

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Banking and Insurance

BILL: CS/SB 132

INTRODUCER: Banking and Insurance Committee and Senator Rodriguez and others

SUBJECT: Legal Tender

DATE: April 2, 2025

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Moody	Knudson	BI	Fav/CS
2.			FT	
3.			AP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 132 establishes s. 215.986, F.S., that recognizes, effective January 1, 2026, gold and silver coin meeting certain requirements as legal tender for payment of a debt in Florida. The bill prohibits a person from being required to offer or accept gold and silver coin as legal tender for specified purposes, and limits liability for refusing to offer or accept such legal tender except as provided for by contract. The bill provides that s. 215.986, F.S.:

- Must not be construed to restrict the electronic transfer of gold and silver coin;
- May not affect the definitions of “tangible personal property” or “precious metals” in chs. 731-738, F.S.; and
- Does not exempt a person from applicable federal laws.

Several new terms are defined to explain the scope of gold and silver coin that is made legal tender in the state.

Government Entities

With regard to gold and silver coin, a government entity may:

- Tender or accept gold or silver coin for payment of debts, taxes, or fees;
- Only accept such coin by electronic transfer and not in physical form;
- Enter into a contract that meets specified requirements to tender or accept such coin unless an exception to public deposit requirements applies; and

- Store gold or silver coin with a custodian of gold coin or silver coin that meet the definition and requirements of a qualified public depository in ch. 280, F.S.

Sales Tax Levied on Gold Coin and Silver Coin

The bill exempts the sale, exchange, or trade of gold and silver coin from sales tax by clarifying that gold coin and silver coin:

- Do not fall within the definition of “tangible personal property”;
- Are legal tender for which sales tax is not levied; and
- Are presumed to meet the definitions of gold coin and silver coin in specified circumstances, unless there is evidence to the contrary.

Financial Institutions Code

The bill provides a financial institution:

- May not be required to receive deposits of gold or silver coin or exchange gold or silver coin for currency of the United States or of another country.
- Must comply with minimum requirements if products or services relating to gold or silver coin are offered.

The definition of “money instruments” is amended to include gold coin or silver coin which makes such coin subject to certain anti-money laundering and terrorist financing laws. The bill authorizes the commission to adopt rules as necessary to implement the section.

Money Services Businesses

“Money services business”, “money transmitter”, and “foreign currency exchanger” definitions are amended to incorporate gold coin and silver coin. The bill provides that a money services business:

- May not be required to offer products or services in gold or silver coin; and
- Must comply with specified requirements if gold or silver coin products or services are offered;

The bill authorizes the commission to adopt rules as necessary to implement the section.

Custodian of Gold Coin or Silver Coin

The bill defines “custodian of gold coin or silver coin” and creates a framework for regulating such entities as a money services business in ch. 560, F.S. The bill provides that a custodian of gold coin and silver coin must:

- Comply with several licensing requirements as a money services business;
- Comply with several other minimum requirements to ensure such coin is secured, properly documented and stored, adequately insured, examined or audited, and meet other safeguards; and
- Comply with additional requirements for a custodian of gold coin or silver coin that has a contractual relationship with the owner of such coin to ensure sufficient client care obligations are met.

The bill provides that any violation of these minimum requirements subjects a custodian of gold coin or silver coin to specified penalties. The bill establishes a custodian of gold coin or silver coin to an owner is fiduciary in nature for purposes of determining a priority of claims or losses. The bill authorizes the commission to adopt rules as necessary to implement the section.

Uniform Commercial Code

The Uniform Commercial Code is amended to clarify that a seller may not compel a person to tender payment in gold coin or silver coin.

Reporting Requirement

The bill requires the Department of Financial Services to submit a report within a specified timeframe to the Governor, the President of the Senate, and the Speaker of the House of Representatives which contains specified information.

Fiscal Impact

The OFR reports there is an indeterminate fiscal impact on the state government. See Section V. Fiscal Impact.

The bill is effective upon becoming a law.

II. Present Situation:

Legal Tender and Specie under Federal and State Law

Article I, Section 8, Clause 5 of the U.S. Constitution grants Congress the exclusive power to coin money and regulate its value.¹ Under 31 U.S.C. § 5103, only United States coins and currency (including Federal Reserve notes) are recognized as legal tender for the payment of debts, public charges, taxes, and dues. Foreign gold or silver coins are not legal tender for debts under federal law.² Federal law also provides:

“Whoever, except as authorized by law, makes or utters or passes, or attempts to utter or pass, any coins of gold or silver or other metal, or alloys of metals, intended for use as current money, whether in the resemblance of coins of the United States or of foreign countries, or of original design, shall be fined under [Title 18] or imprisoned not more than five years, or both.”³

While prohibited from coining money, under Article I, Section 10, Clause 1 of the U.S. Constitution, states are expressly authorized to "make gold and silver coin a tender in payment of debts."⁴ This provision authorizes states to recognize gold and silver coin as legal tender for the payment of debts but prohibits states from creating or issuing their own currencies or recognizing

¹ U.S. Const. art. 1. s. 8. Cl. 5.

² 31 U.S.C. s. 5103

³ 18 U.S.C. s. 486.

⁴ U.S. Const. art. 1. s. 10. Cl. 1.

other forms of money as tender.⁵ The U.S. Supreme Court held that debts are an obligation to pay money under contract, including judgments and recognizances, but does not include taxes which are "...impost levied by authority of government on its citizens...and it is not founded on contract or agreement."⁶ However, the Court also held that a state legislature has the authority to "...require the collection of taxes in kind, that is to say, by the delivery to the proper officers of a certain proportion of products, or in gold and silver bullion, or in gold and silver coin..."⁷

Tax Treatment of Specie and Bullion

Federal Taxation

At the federal level, gold and silver coins and bullion are classified as "collectibles" under 26 U.S.C. § 408(m), and gains from their sale are subject to a maximum long-term capital gains tax rate of 28 percent.⁸ The Internal Revenue Code defines "collectible" to include "any metal or gem" and "any coin" not specifically exempted.⁹ U.S.-minted gold and silver coins are explicitly exempt from being classified as "collectibles."¹⁰

Florida Taxation

Florida provides a limited sales tax exemption for sales of U.S. coins and currency and for foreign currency transactions exceeding \$500.¹¹ Additionally, Florida provides a limited sales tax exemption on the sale of gold, silver, or platinum bullion, or any combination thereof, in a single transaction, is exempt when the total sales price of such bullion exceeds \$500.¹² Depending on the form of the bullion and the nature of the transaction, sales of bullion may be subject to state sales tax as tangible personal property.¹³ Florida does not impose an individual income tax, including capital gains tax.¹⁴ In addition, Florida law does not explicitly address whether precious metals should be classified as tangible personal property subject to ad valorem taxation, although the statutory definition of tangible personal property includes "all goods, chattels, and other articles of value... capable of manual possession."¹⁵

Other States' Treatment of Specie and Bullion

Several states have adopted laws to recognize gold and silver as legal tender or to remove various tax barriers to facilitate their use in commerce. These laws vary in scope and effect, ranging from simple tax exemptions to the establishment of state-run bullion depositories.

