

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 Appropriations

BILL: CS/CS/SB 132

INTRODUCER: Appropriations Committee, Banking and Insurance Committee, and Senator Rodriguez and others

SUBJECT: Legal Tender

DATE: April 23, 2025

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Moody</u>	<u>Knudson</u>	<u>BI</u>	<u>Fav/CS</u>
2.	<u>Sanders</u>	<u>Sadberry</u>	<u>AP</u>	<u>Fav/CS</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 132 creates an undesignated section of law that requires the Department of Financial Services (DFS) to contract with an appropriate vendor to conduct a study on whether the state should recognize gold or silver coin as legal tender and to prepare a report on such findings by a specified date. The report must address certain topics relating to, amongst others, the state's authority to recognize gold and silver coin as legal tender, recommended regulatory changes, tax implications, and public policy issues. If the report recommends the state should recognize gold and silver coin as legal tender, the DFS must propose statutory and administrative rule language based upon the recommendations in the report. The bill authorizes the DFS to consult with any other agency and make any other recommendations that it deems necessary.

The bill has an indeterminate fiscal impact on the state revenue and expenditures. 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 tender² for the payment of debts, public charges, taxes, and dues.³ Foreign gold or silver coins are not legal tender for debts under federal law.⁴ 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.”⁵

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.”⁶ 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 other forms of money as tender.⁷ The U.S. Supreme Court (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.”⁸ 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...”⁹

¹ U.S. Const. art. 1. s. 8. Cl. 5.

² The term “legal tender” means “the money (bills and coins) approved in a country for the payment of debts, the purchase of goods, and other exchanges for value.” Garner, B. *Definition of Legal Tender*, Black’s Law Dictionary (12th ed. 2024), [LEGAL TENDER | Secondary Sources | FE | Westlaw Edge](#) (last visited April 17, 2025).

³ 31 U.S.C. s. 5103. The Board of Governors of the Federal Reserve System explains that “[t]his statute means that all U.S. money as identified above is a valid and legal offer of payment for debts when tendered to a creditor.” Board of Governors of the Federal Reserve System, *Is It Legal for a Business in the United States to Refuse Cash as a Form of Payment?*, (July 21, 2020) available at: [The Fed - Is it legal for a business in the United States to refuse cash as a form of payment?](#) (last visited April 17, 2025). A business or person may generally refuse legal tender if they do so clearly in advance. *Id.* However, if a debt already exists and does not specify the type of legal tender that must be paid, there may be consequences for refusing to accept legal tender include, but are not limited to, the debt may be discharged. *See Spurgeon v. Smitha*, 17 N.E. 105, 107 (1888) (holding “where the money is actually produced, and an unconditional offer is made to pay it at once to the creditor, and he refuses to accept it, and asks the debtor to retain it, the sureties are discharged.”).

⁴ 31 U.S.C. s. 5103.

⁵ 18 U.S.C. s. 486.

⁶ U.S. Const. art. 1. s. 10. Cl. 1.

⁷ *Id.*

⁸ *Lane County v. Oregon*, 74 U.S. 71, 72 (1868); *Hager v. Reclamation Dist. No. 108*, 111 U.S. 701, 706-707 (1884).

⁹ *Lane County v. Oregon*, 74 U.S. at 77.

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.¹⁰ The Internal Revenue Code defines "collectible" to include "any metal or gem" and "any coin" not specifically exempted.¹¹ U.S.-minted gold and silver coins are explicitly exempt from being classified as "collectibles."¹²

Florida Taxation

Florida provides a limited sales tax exemption for sales of U.S. coins and currency and for foreign currency transactions exceeding \$500.¹³ 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 \$500.¹⁴ 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.¹⁵ Florida does not impose an individual income tax, including capital gains tax.¹⁶ 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."¹⁷

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.
- 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.¹⁸
- 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.¹⁹

¹⁰ Internal Revenue Service, *Topic no. 49, Capital gains and losses* (January 2, 2025), <https://www.irs.gov/taxtopics/tc409> (last visited April 16, 2025).

¹¹ 26 U.S.C. § 408(m)(2)(A)–(D).

¹² 26 U.S.C. § 408(m)(3)(A).

¹³ Section 212.05(1)(j), F.S.

¹⁴ Section 212.08(7)(ww), F.S.

¹⁵ Section 212.05(1)(a)1.a., F.S.

