
HOUSE BILL No. 1042

AM104202 has been incorporated into introduced printing.

Synopsis: Regulation and investment of cryptocurrency.

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2026

IN 1042—LS 6415/DI 119



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Introduced

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.

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
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2026]: **Sec. 2.8. "Cryptocurrency" means a**
4 **virtual currency 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 2-3.5-2-4.4 IS ADDED TO THE INDIANA
13 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2026]: **Sec. 4.4. "Exchange traded fund" has**
15 **the meaning set forth in 17 CFR 270.6c-11(a)(1).**

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

5 SECTION 4. IC 2-3.5-3-4, AS AMENDED BY P.L.35-2012,
 6 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2026]: Sec. 4. (a) The board shall administer the system,
 8 which may be commingled for investment purposes with the other
 9 funds administered by the board.

10 (b) The board shall:

- 11 (1) determine eligibility for and make payments of benefits
 12 under this chapter, IC 2-3.5-4, and IC 2-3.5-5;
- 13 (2) in accordance with the powers and duties granted in
 14 IC 5-10.3-3-7.1, IC 5-10.3-5-3 through IC 5-10.3-5-6,
 15 IC 5-10.5-4, and IC 5-10.5-6, administer the system;
- 16 (3) provide by rule for the implementation of this chapter,
 17 IC 2-3.5-4, and IC 2-3.5-5; and
- 18 (4) authorize deposits.

19 (c) A determination by the board may be appealed under
 20 IC 4-21.5.

21 (d) The powers and duties of:

- 22 (1) the director and the actuary of the board; and
- 23 (2) the attorney general;

24 with respect to the fund are those specified in IC 5-10.3-3, IC 5-10.3-4,
 25 IC 5-10.5-4, and IC 5-10.5-6.

26 (e) The board may hire additional personnel, including hearing
 27 officers, to assist in the implementation of this chapter.

28 (f) Legislators' retirement system records of individual participants
 29 and participants' information are confidential, except for the name and
 30 years of service of a retirement system participant.

31 **(g) The board may invest the assets of the defined benefit fund**
 32 **in cryptocurrency exchange traded funds that do not include**
 33 **payment stablecoin as a permissible asset.**

34 SECTION 5. IC 2-3.5-5-3.3 IS ADDED TO THE INDIANA
 35 CODE AS A NEW SECTION TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2026]: **Sec. 3.3. (a) Not later than July 1,**
 37 **2027, the board shall offer, as a regular investment program within**
 38 **the defined contribution fund, a self directed brokerage account**
 39 **that offers at least one (1) cryptocurrency investment option.**

40 (b) **The board may adopt requirements and rules that apply to**
 41 **a cryptocurrency investment option under a self directed**
 42 **brokerage account offered under subsection (a), including the**



1 **following:**

2 **(1) The board's investment guidelines and limits for the**

3 **cryptocurrency investment option.**

4 **(2) A participant's selection of and changes to the**

5 **participant's investment options.**

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

7 **(4) The allocation and payment of administrative expenses**

8 **for the cryptocurrency investment option.**

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

10 **fees to be charged to the participant's accounts.**

11 SECTION 6. IC 5-10-1.1-0.5 IS ADDED TO THE INDIANA

12 CODE AS A NEW SECTION TO READ AS FOLLOWS

13 [EFFECTIVE JULY 1, 2026]: **Sec. 0.5. The following definitions**

14 **apply throughout this chapter:**

15 **(1) "Cryptocurrency" has the meaning set forth in**

16 **IC 2-3.5-2-2.8.**

17 **(2) "Exchange traded fund" has the meaning set forth in 17**

18 **CFR 270.6c-11(a)(1).**

19 SECTION 7. IC 5-10-1.1-4.3 IS ADDED TO THE INDIANA

20 CODE AS A NEW SECTION TO READ AS FOLLOWS

21 [EFFECTIVE JULY 1, 2026]: **Sec. 4.3. (a) Not later than July 1,**

22 **2027, the deferred compensation committee shall offer, as a regular**

23 **investment program within the defined contribution fund, a self**

24 **directed brokerage account that offers at least one (1)**

25 **cryptocurrency investment option.**

26 **(b) The deferred compensation committee may adopt**

27 **requirements and rules that apply to a cryptocurrency investment**

28 **option under a self directed brokerage account offered under**

29 **subsection (a), including the following:**

30 **(1) The deferred compensation committee's investment**

31 **guidelines and limits for the cryptocurrency investment**

32 **option.**

33 **(2) A plan participant's selection of and changes to the plan**

34 **participant's investment options.**

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

36 **(4) The allocation and payment of administrative expenses**

37 **for the cryptocurrency investment option.**

38 **(c) The deferred compensation committee shall determine the**

39 **appropriate administrative fees to be charged to the plan**

40 **participant accounts.**

41 SECTION 8. IC 5-10-5.5-1, AS AMENDED BY P.L.6-2020,

42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2026]: Sec. 1. The following definitions apply throughout this
2 chapter, unless the context clearly denotes otherwise:

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

6 (2) "Average annual salary" means the average annual salary of
7 an officer during the five (5) years of highest annual salary in the
8 ten (10) years immediately preceding an officer's retirement date,
9 determined without regard to any salary reduction agreement
10 established under Section 125 of the Internal Revenue Code.

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

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

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

16 (6) "Department" means the Indiana department of natural
17 resources.

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

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

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

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

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

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

35 (10) "Officer" means any Indiana state excise police officer,
36 any Indiana state conservation enforcement officer, any gaming
37 agent, or any gaming control officer.

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

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

42 (13) "Public employees' retirement act" means IC 5-10.3.



(+) (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.

10 SECTION 9. IC 5-10-5.5-2, AS AMENDED BY P.L.193-2016,
11 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2026]: Sec. 2. (a) There is hereby created a state excise police,
13 gaming agent, gaming control officer, and conservation enforcement
14 officers' retirement plan to establish a means of providing special
15 retirement, disability and survivor benefits to employees of the
16 department, the Indiana gaming commission, and the commission who
17 are engaged exclusively in the performance of law enforcement duties.