⁵ *Id.*

⁶ *Lane County v. Oregon*, 74 U.S. 71, 72 (1868); *Hager v. Reclamation Dist. No. 108*, 111 U.S. 701, 706-707 (1884).

⁷ *Lane County v. Oregon*, 74 U.S. at 77.

⁸ Internal Revenue Service, *Topic no. 49, Capital gains and losses*, January 2, 2025, available at [Topic no. 409, Capital gains and losses | Internal Revenue Service](#) (last visited March 24, 2025).

⁹ 26 U.S.C. § 408(m)(2)(A)–(D).

¹⁰ 26 U.S.C. § 408(m)(3)(A).

¹¹ Section 212.05(1)(j), F.S.

¹² Section 212.08(7)(ww), F.S.

¹³ Section 212.05(1)(a)1.a., F.S.

¹⁴ Art. VII, s. 5(a), Fla. Const.; Florida Department of Revenue, *Does Florida Have a Capital Gains Tax?*, available at <https://floridarevenue.com/faq/Pages/FAQDetails.aspx?FAQID=1307&IsDlg=1> (last visited March 24, 2025).

¹⁵ Section 192.001(11)(d), F.S.

- Alabama recently passed legislation that recognizes any refined gold or silver bullion, specie, or coin that has been stamped, marked, or imprinted with its weight or purity as legal tender.¹⁶
- Arkansas law defines specie, in part, as “coin having gold or silver content” and provides that specie and legal tender consists of specie coin issued by the United States Government or other specie that an Arkansas court rules to be within the state’s authority to make legal tender but does not explicitly provide that gold and silver coin are legal tender.¹⁷
- Arizona has removed state capital gains taxes on sales of precious metals. Like Wyoming, Arizona's approach focuses on tax treatment rather than establishing state-operated depositories or payment systems.¹⁸ For purposes of reducing gross income with any net loss from the exchange of legal tender, Arizona has defined legal tender to include specie which means coins having precious metal content.¹⁹
- Idaho recently passed legislation that provides gold and silver coin and specie minted domestically are legal tender.²⁰
- Louisiana recently declared gold or silver coin, specie, or bullion issued by any state or the United States government as legal tender.²¹
- Oklahoma law provides that gold and silver coin issued by the United State government are legal tender.²²
- Texas has established a state-operated bullion depository, known as the Texas Bullion Depository, to securely store precious metals for individuals, businesses, and governmental entities. The depository provides secure storage and the ability for account holders to deposit and withdraw physical bullion. Although Texas law enables secure in-state storage of precious metals, it does not authorize gold and silver as official legal tender for payment of state taxes or other obligations.²³
- Utah was the first state to recognize U.S.-minted gold and silver coins as legal tender through its Legal Tender Act of 2011. Utah law also provides a tax exemption for capital gains derived from the sale or exchange of gold and silver coins that are recognized as legal tender. In addition, Utah permits private firms to operate accounts backed by physical precious metals, which allows individuals to conduct transactions denominated in gold and silver.²⁴ Utah recently legislation that authorizes the state treasurer to issue a competitive procurement for a precious metals-backed electronic payment platform that would allow state vendors to elect to be paid in gold and silver.²⁵

¹⁶ AL SB 130 (2025).

¹⁷ AR Code s. 4-56-106.

¹⁸ Ariz. Rev. Stat. § 43-1021. *See also Bullion Feasibility Study: An Exploratory Review of Key Policy Considerations for Implementing Gold and Silver Bullion as Legal Tender in the State of Florida*, prepared for the Florida Department of Financial Services by Guidehouse Inc., p. 102. February 28, 2025.

¹⁹ AZ Rev. Stat. s. 43.1021.

²⁰ Idaho HB 177 (2025).

²¹ LA Rev. Stat. s. 6:341.

²² 62 OK Stat. s. 4500.

²³ Tex. Gov’t Code § 2116; S.B. 483 (2015). *See also Bullion Feasibility Study: An Exploratory Review of Key Policy Considerations for Implementing Gold and Silver Bullion as Legal Tender in the State of Florida*, prepared for the Florida Department of Financial Services by Guidehouse Inc., p. 116. February 28, 2025.

²⁴ Utah Code §§ 59-1-1501 et seq.; H.B. 317 (2011). *See also Bullion Feasibility Study: An Exploratory Review of Key Policy Considerations for Implementing Gold and Silver Bullion as Legal Tender in the State of Florida*, prepared for the Florida Department of Financial Services by Guidehouse Inc., p. 122. February 28, 2025.

²⁵ Utah HB 306 (2025).

- Wyoming enacted legislation in 2018 declaring gold and silver legal tender and exempting the sale of these metals from state sales and use taxes. Wyoming law also prohibits the treatment of specie as taxable tangible personal property, effectively removing several barriers to the private holding and use of gold and silver for commerce.²⁶

Other states, such as Kansas and Indiana, have adopted various forms of tax exemptions related to the sale or exchange of gold and silver bullion, though these laws do not necessarily recognize precious metals as legal tender or create infrastructure to support their use as a medium of exchange.²⁷

While these states have taken steps to encourage the use of gold and silver by removing tax barriers and recognizing their status as lawful money in specific contexts, no state currently operates a fully integrated, government-supported electronic payment system backed by physical precious metals that is recognized for payment of all state taxes, fees, or other obligations. Most existing laws focus on facilitating private holding and exchange of gold and silver, and on removing disincentives such as sales and capital gains taxes, rather than creating comprehensive alternative currency systems.²⁸

Chief Financial Officer

Florida law provides that the Chief Financial Officer (CFO) must serve as the state's chief fiscal officer and, amongst other things, is responsible for keeping all state funds.²⁹ The CFO is tasked with examining, auditing, adjusting, and settling all accounts of any person who may receive moneys of, or owes money to, the state.³⁰ Florida Statutes grant the CFO several powers to carry out these duties, such as the discretion on how to invest state funds within certain limitations,³¹ authority to determine the frequency of certain state employee salary payments,³² and requirement to report disbursements made.³³

Qualified Public Depositories

Unless a specific exemption applies, state and local governments must deposit public funds in a bank or savings association that has been designated as a qualified public depository (QPD) under the Florida Security for Public Deposits Act.³⁴ As of February 2025, Florida had 125 authorized QPDs.³⁵

²⁶ Wyo. Stat. §§ 34-29-101 to 34-29-103; SF111 (2018). *See also Bullion Feasibility Study: An Exploratory Review of Key Policy Considerations for Implementing Gold and Silver Bullion as Legal Tender in the State of Florida*, prepared for the Florida Department of Financial Services by Guidehouse Inc., p. 128. February 28, 2025.

