 22 legal goods and services; or
- 23 (2) take custody of digital assets using a self-hosted wallet or
- 24 hardware wallet.

25 **(c) A unit may not impose taxes or fees on:**

- 26 (1) use or acceptance of digital assets as a method of payment
- 27 for legal goods and services; or
- 28 (2) taking or maintaining custody of digital assets using a
- 29 self-hosted wallet or hardware wallet;

30 **that are not applicable to comparable financial transactions that**
 31 **do not involve digital assets.**

32 SECTION 16. IC 36-1-30.5 IS ADDED TO THE INDIANA CODE
 33 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2026]:

35 **Chapter 30.5. Regulation of Digital Asset Mining**

36 **Sec. 1. The definitions in IC 5-36-1 apply throughout this**
 37 **chapter.**

38 **Sec. 2. A unit may not adopt or enforce an ordinance or other**
 39 **regulation that would have the effect of prohibiting, restricting, or**
 40 **impairing the ability of an individual or business to do any of the**
 41 **following:**

- 42 (1) Operate a node for the purpose of connecting to a



- 1 **blockchain protocol and participating in the operation of the**
- 2 **blockchain protocol.**
- 3 **(2) Develop software on a blockchain protocol.**
- 4 **(3) Transfer digital assets to another individual or business**
- 5 **using a blockchain protocol.**
- 6 **(4) Participate in staking on a blockchain protocol.**
- 7 **Sec. 3. A unit may not adopt or enforce an ordinance or other**
- 8 **regulation:**
- 9 **(1) that prohibits a digital asset mining business that**
- 10 **otherwise meets the requirements for operation in an area**
- 11 **zoned for industrial use from operating in an area zoned for**
- 12 **industrial use; or**
- 13 **(2) that:**
- 14 **(A) limits the level of noise generated by a digital asset**
- 15 **mining business that is located in an area zoned for**
- 16 **industrial use; and**
- 17 **(B) is not applicable to other businesses operating in an**
- 18 **area zoned for industrial use.**
- 19 **Sec. 4. A unit may not adopt or enforce an ordinance or other**
- 20 **regulation:**
- 21 **(1) that prohibits private digital asset mining in a residence**
- 22 **located in an area that is zoned for residential use; or**
- 23 **(2) that:**
- 24 **(A) limits the level of noise generated by private digital**
- 25 **asset mining in a residence located in an area that is zoned**
- 26 **for residential use; and**
- 27 **(B) is not applicable to other residences in an area zoned**
- 28 **for residential use.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions, to which was referred House Bill 1042, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 2-3.5-2-2.8 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2.8. "Cryptocurrency" means a virtual currency that:**

- (1) is not issued by a central authority;**
- (2) is designed to function as a medium of exchange; and**
- (3) uses encryption technology to:**
 - (A) regulate the generation of units of currency;**
 - (B) verify fund transfers; and**
 - (C) prevent counterfeiting.**

The term does not include payment stablecoin.

SECTION 2. IC 2-3.5-2-4.4 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4.4. "Exchange traded fund" has the meaning set forth in 17 CFR 270.6c-11(a)(1).**

SECTION 3. IC 2-3.5-2-7.3 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7.3. "Payment stablecoin" has the meaning set forth in 12 U.S.C. 5901(22)."**

Page 2, line 12, delete "funds." and insert "**funds that do not include payment stablecoin as a permissible asset.**".

Page 2, line 15, delete "As used in this section, "cryptocurrency"" and insert "**Not later than July 1, 2027, the board shall offer, as a regular investment program within the defined contribution fund, a self directed brokerage account that offers at least one (1) cryptocurrency investment option.**".

Page 2, delete lines 16 through 34.

Page 2, line 35, delete "(d)" and insert "**(b)**".

Page 2, line 35, after "to" insert "**a cryptocurrency investment option under a self directed brokerage account offered under subsection (a), including the following:**".

Page 2, delete lines 36 through 37.

Page 2, line 39, delete "exchange traded fund." and insert "**investment option.**".



