

Ken Ivory proposes the following substitute bill:

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**Precious Metals Amendments**

2025 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Ken Ivory**

Senate Sponsor: Keith Grover

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**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

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

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

- 63I-1-267**, as last amended by Laws of Utah 2024, Chapter 385
- 67-4-19**, as enacted by Laws of Utah 2024, Chapter 492

ENACTS:

- 67-4-20**, Utah Code Annotated 1953

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

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

**63I-1-267 . Repeal dates: Title 67.**

- 29 (1) Section 67-1-8.1, Executive Residence Commission -- Recommendations as to use,  
 30 maintenance, and operation of executive residence, is repealed July 1, 2027.
- 31 (2) Section 67-1-15, Approval of international trade agreement -- Consultation with Utah  
 32 International Relations and Trade Commission, is repealed December 31, 2027.
- 33 (3) Section 67-3-11, Health care price transparency tool -- Transparency tool requirements,  
 34 is repealed July 1, 2024.
- 35 (4) Subsection 67-4-19(3), regarding an annual study conducted by the state treasurer on  
 36 the role of precious metals in augmenting, stabilizing, and ensuring the economic  
 37 security and prosperity of the state, is repealed July 1, 2027.
- 38 (5) Title 67, Chapter 5a, Utah Prosecution Council, is repealed July 1, 2027.
- 39 Section 2. Section **67-4-19** is amended to read:
- 40 **67-4-19 . Investments of public funds in precious metals by state treasurer --**  
 41 **Precious metals study and report to Legislature.**
- 42 (1) As used in this section, "precious metal" means the same as that term is defined in  
 43 Section 61-1-13.
- 44 (2)(a) Subject to Subsection (2)(b), the state treasurer may invest a portion of public  
 45 funds in the following accounts in precious metals:
- 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  
 50 Section 63J-1-315.
- 51 (b)(i) The amount of public funds that the state treasurer may invest in precious  
 52 metals in an account described in Subsection (2)(a) may not, at the time the  
 53 investment is made, exceed 10% of the total amount of public funds in that  
 54 account.
- 55 (ii) The requirements of Subsections 51-7-14(2) and (3) apply to the state treasurer's  
 56 investments in precious metals under Subsection (2)(a).
- 57 (iii) Any public funds in an account described in Subsection (2)(a) not invested by  
 58 the state treasurer in precious metals under this Subsection (2) shall be invested as  
 59 provided in Title 51, Chapter 7, State Money Management Act.
- 60 (3) The state treasurer shall:
- 61 (a) conduct [a] an ongoing study analyzing the role of precious metals in augmenting,  
 62 stabilizing, and ensuring the economic security and prosperity of the state, the

63 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~~  
 65 ~~committee's 2024]~~ annually at or before the October interim committee meeting any  
 66 recommendations for legislation resulting from the ~~[outcome of]~~ the study conducted  
 67 under Subsection (3)(a).

68 Section 3. Section **67-4-20** is enacted to read:

69 **67-4-20 . Alternative precious metals-backed electronic payment system.**

70 (1) As used in this section:

71 (a) "Participating vendor" means a vendor that opts to receive payment from the state  
 72 through the precious metals-backed electronic payment system.

73 (b) "Precious metals-backed electronic payment system" means an electronic payment  
 74 system that:

75 (i) uses physical gold or silver held in vault facilities within the state as backing for  
 76 electronic transactions;

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.

79 (c)(i) "System participant" means an individual or entity that:

80 (A) maintains an account within the precious metals-backed electronic payment  
 81 system;

82 (B) conducts transactions using the precious metals-backed electronic payment  
 83 system; or

84 (C) holds redemption rights for precious metals within the system.

85 (ii) "System participant" includes participating vendors.

86 (2) The state treasurer shall:

87 (a) in consultation with the Department of Finance, develop and issue a competitive  
 88 procurement to create, supply, and operate a precious metals-backed electronic  
 89 payment system for the state;

90 (b) evaluate proposals based on security, efficiency, and cost-effectiveness;

91 (c) select a service provider to implement, operate, and maintain the precious  
 92 metals-backed electronic payment system;

93 (d) establish reasonable parameters to enable the redemption of precious metals by  
 94 system participants;

95 (e) ensure that the precious metals-backed electronic payment system complies with all  
 96 applicable provisions of Title 51, Chapter 7, State Money Management Act;

97 (f) consult with the State Tax Commission on potential tax implications of the precious  
98 metals-backed electronic payment system;

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

101 (h) report annually to the Revenue and Taxation Interim Committee on the status and  
102 performance of the precious metals-backed electronic payment system.

103 (3) The Department of Finance shall:

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

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

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

109 (4) The competitive procurement described in Subsection (2) shall require that the precious  
110 metals-backed electronic payment system:

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

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

113 (c) is made publicly available; and

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

115 (5) Nothing in this section shall be construed to:

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

118 (b) require any state entity to participate in the precious metals-backed electronic  
119 payment system; or

120 (c) prevent the state from using other forms of payment or currency for the state's  
121 operations.

122 Section 4. **Effective Date.**

123 This bill takes effect on May 7, 2025.