²⁷ *Id.*

²⁸ *Id.* at 14, 20, 22-23.

²⁹ Fla. Const. art. IV s. 4(c); Section 17.001, F.S.

³⁰ Section 17.04, F.S.

³¹ *See* s. 17.57, F.S.; s. 17.61, F.S.

³² Section 17.28, F.S.

³³ Section 17.11, F.S.

³⁴ Sections 280.01 and 280.03(1)(b), F.S. Certain public deposits, including those that are fully collateralized under other laws and moneys contributions to the state retirement system that are held in the System Trust Fund, are exempt pursuant to s. 280.03(3), F.S.

³⁵ Florida Department of Financial Services, Division of the Treasury, *Currently Designated Qualified Public Depositories*, February 2025, available at: [List of Active QPDs.xlsx \(myfloridacfo.com\)](#) (last visited April 2, 2025).

To be designated as a QPD by the CFO, a bank, credit union, savings bank, or savings association must:

- Have authority to accept deposits because it has been chartered and regulated by the state or federal government;
- Have its principal place of business in Florida, or a branch office in Florida;
- Have deposit insurance pursuant to the Federal Deposit Insurance Act;³⁶
- Have procedures and practices for accurate identification, classification, reporting, and collateralization of public deposits;
- Not engage in the unsafe and unsound practice of denying, canceling, suspending, or terminating its services to a person, or otherwise discriminate against a person, on specified bases; and
- Meet all the requirements of ch. 280, F.S., relating to security for public deposits.³⁷

QPDs must secure public deposits with a pledge of eligible collateral, to protect the deposit against losses that could occur in the event of insolvency or default.³⁸ The amount of collateral required is based on statutory guidelines and the QPD's overall financial condition.³⁹

Public deposits include, but are not limited to, time deposit accounts, demand deposit accounts, and nonnegotiable certificates of deposits; they do not include moneys in deposit notes, securities, mutual funds, and similar investments.⁴⁰

A bank or savings association must guaranty public depositors against losses caused by the default or insolvency of other QPDs.⁴¹ Any shortfall that is not covered by the maximum federal deposit insurance of \$250,000, the CFO must demand payment under letters of credit or the sale of pledged or deposited collateral by the defaulting depository. The CFO may assess QPDs for the total loss if the demand for payment or sale cannot be accomplished within 7 days.⁴²

Financial Institutions

Dual Oversight of Depository Institutions

An institution must have a federal or state charter to accept deposits. Banks are chartered and regulated as national banks by the Office of the Comptroller of the Currency within the U.S. Department of the Treasury or as state banks by a state regulator.⁴³

³⁶ 12 U.S.C. ss. 1811 et. seq.

³⁷ Section 280.02(26), F.S.

³⁸ Sections 280.04 and 280.041(6), F.S.

³⁹ Section 280.04, F.S., and Rule 69C-2.024, F.A.C.

⁴⁰ Section 280.02(23), F.S.

⁴¹ Section 280.07, F.S.

⁴² Section 280.08, F.S.

⁴³ Congressional Research Service, *Introduction to Financial Services: Banking*, p. 1, April 1, 2025, available at: <https://crsreports.congress.gov/product/pdf/IF/IF10035> (last visited April 2, 2025).

The Florida Financial Institutions Codes apply to all state-authorized or state-chartered financial banks, trust companies, credit unions and related entities.⁴⁴ The OFR licenses and regulates 196 financial entities, including 57 state-chartered banks.⁴⁵ There are also 30 federally-chartered banks operating in Florida.⁴⁶

Due to federal preemptions, a state's regulatory powers in relation to federally chartered institutions is limited. However, the state may exercise powers within their exceptions to exclusive federal visitorial authority. Such exceptions are those recognized by federal law and courts of law or created by the U.S. Congress.⁴⁷

Once a financial institution obtains a charter, one of the regulator's primary tasks is to ensure solvency, which is achieved by conducting financial exams of its licensed entities. Financial institutions also need approval from their regulator to make changes in their upper management, merge with another company, pay dividends to shareholders, engage in material transactions with subsidiaries and affiliates, or make significant changes to their business operations.⁴⁸

Banks chartered by OFR must become a member of the Federal Reserve or obtain insurance from the Federal Deposit Insurance Corporation.⁴⁹ Credit Unions chartered by OFR must insure their accounts by becoming a member of the National Credit Union Administration.⁵⁰ Thus, state-chartered banks and credit unions are subject to a dual-regulatory system.

OFR must examine the condition of each state-chartered financial institution at least every 18 months, and may conduct more frequent examinations as needed, based on risks associated with a licensee, such as prior examination results or significant operational changes.⁵¹ When a state-chartered financial institution also has a federal regulator, OFR may accept an examination performed by the federal regulator or the regulators may conduct a joint examination.⁵²

Financial institutions that become insolvent are liquidated by their primary regulator.⁵³ Financial institutions must also comply with the Florida Control of Money Laundering and Terrorist Financing in Financial Institutions Act.⁵⁴ Such Act requires, amongst other things, for a financial

⁴⁴ Section 655.005(1)(k), F.S., states that the Financial Institutions Codes includes: Ch. 655, financial institutions generally; Ch. 657, credit unions; Ch. 658, banks and trust companies; Ch. 660, trust business; Ch. 662, family trust companies; Ch. 663, international banking; Ch. 665, relating to associations; and Ch. 667, savings banks.

⁴⁵ The OFR, *Fast Facts* (2025 ed.), available at: [fast-facts.pdf](#) (last visited April 2, 2025) (hereinafter cited as "2025 OFR Fast Facts").

⁴⁶ The OCC, *National Banks Active As of 2/28/2025*, February 28, 2025, available at [national-by-name.pdf](#) (April 2, 2025).