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

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

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

32 (2) (3) "Employer" means an employer of an employee that may
33 receive a lump sum death benefit under a statute identified in
34 section 2(a) of this chapter.

37 (3) (5) "Fund" refers to the special death benefit fund established
38 by section 2 of this chapter.

41 SECTION 11. IC 5-10-9.8-2, AS AMENDED BY P.L.99-2020,
42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2026]: Sec. 2. (a) The special death benefit fund is established
 2 for the purpose of paying lump sum death benefits under the following
 3 statutes:

- 4 (1) IC 5-10-10.
- 5 (2) IC 5-10-11.
- 6 (3) IC 10-12-6.
- 7 (4) IC 36-8-6-20.
- 8 (5) IC 36-8-7-26.
- 9 (6) IC 36-8-7.5-22.
- 10 (7) IC 36-8-8-20.

11 (b) The fund consists of:

- 12 (1) appropriations by the general assembly;
- 13 (2) fees remitted to the board under IC 35-33-8-3.2,
 IC 5-10-10-4.5, IC 5-10-10-4.8, and IC 5-10-10-4.9;
- 14 (3) contributions from employers;
- 15 (4) gifts; and
- 16 (5) interest or other investment income earned on money in the
 fund.

17 (c) The fund shall be administered by the board. The expenses of
 18 administering the fund shall be paid from money in the fund.

19 (d) The board shall invest the money in the fund not currently
 20 needed to meet the obligations of the fund in the same manner as the
 21 board's other funds may be invested. Interest that accrues from these
 22 investments shall be deposited in the fund.

23 (e) Money in the fund at the end of a state fiscal year does not
 24 revert to the state general fund.

25 (f) **The board may invest the assets of the fund in
 26 cryptocurrency exchange traded funds that do not include payment
 27 stablecoin as a permissible asset.**

28 SECTION 12. IC 5-10.3-1-1.3 IS ADDED TO THE INDIANA
 29 CODE AS A NEW SECTION TO READ AS FOLLOWS
 [EFFECTIVE JULY 1, 2026]: **Sec. 1.3. As used in this article,
 30 "cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.**

31 SECTION 13. IC 5-10.3-1-2.4 IS ADDED TO THE INDIANA
 32 CODE AS A NEW SECTION TO READ AS FOLLOWS
 [EFFECTIVE JULY 1, 2026]: **Sec. 2.4. As used in this article,
 33 "exchange traded fund" has the meaning set forth in 17 CFR
 34 270.6c-11(a)(1).**

35 SECTION 14. IC 5-10.3-1-10 IS ADDED TO THE INDIANA
 36 CODE AS A NEW SECTION TO READ AS FOLLOWS
 [EFFECTIVE JULY 1, 2026]: **Sec. 10. As used in this article,
 37 "payment stablecoin" has the meaning set forth in 12 U.S.C.
 38 270.6c-11(a)(1).**



1 **5901(22).**

2 SECTION 15. IC 5-10.3-5-3, AS AMENDED BY P.L.32-2021,
 3 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2026]: Sec. 3. (a) The board shall invest its assets with the
 5 care, skill, prudence, and diligence that a prudent person acting in a
 6 like capacity and familiar with such matters would use in the conduct
 7 of an enterprise of a like character with like aims. The board shall also
 8 diversify such investments in accordance with prudent investment
 9 standards.

10 (b) The board may invest:

11 (1) up to five percent (5%) of the excess of its cash working
 12 balance in debentures of the corporation for innovation
 13 development subject to IC 30-4-3-3; **and**

14 (2) **the assets of the retirement allowance account described**
 15 **in section 1 of this chapter in cryptocurrency exchange**
 16 **traded funds that do not include payment stablecoin as a**
 17 **permissible asset.**

18 **This subsection does not authorize other funds or accounts to**
 19 **invest in cryptocurrency exchange traded funds.**

20 (c) The board is not subject to IC 4-13, IC 4-13.6, and IC 5-16
 21 when managing real property as an investment. Any management
 22 agreements entered into by the board must ensure that the management
 23 agent acts in a prudent manner with regard to the purchase of goods
 24 and services. Contracts for the management of investment property
 25 shall be submitted to the governor, the attorney general, and the budget
 26 agency for approval. A contract for management of real property as an
 27 investment:

28 (1) may not exceed a four (4) year term and must be based upon
 29 guidelines established by the board;

30 (2) may provide that the property manager may collect rent and
 31 make disbursements for routine operating expenses such as
 32 utilities, cleaning, maintenance, and minor tenant finish needs;
 33 (3) must establish, consistent with the board's duty under
 34 IC 30-4-3-3(c), guidelines for the prudent management of
 35 expenditures related to routine operation and capital
 36 improvements; and

37 (4) may provide specific guidelines for the board to purchase
 38 new properties, contract for the construction or repair of
 39 properties, and lease or sell properties without individual
 40 transactions requiring the approval of the governor, the attorney
 41 general, the Indiana department of administration, and the
 42 budget agency. However, each individual contract involving the

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1 purchase or sale of real property is subject to review and
 2 approval by the attorney general at the specific request of the
 3 attorney general.

4 (d) Whenever the board takes bids in managing or selling real
 5 property, the board shall require a bid submitted by a trust (as defined
 6 in IC 30-4-1-1(a)) to identify all of the following:

7 (1) Each beneficiary of the trust.

8 (2) Each settlor empowered to revoke or modify the trust.

