Ken Ivory proposes the following substitute bill:

Precious Metals Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ken Ivory

Senate Sponsor: Keith Grover

LONG TITLE

General Description:

This bill addresses precious metals.

Highlighted Provisions:

This bill:

- requires the state treasurer to complete a precious metals study for two additional years;
- requires the state treasurer to issue one or more requests for proposals for the creation and operation of a precious metals-backed electronic payment system;
- establishes requirements for the precious metals-backed electronic payment system; and
- requires the state treasurer to annually report to the Revenue and Taxation Interim Committee regarding the precious metals-backed electronic payment system.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

67-4-19, as last amended by Laws of Utah 2025, Chapter 186

ENACTS:

67-4-20, Utah Code Annotated 1953

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

Section 1. Section **67-4-19** is amended to read:

67-4-19 . Investments of public funds in precious metals by state treasurer -- Precious metals study and report to Legislature.

(1) As used in this section, "precious metal" means the same as that term is defined in

Section 61-1-13.

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

(i) the State Disaster Recovery Restricted Account, created in Section 53-2a-603;

(ii) the General Fund Budget Reserve Account, created in Section 63J-1-312;

(iii) the Income Tax Fund Budget Reserve Account, created in Section 63J-1-313; and

(iv) the Medicaid Growth Reduction and Budget Stabilization Account, created in Section 63J-1-315.

(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.

(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).

(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.

(3) The state treasurer may deduct any administrative costs incurred by investing in precious metals under Subsection (2)(a), including delivery and vaulting costs, from earnings generated by the investments in the funds described in Subsections (2)(a)(i) through (iv).

(4) In calendar years 2026 and 2027, the state treasurer shall:

(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

(b) submit any legislative recommendations resulting from the study described in Subsection (4)(a) to the Revenue and Taxation Interim Committee on or before the committee's October interim committee meeting.

Section 2. Section **67-4-20** is enacted to read:

67-4-20 . Precious metals-backed electronic payment system.

(1) As used in this section:

(a) "Contractor" means the same as that term is defined in Section 63G-6a-103.

(b) "Participating contractor" means a contractor that chooses to receive payment from the state through a precious metals-backed electronic payment system.

(c) "Precious metals-backed electronic payment system" means an electronic payment system that:

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

(ii) enables a system participant to redeem physical gold or silver; and

(iii) enables the state to make payments to a participating contractor.

(d)(i) "System participant" means a person who:

(A) maintains an account within a precious metals-backed electronic payment system;

(B) conducts one or more transactions using a precious metals-backed electronic payment system; or

(C) holds redemption rights for physical gold or silver within a precious metals-backed electronic payment system.

(ii) "System participant" includes a participating contractor.

(2) The state treasurer shall:

(a) in consultation with the Division of Finance, contract with one or more third parties to establish and operate a precious metals-backed electronic payment system on the state's behalf;

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

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

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

(e) annually submit a written report to the Revenue and Taxation Interim Committee describing the status and performance of the precious metals-backed electronic payment system.

(3) The Division of Finance shall:

(a) make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, governing the use of the precious metals-backed electronic payment system by participating contractors;

(b) evaluate the options for and implications of integration of the precious metals-backed electronic payment system into the statewide accounting system; and

(c) evaluate the options and implications of allowing state employees to receive

compensation through the precious metals-backed electronic payment system.

(4) To select a contractor described in Subsection (2)(a), the state treasurer shall:

(a) issue a request for proposals in accordance with Title 63G, Chapter 6a, Part 7, Request for Proposals;

(b) include security, efficiency, and cost-effectiveness in the request for proposal's evaluation criteria; and

(c) ensure that the final contract requires that the precious metals-backed electronic payment system:

(i) is publicly available; and

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

(5) Nothing in this section:

(a) requires a contractor to participate in the precious metals-backed electronic payment system;

(b) requires a state entity to participate in the precious metals-backed electronic payment system; or

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

Section 3. **Effective Date.**

This bill takes effect on May 6, 2026.