⁴⁷ 12 C.F.R. § 7.4000 (2011).

⁴⁸ For a detailed discussion of the regulatory framework, see, Congressional Research Service, *Who Regulates Whom? An Overview of the U.S. Financial Regulatory Framework*, October 13, 2023, available at: [Who Regulates Whom? An Overview of the U.S. Financial Regulatory Framework | Congress.gov | Library of Congress](#) (last visited April 2, 2025). Also see ss. 655.037, 655.0385, 655.0386, 655.03855, and 655.412, F.S.

⁴⁹ Sections 658.22 and 658.38, F.S.

⁵⁰ Sections 657.005 and 657.008, F.S.

⁵¹ Section 655.045(1), F.S.

⁵² Section 655.045(1)(a), F.S.

⁵³ Sections 657.063, 657.064, 658.83, and 660.48, F.S.

⁵⁴ Section 655.50, F.S.

institution to designate and retain a BSA/AML compliance officer^{55,56} and keep a record of certain financial transactions which involves monetary instruments greater than \$10,000 which the financial institution believes is suspicious activity.⁵⁷ “Monetary instrument” is defined as:

“Coin or currency of the United States or of any other country, travelers’ checks, personal checks, bank checks, money orders, stored value cards, prepaid cards, investment securities or negotiable instruments in bearer form or otherwise in such form that title thereto passes upon delivery, or similar devices.”⁵⁸

Authority of OFR

OFR may impose administrative sanctions on financial institutions subject to the Florida Financial Institutions Codes, such as engaging in an “unsafe or unsound practice.”⁵⁹ Possible penalties include: issuance of a cease and desist order,⁶⁰ removal of an institution-affiliated party,⁶¹ administrative fines,⁶² and a court-ordered injunction to restrain conduct that violates a formal enforcement action.⁶³ When imposing a sanction or requiring a remedy, OFR must consider “the appropriateness of the penalty with respect to the size of the financial resources and good faith of the person charged, the gravity of the violation, the history of previous violations, and such other matters as justice may require.”⁶⁴

OFR may impose monetary fines if a licensee violates a provision of the financial institutions codes or associated rules, an order of the office, or a written agreement with the office.⁶⁵ In general, administrative fines may not exceed \$2,500 per day for each violation.⁶⁶ Larger fines are allowed in certain circumstances.⁶⁷

Criminal violations – like embezzlement and fraud – may be prosecuted under the penal code.⁶⁸

⁵⁵ Section 655.50(3)(a), F.S., defines “BSA/AML compliance officer” as the financial institution’s officer responsible for the development and implementation of the financial institution’s policies and procedures for complying with the requirements of this section relating to anti-money laundering (AML), and the requirements of the Bank Secrecy Act of 1970 (BSA), Pub. L. No. 91-508, as amended; the USA Patriot Act of 2001, Pub. L. No. 107-56, as amended, and federal state rules and regulations adopted thereunder; and 31 C.F.R. parts 500-598, relating to the regulations of the Office of Foreign Assets Control (OFAC) of the United States Department of Treasury.

⁵⁶ Section 655.50(4), F.S.

⁵⁷ Section 655.50(5), F.S.

⁵⁸ Section 655.50(3)(e), F.S.

⁵⁹ Section 655.005(1)(y), F.S., defines “unsafe or unsound practice” means any practice or conduct found by the office to be contrary to generally accepted standards applicable to a financial institution, or a violation of any prior agreement in writing or order of a state or federal regulatory agency, which practice, conduct, or violation creates the likelihood of loss, insolvency, or dissipation of assets or otherwise prejudices the interest of the financial institution or its depositors or members. In making this determination, the office must consider the size and condition of the financial institution, the gravity of the violation, and the prior conduct of the person or institution involved.

⁶⁰ Section 655.033, F.S.

⁶¹ Section 655.037, F.S.

⁶² Section 655.041, F.S.

⁶³ Section 655.034, F.S.

⁶⁴ Section 655.031(1), F.S.

⁶⁵ Section 655.041, F.S.

⁶⁶ Section 655.041(2), F.S.

⁶⁷ See Section 655.041(2), F.S.

⁶⁸ Section 655.0322, F.S.

OFR has authority to monitor state-chartered banks, to ensure compliance with state and federal laws, and may enforce state consumer protection laws on federally chartered banks operating within their boundaries so long as the state law is not pre-empted by federal law.⁶⁹ Federal pre-emption permits federally chartered banks and savings associations to operate under a uniform set of rules when they operate across state lines.⁷⁰

When a state chartered financial institution encounters a competitive disadvantage caused by state law in relation to the capacities and powers allowed to federally chartered institutions, OFR may issue an order or a rule waiving the state law causing the competitive imbalance.⁷¹

Money Services Businesses

The OFR also has regulatory authority over money services businesses⁷² that assist consumers in transacting instruments, transmitting money,⁷³ cashing checks,⁷⁴ and exchanging foreign currency.⁷⁵ Examples include check cashers like The Check Cashing Store,⁷⁶ money transmitters like PayPal,⁷⁷ and exchangers like Florida Currency Exchange.⁷⁸ Money services businesses also include “payday lenders” who offer short-term, high-interest loans that are due on the consumer’s next pay day.

Money services businesses must maintain accounts in permissible investments that equals at least the amount of all outstanding money transmissions and payment instruments sold by the licensee

⁶⁹ 12 U.S.C. 25b.

⁷⁰ U.S. Department of the Treasury, Office of the Comptroller of the Currency, *OCC Chief Counsel’s Interpretation: 12 U.S.S. §25b*, Dec. 18, 2020, available at: [https://www.occ.gov/news-issuances/news-releases/2020/nr-occ-2020-176a.pdf](https://www OCC.gov/news-issuances/news-releases/2020/nr-occ-2020-176a.pdf) (last visited April 2, 2025).

⁷¹ Section 655.061, F.S.

⁷² Section 560.103(22), F.S., defines “money services businesses” as any person located in or doing business in this state, from this state, or into this state from locations outside this state or country who acts as a payment instrument seller, foreign currency exchanger, check casher, or money transmitter.

⁷³ Section 560.105, F.S. Section 560.103(23), F.S., defines “money transmitter” as a corporation, limited liability corporation, limited liability partnership, or foreign entity qualified to do business in this state which receives currency, monetary value, a payment instrument, or virtual currency for the purpose of acting as an intermediary to transmit currency, monetary value, a payment instrument, or virtual currency from one person to another location or person by any means, including transmission by wire, facsimile, electronic transfer, courier, the Internet, or through bill payment services or other businesses that facilitate such transfer within this country, or to or from this country.

