

LFC Requester:	Gray, Brendon
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/6/25 *Check all that apply:*
Bill Number: SB 275 Original Correction
 Amendment Substitute

Sponsor: Senator Thornton **Agency Name and Code** 366-PERA
Short Title: STRATEGIC BITCOIN RESERVE ACT **Number:** _____
Person Writing Anna Williams
Phone: 505-259-8489 **Email** Annae.williams@pera.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

Effective July 1, 2025, SB 275 creates new legislation allowing the state treasurer and the state investment council to invest in bitcoin from the following funds; land grant permanent funds, the severance tax permanent fund, the tobacco settlement permanent fund, and any other state fund deemed appropriate by the state investment council. The bill also allows the Public Employees Retirement Board and the Educational Retirement Board to invest in exchange-traded products that have been registered by either the federal securities and exchange commission, the United States commodity futures trading commission or the securities division of the regulation and licensing department.

FISCAL IMPLICATIONS

Currently, PERA's investment portfolio is diversified based on the strategic goals of the Board of Trustees of the Public Employees Retirement Association. The legislation could potentially impact PERA's investments, by adding restrictions on investing in exchange-traded products to only those registered with the SEC, CFTC, or NM State Securities Division. Currently, PERA can already invest in any ETFs under the prudent investor rule.

SB275 should not have an impact to PERA's operating budget.

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

SB275 will not affect PERA's performance measures.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

Article XX, Section 22 of the New Mexico Constitution provides in part that the PERA Board is empowered with the "...sole and exclusive fiduciary duty and responsibility for the administration and investment of the trust fund..." If the legislation is intended to regulate the

investment decisions of the PERA Board, the legislation may face constitutional scrutiny.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

PERA would continue investing its portfolio to meet its strategic goals.

AMENDMENTS

None.