9 SECTION 16. IC 5-10.3-5-3.5 IS ADDED TO THE INDIANA
 10 CODE AS A NEW SECTION TO READ AS FOLLOWS
 11 [EFFECTIVE JULY 1, 2026]: Sec. 3.5. **(a) Not later than July 1,**
 12 **2027, the board shall offer, as a regular investment program within**
 13 **the fund, a self directed brokerage account that offers at least one**
 14 **(1) cryptocurrency investment option.**

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

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

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

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

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

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

28 SECTION 17. IC 5-10.3-11-2, AS AMENDED BY P.L.35-2012,
 29 SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2026]: Sec. 2. **(a) The state board shall:**

31 **(1) make payments from the pension relief fund;**

32 **(2) administer the pension relief fund in accordance with the**
 33 **powers and duties granted it in IC 5-10.3-5-3 through**
 34 **IC 5-10.3-5-6, IC 5-10.5-4, and IC 5-10.5-6; and**

35 **(3) provide by rule and regulation for the implementation of this**
 36 **chapter.**

37 **(b) The state board may invest the assets of the pension relief**
 38 **fund in cryptocurrency exchange traded funds that do not include**
 39 **payment stablecoin as a permissible asset.**

40 SECTION 18. IC 5-10.3-12-22.5 IS ADDED TO THE INDIANA
 41 CODE AS A NEW SECTION TO READ AS FOLLOWS
 42 [EFFECTIVE JULY 1, 2026]: **Sec. 22.5. (a) Not later than July 1,**



1 **2027, the board shall offer, as a regular investment program within**
 2 **the plan, a self directed brokerage account that offers at least one**
 3 **(1) cryptocurrency investment option.**

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

8 **(1) The board's investment guidelines and limits for the**
 9 **cryptocurrency investment option.**
 10 **(2) A member's selection of and changes to the member's**
 11 **investment options.**
 12 **(3) The valuation of a member's account.**
 13 **(4) The allocation and payment of administrative expenses**
 14 **for the cryptocurrency investment option.**

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

17 SECTION 19. IC 5-10.4-1-5.4 IS ADDED TO THE INDIANA
 18 CODE AS A NEW SECTION TO READ AS FOLLOWS
 19 [EFFECTIVE JULY 1, 2026]: **Sec. 5.4. "Cryptocurrency" has the**
 20 **meaning set forth in IC 2-3.5-2-2.8.**

21 SECTION 20. IC 5-10.4-1-6.4 IS ADDED TO THE INDIANA
 22 CODE AS A NEW SECTION TO READ AS FOLLOWS
 23 [EFFECTIVE JULY 1, 2026]: **Sec. 6.4. "Exchange traded fund" has**
 24 **the meaning set forth in 17 CFR 270.6c-11(a)(1).**

25 SECTION 21. IC 5-10.4-1-11.8 IS ADDED TO THE INDIANA
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2026]: **Sec. 11.8. "Payment stablecoin" has**
 28 **the meaning set forth in 12 U.S.C. 5901(22).**

29 SECTION 22. IC 5-10.4-3-10, AS ADDED BY P.L.2-2006,
 30 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2026]: **Sec. 10. (a) The board shall invest its assets with the**
 32 **care, skill, prudence, and diligence that a prudent person acting in a**
 33 **like capacity and familiar with such matters would use in the conduct**
 34 **of an enterprise of a like character with like aims. The board also shall**
 35 **diversify investments in accordance with prudent investment standards,**
 36 **subject to the limitations and restrictions set forth in IC 5-10.2-2-18.**

37 **(b) The board may:**
 38 **(1) make or have investigations made concerning investments;**
 39 **and**
 40 **(2) contract for and employ investment counsel to advise and**
 41 **assist in the purchase and sale of securities; and**
 42 **(3) invest the assets of the retirement allowance accounts**



1 **described in IC 5-10.4-2-2 in cryptocurrency exchange**
 2 **traded funds that do not include payment stablecoin as a**
 3 **permissible asset.**

4 **This subsection does not authorize other funds or accounts to**
 5 **invest in cryptocurrency exchange traded funds.**

6 (c) The board is not subject to IC 4-13, IC 4-13.6, or IC 5-16 when
 7 managing real property as an investment. A management agreement
 8 entered into by the board shall ensure that the management agent acts
 9 in a prudent manner regarding the purchase of goods and services.
 10 Contracts for the management of investment property shall be
 11 submitted to the governor, the attorney general, and the budget agency
 12 for approval. A contract for the management of real property as an
 13 investment:

14 (1) may not exceed a four (4) year term and must be based upon
 15 guidelines established by the board;

16 (2) may provide that the property manager may collect rent and
 17 make disbursements for routine operating expenses such as
 18 utilities, cleaning, maintenance, and minor tenant finish needs;
 19 (3) shall establish, consistent with the board's duty under
 20 IC 30-4-3-3(c), guidelines for the prudent management of
 21 expenditures related to routine operation and capital
 22 improvements; and

23 (4) may provide specific guidelines for the board to:

24 (A) purchase new properties;

25 (B) contract for the construction or repair of properties; and

26 (C) lease or sell properties;

27 without individual transactions requiring the approval of the
 28 governor, the attorney general, the Indiana department of
 29 administration, and the budget agency. However, each individual
 30 contract involving the purchase or sale of real property is subject
 31 to review and approval by the attorney general at the specific
 32 request of the attorney general.

33 (d) Whenever the board takes bids in managing or selling real
 34 property, the board shall require a bid submitted by a trust (as defined
 35 in IC 30-4-1-1(a)) to identify all the following:

36 (1) Each beneficiary of the trust.

37 (2) Each settlor empowered to revoke or modify the trust.

38 SECTION 23. IC 5-10.4-3-10.5 IS ADDED TO THE INDIANA
 39 CODE AS A NEW SECTION TO READ AS FOLLOWS
 40 [EFFECTIVE JULY 1, 2026]: Sec. 10.5. (a) Not later than July 1,
 41 2027, the board shall offer, as a regular investment program within
 42 the annuity savings accounts described in IC 5-10.4-2-2, a self



1 **directed brokerage account that offers at least one (1)**
 2 **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 member's selection of and changes to the member's**
 10 **investment options.**
- 11 **(3) The valuation of a member's account.**
- 12 **(4) The allocation and payment of administrative expenses**
 13 **for the cryptocurrency investment option.**

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

16 SECTION 24. IC 5-10.4-8-8.5 IS ADDED TO THE INDIANA
 17 CODE AS A NEW SECTION TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2026]: Sec. 8.5. **(a) Not later than July 1,**
 19 **2027, the board shall offer, as a regular investment program within**
 20 **the plan, a self directed brokerage account that offers at least one**
 21 **(1) cryptocurrency investment option.**

22 **(b) The board may adopt requirements and rules that apply to**
 23 **a cryptocurrency investment option under a self directed**
 24 **brokerage account offered under subsection (a), including the**
 25 **following:**