⁷⁴ Section 560.103(6), F.S., defines “check casher” as a person who sells currency in exchange for payment instruments received, except travelers checks. Section 560.103(29), F.S., defines “payment instrument” as a check, draft, warrant, money order, travelers check, electronic instrument, or other instrument used for the transmission, exchange, or payment of currency or monetary value, regardless of whether it is negotiable. The term does not include an instrument that is redeemable by the issuer in merchandise or service, a credit card voucher, or a letter of credit.

⁷⁵ Section 560.103(17), F.S., defines “foreign currency exchanger” as a person who exchanges, for compensation, currency of the United States or a foreign government to currency of another government.

⁷⁶ The Check Cashing Store, *Home*, available at: [The Check Cashing Store®: Check Cashing, Mobile Check Cashing, Loans, Personal and Small Business services, Money Orders, Pre Paid Debit Cards, and Western Union Money Transfers](https://www.checkcashingstore.com/) (last visited April 2, 2025).

⁷⁷ PayPal, *Home*, available at: [All-In-One Payment App | Digital Wallet | PayPal US](https://www.paypal.com/) (last visited April 2, 2025).

⁷⁸ Florida Currency Exchange, *Home*, available at: [Currency Exchange Services In FL & TX | Florida & Texas Currency Exchange](https://www.flcurrencyexchange.com/) (last visited April 2, 2025).

or an authorized vendor.^{79,80} OFR also monitors the check cashing practices of money services businesses to verify corporate records, determine compliance with workers' compensation laws,⁸¹ and to ensure compliance with fair debt collection laws.⁸² Administrative sanctions for money services businesses may include issuance of a Cease and Desist Order, removal of an Institution-Affiliated Party, suspension or revocation of a license, an injunction, or a fine of at least \$1,000 but not more than \$10,000 for each violation.⁸³ Money laundering may be prosecuted under state or federal law.⁸⁴

Licensing of Money Services Businesses

Money services businesses are regulated under two license categories created pursuant to ch. 560, F.S. The first category, money transmitters and persons selling or issuing payment instruments, is regulated under part II of ch. 560, F.S. The second category, check cashers and foreign currency exchangers, is regulated under part III of ch. 560, F.S.

To be licensed under ch. 560, F.S., an money services business applicant must:

- Demonstrate to the OFR the character and general fitness necessary to command the confidence of the public and warrant the belief that the MSB or deferred presentment provider shall be operated lawfully and fairly;
- Be legally authorized to do business in Florida;
- Be registered as a MSB with the Financial Crimes Enforcement Network as required by 31 C.F.R. s. 1022.380, if applicable;
- Have an anti-money laundering program in place which meets the requirements of 31 C.F.R. s. 1022.210; and
- Provide the OFR with all the information required under ch. 560, F.S., and related rules.⁸⁵

To apply as a money services business a person must submit:

- An application to the OFR for an MSB license that must include, on a form prescribed by rule, all of the following:
 - The legal name and address of the applicant, including any fictitious or trade names used by the applicant in the conduct of its business;
 - The date of the applicant's formation and the state where the applicant was formed, if applicable;
 - The name, social security number, alien identification or taxpayer identification number, business and residence addresses, and employment history for the past 5 years for each control person;
 - A description of the organizational structure of the applicant, including the identity of any parent or subsidiary of the applicant, and the disclosure of whether any parent or subsidiary is publicly traded;

⁷⁹ Section 560.103(3), F.S., defines "authorized vendor" as a person designated by a money services business licensed under part II of ch. 560, F.S., to act on behalf of the licensee at locations in Florida pursuant to a written contract with the licensee.

⁸⁰ Section 560.210, F.S.

⁸¹ Section 560.310(5)(b), F.S.

⁸² Section 560.309, F.S.

⁸³ Sections 560.114 and 560.113, F.S.

⁸⁴ Sections 560.111 and 560.123, F.S.

⁸⁵ Section 560.1401, F.S.

- The applicant's history of operations in other states, if applicable, and a description of the money services business or deferred presentment provider activities the applicant proposes to conduct in Florida;
- If the applicant or its parent is a publicly traded company, for the preceding year, copies of all filings made by the applicant with the United States Securities and Exchange Commission (SEC); or, if publicly traded in a country other than the United States, such filings with that country's regulator similar to the SEC;
- The location at which the applicant proposes to establish its principal place of business and any other location, including branch offices and authorized vendors operating within Florida. For each branch office and each location of an authorized vendor, the applicant must include the nonrefundable fee required by s. 560.143, F.S.;
- The name and address of the clearing financial institution or financial institutions through which the applicant's payment instruments are drawn or through which the payment instruments are payable;
- The history of the applicant's material litigation, criminal convictions, pleas of nolo contendere, and cases of adjudication withheld;
- The history of material litigation, arrests, criminal convictions, pleas of nolo contendere, and cases of adjudication withheld for each control person;
- The name of the registered agent in this state for service of process unless the applicant is a sole proprietor; and
- Any other information specified in ch. 560, F.S. or by rule.⁸⁶
- A nonrefundable application fee, as specified in s. 560.143, F.S.⁸⁷
- Fingerprints, for live-scan processing in accordance with rules adopted by the Financial Services Commission (Commission), for each control person. Regarding such fingerprints:
 - They may be submitted through a third-party vendor authorized by the Florida Department of Law Enforcement (FDLE) to provide live-scan fingerprinting. The FDLE must also conduct the state criminal history background check, and a federal criminal history background check must be conducted through the Federal Bureau of Investigation (FBI). The OFR must review the results of this background check.
 - The cost of processing and retaining the fingerprints are borne by the person subject to the background checks to determine license eligibility.
 - Fingerprints are not required from publicly traded corporations.⁸⁸
- A copy of the applicant's written anti-money laundering program required under 31 C.F.R. s. 1022.210.⁸⁹
- Within the time allotted by rule, any information needed to resolve any deficiencies found in the application.⁹⁰

Licenses issued to MSBs cannot be for more than 2 years,⁹¹ after which, the money services business must reapply for licensure pursuant to s. 560.142, F.S. Once licensed, an MSB is required to report any change in control persons.⁹² A change of control application must be

⁸⁶ Section 560.141(1)(a), F.S.

⁸⁷ Section 560.141(1)(b), F.S.

⁸⁸ Section 560.141(1)(c), F.S.

