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States Weigh Pros and Cons of Investing in Cryptocurrency.

From strategic reserves to the bond market, policymakers increasingly eye digital currency options

Once considered a fringe investment, cryptocurrency is beginning to make inroads into state and local government finance.

In 2025 alone, at least 19 states considered or passed legislation that would allow a portion of state funds to be invested in digital assets or related investment products, according to a review by The Pew Charitable Trusts. Cryptocurrency is a form of digital currency that can be used to make payments, although it is more often treated as a high-risk investment.

Last May, New Hampshire became the first state to approve such a law and is now on track to issue the first municipal bonds backed by bitcoin, a cryptocurrency created in 2008. Texas, meanwhile, launched and seeded a state Strategic Bitcoin Reserve, making it the first state to fund a cryptocurrency reserve.

Continue reading.

The Pew Charitable Trusts

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