- 26 **(1) The board's investment guidelines and limits for the**
 27 **cryptocurrency investment option.**
- 28 **(2) A member's selection of and changes to the member's**
 29 **investment options.**
- 30 **(3) The valuation of a member's account.**
- 31 **(4) The allocation and payment of administrative expenses**
 32 **for the cryptocurrency investment option.**

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

35 SECTION 25. IC 5-36 IS ADDED TO THE INDIANA CODE AS
 36 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
 37 2026]:

38 **ARTICLE 36. AUTHORITY OF ADMINISTRATIVE**
 39 **AGENCIES TO REGULATE DIGITAL ASSETS**

40 **Chapter 1. Definitions**

41 **Sec. 1. The definitions in this chapter apply throughout this**
 42 **article.**



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

(1) shared across a network to create a ledger of verified transactions or information among network participants; and

(2) linked using cryptography to maintain the integrity of the ledger and to execute other functions;

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

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

(1) is governed by a set of predefined rules that:

(A) execute autonomously without human intervention;
and

(B) can be altered by a predetermined process; including predefined rules that use a previously existing blockchain as a base;

blockchain as a base;

(2) facilitates transfer of data and electronic records and allows the data and electronic records to be broadcast to nodes; and

(3) is deployed to a blockchain:

including a smart contract or network of smart contracts.

Sec. 4. "Digital asset" means:

(1) virtual currency;

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

(3) payment stablecoin (as defined in 12 U.S.C. 5

(4) fungible tokens a

other assets that:

- (A) exist only in electronic form; and
- (B) confer economic, proprietary, or access rights or powers.

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

Sec. 6. "Digital asset mining business" means multiple computing devices at a single location that:

(1) are used to perform digital asset mining; and

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

Sec. 7. "Hardware wallet" means:

(1) a physical device that:

- (A) is not continuously connected to the Internet; and
- (B) allows an individual to secure and transfer digital



assets; or

(2) a physical device that enables the owner of digital assets to retain independent control over the digital assets.

Sec. 8. "Node" means software:

(1) that:

(A) communicates with other devices or participants on a blockchain to maintain consensus and integrity of the blockchain;

(B) creates and validates blocks of transactions:

(C) contains and updates a copy of a blockchain; or

(D) performs any combination of the functions described in clauses (A) through (D); and

(2) that does not exercise discretion over transactions initiated by the end user of a blockchain protocol.

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

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

annual average of more than one (1) megawatt of energy.

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

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

(1) secure and transfer digital assets; and

(2) retain independent control over the digital assets by the owner of the digital assets.

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

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

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

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

Chapter 2. Regulation of Digital Assets

Sec. 1. (a) No public agency other than the department of financial institutions may adopt or enforce a rule or other

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1 **regulation that would have the effect of prohibiting, restricting, or**
 2 **impairing the ability of a person to:**

- 3 **(1) use or accept digital assets as a method of payment for**
 4 **legal goods and services; or**
- 5 **(2) take or maintain custody of digital assets using a**
 6 **self-hosted wallet or hardware wallet.**

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

- 9 **(1) use or acceptance of digital assets as a method of payment**
 10 **for legal goods and services; or**
- 11 **(2) taking or maintaining custody of digital assets using a**
 12 **self-hosted wallet or hardware wallet;**

13 **that are not applicable to comparable financial transactions that**
 14 **do not involve digital assets.**

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

- 19 **(1) Operate a node for the purpose of connecting to a**
 20 **blockchain protocol and participating in the operation of the**
 21 **blockchain protocol.**
- 22 **(2) Develop software on a blockchain protocol.**
- 23 **(3) Transfer digital assets to another individual or business**
 24 **using a blockchain protocol.**
- 25 **(4) Participate in staking on a blockchain protocol.**

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

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

32 **SECTION 26. IC 10-12-1-6 IS ADDED TO THE INDIANA**
 33 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 34 **[EFFECTIVE JULY 1, 2026]: Sec. 1.6. "Cryptocurrency" has the**
 35 **meaning set forth in IC 2-3.5-2-2.8.**

36 **SECTION 27. IC 10-12-1-4.2 IS ADDED TO THE INDIANA**
 37 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 38 **[EFFECTIVE JULY 1, 2026]: Sec. 4.2. "Exchange traded fund" has**
 39 **the meaning set forth in 17 CFR 270.6c-11(a)(1).**

40 **SECTION 28. IC 10-12-1-6.5 IS ADDED TO THE INDIANA**
 41 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 42 **[EFFECTIVE JULY 1, 2026]: Sec. 6.5. "Payment stablecoin" has the**



1 **meaning set forth in 12 U.S.C. 5901(22).**

2 SECTION 29. IC 10-12-2-2 IS AMENDED TO READ AS
 3 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 2. (a) The department
 4 may:

- 5 (1) establish and operate an actuarially sound pension plan
 6 governed by a pension trust; and
 7 (2) make the necessary annual contribution in order to prevent
 8 any deterioration in the actuarial status of the trust fund.

9 (b) The department shall make contributions to the trust fund. An
 10 employee beneficiary shall make contributions to the trust fund through
 11 authorized monthly deductions from wages.

12 (c) The trust fund:

- 13 (1) may not be commingled with any other funds; and
 14 (2) shall be invested only in accordance with state laws for the
 15 investment of trust funds, together with other investments as are
 16 specifically designated in the pension trust.

17 Subject to the terms of the pension trust, the trustee, with the approval
 18 of the department and the pension advisory board, may establish
 19 investment guidelines and limits on all types of investments, including
 20 stocks and bonds, and take other action necessary to fulfill its duty as
 21 a fiduciary for the trust fund.

22 (d) The trustee shall invest the trust fund assets with the same care,
 23 skill, prudence, and diligence that a prudent person acting in a like
 24 capacity and familiar with these matters would use in the conduct of an
 25 enterprise of a similar character with similar aims.

26 (e) The trustee shall diversify the trust fund's investments in
 27 accordance with prudent investment standards. The investment of the
 28 trust fund is subject to section 3 of this chapter.

29 (f) The trustee shall receive and hold as trustee for the uses and
 30 purposes set forth in the pension trust the funds paid by the department,
 31 the employee beneficiaries, or any other person or persons.