⁸⁹ Section 560.141(1)(d), F.S.

⁹⁰ Section 560.141(1)(e), F.S.

⁹¹ Section 560.141(2), F.S.

⁹² Section 560.126(3), F.S.

accompanied by the payment of an initial licensing fee⁹³ and a fee per branch or authorized vendor⁹⁴, up to a maximum of \$20,000.⁹⁵

Uniform Commercial Code

Florida law has adopted several Uniform Commercial Code model acts, in whole or in part.⁹⁶ One such model act is the Uniform Commercial Code-Sales regulates sales of goods.⁹⁷ Unless otherwise agreed, tender of payment is a condition to the seller's duty to tender and complete any delivery.⁹⁸ Tender of payment is sufficient when made by any means or in any manner current in the ordinary course of business unless the seller demands payment in legal tender and gives an extension of time reasonably necessary to procure it.⁹⁹

III. Effect of Proposed Changes:

Section 3 of the bill establishes s. 215.986, F.S., that recognizes, effective January 1, 2026, that gold coin and silver coin are legal tender for the payment of a debt in Florida. The bill prohibits a person from being required to offer or accept any recognized legal tender for a payment of debt, deposit, or any other purpose, and limits liability for refusing to offer or accept such legal tender except as provided for by contract. The bill provides that s. 215.986, F.S.:

- Must not be construed to restrict the electronic transfer of gold and silver coin;
- May not affect the definitions of “tangible personal property” or “precious metals” in chs. 731-738; and
- Does not exempt a person from applicable federal laws.

Several new terms are defined, as set out below, to explain the scope of gold and silver coin that is made legal tender. Those terms include:

- “Debt” means an obligation for the payment of money under contract, whether expressed or implied, which includes judgments and recognizance. The term “debt” does not include taxes, charges, or dues imposed by the state.
- “Electronic transfer” means any transfer of gold coin or silver coin, or any fraction thereof, other than a transaction by check, draft, or similar paper instrument, which is initiated through debit card, mobile application, or computer to order, instruct, or authorize a financial institution as defined in s. 655.005(1)(i) or a money services business as defined in s. 560.103 to debit or credit an account with gold coin or silver coin or the equivalent coin or currency of the United States converted at current market price.

⁹³ Fees are determined by whether the MSB is licensed under Part II or Part III of Chapter 560. Initial licensing fees under Part II licenses require a \$375 license application fee per s. 560.143(1)(a), F.S. Part III licenses require a \$188 license application fee per s. 560.143(b), F.S.

⁹⁴ Section 560.143(1)(c) and (d), F.S., provides that both the per branch fee and the authorized vendor fee are \$38.

⁹⁵ Section 560.143(1)(g), F.S.

⁹⁶ See Chs. 670-675 and 677-680, F.S.

⁹⁷ Ch. 672, F.S. Section 672.105(1), F.S., defines “goods” as all things (including specially manufactured goods) which are movable at the time of identification to the contract for sale other than the money in which the price is to be paid, investment securities (chapter 678, F.S.) and things in action. “Goods” also includes the unborn young of animals and growing crops and other identified things attached to realty as described in the section on goods to be severed from realty (s. 672.107, F.S.).

⁹⁸ Section 672.511(1), F.S.

⁹⁹ Section 672.511(2), F.S.

- “Gold coin” means a precious metal with the chemical element of atomic number 79 in solid form, typically in the shape of rounds, bars, ingots, or bullion coins, which is valued for its metal content and stamped or imprinted with its weight and which consists of at least 99.5 percent purity. The term “coin” does not mean any goods as defined in s. 672.105(1), such as jewelry, other items of utility such as picture frames, or keepsakes.
- “Governmental entity” means a state, regional, county, municipal, special district, or other political subdivision, whether executive, judicial, or legislative, including, but not limited to, a department, a division, a board, a bureau, a commission, an authority, a district, or an agency thereof, or a public school, a Florida College System institution, a state university, or an associated board.
- “Legal tender” means a recognized medium of exchange that is authorized by the state pursuant to s. 10, Art. I of the United States Constitution for the payment of a debt.
- “Silver coin” means a precious metal with the chemical element of atomic number 47, in solid form typically in the shape of rounds, bars, ingots, or bullion coins, which is valued for its metal content and is stamped or imprinted with a weight that consists of at least 99.99 percent purity. The term “coin” does not mean any goods as defined in s. 672.105(1), such as jewelry, other items of utility such as picture frames, or keepsakes.

Sales Tax Levied on Gold Coin and Silver Coin

Section 1 of the bill clarifies that gold coin and silver coin do not fall within the definition of “tangible personal property.” **Section 2** of the bill specifies that gold coin and silver coin declared legal tender in the bill are exempt from Florida sales tax. The person who claims a sales tax exemption bears the burden of determining whether the gold coin and silver coin meet the definitions in the bill. Unless there is evidence to the contrary, the bill establishes a presumption that such coin meets the percent purity requirements, and therefore are exempt from sales tax, based upon:

- The purity imprinted or stamped on the gold or silver coin; and
- An electronic transfer of gold or silver coin, or any fraction of such coin.

Government Entities

Section 3 of the bill also provides that the government entity may tender or accept gold or silver coin for payment of a debt, taxes, or fees, but may only accept such coin by electronic transfer and not in physical form. Each government entity that intends to tender or accept payment of gold or silver coin must enter into a contract with a qualified public depository that is procured through the competitive bidding process to tender or accept such coin unless an exception to public deposit requirements applies.

Section 4 of the bill provides a custodian of gold or silver coin must meet the definition of a QPD, except that Federal Deposit Insurance Corporation (FDIC) or National Credit Union Share Insurance Fund insurance coverage is not required, and all other QPD requirements in ch. 280, F.S., to hold public deposits.

Financial Institutions Code

Section 13 of the bill provides that a financial institution may not be required to receive deposits of gold or silver coin or exchange gold or silver coin for currency of the United States or of another country. “Receive deposits” means the taking of deposits to be credited to an existing account and does not include the opening or origination of new deposit accounts at an affiliated institution by the agent institution.

