

Bitcoin Strategic Reserve Feasibility Study Memorial

A neutral, fiduciary review - not an authorization to invest

DISCUSSION DRAFT | 2027 SESSION | PROPOSED REPORT DEADLINE: NOVEMBER 1, 2027

The one question this memorial asks

Could a very small, capped Bitcoin allocation ever meet New Mexico's legal, fiduciary, security and operational standards?

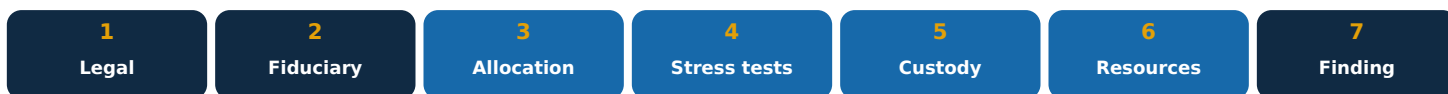
+ WHAT IT DOES

- Requests an objective SIC feasibility study.
- Tests only 0.25%, 0.5%, 0.75% and 1% hypothetical allocations.
- Models 10-, 20- and 30-year outcomes, including severe drawdowns and near-total loss.
- Examines legality, fiduciary duty, custody, cybersecurity, liquidity, staffing and costs.
- Requires measurable criteria for when Bitcoin is investable - or remains uninvestable.

- WHAT IT DOES NOT DO

- Does not authorize or require SIC to buy Bitcoin.
- Does not mandate even a 0.25% allocation.
- Does not override SIC's fiduciary judgment or the Uniform Prudent Investor Act.
- Does not assume Bitcoin's past returns will continue.
- Does not authorize altcoins, staking, DeFi, crypto lending or short-term trading.
- Does not permit use for recurring state operating expenses.

A disciplined seven-step review



The report must choose one clear outcome

A Meets the standards

May merit limited consideration.

B Not ready yet

Could qualify if named conditions change.

C Unsuitable

Fails fiduciary, legal or investment tests.

BOTTOM LINE A yes vote is a vote for due diligence and a defined fiduciary standard - not a vote to purchase Bitcoin.

How the study addresses the strongest objections

VOLATILITY	Quantify acceptable drawdown, risk contribution and liquidity thresholds under severe stress.
NO CASH FLOW	Test whether reserve-asset or commodity methods are useful - and reject them if they are not.
CUSTODY & STAFF	Define the security controls, qualified providers, expertise and cost required for prudent oversight.

COMMITTEE TAKEAWAY The memorial forces a transparent answer: investable now, potentially investable later under measurable conditions, or unsuitable.