32 (g) The trustee shall engage pension consultants to supervise and
 33 assist in the technical operation of the pension plan so that there is no
 34 deterioration in the actuarial status of the plan.

35 (h) Before October 1 of each year, the trustee, with the aid of the
 36 pension consultants, shall prepare and file a report with the department
 37 and the state board of accounts. The report must include the following
 38 with respect to the fiscal year ending on the preceding June 30:

39 SCHEDE I. Receipts and disbursements.

40 SCHEDE II. Assets of the pension trust, listing investments
 41 as to book value and current market value at the end of the fiscal
 42 year.



1 SCHEDULE III. List of terminations, showing cause and amount
 2 of refund.

3 SCHEDULE IV. The application of actuarially computed
 4 "reserve factors" to the payroll data, properly classified for the
 5 purpose of computing the reserve liability of the trust fund as of
 6 the end of the fiscal year.

7 SCHEDULE V. The application of actuarially computed "current
 8 liability factors" to the payroll data, properly classified for the
 9 purpose of computing the liability of the trust fund for the end of
 10 the fiscal year.

11 SCHEDULE VI. An actuarial computation of the pension
 12 liability for all employees retired before the close of the fiscal
 13 year.

14 (i) The minimum annual contribution by the department must be
 15 of sufficient amount, as determined by the pension consultants, to
 16 prevent any deterioration in the actuarial status of the pension plan
 17 during that year. If the department fails to make the minimum
 18 contribution for five (5) successive years, the pension trust terminates
 19 and the trust fund shall be liquidated.

20 (j) Except as provided by applicable federal law, in the event of
 21 liquidation, the department shall take the following actions:

22 (1) All expenses of the pension trust must be paid.

23 (2) Adequate provision must be made for continuing pension
 24 payments to retired persons.

25 (3) Each employee beneficiary must receive the net amount paid
 26 into the trust fund from the employee beneficiary's wages.

27 (4) Any amount remaining in the pension trust after the
 28 department makes the payments described in subdivisions (1)
 29 through (3) must be equitably divided among the employee
 30 beneficiaries in proportion to the net amount paid from each
 31 employee beneficiary's wages into the trust fund.

32 (k) **The trustee may invest the trust fund assets in
 33 cryptocurrency exchange traded funds that do not include payment
 34 stablecoin as a permissible asset.**

35 SECTION 30. IC 10-12-2-7 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 7. (a) The:

37 (1) mortality reserve account referred to in section 4 of this
 38 chapter;

39 (2) disability reserve account referred to in section 5 of this
 40 chapter; and

41 (3) dependent pension reserve account referred to in section 6 of
 42 this chapter;



1 may be commingled and operated as one (1) fund, known as the police
 2 benefit fund, under the terms of a supplementary trust agreement
 3 between the department and the trustee for the exclusive benefit of
 4 employee beneficiaries and their dependents.

5 (b) The trustee shall receive and hold as trustee for the uses and
 6 purposes set out in the supplementary trust agreement all funds paid to
 7 it as the trustee by the department or by any other person or persons.

8 (c) The trustee shall hold, invest, and reinvest the police benefit
 9 fund in:

10 (1) investments that trust funds are permitted to invest in under
 11 Indiana law; and

12 (2) other investments as may be specifically designated in the
 13 supplementary trust agreement.

14 (d) The trustee, with the assistance of the pension engineers, shall,
 15 not more than ninety (90) days after the close of the fiscal year, prepare
 16 and file with the department and the department of insurance a detailed
 17 annual report showing receipts, disbursements, case histories, and
 18 recommendations as to the contributions required to keep the program
 19 in operation.

20 (e) Contributions by the department to the police benefit fund shall
 21 be provided in the general appropriations to the department.

22 (f) **The trustee may invest the police benefit fund assets in**
 23 **cryptocurrency exchange traded funds that do not include payment**
 24 **stablecoin as a permissible asset.**

25 SECTION 19. IC 21-9-2-10.2 IS ADDED TO THE INDIANA
 26 CODE AS A NEW SECTION TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2026]: Sec. 10.2. "Cryptocurrency" has the
 28 meaning set forth in IC 2-3.5-2-2.8.

29 SECTION 31. IC 21-9-2-12.9 IS ADDED TO THE INDIANA
 30 CODE AS A NEW SECTION TO READ AS FOLLOWS
 31 [EFFECTIVE JULY 1, 2026]: Sec. 12.9. "Exchange traded fund" has
 32 the meaning set forth in 17 CFR 270.6c-11(a)(1).

33 SECTION 32. IC 21-9-5-10 IS ADDED TO THE INDIANA
 34 CODE AS A NEW SECTION TO READ AS FOLLOWS
 35 [EFFECTIVE JULY 1, 2026]: Sec. 10. (a) Not later than July 1,
 36 2027, the board shall offer, as a regular investment program within
 37 an education savings program established under this article, a self
 38 directed brokerage account that offers at least one (1)
 39 cryptocurrency investment option.

40 (b) The board may adopt requirements and rules that apply to
 41 a cryptocurrency investment option under a self directed
 42 brokerage account offered under subsection (a), including the



1 **following:**

2 **(1) The board's investment guidelines and limits for the**

3 **cryptocurrency investment option.**

4 **(2) An account owner's selection of and changes to the**

5 **account owner's investment options.**

6 **(3) The valuation of accounts.**

7 **(4) The allocation and payment of administrative expenses**

8 **for the cryptocurrency investment option.**

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

10 **fees to be charged to the accounts.**

11 SECTION 33. IC 28-8-4.1-201, AS ADDED BY P.L.198-2023,

12 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

13 JULY 1, 2026]: Sec. 201. The following definitions apply throughout

14 this chapter:

15 (1) "Acting in concert" means persons knowingly acting together

16 with a common goal of jointly acquiring control of a licensee

17 whether or not pursuant to an express agreement.

18 (2) "Authorized delegate" means a person a licensee designates

19 to engage in money transmission on behalf of the licensee.

