

IN THE SENATE

SENATE BILL NO. 1127

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO THE USE OF GOLD AND SILVER COINS AND BULLION; PROVIDING LEGISLA-
2 TIVE FINDINGS AND PURPOSE; AMENDING TITLE 67, IDAHO CODE, BY THE ADDI-
3 TION OF A NEW CHAPTER 98, TITLE 67, IDAHO CODE, TO DEFINE TERMS, TO PRO-
4 VIDE APPLICABILITY, TO PROVIDE FOR DOLLAR VALUES, TO PROVIDE FOR THE DE-
5 TERMINATION OF CERTAIN EXCHANGE RATIOS BY THE STATE CONTROLLER, TO PRO-
6 VIDE FOR LEGAL TENDER, TO PROVIDE FOR THE ENFORCEMENT OF GOLD AND SILVER
7 CLAUSES, TO PROVIDE FOR THE PAYMENT OF CERTAIN TAXES AND FEES IN GOLD AND
8 SILVER, TO PROVIDE FOR REQUIRED PAYMENTS IN GOLD AND SILVER, TO PROVIDE
9 FOR A LIMITATION ON TAXES AND FEES TO CERTAIN EXCHANGES, TO PROVIDE FOR A
10 PROHIBITION ON SEIZURE OF GOLD AND SILVER, AND TO PROVIDE FOR A CIVIL AC-
11 TION; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.
12

13 Be It Enacted by the Legislature of the State of Idaho:

14 SECTION 1. LEGISLATIVE FINDINGS AND PURPOSE. (1) The Legislature finds
15 and declares that this act is necessary and proper to:

16 (a) Bring into compliance with the United States Constitution the poli-
17 cies, practices, and procedures of this state with respect to the use of
18 gold and silver as legal tender in the payment of debt;

19 (b) Preserve, protect, and promote the sovereignty and independence
20 of this state with respect to the performance of essential governmental
21 functions that require the state to tender payment of debt;

22 (c) Preserve, protect, and promote the economic security, safety,
23 health, and welfare of the people of this state; and

24 (d) Protect this state and its citizens in the acquisition and posses-
25 sion of gold and silver and their use as legal tender in the payment of
26 debt.

27 (2) The purpose of this act is to recognize this state's constitutional
28 duty, power, and right under Section 10, Article I of the Constitution of
29 the United States and the Tenth Amendment to the Constitution of the United
30 States to make gold and silver legal tender in the payment of debt and to se-
31 cure the right of citizens of this state under the Ninth and Tenth Amendments
32 to the Constitution of the United States to tender gold and silver in the pay-
33 ment of debt.

34 SECTION 2. That Title 67, Idaho Code, be, and the same is hereby amended
35 by the addition thereto of a NEW CHAPTER, to be known and designated as Chap-
36 ter 98, Title 67, Idaho Code, and to read as follows:

37 CHAPTER 98

38 USE OF GOLD AND SILVER COINS AND BULLION

39 67-9801. DEFINITIONS. As used in this chapter:

1 (1) "Base-metallic coin" means a coin composed of base metals that has
2 been minted and assigned a face value in dollars pursuant to a law enacted by
3 the United States congress.

4 (2) "Gold bullion" means gold bullion from any source that a reliable
5 agency has assayed and certified as containing gold of a specific weight and
6 fineness.

7 (3) "Gold clause" means a provision included in or relating to a con-
8 tract, obligation, or other debt instrument that vests in an obligee the
9 right to require the obligor to pay, deliver, or tender a number of gold
10 coins, an amount of gold bullion, or both.

11 (4) "Gold coin of the United States" means a gold coin that has been
12 minted and assigned a face value in dollars pursuant to a law enacted by the
13 United States congress.

14 (5) "Gold coins" include gold coins of the United States and gold coins
15 of other countries.

16 (6) "Gold coins of other countries" include:

17 (a) The Austrian one hundred (100) corona and twenty (20) corona gold
18 coins and the Austrian four (4) and one (1) ducat gold coins;

19 (b) The British sovereign gold coin;

20 (c) The Canadian one (1) ounce, one-half (.5) ounce, one-quarter (.25)
21 ounce, and one-tenth (.1) ounce maple leaf gold coins;

22 (d) The French twenty (20) franc gold coin;

23 (e) The Swiss twenty (20) franc gold coin;

24 (f) The Mexican fifty (50), twenty (20), ten (10), five (5), two and
25 one-half (2.5), and two (2) peso gold coins; and

26 (g) The South African two (2) ounce, one (1) ounce, one-half (.5) ounce,
27 one-quarter (.25) ounce, and one-tenth (.1) ounce krugerrand gold
28 coins.

