MICHIGAN HOUSE BILL 4510, “INVESTMENT IN CRYPTOCURRENCY BY CERTAIN RETIREMENT FUNDS”
MICHIGAN HOUSE BILL 4511, “CRYPTO BILL OF RIGHTS”

Economic Competitiveness Committee, November 6, 2025

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Good morning Chair Hoadley, Vice Chair Bohnak, Vice Chair Grant, and members of the Committee.

Thank you for the opportunity to testify in support of House Bill 4510, a bill to allow investment in digital assets by certain retirement funds, and House Bill 4511, a bill aimed at protecting the holding and operation of digital assets within the state of Michigan.

My name is Elizabeth Hansson, I am a proud Michigander and a graduate of the University of Michigan–Ann Arbor. I began my career in our automotive industry, as a software engineer at Chrysler. I continued as an engineer and in management within our automotive sector, until I entered the digital asset industry in 2016, where I served for eight years as CTO of a decentralized finance, or DeFi, company.

I now serve as the Michigan President for Stand With Crypto, a nonpartisan, non-profit organization with 2.6 million advocates nationwide, and I oversee more than 54,000 Stand With Crypto advocates right here in Michigan. I also founded the Detroit Blockchain Collective, the state’s largest and most active blockchain community group. I collaborate with student blockchain groups at the University of Michigan, Michigan State University, and Wayne State University to connect students and builders to Michigan’s tech ecosystem. Today, I am here representing the interests of more than 1.2 million Michiganders who own cryptocurrency.

House Bill 4510 gives Michigan’s pension fiduciaries a regulated, optional tool they already understand. It permits, but does not require, consideration of digital assets through exchange traded products issued by registered investment companies.

It fits within existing fiduciary practice, reporting, and audit standards that pensions already use for commodities and other alternative assets. It also sets two important guardrails. First, any eligible digital asset must meet a minimum market capitalization floor of $250 billion dollars. Second, total exposure to digital assets as an asset class is capped at 5% of fund assets. These limits keep decisions prudent, diversified, and aligned with long-dated obligations.

“Why now?” is straightforward. Michigan is already participating through regulated vehicles. The State of Michigan Retirement System disclosed a spot Bitcoin ETF position in 2024 and has since added to that exposure in 2025. Michigan has also disclosed Ethereum exposure via exchange traded products. Public filings and trade press that covered those disclosures noted that Michigan was among the first public pension systems to report a position in a spot Ethereum product.

This bill acknowledges that reality by giving fiduciaries a clear statutory framework to size, monitor, and report these positions using familiar tools and qualified custodians.

We are not acting alone. States are building measured frameworks that respect fiduciary duty. New Hampshire enacted a first-in-the-nation reserve law that allows up to 5 percent of public funds in digital assets that meet a high market cap threshold, implemented either through secure custody or an exchange traded product. Texas established a Strategic Bitcoin Reserve by statute and set forth custody, reporting, and market cap requirements. Arizona enacted a law that modernizes unclaimed property for digital assets and creates a Bitcoin and digital assets Reserve Fund. These peer examples show how states can participate responsibly with clear limits and public reporting.

I understand concerns about volatility. This bill does not require an allocation, and it does not change any board’s investment policy. It simply allows a board, acting as a fiduciary, to consider a small, liquid position through regulated products that can be rebalanced or exited like any other exchange traded holding.

The benefits are practical. This alignment puts statute in step with what Michigan has already done through regulated ETFs. It gives fiduciaries a narrow, familiar pathway to hedge inflation risk and diversify return sources, if and when the data supports it.

House Bill 4510 is modest and careful. It is a permission structure with hard limits. It adds a market cap floor and a 5% asset class cap. It preserves fiduciary duty and all existing oversight. I respectfully ask for a yes vote to give Michigan pension fiduciaries a safe, optional tool to protect beneficiaries and keep our state at the forefront of responsible financial innovation.

I would now like to speak on House Bill 4511.

House Bill 4511 protects the right of Michiganders to hold and use digital assets, enables lawful peer to peer payments without extra charges, and provides clear, uniform rules that support jobs and innovation while keeping all criminal and consumer protection laws fully in force.

In my work with software developers, entrepreneurs, and University students, I have seen how clear rules make the difference between building in Michigan or going to neighboring states like Ohio.

Today, Michigan law is silent about the most basic parts of blockchain and digital assets. Such as the right to hold a digital asset, build on blockchain, or to pay for a lawful good with a digital asset like Bitcoin. This bill addresses those gaps so Michigan can become a leader in this technology.

I believe the three most important provisions in this bill are as follows:

Foremost, it protects the right to hold digital assets such as Bitcoin or stablecoins. This provides for clear digital property rights and to own your own digital assets like you would keep cash in your wallets. This protection is expressly subject to the Michigan penal code, so fraud and other crimes remain fully prohibited.

Additionally, this bill empowers Michiganders and small businesses to accept digital assets as a method of payment. The bill prohibits any additional tax, withholding, assessment, or charge that is based solely on using a digital asset as the method of payment. It does not change standard taxes that would otherwise apply if the same transaction took place in United States legal tender. Although this may sound new to some, many large payment companies such as PayPal and Mastercard are utilizing stablecoins, or digital assets backed by dollars, to make payments faster and cheaper today. Other companies like Square are allowing millions of small businesses to elect to receive payment in Bitcoin.

Finally, it allows open participation and software development in blockchain networks. The bill prevents government prohibitions on three basic activities. Running a node, also known as a specialized computer, to connect to a Blockchain Protocol. Transferring digital assets on a Blockchain Protocol. Participating in Staking on a Blockchain Protocol also known as making sure the results on a blockchain are valid. These are key basic protections that ensure blockchains are useful to Michiganders and they can benefit from participating in them.

I have seen firsthand how Michiganders use Blockchain to build businesses, create jobs, and strengthen communities. Our universities are graduating talent that wants to stay here if the rules are clear. House Bill 4511 is balanced and puts Michiganders first.

I respectfully ask for a yes vote to advance the bill and keep Michigan competitive for builders, students, and small businesses who want to build the future of blockchain here.