20 (3) "Average daily money transmission liability", with respect to

21 a calendar quarter, means:

22 (A) the sum of the amounts of a licensee's outstanding

23 money transmission obligations in Indiana at the end of

24 each day in the calendar quarter; divided by

25 (B) the total number of days in that calendar quarter.

26 For purposes of this subdivision, a "calendar quarter" is a quarter

27 ending on March 31, June 30, September 30, or December 31.

28 (4) "Bank Secrecy Act" means:

29 (A) the Bank Secrecy Act (31 U.S.C. 5311 et seq.); and

30 (B) regulations adopted under the Bank Secrecy Act (31

31 U.S.C. 5311 et seq.).

32 (5) "Closed loop stored value" means stored value that is

33 redeemable by the issuer only for goods or services provided by

34 the issuer or the issuer's affiliate or by franchisees of the issuer

35 or the issuer's affiliate, except to the extent required by

36 applicable law to be redeemable in cash for its cash value.

37 (6) "Control" means any of the following:

38 (A) The power to vote, directly or indirectly, at least

39 twenty-five percent (25%) of the outstanding voting shares

40 or voting interests of a licensee or of a person in control of

41 a licensee.

42 (B) The power to elect or appoint a majority of key



1 individuals or executive officers, managers, directors,
 2 trustees, or other persons exercising managerial authority of
 3 a person in control of a licensee.

4 (C) The power to exercise, directly or indirectly, a
 5 controlling influence over the management or policies of a
 6 licensee or of a person in control of a licensee. For purposes
 7 of this clause, a person is presumed to exercise a controlling
 8 influence if the person holds the power to vote, directly or
 9 indirectly, at least ten percent (10%) of the outstanding
 10 voting shares or voting interests of a licensee or of a person
 11 in control of a licensee. However, a person presumed to
 12 exercise a controlling influence under this clause may rebut
 13 the presumption of control if the person is a passive
 14 investor.

15 For purposes of this subdivision, the percentage of a person
 16 controlled by any other person is determined by aggregating the
 17 other person's interest with the interest of any other immediate
 18 family member of that person, including the person's spouse,
 19 parents, children, siblings, mothers-in-law and fathers-in-law,
 20 sons-in-law and daughters-in-law, and any other person who
 21 shares the person's home.

22 (7) "Department" refers to the members of the department of
 23 financial institutions.

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

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

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

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

37 In any case in which the credit ratings differ among eligible
 38 rating services, the highest rating applies in determining whether
 39 the credit rating is an "eligible rating" as defined in this
 40 subdivision.

41 (10) "Eligible rating service" means:

42 (A) a nationally recognized statistical rating organization,



1 as defined by the United States Securities and Exchange
 2 Commission; or
 3 (B) any other organization designated as such by the
 4 director.

5 (11) "Federally insured depository financial institution" means:
 6 (A) a bank;
 7 (B) a credit union;
 8 (C) a savings and loan association;
 9 (D) a trust company;
 10 (E) a corporate fiduciary;
 11 (F) a savings association;
 12 (G) a savings bank;
 13 (H) an industrial bank; or
 14 (I) an industrial loan company;
 15 that is organized under the law of the United States or any state
 16 of the United States and that has federally or privately insured
 17 deposits as permitted by state or federal law.

18 (12) "In Indiana", with respect to the location of a transaction,
 19 means the following:
 20 (A) At a physical location in Indiana, for a transaction
 21 requested in person.
 22 (B) For a transaction requested electronically or by
 23 telephone, a determination made by the provider of money
 24 transmission, by relying on the following, that the person
 25 requesting the transaction is in Indiana:
 26 (i) Information, provided by the person, regarding the
 27 location of the individual's residential address or the
 28 business entity's principal place of business or other
 29 physical address location, as applicable.
 30 (ii) Any records associated with the person that the
 31 provider of money transmission may have that indicate
 32 the person's location, including an address associated
 33 with an account.
 34 (13) "Individual" means a natural person.
 35 (14) "Key individual" means an individual ultimately responsible
 36 for establishing or directing policies and procedures of a
 37 licensee, such as an executive officer, manager, director, or
 38 trustee.
 39 (15) "Licensee" means a person licensed under this chapter.
 40 (16) "Material litigation" means litigation that, according to
 41 United States generally accepted accounting principles, is
 42 significant to a person's financial health and would be required

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1 to be disclosed in the person's annual audited financial
2 statements, report to shareholders, or similar records.

3 (17) "Money" means a medium of exchange that is issued by the
4 United States government or by a foreign government. The term
5 includes a monetary unit of account established by an
6 intergovernmental organization or by agreement between two (2)
7 or more governments.

8 (18) "Monetary value" means a medium of exchange, whether or
9 not redeemable in money.

10 (19) "Money transmission" means any of the following:

11 (A) Selling or issuing payment instruments to a person
12 located in Indiana.

13 (B) Selling or issuing stored value to a person located in
14 Indiana.

15 (C) Receiving money for transmission from a person
16 located in Indiana.

17 The term does not include the provision of solely online or
18 telecommunications services or network access. **The term does**
19 **not include development or use of software for noncustodial**
20 **transfer of digital assets (as defined by IC 5-36-1-4).**

21 (20) "MSB accredited state" means a state agency that is
22 accredited by the Conference of State Bank Supervisors and
23 Money Transmitter Regulators Association for money
24 transmission licensing and supervision.

25 (21) "Multistate licensing process" means an agreement entered
26 into by and among state regulators related to:

27 (A) coordinated processing of applications for money
28 transmission licenses;

29 (B) applications for the acquisition and control of a
30 licensee;

31 (C) control determinations; or

32 (D) notice and information requirements for a change of key
33 individuals.

34 (22) "NMLS" means the Nationwide Multistate Licensing
35 System and Registry:

36 (A) developed by the Conference of State Bank Supervisors
37 and the American Association of Residential Mortgage
38 Regulators; and

39 (B) owned and operated by the State Regulatory Registry,
40 LLC, or by any successor or affiliated entity;

41 for the licensing and registry of persons in financial services
42 industries.