Page 3, line 2, delete "exchange traded fund." and insert **"investment option."**

Page 3, line 3, delete "(e)" and insert **"(c)"**.

Page 3, delete lines 5 through 42.

Page 4, delete lines 1 through 30, begin a new paragraph and insert:
"SECTION 4. IC 5-10-1.1-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 0.5. The following definitions apply throughout this chapter:

(1) "Cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.

(2) "Exchange traded fund" has the meaning set forth in 17 CFR 270.6c-11(a)(1)."

Page 4, line 33, delete "As used in this section," and insert **"Not later than July 1, 2027, the deferred compensation committee shall offer, as a regular investment program within the defined contribution fund, a self directed brokerage account that offers at least one (1) cryptocurrency investment option."**

Page 4, delete lines 34 through 42.

Page 5, delete lines 1 through 4.

Page 5, line 5, delete "(c)" and insert **"(b)"**.

Page 5, line 6, delete "the cryptocurrency exchange" and insert **"a cryptocurrency investment option under a self directed brokerage account offered under subsection (a), including the following:"**.

Page 5, delete line 7.

Page 5, line 9, delete "exchange traded" and insert **"investment option."**

Page 5, delete line 10.

Page 5, line 15, delete "exchange traded fund." and insert **"investment option."**

Page 5, line 16, delete "(d)" and insert **"(c)"**.

Page 5, between lines 18 and 19, begin a new paragraph and insert:
"SECTION 5. IC 5-10-5.5-1, AS AMENDED BY P.L.6-2020, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. The following definitions apply throughout this chapter, unless the context clearly denotes otherwise:

(1) "Americans with Disabilities Act" refers to the Americans with Disabilities Act (42 U.S.C. 12101 et seq.) and any amendments and regulations related to the Act.

(2) "Average annual salary" means the average annual salary of an officer during the five (5) years of highest annual salary in the ten (10) years immediately preceding an officer's retirement date,



determined without regard to any salary reduction agreement established under Section 125 of the Internal Revenue Code.

(3) "Board" refers to the board of trustees of the Indiana public retirement system established by IC 5-10.5-3-1.

(4) "Commission" means the alcohol and tobacco commission.

(5) "Cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.

~~(5)~~ **(6)** "Department" means the Indiana department of natural resources.

~~(6)~~ **(7)** "Dies in the line of duty" means death that occurs as a direct result of personal injury or illness caused by incident, accident, or violence that results from any action that the participant, in the participant's capacity as an officer:

(A) is obligated or authorized by rule, regulation, condition of employment or service, or law to perform; or

(B) performs in the course of controlling or reducing crime or enforcing the criminal law.

The term includes a death presumed incurred in the line of duty under IC 5-10-13 for an officer who is an Indiana state excise police officer or an Indiana state conservation enforcement officer.

(8) "Exchange traded fund" has the meaning set forth in 17 CFR 270.6c-11(a)(1).

~~(7)~~ **(9)** "Interest" means the rate of interest specified by rule by the board of trustees of the Indiana public retirement system established by IC 5-10.5-3-1.

~~(8)~~ **(10)** "Officer" means any Indiana state excise police officer, any Indiana state conservation enforcement officer, any gaming agent, or any gaming control officer.

~~(9)~~ **(11)** "Participant" means any officer who has elected to participate in the retirement plan created by this chapter.

(12) "Payment stablecoin" has the meaning set forth in 12 U.S.C. 5901(22).

~~(10)~~ **(13)** "Public employees' retirement act" means IC 5-10.3.

~~(11)~~ **(14)** "Public employees' retirement fund" refers to the public employees' retirement fund created by IC 5-10.3-2.

~~(12)~~ **(15)** "Salary" means the total compensation, exclusive of expense allowances, paid to any officer by the department or the commission, determined without regard to any salary reduction agreement established under Section 125 of the Internal Revenue Code.

~~(13)~~ **(16)** Other words and phrases when used in this chapter have



the meanings set forth in IC 5-10.3-1."

