

HB0306S04 compared with HB0306

~~{Omitted text}~~ shows text that was in HB0306 but was omitted in HB0306S04

inserted text shows text that was not in HB0306 but was inserted into HB0306S04

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1

Precious Metals Amendments
2025 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Ken Ivory
Senate Sponsor: Keith Grover



2

3 **LONG TITLE**

4 **General Description:**

5 This bill enacts and modifies provisions relating to state investment in gold and the
6 establishment of a gold-backed digital payment system.

7 **Highlighted Provisions:**

8 This bill:

- 9 ▶ extends and adds a sunset date to the state treasurer's precious metals study requirement;
- 10 ▶ requires the state treasurer to develop and issue a ~~{request for proposals}~~ competitive
procurement for a precious metals-backed electronic payment system;
- 12 ▶ establishes requirements for the request for proposals;
- 13 ▶ requires the state treasurer to evaluate proposals; and
- 14 ▶ requires annual reporting to the Revenue and Taxation Interim Committee.

15 **Money Appropriated in this Bill:**

- 16 ▶ **This bill appropriates \$146,800 in operating and capital budgets for fiscal year 2026, all
of
17 which is from the various sources as detailed in this bill.**

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18 **Other Special Clauses:**

19 This bill provides a special effective date.

21 AMENDS:

22 **63I-1-267** (Effective 05/07/25), as last amended by Laws of Utah 2024, Chapter 385 (Effective
23 05/07/25), as last amended by Laws of Utah 2024, Chapter 385

24 **67-4-19** (Effective 05/07/25), as enacted by Laws of Utah 2024, Chapter 492 (Effective 05/07/25),
25 as enacted by Laws of Utah 2024, Chapter 492

26 ENACTS:

27 **67-4-20** (Effective 05/07/25), Utah Code Annotated 1953 (Effective 05/07/25), Utah Code
28 Annotated 1953

29

30 *Be it enacted by the Legislature of the state of Utah:*

31 Section 1. Section **63I-1-267** is amended to read:

32 **63I-1-267. (Effective 05/07/25) Repeal dates: Title 67.**

33 (1) Section 67-1-8.1, Executive Residence Commission -- Recommendations as to use, maintenance,
34 and operation of executive residence, is repealed July 1, 2027.

35 (2) Section 67-1-15, Approval of international trade agreement -- Consultation with Utah International
36 Relations and Trade Commission, is repealed December 31, 2027.

37 (3) Section 67-3-11, Health care price transparency tool -- Transparency tool requirements, is repealed
38 July 1, 2024.

39 (4) Subsection 67-4-19(3), regarding an annual study conducted by the state treasurer on the role of
40 precious metals in augmenting, stabilizing, and ensuring the economic security and prosperity of the
41 state, is repealed July 1, {2028} 2027.

42 (5) Title 67, Chapter 5a, Utah Prosecution Council, is repealed July 1, 2027.

43 Section 2. Section **67-4-19** is amended to read:

44 **67-4-19. (Effective 05/07/25) Investments of public funds in precious metals by state**
45 **treasurer -- Precious metals study and report to Legislature.**

46 (1) As used in this section, "precious metal" means the same as that term is defined in Section 61-1-13.

47 (2)

48 (a) Subject to Subsection (2)(b), the state treasurer may invest a portion of public funds in the following
49 accounts in precious metals:

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- 46 (i) the State Disaster Recovery Restricted Account, created in Section 53-2a-603;
47 (ii) the General Fund Budget Reserve Account, created in Section 63J-1-312;
48 (iii) the Income Tax Fund Budget Reserve Account, created in Section 63J-1-313; and
49 (iv) the Medicaid Growth Reduction and Budget Stabilization Account, created in Section
63J-1-315.

51 (b)

- (i) The amount of public funds that the state treasurer may invest in precious metals in an account described in Subsection (2)(a) may not, at the time the investment is made, exceed 10% of the total amount of public funds in that account.
- 55 (ii) The requirements of Subsections 51-7-14(2) and (3) apply to the state treasurer's investments in precious metals under Subsection (2)(a).
- 57 (iii) Any public funds in an account described in Subsection (2)(a) not invested by the state treasurer in precious metals under this Subsection (2) shall be invested as provided in Title 51, Chapter 7, State Money Management Act.

61 (3) The state treasurer shall:

62 (a) conduct an annual study analyzing the role of precious metals in augmenting, stabilizing, and ensuring the economic security and prosperity of the state, the families and residents of the state, and businesses in the state; and

65 (b) submit recommendations for legislation resulting from the study described in Subsection (3)(a) to the Revenue and Taxation Interim Committee on or before the committee's annual October interim committee meeting.