4 (A) any payment instrument or stored value that:

5 (i) is issued or sold by a licensee to a person located in
6 the United States, or reported as sold by an authorized
7 delegate of the licensee to a person located in the
8 United States; and

9 (ii) has not yet been paid or refunded by or for the
10 licensee, or escheated in accordance with applicable
11 abandoned property laws; or

12 (B) any money that:

13 (i) is received for transmission by a licensee, or by an
14 authorized delegate of the licensee, from a person
15 located in the United States; and

16 (ii) has not been received by the payee or refunded to
17 the seller, or escheated in accordance with applicable
18 abandoned property laws.

19 For purposes of this subdivision, a person is located "in the
20 United States" if the person is located in any state, territory, or
21 possession of the United States or in the District of Columbia,
22 the Commonwealth of Puerto Rico, or a United States military
23 installation located in a foreign country.

24 (24) "Passive investor" means a person that:

25 (A) does not have the power to elect a majority of key
26 individuals or executive officers, managers, directors,
27 trustees, or other persons exercising managerial authority
28 over a person in control of a licensee;

29 (B) is not employed by and does not have any managerial
30 duties with respect to the licensee or a person in control of
31 the licensee;

32 (C) does not have the power to exercise, directly or
33 indirectly, a controlling influence over the management or
34 policies of the licensee or a person in control of the
35 licensee; and

(E) clause.
37 (i) attests to as facts the characteristics of passivity set
38 forth in clauses (A) through (C), in a form and by a
39 medium prescribed by the director; or

40 (ii) commits to the characteristics of passivity set forth
41 in clauses (A) through (C) in a written document.

42 (25) "Payment instrument" means a written or electronic check,

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1 draft, money order, traveler's check, or other written or electronic
2 instrument for the transmission or payment of money or
3 monetary value, whether or not negotiable. The term does not
4 include:

5 (A) stored value; or
6 (B) any instrument t

(i) is redeemable by the issuer only for goods or services provided by the issuer or its affiliate, or franchisees of the issuer or its affiliate, except to the extent required by applicable law to be redeemable in cash for its cash value; or

cash for its cash value, or
(ii) is not sold to the public but is issued and distributed as part of a loyalty, rewards, or promotional program.

15 (26) "Person" means any individual, general partnership, limited
16 partnership, limited liability company, corporation, trust,
17 association, joint stock corporation, or other corporate entity, as
18 so identified by the director.

19 (27) "Receiving money for transmission" means receiving money
20 or monetary value in the United States for transmission within or
21 outside the United States by electronic or other means. The term

"money received for transmission" has a corresponding meaning. (28) "Stored value" means monetary value representing a claim, against the issuer, that is evidenced by an electronic or digital record and that is intended and accepted for use as a means of redemption for money or monetary value, or payment for goods or services. The term includes "prepaid access" as defined in 31 CFR 1010.100. The term does not include:

29 (A) a payment instrument;
30 (B) closed loop stored value; or
31 (C) stored value not sold to the public but issued and
32 distributed as part of a loyalty, rewards, or promotional
33 program.

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

38 SECTION 34. IC 33-38-6-2.3 IS ADDED TO THE INDIANA
39 CODE AS A NEW SECTION TO READ AS FOLLOWS
40 [EFFECTIVE JULY 1, 2026]: Sec. 2.3. As used in this chapter,
41 "cryptocurrency" has the meaning set forth in IC 2-3.5-2-2.8.

42 SECTION 35. IC 33-38-6-3.2 IS ADDED TO THE INDIANA

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1 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2026]: **Sec. 3.2. As used in this chapter,**
 3 **"exchange traded fund" has the meaning set forth in 17 CFR**
 4 **270.6c-11(a)(1).**

5 SECTION 36. IC 33-38-6-9.1 IS ADDED TO THE INDIANA
 6 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2026]: **Sec. 9.1. As used in this chapter,**
 8 **"payment stablecoin" has the meaning set forth in 12 U.S.C.**
 9 **5901(22).**

10 SECTION 37. IC 33-38-6-23, AS AMENDED BY P.L.35-2012,
 11 SECTION 103, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2026]: Sec. 23. (a) The board of trustees of the
 13 Indiana public retirement system (referred to as "the system" in this
 14 section) shall administer the fund, which may be commingled for
 15 investment purposes with any public pension and retirement fund
 16 administered by the system.

17 (b) The board shall do the following:

18 (1) Determine eligibility for and make payments of benefits
 19 under IC 33-38-7 and IC 33-38-8.

20 (2) In accordance with the powers and duties granted it in
 21 IC 5-10.3-3-7.1, IC 5-10.3-5-3 through IC 5-10.3-5-6,
 22 IC 5-10.5-4, and IC 5-10.5-6, administer the fund.

23 (3) Provide by rule for the implementation of this chapter and
 24 IC 33-38-7 and IC 33-38-8.

25 (4) Authorize deposits.

26 (c) A determination by the board may be appealed under the
 27 procedures in IC 4-21.5.

28 (d) The powers and duties of:

29 (1) the director and the actuary of the board; and
 30 (2) the attorney general;

31 with respect to the fund are those specified in IC 5-10.3-3, IC 5-10.3-4,
 32 IC 5-10.5-4, and IC 5-10.5-6.

33 (e) The board may hire additional personnel, including hearing
 34 officers, to assist it in the implementation of this chapter.

35 (f) Fund records of individual participants and participants'
 36 information are confidential, except for the name and years of service
 37 of a fund participant.

38 (g) **The board may invest the assets of the fund in**
 39 **cryptocurrency exchange traded funds that do not include payment**
 40 **stablecoin as a permissible asset.**

41 SECTION 38. IC 33-39-7-3.2 IS ADDED TO THE INDIANA
 42 CODE AS A **NEW** SECTION TO READ AS FOLLOWS



1 [EFFECTIVE JULY 1, 2026]: **Sec. 3.2. As used in this chapter,
2 "cryptocurrency" has the meaning set forth in IC 2-3.5-2-8.**

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

8 SECTION 40. IC 33-39-7-6.1 IS ADDED TO THE INDIANA
9 CODE AS A NEW SECTION TO READ AS FOLLOWS
10 [EFFECTIVE JULY 1, 2026]: **Sec. 6.1. As used in this chapter,
11 "payment stablecoin" has the meaning set forth in 12 U.S.C.
12 5901(22).**

13 SECTION 41. IC 33-39-7-11, AS AMENDED BY P.L.35-2012,
14 SECTION 105, IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE JULY 1, 2026]: Sec. 11. (a) The board shall administer
16 the fund, which may be commingled with any public pension and
17 retirement fund administered by the Indiana public retirement system
18 for investment purposes.

