



National Association of Christian Lawmakers
NACL Model 2023-14 Establishment of a Currency Based on Gold and Silver

**Passed by the NALC-National Legislative Council Executive Committee by unanimous vote
December 6, 2023**

AN ACT Relating to the Establishment of a Currency Based on Gold and Silver

GOLD AND SILVER CURRENCY

SUBCHAPTER A. GENERAL PROVISIONS

DEFINITIONS. In this chapter:

- (1) “Bullion” means precious metals as defined by State Law limited to gold and silver only.
- (2) “Currency” means the representation of actual gold and silver, specie, and bullion held in a Depository account by a Depository account holder as defined within State Law. Such representation shall reflect the exact unit(s) of physical specie or gold and silver bullion in the pooled depository account in its fractional troy ounce measurement as provided by this chapter.
- (3) “Precious metal” means precious metal as defined within State Law limited to gold and silver.
- (4) “Pooled depository account” means the account in the State Bullion Depository established under _____.
- (5) “Specie” means a precious metal stamped into coins as defined within State Law.

RULES. The comptroller may adopt rules as necessary or convenient to implement this chapter, including rules to:

- (1) ensure the security of the specie, bullion, currency, transactions and related data; and
- (2) prevent fraud; and
- (3) prohibit transactions involving foreign nations or enemies of this State.

SUBCHAPTER B. ESTABLISHMENT AND ADMINISTRATION OF CURRENCY

ESTABLISHMENT. (a) As authorized by the U.S. Const. Art. I, § 10, the comptroller shall issue specie and establish a currency as determined practicable.

(b) The comptroller may preferentially contract with a private vendor having its principal place of business and its center of operations in the State to establish the currency or perform other duties under this chapter. Such contract may additionally provide for the initial start-up expense of this Chapter.

(c) In establishing the currency the comptroller shall establish a means to ensure that a person or State who holds the currency may use such as legal tender in payment of debt, readily transfer or assign such currency to any other person or State by electronic means.

(d) In establishing specie, the comptroller shall exclusively authorize the State Bullion Depository as the State's issuer and ensure that the holder of such specie may use such as legal tender in payment of debt, readily transferable to any other person or State.

BULLION DEPOSITORY ACCOUNT. (a) The comptroller serving as trustee or another person appointed by the comptroller who shall serve as trustee shall hold in trust on behalf of the currency holders all specie and bullion owned or purchased for such purposes. The trustee shall maintain enough specie or bullion to provide for the redemption of all units of the currency issued but not redeemed.

(b) The trustee shall establish an account in the State Bullion Depository to hold in trust as trustee on the behalf of the currency holders all specie and bullion owned and allocated or purchased for such purposes.

PURCHASE AND ISSUANCE. (a) A person or any State of the United States, may be issued their currency by the comptroller upon:

(1) Making payment to the comptroller for the purpose of a purchase of specie or bullion to be represented by currency together with any fee charged under _____; or

(2) Designating specie or bullion held on account in the State Bullion Depository for the purpose of being represented by currency together with payment of any fee charged under _____.

(b) Upon receiving payment under _____ or an account holder's designation and payment under _____, the comptroller shall:

(1) using the money received, buy specie or bullion in the number of troy ounces of precious metal equal to the number of units of the currency to be issued to the purchaser under Subdivision (a); and

(2) deposit such specie or bullion into the pooled depository account for purchaser under Subdivision(a); and

(3) issue to the purchaser an account with or add to an existing currency account a number of units of the currency equal to the amount of specie or bullion that the purchase money received from the account holder would buy at the market price on that date as published by the State Bullion Depository.

REDEMPTION OF CURRENCY FOR US DOLLARS. (a) A person who holds currency may present to the comptroller any number of units of the currency to redeem for US dollars.

(b) On receipt of a person's request for redemption, the comptroller shall:

(1) sell from the specie or bullion held in the pooled depository account a number of troy ounces equal to the number of units of the currency being redeemed; and

(2) provide to the person an amount of US dollars equal to the amount received from the sale of specie or bullion under Subdivision (1), less a fee charged under _____.

REDEMPTION OF CURRENCY FOR SPECIE OR BULLION. (a) Subject to _____ an account holder who holds the currency may present to the comptroller any number of units of the currency to redeem for an equal number of troy ounces of specie or bullion from the pooled depository account.

(b) On receipt of a request for redemption, the comptroller shall:

(1) withdraw the equivalent number of troy ounces of specie or bullion from the pooled depository account; and

(2) on the payment of a fee charged under _____, deliver the specie or bullion as requested to the requestor.

VALUE OF CURRENCY. (a) At the time of each transaction involving the issuance or redemption of the currency, the comptroller shall determine the value of a unit of the currency as published by the State Bullion Depository.

(b) The value of a unit of the currency at the time of a transaction must be equal to the value of the appropriate fraction of a troy ounce of gold or silver, respectively at the time of that transaction as published by the State Bullion Depository.

CERTAIN MONEY AND DEPOSITS HELD IN TRUST AND NOT SUBJECT TO LEGISLATIVE APPROPRIATION. Money received under _____, specie or bullion purchased and deposited in the pooled depository account as provided by Section _____, and money received from the sale of specie or bullion in the pooled depository account in response to a request for redemption under _____ is:

(1) held by the comptroller as trustee outside the state treasury on behalf of persons who hold the currency; and

(2) not available for legislative appropriation.

FEE. The comptroller may establish a fee for the issuance or redemption of the currency to cover the comptroller's costs in administering this chapter and an industry-standard merchant fee for use. The comptroller shall deposit the net fee proceeds after costs to the credit of an account established in the general revenue fund.

LOCAL, STATE, AND FEDERAL COMMITTEE
2023-14 Establishment of a Currency Based on Gold and Silver (Rep Mark Dorazio, TX)