60 ~~[(3) The state treasurer shall:]~~

61 ~~[(a) conduct {[]} a {} an ongoing } study analyzing the role of precious metals in augmenting, stabilizing, and ensuring the economic security and prosperity of the state, the families and residents of the state, and businesses in the state; and]~~

64 ~~[(b) submit to the Revenue and Taxation Interim Committee-{} on or before the committee's 2024{} annually at or before the }-October interim committee meeting any recommendations for legislation resulting from the-{} outcome of-{} the study conducted under Subsection (3)(a).]~~

75 Section 3. Section 3 is enacted to read:

76 **67-4-20. (Effective 05/07/25)Alternative precious metals-backed electronic payment system.**

70 (1) As used in this section:

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- 71 (a) "Participating ~~{state entity}~~ vendor" means a ~~{state entity}~~ vendor that opts to ~~{use}~~ receive
72 payment from the state through the precious metals-backed electronic payment system ~~{for~~
73 receiving payments or making disbursements} .
- 74 (b) "Precious metals-backed electronic payment system" means an electronic payment system that:
75 (i) uses physical gold or silver held in vault facilities within the state as backing for electronic
76 transactions; ~~{and}~~
- 77 (ii) allows for the redemption of physical gold or silver by system participants~~{:}~~ ; and
78 (iii) enables the state to make payments to a participating vendor.
- 87 (c)
- 88 (i) "System participant" means an individual or entity that:
89 (A) maintains an account within the precious metals-backed electronic payment system;
90 (B) conducts transactions using the precious metals-backed electronic payment system; or
91 (C) holds redemption rights for precious metals within the system.
- 92 (ii) "System participant" includes participating vendors.
- 93 (2) The state treasurer shall:
- 79 (a) in consultation with the Department of Finance, develop and issue a ~~{request for proposals}~~
80 competitive procurement to create, supply, and operate a precious metals-backed electronic payment
81 system for the state;
- 82 (b) evaluate proposals based on security, efficiency, and cost-effectiveness;
- 83 (c) select a service provider to implement, operate, and maintain the precious metals-backed electronic
84 payment system;
- 85 ~~{(d) {establish policies and procedures for the use of the precious metals-backed electronic payment~~
86 ~~system by participating state entities;}}~~
- 87 ~~{(e)}~~ (d) establish reasonable parameters to enable the redemption of ~~{physical gold or silver~~
88 ~~by participants in the precious metals-backed electronic payment}~~ precious metals by
89 systemparticipants;
- 89 ~~{(f)}~~ (e) ensure that the precious metals-backed electronic payment system complies with all applicable
90 provisions of Title 51, Chapter 7, State Money Management Act;
- 91 ~~{(g)}~~ (f) consult with the State Tax Commission on potential tax implications of the precious metals-
92 backed electronic payment system;
- 93

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~~{(h)}~~ (g) evaluate the options and implications for allowing state employees to receive compensation through the precious metals-backed electronic payment system; and

95 ~~{(i)}~~ (h) report annually to the Revenue and Taxation Interim Committee on the status and performance of the precious metals-backed electronic payment system.

111 (3) The Department of Finance shall:

112 (a) establish policies and procedures for the use of the precious metals-backed electronic payment system by participating vendors;

114 (b) provide for integration into the statewide accounting system; and

115 (c) evaluate the options and implications for allowing state employees to receive compensation through the precious metals-backed electronic payment system.

97 ~~{(3)}~~ (4) The ~~{request for proposals}~~ competitive procurement described in Subsection (2) shall require that the precious metals-backed electronic payment system:

99 (a) uses gold or silver vaulted within the state;

100 (b) allows for the redemption of physical gold or silver by system participants;

101 ~~{(e) {includes technology and software held in escrow for state access; and}-}~~

121 (c) is made publicly available; and

102 (d) complies with all applicable state and federal laws and regulations.

103 ~~{(4)}~~ (5) Nothing in this section shall be construed to:

124 (a) require any vendor to participate in the precious metals-backed electronic payment system;

104 ~~{(a)}~~ (b) require any state entity to participate in the precious metals-backed electronic payment system;

or

106 ~~{(b)}~~ (c) prevent the state from using other forms of payment or currency for the state's operations.

130 Section . **FY 2026 Appropriations.**

131 The following sums of money are appropriated for the fiscal year beginning July 1,
132 2025, and ending June 30, 2026. These are additions to amounts previously appropriated for
133 fiscal year 2026.

134 Subsection 4(a). **Operating and Capital Budgets**

135 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the
136 Legislature appropriates the following sums of money from the funds or accounts indicated for
137 the use and support of the government of the state of Utah.

138 To Department of Government Operations - Division of Finance

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139		50,000
140		146,800
141	Schedule of Programs:	
142		193,700
143		3,100
144	The Legislature intends <u>that:</u>	
145	<u>(1) no state funds shall be expended for the</u>	
146	<u>purpose of the development of a precious metals payment</u>	
147	<u>system prior to the acquisition of expendable receipts by</u>	
148	<u>the Division of Finance from a contracted non-state</u>	
149	<u>entity with expertise in precious metals transactions; and</u>	
150	<u>(2) the cost of integration of the precious</u>	
151	<u>metals-backed electronic payment system shall not</u>	
152	<u>exceed \$50,000 of state funds, with any remaining costs</u>	
153	<u>to be funded through donations or other non-state sources</u>	
154	To Office of the State Treasurer - State Treasurer	
155		(50,000)
156	Schedule of Programs:	
157		(50,000)

158 Section 5. **Effective date.**

Effective Date.

~~{ This }~~ Except as provided in Subsection (2), this bill takes effect ~~{ on }~~ May 7, 2025.

160 (2) The actions affecting Section approp (Effective 01/15/35) take effect on January 15, 2035.

3-5-25 4:30 PM