19 (b) The board shall do the following:

20 (1) Determine eligibility for and make payments of benefits
21 under this chapter.

22 (2) In accordance with the powers and duties granted the board
23 in IC 5-10.3-3-7.1, IC 5-10.3-5-3 through IC 5-10.3-5-6,
24 IC 5-10.5-4, and IC 5-10.5-6, administer the fund.

25 (3) Provide by rule for the implementation of this chapter.

26 (4) Authorize deposits.

27 (c) A determination by the board may be appealed under
28 IC 4-21.5.

29 (d) The powers and duties of:

30 (1) the director and the actuary of the board; and

31 (2) the attorney general;

32 with respect to the fund are those specified in IC 5-10.3-3, IC 5-10.3-4,
33 IC 5-10.5-4, and IC 5-10.5-6.

34 (e) The board may hire additional personnel, including hearing
35 officers, to assist in the implementation of this chapter.

36 (f) Fund records of individual participants and participants'
37 information are confidential, except for the name and years of service
38 of a fund participant.

39 (g) **The board may invest the assets of the fund in
40 cryptocurrency exchange traded funds that do not include payment
41 stablecoin as a permissible asset.**

42 SECTION 42. IC 34-46-7 IS ADDED TO THE INDIANA CODE



1 AS A **NEW CHAPTER** TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2026]:

3 **Chapter 7. Privileged Financial Information**

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

- 5 (1) **virtual currency;**
- 6 (2) **cryptocurrency (as defined in IC 2-3.5-2-2.8);**
- 7 (3) **payment stablecoin (as defined in 12 U.S.C. 5901(22));**
- 8 (4) **fungible tokens and nonfungible tokens; and**
- 9 (5) **other assets that:**
 - 10 (A) **exist only in electronic form; and**
 - 11 (B) **confer economic, proprietary, or access rights or**
 - 12 **powers.**

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

- 15 (1) **prove ownership of; and**
- 16 (2) **access;**

17 **digital assets.**

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

21 **SECTION 43. IC 35-37-7 IS ADDED TO THE INDIANA CODE**
22 **AS A **NEW CHAPTER** TO READ AS FOLLOWS [EFFECTIVE**
23 **JULY 1, 2026]:**

24 **Chapter 7. Privileged Financial Information**

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

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

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

- 36 (1) **prove ownership of; and**
- 37 (2) **access;**

38 **a digital asset.**

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

42 **SECTION 44. IC 36-1-3-15 IS ADDED TO THE INDIANA**



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

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

7 (1) use or accept digital assets as a method of payment for
 8 legal goods and services; or

9 (2) take custody of digital assets using a self-hosted wallet or
 10 hardware wallet.

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

12 (1) use or acceptance of digital assets as a method of payment
 13 for legal goods and services; or

14 (2) taking or maintaining custody of digital assets using a
 15 self-hosted wallet or hardware wallet;

16 that are not applicable to comparable financial transactions that
 17 do not involve digital assets.

18 SECTION 45. IC 36-1-30.5 IS ADDED TO THE INDIANA
 19 CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2026]:

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

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

24 Sec. 2. A unit may not adopt or enforce an ordinance or other
 25 regulation that would have the effect of prohibiting, restricting, or
 26 impairing the ability of an individual or business to do any of the
 27 following:

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

31 (2) Develop software on a blockchain protocol.

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

34 (4) Participate in staking on a blockchain protocol.

35 Sec. 3. A unit may not adopt or enforce an ordinance or other
 36 regulation:

37 (1) that prohibits a digital asset mining business that
 38 otherwise meets the requirements for operation in an area
 39 zoned for industrial use from operating in an area zoned for
 40 industrial use; or

41 (2) that:

42 (A) limits the level of noise generated by a digital asset



mining business that is located in an area zoned for industrial use; and

(B) is not applicable to other businesses operating in an area zoned for industrial use.

Sec. 4. A unit may not adopt or enforce an ordinance or other regulation:

(1) that prohibits private digital asset mining in a residence located in an area that is zoned for residential use; or

(2) that:

- (A) limits the level of noise generated by private digital asset mining in a residence located in an area that is zoned for residential use; and
- (B) is not applicable to other residences in an area zoned

(D) is not applicable to other residences in an area zoned for residential use.

SECTION 46. 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 47. 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 48. 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).**

SECTION 49. IC 36-8-8-5, AS AMENDED BY P.L.85-2022, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5. (a) The system board shall:

(1) determine eligibility for and make payments of benefits, except as provided in section 12 of this chapter;

(2) in accordance with the powers and duties granted it in IC 5-10.3-5-3 through IC 5-10.3-5-6, IC 5-10.5-4, and IC 5-10.5-5, administer the 1977 fund;

- (3) provide by rule for the implementation of this chapter; and
- (4) authorize deposits.

(b) A determination by the system board may be appealed under the procedures in IC 4-21.5.



1 respect to the 1977 fund, are those specified in IC 5-10.3-3,
2 IC 5-10.3-4, and IC 5-10.5.

3 (d) The system board may hire additional personnel, including
4 hearing officers, to assist it in the implementation of this chapter.

5 (e) The 1977 fund records of individual members and membership
6 information are confidential, except for the name and years of service
7 of a 1977 fund member.

8 (f) After July 1, 2022, if the system board determines that a new
9 police officer or firefighter in PERF should be a member of the 1977
10 fund, the system board shall require the employer to:

11 (1) transfer the member into the 1977 fund; and

12 (2) contribute the amount that the system board determines is
13 necessary to fund fully the member's service credit in the 1977
14 fund for all service earned as a police officer or firefighter in
15 PERF.

16 **(g) The system board may invest the assets of the 1977 fund in**
17 **cryptocurrency exchange traded funds that do not include payment**
18 **stablecoin as a permissible asset.**

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