29 (7) "Paper currency" means paper currency that has been emitted and as-
30 signed a face value in dollars pursuant to a law enacted by the United States
31 congress.

32 (8) "Silver bullion" means silver bullion from any source that a re-
33 liable agency has assayed and certified as containing silver of a specific
34 weight and fineness.

35 (9) "Silver clause" means a provision included in or relating to a
36 contract, obligation, or other debt instrument that vests in an obligee the
37 right to require the obligor to pay, deliver, or tender a number of silver
38 coins, an amount of silver bullion, or both.

39 (10) "Silver coin of the United States" means a silver coin that has been
40 minted and assigned a face value in dollars pursuant to a law enacted by the
41 United States congress.

42 (11) "Silver coins" include silver coins of the United States and silver
43 coins of other countries.

44 (12) "Silver coins of other countries" include the Canadian one (1)
45 ounce maple leaf silver coin.

46 67-9802. APPLICABILITY. The provisions of this chapter shall not ap-
47 ply to gold or silver coins, base-metallic coins, paper currency, or a con-
48 tract, obligation, or other debt instrument that provides for the payment
49 or delivery of gold or silver coins, base-metallic coins, or paper currency

1 if the economic value of the coins or currency in the market for collecting
 2 coins and currency is at least twenty percent (20%) more than the value of the
 3 coins or currency prescribed by section 67-9803, Idaho Code.

4 67-9803. DOLLAR VALUES. For purposes of this chapter:

5 (1) The value in dollars of a gold or silver coin of the United States is
 6 the face value of the coin.

7 (2) The value in dollars of a silver coin for which the United States
 8 congress has not fixed a value by statute is calculated by dividing the
 9 weight of silver in troy grains that the coin contains by three hundred sev-
 10 enty-one and one-quarter (371.25).

11 (3) The value in dollars of a gold coin for which the United States con-
 12 gress has not fixed a value by statute is calculated by dividing the weight of
 13 gold in troy grains that the coin contains by three hundred seventy-one and
 14 one-quarter (371.25) and multiplying the result by the rate of exchange be-
 15 tween silver and gold in the free market.

16 (4) The value in dollars of an amount of silver bullion is calculated by
 17 dividing the weight of the amount of bullion in troy grains by three hundred
 18 seventy-one and one-quarter (371.25) and multiplying the result by the ratio
 19 at which silver bullion exchanges against silver coin in the free market.

20 (5) The value in dollars of an amount of gold bullion is calculated by
 21 dividing the weight of the amount of bullion in troy grains by three hundred
 22 seventy-one and one-quarter (371.25), multiplying the result by the rate of
 23 exchange between silver and gold in the free market, and then multiplying
 24 that result by the ratio at which gold bullion exchanges against gold coin in
 25 the free market.

26 (6) The value in dollars of a base-metallic coin is the face value of the
 27 coin.

28 (7) The value in dollars of paper currency is the face value of the cur-
 29 rency.

30 67-9804. DETERMINATION OF CERTAIN EXCHANGE RATIOS BY STATE CON-
 31 TROLLER. (1) At the beginning of the business day in the mountain time zone,
 32 the state controller shall determine and make available to the public on the
 33 controller's website the ratios in the free market at which silver exchanges
 34 against gold, silver bullion exchanges against silver coin, and gold bullion
 35 exchanges against gold coin.

36 (2) The controller shall archive for at least ten (10) years the de-
 37 terminations made pursuant to subsection (1) of this section and make them
 38 available to the public free of charge.

39 (3) In a judicial or administrative proceeding in this state, a deter-
 40 mination made pursuant to subsection (1) of this section is presumed to be
 41 correct but may be rebutted by clear and convincing evidence.

42 67-9805. LEGAL TENDER. For purposes of state law, the following are
 43 legal tender and may not be treated as property other than money:

- 44 (1) Gold and silver coins;
- 45 (2) Gold and silver bullion;
- 46 (3) Base-metallic coins; and
- 47 (4) Paper currency.

