



ARIZONA STATE SENATE
Fifty-Sixth Legislature, Second Regular Session

FACT SHEET FOR S.C.R. 1016

state retirement systems; digital assets

Purpose

Expresses the Legislature's encouragement for the Arizona State Retirement System (ASRS) and the Public Safety Personnel Retirement System (PSPRS) to monitor Bitcoin ETFs and other digital asset ETFs and consider including a digital asset ETF in their investment portfolios.

Background

ASRS was established in 1953 to: 1) provide an incentive in the recruitment and retention of employees; 2) contribute toward providing a compensation package that is generally equivalent to comparable employment across Arizona; 3) provide a retirement system that encourages employees to remain in service for periods of time that will provide public employers with the full benefit of the training and experience gained by the employees; 4) provide an orderly method of promoting and maintaining a high level of service to the public; and 5) provide a base retirement benefit that is less than 100 percent of a member's post-retirement income requirements, recognizing the equal contributions between the employee and employer ([A.R.S. § 38-712](#)).

PSPRS was established in 1968 as a uniform, consistent and equitable statewide retirement program for public safety personnel who are regularly assigned hazardous duty in the employment of the state or its political subdivisions. PSPRS provides retirement benefits for municipal firefighters and police, the Arizona highway patrol and other public safety personnel ([A.R.S. § 38-841](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Expresses that the Legislature encourages ASRS and PSPRS to:
 - a) consider the implications of including a digital asset ETF in their investment portfolios;
 - b) closely monitor developments in Bitcoin ETFs and other digital asset ETFs and consider the implications of including such assets in their investment portfolio after consulting with any firms that have been granted approval by the U.S Securities and Exchange Commission to offer a digital asset ETF; and
 - c) submit a comprehensive report on the feasibility, risk and potential benefits of directing a portion of state retirement system monies into digital asset ETFs, including a list of options and recommendations for how the state might safely invest in the digital asset class to the State Treasurer, President of the Senate and Speaker of the House of Representatives at least three months before the beginning of the Fifty-Seventh Legislature, First Regular Session.