Page 5, line 31, delete "funds." and insert **"funds that do not include payment stablecoin as a permissible asset."**

SECTION 7. IC 5-10-9.8-1, AS AMENDED BY P.L.99-2020, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. The following definitions apply throughout this chapter:

(1) "Board" refers to the board of trustees of the Indiana public retirement system.

(2) "Cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.

~~(3)~~ **(3)** "Employer" means an employer of an employee that may receive a lump sum death benefit under a statute identified in section 2(a) of this chapter.

(4) "Exchange traded fund" has the meaning set forth in 17 CFR 270.6c-11(a)(1).

~~(5)~~ **(5)** "Fund" refers to the special death benefit fund established by section 2 of this chapter.

(6) "Payment stablecoin" has the meaning set forth in 12 U.S.C. 5901(22)."

Page 6, line 19, delete "funds." and insert **"funds that do not include payment stablecoin as a permissible asset."**

SECTION 8. IC 5-10.3-1-1.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 1.3. As used in this article, "cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.**

SECTION 9. IC 5-10.3-1-2.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 2.4. As used in this article, "exchange traded fund" has the meaning set forth in 17 CFR 270.6c-11(a)(1).**

SECTION 10. IC 5-10.3-1-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 10. As used in this article, "payment stablecoin" has the meaning set forth in 12 U.S.C. 5901(22)."**

Page 6, line 34, delete "funds." and insert **"funds that do not include payment stablecoin as a permissible asset."**

Page 7, line 27, delete "As used in this section," and insert **"Not later than July 1, 2027, the board shall offer, as a regular investment program within the fund, a self directed brokerage account that offers at least one (1) cryptocurrency investment**



option."

Page 7, delete lines 28 through 40.

Page 7, line 41, delete "(c)" and insert "(b)".

Page 7, line 41, after "to" insert **"a cryptocurrency investment option under a self directed brokerage account offered under subsection (a), including the following:"**.

Page 7, delete line 42.

Page 8, delete line 1.

Page 8, line 3, delete "exchange traded fund." and insert **"investment option."**

Page 8, line 8, delete "exchange traded fund." and insert **"investment option."**

Page 8, line 9, delete "(d)" and insert "(c)".

Page 8, line 21, delete "funds." and insert **"funds that do not include payment stablecoin as a permissible asset."**

Page 8, line 24, delete "As used in this section," and insert **"Not later than July 1, 2027, the board shall offer, as a regular investment program within the plan, a self directed brokerage account that offers at least one (1) cryptocurrency investment option."**

Page 8, delete lines 25 through 36.

Page 8, line 37, delete "(c)" and insert "(b)".

Page 8, line 37, after "to" insert **"a cryptocurrency investment option under a self directed brokerage account offered under subsection (a), including the following:"**.

Page 8, delete lines 38 through 39.

Page 8, line 41, delete "exchange traded fund." and insert **"investment option."**

Page 9, line 4, delete "exchange traded fund." and insert **"investment option."**

Page 9, line 5, delete "(d)" and insert "(c)".

Page 9, between lines 6 and 7, begin a new paragraph and insert:

"SECTION 11. IC 5-10.4-1-5.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5.4. "Cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.

SECTION 12. IC 5-10.4-1-6.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6.4. "Exchange traded fund" has the meaning set forth in 17 CFR 270.6c-11(a)(1).

SECTION 13. IC 5-10.4-1-11.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS



[EFFECTIVE JULY 1, 2026]: **Sec. 11.8. "Payment stablecoin" has the meaning set forth in 12 U.S.C. 5901(22)."**

Page 9, line 22, delete "funds." and insert **"funds that do not include payment stablecoin as a permissible asset."**

Page 10, line 17, delete "As used in this section," and insert **"Not later than July 1, 2027, the board shall offer, as a regular investment program within the annuity savings accounts described in IC 5-10.4-2-2, a self directed brokerage account that offers at least one (1) cryptocurrency investment option."**

Page 10, delete lines 18 through 30.

Page 10, line 31, delete "(c)" and insert **"(b)"**.

Page 10, line 31, after "to" insert **"a cryptocurrency investment option under a self directed brokerage account offered under subsection (a), including the following:"**.

Page 10, delete lines 32 through 33.

