

SPECIE LEGAL TENDER AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Fred C. Cox

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies the State Money Management Act by amending provisions relating to specie legal tender.

Highlighted Provisions:

This bill:

- ▶ provides definitions;
- ▶ authorizes a public treasurer to invest public funds in specie legal tender;
- ▶ grants the State Money Management Council rulemaking authority to make rules

governing quality criteria for a commercial specie repository ~~H~~→ in consultation with the

Department of Financial Institutions ←~~H~~ ; and

- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

51-7-3, as last amended by Laws of Utah 2013, Chapters 204 and 388

51-7-11, as last amended by Laws of Utah 2015, Chapter 171

51-7-17, as last amended by Laws of Utah 2015, Chapter 164

51-7-18, as last amended by Laws of Utah 2004, Chapter 248



400 investment advisers;

401 (vii) the conditions and procedures for maintaining and revoking a federal covered
402 adviser's or an investment adviser's designation as a certified investment adviser;

403 (viii) the conditions and procedures by which public treasurers may deposit and invest
404 public funds;

405 (ix) quality criteria for corporate obligations;

406 (x) the conditions and procedures by which public entities may use interest rate
407 contracts authorized by Subsection 51-7-17(3); [~~and~~]

408 (xi) quality criteria for a commercial specie repository ~~H~~→ in consultation with the
408a Department of Financial Institutions ←~~H~~ ; and

409 [~~(xi)~~] (xii) other rules necessary to carry out its functions, powers, duties, and
410 responsibilities under this chapter.

411 (3) The council may not make rules requiring a qualified depository to pledge or
412 deposit any of its assets in order to secure a deposit of public funds, except that public deposits
413 in excess of the maximum amount shall be collateralized as provided in Subsections
414 51-7-18.1(5)(b) and (6).

415 (4) Subject to legislative funding, the state treasurer shall supply qualified staff to the
416 council.

417 (5) If any rule or act of the council would constitute an infringement upon the state
418 treasurer's constitutional duties and powers to have custody of and invest public money, the
419 conflicting rule or act is advisory and not mandatory.

Legislative Review Note
Office of Legislative Research and General Counsel