

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL 327

Short Title: NC Bitcoin Reserve and Investment Act. (Public)

Sponsors: Senators Johnson and Overcash (Primary Sponsors).

Referred to: Rules and Operations of the Senate

March 19, 2025

A BILL TO BE ENTITLED
AN ACT TO ENACT THE NORTH CAROLINA BITCOIN RESERVE AND INVESTMENT
ACT.

The General Assembly of North Carolina enacts:

SECTION 1. Title. – This act shall be known as the North Carolina Bitcoin Reserve and Investment Act.

SECTION 2. Purpose. – The purpose of this act is to establish a strategic Bitcoin reserve for the State of North Carolina, promote Bitcoin investment as a financial innovation strategy, and position North Carolina as a leader in state-level cryptocurrency adoption.

SECTION 3. Reserve Established. – The Office of the State Treasurer is authorized to allocate up to ten percent (10%) of public funds into Bitcoin (BTC) as part of the State's long-term financial strategy. Bitcoin acquired with funds allocated pursuant to this section shall be placed into a reserve (Bitcoin Reserve). The Treasurer is authorized to engage in Bitcoin-backed investment strategies, including staking, lending, and other regulated yield-generating activities.

SECTION 4. Management. – The Treasurer shall manage the Bitcoin Reserve as a strategic asset in conformity with the following requirements:

- (1) The Treasurer shall ensure Bitcoin in the Bitcoin Reserve is held in cold storage wallets with multi-signature authentication to prevent unauthorized access.
- (2) The Treasurer shall establish a department within the Office of the State Treasurer to have custody of the Bitcoin Reserve in order to (i) ensure management is by a State entity and (ii) have direct State control over assets located in the Bitcoin Reserve.
- (3) The Treasurer shall establish a Bitcoin Economic Advisory Board composed of industry experts to provide ongoing guidance.
- (4) The Treasurer shall conduct monthly audits to verify the reserve status, balance, security, and financial performance and shall implement State-backed insurance policies to protect the reserve against cyber threats and economic downturns.

SECTION 5. Acquisition. – The acquisition of Bitcoin shall be conducted through strategic bulk purchases to take advantage of favorable market conditions. Bitcoin purchases shall be executed through regulated U.S.-based cryptocurrency exchanges to ensure compliance with federal and State regulations. The Treasurer shall explore Bitcoin mining operations as a means of increasing the State's holdings at minimal cost.



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SECTION 6. Asset Use Restrictions. – The Bitcoin Reserve shall be held as a long-term asset. Use of the Bitcoin Reserve is limited to and by the following:

- (1) The use is (i) required to respond to a severe financial crisis where alternative reserve assets are insufficient, (ii) part of a State-approved investment strategy to enhance the value of the Bitcoin Reserve, (iii) to finance critical infrastructure and economic development projects approved by the General Assembly, and (iv) to provide funding for Bitcoin-related research, education, and business incentives to foster economic growth.
- (2) Liquidation of Bitcoin in the Bitcoin Reserve is approved by at least two-thirds of the members of both chambers of the General Assembly present and voting.
- (3) The use is to back bonds as an alternative financing mechanism for public projects.

SECTION 7. Regulation Compliance. – The Treasurer shall comply with all applicable federal and State laws regarding cryptocurrency holdings and taxation. The State shall advocate for Bitcoin-friendly regulations at the federal level to protect State Bitcoin reserves.

SECTION 8. Reporting. – The Treasurer shall submit a quarterly report to the General Assembly detailing the status, value, and performance of the Bitcoin Reserve. In addition, to promote transparency and accountability, the Treasurer shall make the report available on the Treasurer's website.

SECTION 9. This act is effective when it becomes law.