Page 10, line 35, delete "exchange traded fund." and insert **"investment option."**

Page 10, line 40, delete "exchange traded fund." and insert **"investment option."**

Page 10, line 41, delete "(d)" and insert **"(c)"**.

Page 11, line 3, delete "As used in this section," and insert **"Not later than July 1, 2027, the board shall offer, as a regular investment program within the plan, a self directed brokerage account that offers at least one (1) cryptocurrency investment option."**

Page 11, delete lines 4 through 14.

Page 11, line 15, delete "(c)" and insert **"(b)"**.

Page 11, line 15, after "to" insert **"a cryptocurrency investment option under a self directed brokerage account offered under subsection (a), including the following:"**.

Page 11, delete lines 16 through 17.

Page 11, line 19, delete "exchange traded fund." and insert **"investment option."**

Page 11, line 24, delete "exchange traded fund." and insert **"investment option."**

Page 11, line 25, delete "(d)" and insert **"(c)"**.

Page 11, delete lines 27 through 42.

Delete page 12.

Page 13, delete lines 1 through 31.

Page 14, delete line 20, begin a new line block indented and insert:
"(2) cryptocurrency (as defined in IC 2-3.5-2-2.8);
(3) payment stablecoin (as defined in 12 U.S.C. 5901(22));".



Page 14, line 21, delete "(3)" and insert "(4)".

Page 14, line 22, delete "(4)" and insert "(5)".

Page 15, line 36, delete "A public agency may not" and insert "**No public agency other than the department of financial institutions may**".

Page 16, line 1, delete "A public agency may not" and insert "**No public agency other than the department of financial institutions may**".

Page 16, line 8, delete "A public agency may not" and insert "**No public agency other than the department of financial institutions may**".

Page 16, delete lines 19 through 42, begin a new paragraph and insert:

"Sec. 3. (a) Except as provided in subsection (b), no public agency other than the department of financial institutions may prohibit the operation of a digital asset mining business.

(b) A public agency may enforce rules or other regulations applicable to a digital asset mining business's location as zoned, in compliance with IC 36-7-4."

Page 17, delete lines 1 through 22, begin a new paragraph and insert:

"SECTION 17. IC 10-12-1-1.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1.6. "Cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.

SECTION 18. IC 10-12-1-4.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 4.2. "Exchange traded fund" has the meaning set forth in 17 CFR 270.6c-11(a)(1).

SECTION 19. IC 10-12-1-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6.5. "Payment stablecoin" has the meaning set forth in 12 U.S.C. 5901(22)."

Page 19, line 11, delete "consisting of one (1) or" and insert "**that do not include payment stablecoin as a permissible asset.**".

Page 19, delete line 12.

Page 20, line 1, delete "consisting of one (1) or" and insert "**that do not include payment stablecoin as a permissible asset.**".

Page 20, delete line 2, begin a new paragraph and insert:

"SECTION 19. IC 21-9-2-10.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 10.2. "Cryptocurrency" has the



meaning set forth in IC 2-3.5-2-2.8.

SECTION 20. IC 21-9-2-12.9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 12.9. "Exchange traded fund" has the meaning set forth in 17 CFR 270.6c-11(a)(1)."**

Page 20, line 5, delete "As used in this section, "cryptocurrency"" and insert "**Not later than July 1, 2027, the board shall offer, as a regular investment program within an education savings program established under this article, a self directed brokerage account that offers at least one (1) cryptocurrency investment option."**

Page 20, delete lines 6 through 18.

Page 20, line 19, delete "(c)" and insert "**(b)**".

Page 20, line 19, after "to" insert "**a cryptocurrency investment option under a self directed brokerage account offered under subsection (a), including the following:**".

Page 20, delete lines 20 through 21.

Page 20, line 23, delete "exchange traded fund." and insert "**investment option."**

Page 20, line 28, delete "exchange traded fund." and insert "**investment option."**

Page 20, line 29, delete "(d)" and insert "**(c)**".

