

2024 Regular Session

HOUSE BILL NO. 960

BY REPRESENTATIVE EDMONSTON

TREASURER: Provides for the duties of the treasurer to establish and promulgate rules for a gold and silver transactional service

1 AN ACT

2 To enact R.S. 36:764(A)(9) and Part III of Chapter 5 of Title 49 of the Louisiana Revised
3 Statutes of 1950, to be comprised of R.S. 49:351 and 352, relative to the powers and
4 duties of the treasurer; to provide for a short title; to administer gold and silver
5 services in the state; to provide for gold, silver, or specie electronic transactional
6 platform services; to provide for rulemaking; to provide for administration and
7 contractual authority; to permit redemption of other legal tender for gold, silver, or
8 specie; to provide for administrative costs and fees; and to provide for related
9 matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 36:764(A)(9) is hereby enacted to read as follows:

12 §764. Powers and duties of state treasurer

13 A. In addition to the functions, powers, and duties otherwise vested in the
14 state treasurer by law, he shall:

15 * * *

16 (9) Provide for the implementation and administration of the Louisiana
17 Transactional Service Platform provided in Part III of Chapter 5 of Title 49 of the
18 Louisiana Revised States of 1950.

19 * * *

1 Section 2. Part III of Chapter 5 of Title 49 of the Louisiana Revised Statutes of 1950,
2 comprised of R.S. 49:351 and 352, is hereby enacted to read as follows:

3 PART III. LOUISIANA TRANSACTIONAL SERVICE PLATFORMS

4 §351. Short Title

5 This Part shall be known and may be cited as the "Louisiana Transactional
6 Service Platform Act".

7 §352. Administration of state gold and silver services; rule promulgation by
8 treasurer; administration costs; fees

9 A. As used in this Part:

10 (1) "Bullion depository" means an institution that contracts with the treasurer
11 on behalf of the state to serve as the custodian, guardian, and administrator of certain
12 gold, silver, or specie.

13 (2) "Depositor" or "depository account holder" means a person who makes
14 a deposit of United States dollars into his bullion depository account and is awarded
15 the rights, interests, and entitlements established with respect to a deposit.

16 (3) "Metals" means gold, silver coins, or specie issued by the federal
17 government.

18 (4) "Pooled depository storage account" means the state's contractual
19 custodial account held at the bullion depository that stores "in trust" all gold, silver,
20 or specie on behalf of depositor.

21 (5) "Transactional service platform" means a platform used to transfer
22 United States dollars for the purchase of gold, silver, or specie. The platform will be
23 administered by the designated trustee and all fees collected will be credited to an
24 account established in the state general fund. The platform may consist of vendor
25 or a bullion depository for whom the treasurer has contracted for user access.

26 (6) "Treasurer" means the state treasurer whose executive office and powers
27 are prescribed in R.S. 36:761.

1 B. The treasurer may adopt rules in accordance with the Administrative
2 Procedure Act as necessary to implement this Part, including rules to accomplish the
3 following:

4 (1) Ensure the security of the metals purchased through the state's
5 transactional service platform and related services and data.

6 (2) Prevent fraud.

7 (3) Prohibit transactions involving foreign nations.

8 C. The treasurer may contract with a bullion depository in any state in the
9 United States or a private vendor, that has its principal place of business in the state,
10 on behalf of any United States citizen or entity to purchase metals through the
11 transactional service platform.

12 (1) The treasurer, on the behalf of the person or entity, shall store purchased
13 metals in the state's pooled depository storage account at the bullion depository
14 under conditions outlined in the contract. Such contract may additionally provide for
15 the initial start-up expense.

16 (2) The treasurer shall contract with a vendor to provide a card service that
17 meets privacy and protection criteria set forth by the treasurer for its users. The card
18 service will allow for purchases and is readily transferable. The vendor shall create
19 a subsidiary in this state to establish jurisdiction and satisfy all privacy and
20 protection of its users.

21 D. Notwithstanding any law to the contrary, all metals, which are deposited
22 in a pooled depository storage account, shall be the sole property of that depositor.

23 E. The treasurer, serving as trustee, or his designee appointed to serve as
24 trustee, shall establish a pooled depository storage account in a bullion depository
25 on behalf of all depository account holders for all metals owned or purchased for
26 deposit.

27 F. The trustee shall maintain enough metals in such account to provide for the
28 liquidation of all units issued by the bullion depository. The contents of such pooled
29 depository storage account are not available for legislative appropriations.

1 G. A citizen, entity, or state of the United States shall be issued metals
2 according to the contractual agreement between the treasurer and bullion depository.

3 H. The bullion depository or vendor shall store purchased metals in the
4 state's pooled depository storage account on behalf of all participants.

5 I. A citizen, entity, or state may purchase metals and the bullion depository
6 may issue metals in the following manner:

7 (1) A depositor may create a depository account through the state's
8 contracted vendor. Once the account is established the depositor can transfer United
9 States dollars to his account for the purchase of metals, excluding all fees charged
10 for use of services.

11 (2) All fees shall be deducted from the account of the depository account
12 holder.

13 (3) After transfer of funds to the bullion depository, the depository will
14 secure the metals for the depository account holder.

15 (4) The metals will be stored in the state's pooled depository storage account
16 at the bullion depository.

17 (5) The treasurer may promulgate rules and revise duties of the trustee to
18 ensure the platform adheres to this Part in the event the state acknowledges gold,
19 silver, and specie as legal tender.

20 J. A person who holds metals may liquidate any number of units of metal to
21 redeem for United States dollars. The trustee shall ensure the liquidation process is
22 completed pursuant to the contractual arrangement with the bullion depository and
23 card member vendor.

24 K. The treasurer shall establish an industry standard merchant fee for use and
25 other platform service fees to cover the costs of administering the provisions of this
26 Part. The treasurer shall deposit the net fee proceeds, after costs, to the credit of an
27 account established in the state general fund.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 960 Original

2024 Regular Session

Edmonston

Abstract: Provides for the duties of the treasurer or his appointee relative to the use of gold and silver in the state.

Proposed law defines "bullion depository", "depository account holder", "transactional service platform", "metals", and "treasurer"

Proposed law permits the treasurer to adopt rules as necessary or convenient to implement proposed law.

Proposed law permits the treasurer to contract with Texas Bullion Depository or any bullion depository in any state in the United States or a private vendor under certain guidelines.

Proposed law requires the treasurer, serving as trustee, or his designee appointed to serve as trustee, to establish a pooled depository storage account in a bullion depository on behalf of all depository account holders for all metals owned or purchased for deposit.

Proposed law requires the trustee to maintain enough metals in the pooled depository account to provide for the liquidation of all units issued by the bullion depository.

Proposed law requires a bullion depository to store purchased metals in the state's pooled depository storage account on behalf all participants.

Proposed law provides that a citizen, entity, or state may purchase metals and the bullion depository may issue metals in the following manner

- (1) Create a depository account through the state's contracted vendor.
- (2) All fees shall be deducted from depository account holder's account.
- (3) After transfer of funds to the bullion depository, the depository will secure the metals for the depository account holder.
- (4) The metals will be stored in the state's pooled depository storage account at the bullion depository.
- (5) The treasurer may promulgate rules and revise duties of the trustee to ensure the platform adheres to proposed law.

Proposed law permits a person to liquidate gold, silver, or specie for United States dollars.

Proposed law provides for certain administration costs and fees.

(Adds R.S. 39:784(A)(9) and R.S. 49:351 and 352)