

# Fiscal Note

**BILL #** HB 2324

**TITLE:** ~~technical correction; unclaimed property; interest S/E: forfeiture; digital assets; reserve fund~~

**SPONSOR:** Weninger

**STATUS:** As Amended by House COM

**PREPARED BY:** Benjamin Beutler

## Description

The strike-everything amendment to HB 2324 would establish the Bitcoin and Digital Assets Reserve Fund and deposit 50% of the proceeds from forfeited digital assets in the General Fund and the other 50% in the Bitcoin and Digital Assets Reserve Fund. The bill would also require seized digital assets to be stored in a secure digital wallet system and be sold through certain secure platforms.

## Estimated Impact

We expect the bill will generate additional revenue to the General Fund and the new Bitcoin and Digital Assets Reserve Fund. In addition, the bill would generate additional costs to the agency responsible for the seizure and the State Treasurer to comply with the bill's requirements for secure digital wallet storage and sale through secure platforms. The magnitude of these impacts cannot be determined in advance and would depend on the amount of digital assets seized as part of the criminal forfeiture process and current agency processes for digital asset seizure and sale.

## Analysis

The bill would establish a new appropriated fund called the Bitcoin and Digital Assets Reserve Fund, which would be administered by the State Treasurer. The Legislature may deposit up to 10% of the fund's balance in the General Fund, but the bill does not allow direct bitcoin transfers to the General Fund. Monies deposited in the fund would consist of the proceeds from the sale of forfeited digital assets used in, acquired through or traceable to the commission of a criminal offense.

Digital assets are defined by the bill to include cryptocurrency, a nonfungible token, tokenized real-world assets, an airdrop, a forked token, decentralized finance rewards or tokens, virtual currency, and other digital representations that may hold economic, utility, or ownership value.

The proposed legislation would require that seized digital assets be stored in a state-approved, secure digital wallet system that is managed by authorized personnel. Based on our research, digital wallet systems can operate on-premise or off-premise with the digital assets stored by a third party. The bill does not specify the exact type of storage system or storage location.

2/26/25