If a financial institution decides to accept gold or silver coin deposits, the financial institution must:

- Maintain separate accounts for gold or silver coin and not commingle such coin with any other coin or currency of the United States or of another country;
- Unless otherwise insured by a custodian of gold coin or silver coin, insure the gold coin or silver coin for 100 percent of the full replacement value of any deposit under an all-risk insurance policy issued by an authorized insurer or an eligible surplus lines insurer;
- Securely store and safeguard all physical gold or silver coin with a custodian of gold coin or silver coin within Florida;
- Comply, or be responsible and accountable for any third-party vendor that stores such gold coin and silver coin to comply, with the requirements for a custodian of gold coin or silver coin;
- Include any fee to convert gold or silver coin to coin or currency of the United States or of another country in the total maximum interchange transaction fee that an issuer may charge with respect to an electronic debt transaction as provided under federal law;
- Ensure that any gold coin or silver coin purchased for use or circulation as legal tender is from an accredited refiner or wholesaler that certifies that the gold coin or silver coin being purchased meets the requirements of gold coin or silver coin; and
- Comply with all other applicable state and federal regulations.

The bill authorizes the commission to adopt rules as necessary to implement the section.

Section 12 of the bill modifies the definition of “monetary instruments” in the Financial Institutions Code to include gold coin and silver coin that makes such coin subject to anti-money laundering and terrorist financing laws requiring a financial institution to keep a record of certain known financial transactions occurring within Florida which involves a monetary instrument that has a value greater than \$10,000, and involves proceeds of specified unlawful activity or is designed to evade the reporting requirements under ch. 896, F.S., or similar laws which the financial institution reasonably believes is suspicious activity.

Money Services Businesses

Section 5 of the bill defines the terms “gold coin” and “silver coin” by cross-referencing the definitions established under section 3 of the bill in s. 215.986, F.S., and modifies the following definitions:

- “Money services business” to include a custodian of gold coin or silver coin as a type of money services business that is subject to the regulation of such businesses under ch. 560, F.S.; and

- “Money transmitter” and “foreign currency exchanger” to include gold coin and silver coin so the provision of products or services relating to such coin falls within the regulatory requirements of such types of money services businesses.

Section 8 of the bill further provides that any money services business may not be required to offer products or services in gold or silver coin and, if a money services business decides to engage in such business, the following additional requirements must be met:

- Unless otherwise insured by a custodian of gold coin or silver coin, insure the gold coin or silver coin for 100 percent of the full replacement value of any deposit under an all-risk insurance policy issued by an authorized insurer or an eligible surplus lines insurer;
- Securely store and safeguard all physical gold or silver coin with a custodian of gold coin or silver coin within Florida;
- Include any fee to convert gold or silver coin to coin or currency of the United States or of another country in the total maximum interchange transaction fee that an issuer may charge with respect to an electronic debt transaction as provided under federal law;
- Ensure that any gold coin or silver coin purchased for use or circulation as legal tender is from an accredited refiner or wholesaler that certifies that the gold coin or silver coin being purchased meets the requirements of gold coin or silver coin;
- Comply with chain of custody requirements, as prescribed by rule; and
- Comply with all other applicable state and federal regulations.

The bill authorizes the commission to adopt rules as necessary to implement the section.

Custodian of Gold Coin or Silver Coin

Section 5 of the bill also defines a custodian of gold coin or silver coin to mean:

“Any person or entity providing secure vault facilities for the safekeeping and storage of gold coin or silver coin, the ownership of which is or may be transferred electronically as defined in s. 215.986(1). The term includes any person who holds gold coin or silver coin for more than 10 days.”

Sections 6, 7, 9, 10 of the bill provide that a custodian of gold coin and silver coin must comply with all of the money services businesses licensing requirements and several additional licensing requirements. **Section 9** of the bill prohibits any person from engaging in the activity of a custodian of gold coin or silver coin for compensation without first obtaining a license under part II of ch. 560, F.S.

Section 6 of the bill provides that the OFR must approve an application for a custodian of gold coin or silver coin if the applicant demonstrates compliance with the requirements under ch. 560, F.S., and the rules adopted by the commission requiring guidelines for the storage, security, insurance, auditing, administration, authorized access, transacting, and transfer of gold or silver coin. The bill authorizes the OFR to conduct an examination of the applicant before issuing a license to determine the applicant’s ability to conduct business immediately upon opening for business. **Section 7** requires the OFR to approve an application to renew a custodian of gold coin or silver coin’s license if such applicant demonstrates compliance with the same chapter and rules.

Section 10 of the bill specifies additional licensing requirements for a custodian of gold coin or silver coin, including the following documents:

- A sample authorized vendor contract, if applicable;
- Documents demonstrating that the net worth and bonding requirements specified in s. 560.29 have been fulfilled;
- A copy of the applicant's financial audit report for the most recent fiscal year. If the applicant is a wholly owned subsidiary of another corporation, the financial audit report on the parent's corporation's financial statements satisfies this requirement;
- Evidence of:
 - Insurance against loss for all gold coin and silver coin held in its custody;
 - Custody of the same quantity and type of asset for all current gold coin and silver coin held in its custody; and
 - Depository accreditation from an entity approved by the OFR;
- A statement of a business plan providing for the safe and sound operation of custodial services pertaining to the storage, security, insurance, auditing, administration, authorized access, transacting, and transfer of gold coin or silver coin to the satisfaction of the office or in accordance with rules adopted by the commission.

Section 11 of the bill provides that a custodian of gold coin and silver coin must comply with several minimum requirements to ensure the gold or silver coin are safely stored, including:

- Be located in a manner that allows quick and efficient movement of the gold or silver coin or enables rapid response time from law enforcement.
- Meet security requirements in accordance with industry standards, including, but not limited to:
 - Use of a high-security vault rated by Underwriters' Laboratories, Inc.;
 - Physical security and video surveillance 24 hours a day, 7 days a week;
 - Biometric or multi-factor access controls;
 - Facility design that is disaster-resistant including resistant to fire, flood, or earthquakes; and
 - Regular review and updates of security procedure.
- Keep customer assets segregated from the custodian's own assets and from asset classes that are not gold or silver coin.
- Offer allocated storage where the gold or silver coin is kept separate and identifiable, or segregated storage where the gold or silver coin is stored apart from other customers' gold or silver coin.
- Comply with chain of custody requirements.
- Maintain records detailing the inventory system, including, but not limited to, serial number and bar number tracking and ledger accounts.
- Have its custodial holdings examined or audited at least annually by an independently certified public accountant or other auditor acceptable to the OFR. The auditor must verify that the custodian's custodial assets are sufficient to cover all customer holdings and are held as represented. The results of such audit or examination must be reported to the OFR.
- Maintain insurance covering 100 percent of the full replacement value of the stored gold or silver coin under an all-risk insurance policy for loss, theft, damage, and employee dishonesty by an authorized insurer or eligible surplus lines insurer.
- Permit visits or inspections with advance notice.