1 67-9806. ENFORCEMENT OF GOLD AND SILVER CLAUSES. An officer or em-
2 ployee of this state who is required or authorized to execute, enforce, enter
3 a judgment, decree, or ruling with regard to, or otherwise put into effect a
4 gold or silver clause in a contract, obligation, or other debt instrument:

5 (1) Shall, as applicable:

6 (a) Deliver or cause to be delivered to the obligee the type and amount
7 of gold or silver specified in the gold or silver clause;

8 (b) Order specific performance of the gold or silver clause by the
9 obligor's payment to the obligee of the type and amount of gold or silver
10 specified in the gold or silver clause; or

11 (c) Enter any other judgment, decree, or ruling that is necessary and
12 proper to compel the obligor to deliver to the obligee the type and
13 amount of gold or silver specified in the gold or silver clause; and

14 (2) May not allow a gold or silver clause to be satisfied by the payment,
15 delivery, or tender of anything other than the type and amount of gold or sil-
16 ver specified in the gold or silver clause.

17 67-9807. PAYMENTS OF CERTAIN TAXES AND FEES IN GOLD AND SILVER. If the
18 amount of a tax, charge, assessment, or fee on a transaction or activity is
19 required by state law to be calculated based on the medium of payment used or
20 involved in the transaction or activity and the medium of payment is gold or
21 silver coins or gold or silver bullion:

22 (1) The amount of the tax, charge, assessment, or fee must be calculated
23 using the values of gold and silver coins and gold and silver bullion pre-
24 scribed by section 67-9803, Idaho Code; and

25 (2) The tax, charge, assessment, or fee must be paid in the same medium
26 of payment used or involved in the transaction or activity.

27 67-9808. REQUIRED PAYMENTS IN GOLD AND SILVER. A state officer or em-
28 ployee may not require a person to tender or accept payment of a debt in gold
29 or silver coins or gold or silver bullion unless the person has been adju-
30 dicated by a court of competent jurisdiction of this state to be required to
31 tender or accept gold or silver coins or gold or silver bullion and the person
32 is:

33 (1) A party to a contract or other obligation that contains a gold or
34 silver clause that applies to the person; or

35 (2) Required by state law to pay a tax, charge, assessment, fee, fine,
36 or penalty in gold or silver coins or gold or silver bullion.

37 67-9809. LIMITATION ON TAXES AND FEES TO CERTAIN EXCHANGES. A state
38 officer or employee may not assess, demand, levy, collect, or enter a judg-
39 ment or other order that authorizes the collection of a tax, charge, assess-
40 ment, fee, or penalty on a transaction or activity if the transaction or ac-
41 tivity involves no more than an exchange of:

42 (1) Paper currency for gold or silver coins;

43 (2) Paper currency for gold or silver bullion;

44 (3) Base-metallic coins for gold or silver coins;

45 (4) Base-metallic coins for gold or silver bullion;

46 (5) Gold or silver coins for gold or silver coins;

47 (6) Gold or silver coins for gold or silver bullion; or

1 (7) Gold bullion for silver bullion.

2 67-9810. PROHIBITION ON SEIZURE OF GOLD AND SILVER. A person may not,
3 with or without the payment of just compensation, seize, take possession of,
4 assert dominion or control over, or demand the surrender or other transfer of
5 gold or silver coins or gold or silver bullion owned by or in the possession
6 of this state, a citizen of this state, a resident of this state, or a person
7 located in this state unless a court of competent jurisdiction, after notice
8 and hearing, enters a final judgment, ruling, decree, or other order requir-
9 ing the delivery of gold or silver coins or gold or silver bullion in satis-
10 faction of:

11 (1) A contract or other obligation that contains a gold or silver clause
12 that provides for payment in gold or silver coins or gold or silver bullion;

13 (2) The payment of damages assessed in gold or silver coins or gold or
14 silver bullion as part of a judicial proceeding; or

15 (3) The payment of a tax, charge, assessment, fee, fine, or penalty de-
16 termined to be lawfully payable only by gold or silver coins or gold or silver
17 bullion.

18 67-9811. CIVIL ACTION. A person who is injured or aggrieved by an in-
19 tentional or negligent failure to enforce the provisions of this chapter by a
20 state officer or employee may bring a civil action against the state officer
21 or employee in a district court. In an action under this section, the court
22 may:

23 (1) Grant an injunction;

24 (2) Issue a writ of mandamus or prohibition;

25 (3) Award compensatory or punitive damages; or

26 (4) Award other appropriate relief.

27 SECTION 3. An emergency existing therefor, which emergency is hereby
28 declared to exist, this act shall be in full force and effect on and after
29 July 1, 2025.