¹⁶ Art. VII, s. 5(a), Fla. Const.; Florida Department of Revenue, *Does Florida Have a Capital Gains Tax?*, <https://floridarevenue.com/faq/Pages/FAQDetails.aspx?FAQID=1307&IsDlg=1> (last visited April 16, 2025).

¹⁷ Section 192.001(11)(d), F.S.

¹⁸ AL SB 130 (2025), available at <https://alison.legislature.state.al.us/files/pdf/SearchableInstruments/2025RS/SB130-int.pdf> (last visited April 17, 2025).

¹⁹ AR Code s. 4-56-106.

- 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.²⁰ 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.²¹ Arkansas passed legislation which has not been signed into law by Governor Sarah Huckabee Sanders that, amongst other things, provides that “specie or legal tender may be recognized to pay private debts, taxes, and fees levied by the state or local government if the state or local government agrees to payment with physical gold or silver.”²²
- Idaho recently passed legislation that provides gold and silver coin and specie minted domestically are legal tender.²³
- Louisiana recently declared gold or silver coin, specie, or bullion issued by any state or the United States government as legal tender.²⁴
- Oklahoma law provides that gold and silver coin issued by the United State government are legal tender.²⁵
- 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.²⁶
- 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.²⁷ Utah recently passed H.B. 306 that authorizes the state treasurer to issue a competitive procurement for a precious metals-backed electronic payment platform that would allow state

²⁰ 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) (on file with the Senate Committee on Banking and Insurance).

²¹ AZ Rev. Stat. s. 43.1021.

²² Arkansas H.B. 1918 (2025), available at <https://arkleg.state.ar.us/Home/FTPDocument?path=%2FBills%2F2025R%2FPublic%2FHB1918.pdf> (last visited April 23, 2025).

²³ Idaho HB 177 (2025), available at <https://legislature.idaho.gov/sessioninfo/2025/legislation/h0177/> (last visited April 17, 2025).

²⁴ LA Rev. Stat. s. 6:341.

²⁵ 62 OK Stat. s. 4500.

²⁶ 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) (on file with the Senate Committee on Banking and Insurance).

²⁷ 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) (on file with the Senate Committee on Banking and Insurance).

vendors to elect to be paid in gold and silver.²⁸ Utah’s Governor Spencer Cox vetoed the bill stating that “...there are significant problems that make H.B. 306 operationally impractical. Additionally, [he is] concerned that a specific entity offered to fund the bill, which could jeopardize the required competitive process in the bill.”²⁹

- 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.³⁰

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.³¹

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.³²

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.³³ 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.³⁴ 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,³⁵ authority to determine the frequency of certain state employee salary payments,³⁶ and requirement to report disbursements made.³⁷

²⁸ Utah HB 306 (2025), available at <https://le.utah.gov/~2025/bills/static/HB0306.html> (last visited April 17, 2025).

²⁹ Letter from Utah Governor Spencer J. Cox to President Adams, Speaker Schultz, and Members of the Legislature (March 27, 2025), *H.B. 306, Precious Metals Amendments*, at 4, [2_2025-Veto-Letter-Veto_No-Sign_Other.pdf](#) (last visited April 21, 2025).

³⁰ 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) (on file with the Senate Committee on Banking and Insurance).

³¹ *Id.*

³² *Id.* at 14, 20, 22-23.

³³ Fla. Const. art. IV s. 4(c); Section 17.001, F.S.

³⁴ Section 17.04, F.S.

³⁵ See s. 17.57, F.S.; s. 17.61, F.S.

³⁶ Section 17.28, F.S.

³⁷ Section 17.11, F.S.

Uniform Commercial Code

Florida law has adopted several Uniform Commercial Code model acts, in whole or in part.³⁸ One such model act is the Uniform Commercial Code-Sales regulates sales of goods.³⁹ Unless otherwise agreed, tender of payment is a condition to the seller's duty to tender and complete any delivery.⁴⁰ 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.⁴¹

III. Effect of Proposed Changes:

Section 1 is an unnumbered section of law that requires the Department Financial Services (DFS) to contract with an appropriate vendor to conduct a study and submit a report to the President of the Senate and the Speaker of the House of Representatives on or before December 1, 2025, as to whether the state should recognize gold and silver coin as legal tender. The vendor may not:

- Have any contractual or monetary relationship with any person or entity that supports or opposes recognizing gold and silver coin as legal tender in the state;
- Represent any person or entity that supports or opposes recognizing gold and silver coin as legal tender in the state; or
- Otherwise have a conflict of interest in recognizing gold and silver coin as legal tender in the state.