- Maintain secure technology, including all of the following cybersecurity measures:
 - Secure online portal for account access.
 - Data encrypted in transit and at rest.
 - Two-factor authentication for login.
 - Regular cybersecurity audits or vulnerability assessments.
- Maintain custody of the same quantity and type of gold or silver coin as that entrusted by each customer.
- Refrain from selling, lending, pledging, rehypothecating, or encumbering any customer's gold coin or silver coin except to the extent directed by the customer for a transfer or transaction.
- Comply with any applicable state or federal anti-money laundering regulation.

A custodian of gold coin or silver coin that has a direct contractual relationship with an owner of such coin must also comply with these additional requirements:

- At the inception of the relationship and on at least an annual basis, furnish to each owner a clear, written disclosure of:
 - The terms and conditions of the custodial arrangement;
 - The associated risks of such arrangement;
 - The gold coin or silver coin are not insured by the FDIC, NCUA, or SIPC; and
 - The owner's coin are held by a licensed custodian under Florida law.
- Provide transparent contracts, products, services, and fees, including storage and transaction fees.
- Provide quarterly account statements to an owner which itemize the gold coin or silver coin in custody for that owner, and promptly deliver an updated statement and return of the gold coin or silver coin to the owner or as the owner directs.
- Within 30 days of a request, make available to an owner a copy of any audit report required pursuant to paragraph (1)(e) which has been completed within the most recent 2-year period.

The bill provides that any violation of these minimum requirements subjects a custodian of gold coin or silver coin to specified penalties. The bill establishes a custodian of gold coin or silver coin to an owner is fiduciary in nature for purposes of determining a priority of claims or losses. The bill authorizes the commission to adopt rules as necessary to implement the section.

Uniform Commercial Code

Section 14 of the bill amends the Uniform Commercial Code to clarify that a seller may not compel a person to tender payment in gold or silver coin.

Reporting Requirement

Section 15 of the bill requires the Department of Financial Services to submit a report within a specified timeframe to the Governor, the President of the Senate, and the Speaker of the House of Representatives which contains specified information.

Section 16 of the bill amends a cross-reference in the Financial Technology Sandbox law to conform to the renumbering of subsections in section 10 relating to the licensing requirements of payment instrument seller or money transmitter.

Section 17 provides the bill is effective upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

While the U.S. Constitution authorizes states to make gold and silver coin legal tender for a payment of debt, gold coin or silver coin are not defined. The definitions established in the bill for these terms are broad and a federal court may interpret the meaning of these terms, and therefore the scope of a state's authority to make such coin legal tender, to be narrower than provided in the bill.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The OFR reports there is an indeterminate fiscal impact on the state government. The OFR Agency Legislative Bill Analysis states:

“Applications for money transmitters who act as custodians will require additional scrutiny and documentation resulting in increased workload. At this time, the [OFR] considers the impact indeterminate and may only impact workload upon initial implementation which will be absorbed by current staffing. The impact to the [OFR] regarding renewals is also indeterminate until such time as the [OFR] determines how many entities become licensed. An assessment can be made at a later date if resources are needed.

The fiscal impact to pre-licensure examinations are indeterminate because the [OFR] does not know how many entities will be applying for a license as a custodian. Additionally, once the initial implementation is complete the routine application flow may be insignificant in volume and be absorbed by existing staffing.

The [OFR] anticipates minimal changes to its Regulatory Enforcement Licensing (REAL) System to implement this legislation and any ancillary cost can be absorbed by its existing budget.”¹⁰⁰

VI. Technical Deficiencies:

A money services business is required to pay a nonrefundable application fee, as specified in s. 560.143, F.S. The nonrefundable application fee is \$375 for an application under part II or \$188 for an application under part III of ch. 560, F.S. A custodian of gold coin and silver coin has been added as a type of money services business that would be subject to a fee pursuant to s. 560.143, F.S.; however, such custodian does not fall within the parts listed in the fee schedule. Further, the Florida Constitution requires a state fee imposed or authorized to be contained in a separate bill that contains no other subject.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates the following sections of the Florida Statutes: 215.986

This bill substantially amends the following sections of the Florida Statutes: 212.02, 212.05, 280.21, 560.103, 560.141, 560.142, 560.150, 560.204, 560.205, 560.214, 655.50, 655.970, 672.511, 559.952.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Banking and Insurance Committee on March 31, 2025:

- Effective January 1, 2026, declares gold and silver coin are legal tender in the state for payment of a debt, and provides:
 - The circumstances under which an individual or government entity may tender or accept gold or silver coin, and limits liability for refusing to offer or accept legal tender;
 - The section may not be construed to restrict the electronic transfer of gold or silver coin;
 - The section does not apply to chapters 731-738;

¹⁰⁰ The OFR, *2025 Agency Legislative Bill Analysis for SB 132*, April 2, 2025, 4 (on file with Senate Committee on Banking and Insurance).

- The section does not exempt a person from any applicable federal tax laws, rules, or regulations;
- The requirements a government entity must meet, if any, to enter into a written contract to tender or accept payment of gold or silver coin;
- Definitions relating to gold and silver coin;
- Provides a custodian of gold or silver coin must meet certain qualified public depository requirements;
- Clarifies that gold and silver coin are not subject to sales tax as “tangible personal property” or legal tender;
- Unless there is evidence to the contrary, creates a presumption that gold coin and silver coin meet the definition provided by law and are exempt from sales tax;
- Modifies definitions to clarify that gold and silver coin fall within the relevant definitions of a money services business and constitute a monetary instrument for purposes of money laundering regulations, and defines a custodian of gold coin and silver coin;
- Amends money services business licensing provisions to include requirements for custodians of gold coin or silver coin;
- Requires money services businesses that offer products or services relating to gold or silver coin to comply with minimum requirements;
- Provides a custodian has a fiduciary relationship with an owner of gold or silver coin for purposes of determining the priority of claims or losses;
- Provides a financial institution is not required to accept deposits or exchange gold or silver coin but specifies minimum requirements that must be met if a financial institution does offer such products or services;
- Clarifies current law in the uniform commercial code to specify that a seller may not require payment in gold coin or silver coin;
- Requires the Department of Financial Services to submit a report by January 1, 2026, that must include specified information;
- Authorizes the commission to adopt rules to implement specified sections of the bill relating to custodians of gold or silver coin; and
- Modifies the effective date of the bill from July 1, 2025 to upon becoming a law.

B. Amendments:

None.