

Representative Ken Ivory proposes the following substitute bill:

PRECIOUS METALS AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ken Ivory

Senate Sponsor: Kirk A. Cullimore

LONG TITLE

General Description:

This bill modifies provisions related to precious metals.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ exempts a portion of funds in certain budget reserve accounts from the State Money Management Act;
- ▶ authorizes the state treasurer to invest a portion of the funds in certain budget reserve accounts in precious metals; and
- ▶ requires the state treasurer to conduct a study related to precious metals.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

51-7-2, as last amended by Laws of Utah 2023, Chapters 139, 242 and 328

ENACTS:



26 [67-4-19](#), Utah Code Annotated 1953

27

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

29 Section 1. Section **51-7-2** is amended to read:

30 **51-7-2. Exemptions from chapter.**

31 (1) Except as provided in Subsection (2), the following funds are exempt from this
32 chapter:

33 (a) funds invested in accordance with the participating employees' designation or
34 direction pursuant to a public employees' deferred compensation plan established and operated
35 in compliance with Section 457 of the Internal Revenue Code of 1986, as amended;

36 (b) funds of the Utah State Retirement Board;

37 (c) funds of the Utah Housing Corporation;

38 (d) endowment funds of higher education institutions, including funds of the Higher
39 Education Student Success Endowment, created in Section [53B-7-802](#);

40 (e) permanent and other land grant trust funds established pursuant to the Utah
41 Enabling Act and the Utah Constitution;

42 (f) the State Post-Retirement Benefits Trust Fund;

43 (g) the funds of the Utah Educational Savings Plan;

44 (h) funds of the permanent state trust fund created by and operated under Utah
45 Constitution, Article XXII, Section 4;

46 (i) the funds in the Navajo Trust Fund;

47 (j) the funds in the Radioactive Waste Perpetual Care and Maintenance Account;

48 (k) the funds in the Employers' Reinsurance Fund;

49 (l) the funds in the Uninsured Employers' Fund;

50 (m) the Utah State Developmental Center Long-Term Sustainability Fund, created in
51 Section [26B-1-331](#);

52 (n) the funds in the Risk Management Fund created in Section [63A-4-201](#); [~~and~~]

53 (o) the Utah fund of funds created in Section [63N-6-401](#)[-]; and

54 (p) subject to Subsection [67-4-19\(2\)](#), the portion of the funds in the following accounts
55 invested by the state treasurer in precious metals:

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

57 (ii) the General Fund Budget Reserve Account, created in Section 63J-1-312;
 58 (iii) the Income Tax Fund Budget Reserve Account, created in Section 63J-1-313; and
 59 (iv) the Medicaid Growth Reduction and Budget Stabilization Account, created in
 60 Section 63J-1-315.

61 (2) Except for the funds of the Utah State Retirement Board and the Utah Educational
 62 Savings Plan, the funds described in Subsection (1) are not exempt from Subsections
 63 51-7-14(2) and (3).

64 Section 2. Section 67-4-19 is enacted to read:

65 **67-4-19. Investments of public funds in precious metals by state treasurer --**
 66 **Precious metals study and report to Legislature.**

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

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

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

76 (b) (i) The amount of public funds that the state treasurer may invest in precious metals
 77 in an account described in Subsection (2)(a) may not, at the time the investment is made,
 78 exceed 10% of the total amount of public funds in that account.

79 (ii) The requirements of Subsections 51-7-14(2) and (3) apply to the state treasurer's
 80 investments in precious metals under Subsection (2)(a).

81 (iii) Any public funds in an account described in Subsection (2)(a) not invested by the
 82 state treasurer in precious metals under this Subsection (2) shall be invested as provided in
 83 Title 51, Chapter 7, State Money Management Act.

84 (3) The state treasurer shall:

- 85 (a) conduct a study analyzing the role of precious metals in augmenting, stabilizing,
 86 and ensuring the economic security and prosperity of the state, the families and residents of the
 87 state, and businesses in the state; and

88 (b) submit to the Revenue and Taxation Interim Committee on or before the
89 committee's 2024 October interim committee meeting any recommendations for legislation
90 resulting from the outcome of the study conducted under Subsection (3)(a).

91 Section 3. **Effective date.**

92 This bill takes effect on May 1, 2024.