The report is required to contain a list of all individuals and sources consulted which must include at least one economist and one constitutional law scholar, and the details of the information provided by or obtained from such sources. The bill provides that specific topics must be addressed in the report, including:

- With respect to any authority that states may have to recognize gold and silver coin as legal tender, the bill requires the report to analyze in detail and provide recommendations to the Legislature regarding:
 - Whether states have authority under the United States Constitution to recognize forms of legal tender not recognized by the Federal Government and, if so, the extent of that authority.
 - The coinage power of the United States Congress under Article I, Section 8 of the United States Constitution, including, but not limited to, any limitations this provision may have on states' authority, if any, to recognize gold and silver coin as legal tender, and the meaning of the terms "coin," "money," and "regulate the value thereof," and any related recommendations.
 - The meaning of Article I, Section 10, Clause 1 of the United States Constitution, with regard to the prohibition on states coining money or emitting bills of credit, and the

³⁸ See chs. 670-675 and 677-680, F.S.

³⁹ 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.).

⁴⁰ Section 672.511(1), F.S.

⁴¹ Section 672.511(2), F.S.

- allowance to make gold and silver coin a tender in payment of debts. The report must address the terms “coining money,” “emitting bills of credit,” “coin,” and “debts,” and any related recommendations.
- The authority of the United States Congress under the commerce clause of the United States Constitution or the necessary and proper clause of the United States Constitution and any impact on a state’s authority to establish gold and silver coin as legal tender.
 - The extent to which other federal or state constitutional provisions, federal or state laws, or federal or state regulations affect a state’s authority to establish gold and silver coin as legal tender.
 - With respect to practical considerations and issues the state would need to address if the state has the authority and the state elects to make gold and silver coin legal tender, the bill requires the report to analyze in detail and provide recommendations to the Legislature regarding:
 - Whether the state may establish criteria regarding the purity of gold and silver coin recognized as legal tender and, if so, whether the state should require certain purity standards for gold and silver coin recognized as legal tender.
 - Whether the state may establish criteria regarding the physical representations of gold and silver coin recognized as legal tender, considering any relevant factors, including, the costs and other practical barriers to implementing gold and silver coin as legal tender for payments of debts, taxes, or fees.
 - The possible uses and limitations of various physical forms of gold and silver coin, such as coins, ingots, bullion, or bars, or other forms of gold or silver.
 - The impact of interstate and international compatibility standards, or lack thereof, on any potentially state-approved forms of gold and silver coin as legal tender.
 - Whether any state recognition of gold or silver coin as legal tender may unduly burden interstate commerce.
 - The possible benefits and risks of establishing a system where gold and silver coin recognized as legal tender is transacted electronically, and any laws and regulations that are necessary to ensure consumer protections with regard to such transactions.
 - The current availability of electronic payment systems used to transact gold and silver and the access of state residents to any such existing system if already in existence and able to be used in the state.
 - Whether there are any technological challenges or costs of implementing a point-of-sale system that integrates tendering or accepting gold or silver coin as legal tender, and whether this would need to be done to be able to tender or accept gold or silver in commerce.
 - The obligations, if any, of the state or a private person in this state to tender or accept gold or silver coin if such precious metals are recognized as legal tender for payment of debts in this state; and, if such obligations exist, the legal consequences, if any, of such state or person refusing to tender or accept gold or silver legal tender.
 - The obligation, if any, of the state to recognize gold and silver coin that has been recognized as legal tender in other states or other countries in which it has been established as legal tender.
 - Any other practical consideration that would need to be addressed by the Legislature.
 - A detailed review of the legal status of gold and silver in all states of the United States, including whether gold or silver is recognized as legal tender and the applicable legal or regulatory framework where applicable. The review of states must also detail any legislation

that is being considered or has previously been considered in those states, and the status and outcome of such legislation.