Page 26, between lines 4 and 5, begin a new paragraph and insert: "SECTION 21. IC 33-38-6-2.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 2.3. As used in this chapter, "cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.**

SECTION 22. IC 33-38-6-3.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 3.2. As used in this chapter, "exchange traded fund" has the meaning set forth in 17 CFR 270.6c-11(a)(1).**

SECTION 23. IC 33-38-6-9.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 9.1. As used in this chapter, "payment stablecoin" has the meaning set forth in 12 U.S.C. 5901(22)."**

Page 26, line 34, delete "funds." and insert "**funds that do not include payment stablecoin as a permissible asset.**

SECTION 25. IC 33-39-7-3.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 3.2. As used in this chapter, "cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.**



SECTION 26. IC 33-39-7-3.8 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 3.8. As used in this chapter, "exchange traded fund" has the meaning set forth in 17 CFR 270.6c-11(a)(1).**

SECTION 27. IC 33-39-7-6.1 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 6.1. As used in this chapter, "payment stablecoin" has the meaning set forth in 12 U.S.C. 5901(22).**"

Page 27, line 19, delete "funds." and insert "**funds that do not include payment stablecoin as a permissible asset.**".

Page 27, delete line 26, begin a new line block indented and insert:

"(2) cryptocurrency (as defined in IC 2-3.5-2-2.8);

(3) payment stablecoin (as defined in 12 U.S.C. 5901(22));"

Page 27, line 27, delete "(3)" and insert "(4)".

Page 27, line 28, delete "(4)" and insert "(5)".

Page 28, delete line 4, begin a new line block indented and insert:

"(2) cryptocurrency (as defined in IC 2-3.5-2-2.8);

(3) payment stablecoin (as defined in 12 U.S.C. 5901(22));"

Page 28, line 5, delete "(3)" and insert "(4)".

Page 28, line 6, delete "(4)" and insert "(5)".

Page 29, between lines 32 and 33, begin a new paragraph and insert:

"SECTION 27. IC 36-8-8-1.3 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 1.3. As used in this chapter, "cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.**

SECTION 28. IC 36-8-8-1.6 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 1.6. As used in this chapter, "exchange traded fund" has the meaning set forth in 17 CFR 270.6c-11(a)(1).**

SECTION 29. IC 36-8-8-2.4 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 2.4. As used in this chapter, "payment stablecoin" has the meaning set forth in 12 U.S.C. 5901(22).**"

Page 30, line 21, delete "funds." and insert "**funds that do not include payment stablecoin as a permissible asset.**".

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.



(Reference is to HB 1042 as introduced.)

TESHKA

Committee Vote: yeas 9, nays 3.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1042 be amended to read as follows:

Page 3, delete lines 10 through 17, begin a new paragraph and insert:

"SECTION 6. IC 5-10-1.1-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2026]: **Sec. 0.5. As used in this chapter, "cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.**"

Page 8, line 11, delete "fund," and insert "**annuity savings accounts described in IC 5-10.2-2-2(a),**".

Page 17, delete lines 21 through 42.

Page 18, delete lines 1 through 6.

Renumber all SECTIONS consecutively.

(Reference is to HB 1042 as printed January 14, 2026.)

PIERCE K

COMMITTEE REPORT

Mr. President: The Senate Committee on Insurance and Financial Institutions, to which was referred House Bill No. 1042, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 12 through 15.

Page 2, delete lines 1 through 32.

Page 3, delete lines 36 through 42.

Delete pages 4 through 5.

Page 6, delete lines 1 through 24.

Page 6, delete lines 29 through 42.

Delete page 7.

Page 8, delete lines 1 through 2.

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Page 8, delete lines 23 through 34.
Page 9, delete lines 16 through 42.
Page 10, delete lines 1 through 32.
Page 14, delete lines 26 through 42.
Delete pages 15 through 16.
Page 17, delete lines 1 through 17.
Page 22, delete lines 34 through 42.
Delete page 23.
Page 24, delete lines 1 through 36.
Page 27, delete lines 10 through 42.
Delete page 28.
Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1042 as reprinted January 21, 2026.)

BALDWIN, Chairperson

Committee Vote: Yeas 6, Nays 2.