- With respect to any changes to this state's financial system regulation that would be necessary to accommodate establishment of gold and silver coin as legal tender and to protect the residents of this state, the report must analyze in detail and provide recommendations to the Legislature regarding:
 - Prevention of counterfeiting gold and silver coin.
 - Whether banks, credit unions, and other financial institutions would be or should be required under state law to accept legal tender in the form of gold and silver coin for deposits or loan repayment.
 - Whether banks, credit unions, and other financial institutions are prevented under federal law and regulations from accepting deposits of gold or silver coin recognized as legal tender.
 - Whether gold and silver coin recognized as legal tender qualifies as an insured deposit under the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Share Insurance Fund (NCUSIF).
 - Whether participation requirements for the FDIC and NCUSIF prevent or restrict banks and credit unions from accepting deposits of gold and silver coin recognized as legal tender.
 - Whether the state should allow entities other than state or federally chartered financial institutions to accept deposits of gold and silver coin recognized as legal tender and, if so, the laws, licensure requirements, and regulations that should be adopted to protect the residents of this state.
 - Whether it is necessary for the state to ensure that financial institutions or other entities that are involved in transactions of gold and silver coin recognized as legal tender are in compliance with applicable federal laws and, if so, how the state would ensure such compliance.
 - The statutory and regulatory provisions necessary to protect the residents of this state from fraud, volatility in the value of gold and silver coin, or deceptive practices.
 - The statutory and regulatory provisions necessary to ensure the security of deposits of gold and silver coin, including insurance of such deposits and requirements to prevent criminal actions, such as, the theft of such coin.
 - The willingness of financial institutions to participate in transactions involving gold and silver coin.
 - For entities that facilitate electronic transfers involving gold and silver coin, the laws and regulations that would be necessary to protect the residents of this state, including licensure requirements, recommended amendments to laws, and recommended new laws.
 - The effect on the use of gold and silver coin as legal tender and on entities holding or facilitating transactions of such legal tender if federal regulators classify gold and silver coin recognized as legal tender by the state as a commodity or financial security for regulatory purposes.
 - The risks of market manipulation or speculative trading undermining the stability of gold and silver coin recognized as legal tender, and how the state could mitigate any such risks.
 - Whether and, if so, to what extent consumer protections for financial transactions under federal and state law would or, with respect to the state, should apply to transactions involving gold and silver coin recognized as legal tender.

- Whether establishing gold and silver coin as legal tender would facilitate criminal activity and, if so, recommendations regarding laws and regulations that could prevent such activity.
- How federal reporting requirements for large transactions or suspicious activity would apply to financial institutions or other holders of deposits of gold and silver coin, and how such entities would comply with such requirements.
- How federal and state laws relating to anti-money laundering protocols or “know your customer” requirements would apply to financial institutions or other entities that hold deposits of, or facilitate transactions involving, gold and silver coin recognized as legal tender, and how such entities would comply with such requirements.
- How gold and silver coin recognized as legal tender would interact with electronic payment systems, such as the Automated Clearinghouse or the Society for Worldwide Interbank Financial Telecommunications.
- Whether the state should establish a regulatory framework for payment processors that handle transactions involving gold and silver coin as legal tender.
- How state and federal currency exchange laws apply to transactions involving gold and silver coin recognized as legal tender, and whether additional protections are needed.
- Whether existing limitations on fees on debit and credit card transactions apply to transactions involving gold and silver coin that may be recognized as legal tender.
- The benefits and risks of the state establishing a state-run depository for deposits of gold and silver coin recognized as legal tender, the laws and regulations that should be adopted to regulate such depository, and the anticipated costs of establishing and maintaining such depository.
- The benefits and risks of the state relying solely on private depositories for deposits of gold and silver coin recognized as legal tender and the laws and regulations that should be adopted to regulate private depositories in a state where gold and silver coin are made legal tender.
- Any laws and regulations that should be adopted to ensure that owners of gold and silver coin recognized as legal tender can withdraw and take possession of their physical gold and silver coin from a financial institution or depository.
- The regulatory framework necessary to protect the public, which state agencies should be charged with adopting and implementing regulations, and the fiscal impact on each such state agency to conduct such regulatory oversight. Consideration should be given to existing regulatory systems and recommendations made by relevant regulatory agencies that may be responsible for any oversight or enforcement.
- Any other changes to financial system regulation necessary to protect the public.
- With respect to the acceptance by the state and local governments of gold and silver coin recognized as legal tender and the application of state and federal tax laws to such gold and silver coin, the report must address the following:
 - The benefits and risks of the state accepting gold and silver coin recognized as legal tender for the payment of taxes, debts, and other moneys owed to the state.
 - Whether the state would be obligated to accept gold and silver coin recognized as legal tender or obligated to tender gold and silver coin recognized as legal tender as payment upon request.
 - Any laws and infrastructure that may be necessary for the state to accept gold and silver coin recognized as legal tender, and the anticipated costs of establishing and maintaining such infrastructure.

- The laws and regulations governing qualified public depositories which may be affected by the establishment of gold and silver coin as legal tender.
- Any changes necessary for the state to make public deposits of gold and silver coin recognized as legal tender in qualified public depositories.
- Whether additional entities should be required to be designated as qualified public depositories for the purpose of holding gold and silver coin recognized as legal tender and, if so, the requirements necessary to ensure the security of public deposits made with such entities.
- How fluctuations in the value of gold and silver relative to the United States dollar would affect state deposits held in the form of gold and silver coin recognized as legal tender.
- The impact that the volatility in the value of gold or silver may have on the state's economy and residents of the state if gold and silver coin is recognized as legal tender.
- Whether the state should increase investments in gold and silver coin if it is recognized as legal tender and, if so, to what extent and with which investment portfolios.
- Whether or to what extent gold and silver coin recognized as legal tender may be subject to federal capital gains taxation.
- Whether local sales taxes would be applicable to transactions paid with gold and silver coin recognized as legal tender.
- Any other relevant consideration regarding state acceptance of gold and silver coin recognized as legal tender and the application of federal and state tax laws to such gold and silver coin.
- With respect to issues of public policy which the Legislature should consider in deciding whether it should make gold and silver coin legal tender, the report should address the following:
 - The benefits or harms that the residents of this state would be likely to realize from establishing gold and silver coin as legal tender.
 - Current hinderances, if any, to persons holding and saving gold and silver, investing in gold and silver, or using gold and silver in commerce, and whether recognizing gold and silver coin as legal tender would address those hinderances.
 - Whether states establishing gold and silver coin as legal tender would increase the stability and value of gold and silver, and the possible effects of such an outcome.
 - Whether the recognition of gold and silver coin as legal tender would negatively affect the value and stability of the United States dollar, and the potential consequences of such an effect.
 - Whether the recognition of gold and silver coin as legal tender would negatively impact the United States dollar's standing as the world's principal reserve currency, and the potential consequences of such an outcome.
 - Whether the state should focus primarily on facilitating electronically based transactions of gold and silver coin legal tender, physically based transactions of gold and silver coin legal tender.
 - Whether the recognition of gold and silver coin as legal tender would hinder the Federal Reserve System's ability to perform its functions, and the potential effects of such interference.

The bill requires the DFS to submit to the President of the Senate and the Speaker of the House of Representatives comprehensive proposed statutory and administrative rule language based upon the recommendations in the study if the report recommends the state should recognize gold

and silver coin as legal tender. The bill authorizes the DFS to consult with any other state agency and make any additional recommendations it deems necessary.

Section 2 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:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill has an indeterminate impact to state revenues and expenditures. The Department of Financial Services (DFS) is required to contract with a vendor to conduct a study and submit a report on the feasibility of recognizing gold and silver coin as legal tender. It is unknown how much a study will cost and the bill does not provide a specific appropriation for the study or any costs associated with consultation with the required experts; however, the DFS has performed studies using its base budget in the past, so any such costs can be absorbed within existing resources.

The DFS may experience an indeterminate increase in workload to gather the proposed statutory and administrative rule language and in consulting with any other state agency

to develop proposed language and make recommendations. Such workload can be absorbed within existing resources.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates undesignated sections of Florida law.

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Appropriations on April 22, 2025:

The committee substitute:

- Requires the Department of Financial Services (DFS) to contract with an appropriate vendor to conduct a study and prepare a report by a specified date as to whether the state should recognize gold and silver coin as legal tender.
- Requires specified individuals or sources to be consulted and the details of the information provided by such sources.
- Specifies certain issues which must be addressed in such report.
- Requires the DFS to submit a report by a specified date proposing statutory and administrative rule language in certain circumstances.
- Authorizes the DFS to consult with any other state agency and make any additional recommendations it deems necessary.

CS by Banking and Insurance 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;
 - 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.