

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Committee Substitute

for

Senate Bill 413

By Senators Rucker and Thorne

[Reported February 5, 2026, from the Committee on
Banking and Insurance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new article,
2 designated §47-29-1, §47-29-2, §47-29-3, §47-29-4, §47-29-5, and §47-29-6, relating to
3 the Transactional Gold and Silver Act; providing legislative findings; defining terms;
4 recognizing bullion as legal tender; setting out authority, duties, and responsibilities of the
5 Treasurer; providing for rulemaking; creating implementation date and reporting
6 requirements; and exempting certain transactions from tax liability.

Be it enacted by the Legislature of West Virginia:

ARTICLE 29. TRANSACTIONAL GOLD AND SILVER ACT.

§47-29-1. Legislative findings.

1 The Legislature finds that:

2 (1) The use of gold and silver as a medium of exchange has a historical basis in fostering
3 economic stability and individual liberty;

4 (2) Article I, Section 10 of the United States Constitution indicates that states may make
5 gold and silver coin a tender in payment of debts, and such tender protects against reliance on fiat
6 currency and promotes competition in the monetary system; and

7 (3) Establishing mechanisms for the use of precious metals in transactions enhances the
8 state's economic resilience.

§47-29-2. Definitions.

1 As used in this article:

2 (1) "Account holder" means a person with a single account or joint account in a bullion
3 depository.

4 (2) "Allocated" means bullion that is specifically identified, that is or may be segregated,
5 that is held for the sole benefit of an account holder, and that does not constitute a general asset or
6 liability of the depository or any person other than the account holder.

7 (3) "Bullion" means the precious metal gold or precious metal silver, of a certain standard,
8 and of a certain weight, and it may include any of the following:

9 (A) Gold coin or silver coin issued by the United States or a foreign government;

10 (B) Gold or silver in the form of bars or other physical forms certified as at least 99.5
11 percent pure for gold and 99.9 percent pure for silver.

12 (4) "Bullion depository" means an entity providing vault facilities within the United States
13 for the storage of bullion that:

14 (A) Complies with the prescribed London Bullion Market Association best practice
15 guidelines for the storage of bullion;

16 (B) Has a contractual relationship to provide value services to hold and receive deposits of
17 bullion or legal tender for an authorized electronic payment system vendor; and

18 (C) Provides accounts that:

19 (i) Hold gold bullion and silver bullion; and

20 (ii) Allow account holders to buy, sell, save, or spend gold bullion and silver bullion.

21 (5) "Depository agent" means a private entity authorized by the Treasurer to operate a
22 bullion depository or perform related services under this article.

23 (6) "Electronic payment system" means an electronic platform or payment system that
24 enables any participating vendor to receive and process a payment from an account holder of a
25 bullion depository using bullion held in the bullion depository as the basis for transactions.

26 (7) "Legal tender" means a medium of exchange recognized by the State of West Virginia
27 for the payment of debts, taxes, fees, and other obligations.

28 (8) "Person" includes:

29 (A) A natural person;

30 (B) Any type or form of legal entity; and

31 (C) A government, governmental subdivision or agency, governing authority, or other body
32 politic.

33 (9) "Transactional gold and silver" means a transfer of ownership of physical bullion in
34 exact units of metal in fractional troy ounces or grams that:

(A) May be transferred through electronic or written instruction through a transaction by the owner of the bullion;

(B) May be used to make or receive payments, or to transfer value, within this state or between persons who consent to its use;

(C) Is physical bullion held in a qualified depository on an allocated basis, including through any pooled bullion holding, with each account holder possessing an ownership interest in the underlying bullion; and

(D) Is fully redeemable as physical bullion on demand by the owner of the bullion.

(10) "Treasurer" means the Treasurer of the State of West Virginia or his or her authorized designee.

§47-29-3. Bullion legal tender in this state.

(a) Bullion is recognized as legal tender by this state and may be used for payment of:

(1) Debts or other obligations between or among persons if such persons mutually agree to the use of bullion; and

(2) Taxes, fees, and other obligations owed to the state.

(b) No person may be required to accept bullion.

§47-29-4. Authority and duties of Treasurer; rulemaking.

(a) The Treasurer may operate a bullion depository directly or contract with one or more depository agents.

(b) The Treasurer may contract with another person to develop or operate an electronic payment system.

(c) The Treasurer may limit the types of bullion as is reasonably necessary to ensure the worth of bullion, to facilitate the ease of transactions under this article, or to ensure the worth of coin or of gold or silver in another form. Any such limitation shall be posted on the Treasurer's website.

(d) The Treasurer shall propose rules for legislative approval in accordance with the

provisions of §29A-3-1 *et seq.* of this code that:

(1) Designate or establish one or more bullion depositories for the secure storage of bullion to facilitate transactions under this article;

(2) Authorize and approve one or more electronic payment systems to facilitate transactions under this article;

(3) Ensure that any designated or established bullion depository is secure, transparent as to its services and fees, and accessible to any person residing in West Virginia;

(4) Ensure that each authorized and approved electronic payment system is reliable and complies with applicable state and federal laws;

(5) Ensure that any depository agent and related contracted person operates in the best interests of the State of West Virginia; and

(6) Are otherwise necessary to implement this article.

(e) The Treasurer shall regularly review and verify the following:

(1) The amount of gold bullion and silver bullion held by the designated or established bullion depository;

(2) That the designated or established bullion depository complies with applicable state and federal laws;

(3) That each authorized and approved electronic payment system and any participating vendors are:

(A) Authorized to do business in this state; and

(B) Compliant with all applicable state and federal laws;

(4) That appropriate fraud prevention measures are implemented by:

(A) All designated or established bullion depositories;

(B) Each depository agent contracted entity;

(C) Each authorized and approved electronic payment system; and

(D) Each participating vendor of an authorized and approved electronic payment system;

(5) That the privacy of the bullion depository's account holders and the participants of each authorized and approved electronic payment system are ensured, which shall include that transaction information may not, except to the extent reasonably necessary to enforce and effectuate this article, be shared with any person other than the account holder or participant without proper court authorization;

(6) That any bullion depository designated or established under this article shall have a contractual relationship with each electronic payment system that is authorized and approved by the Treasurer to provide services for deposits of bullion;

(7) That for each deposit made in a bullion depository designated or established by the Treasurer the bullion depository insures the deposit under an all-risk insurance policy issued by a nongovernmental-operated insurer for 100 percent of the full replacement value of the deposit; and

(8) That all fees and costs imposed by a bullion depository, depository agent, electronic payment system, and any agent or vendor of such depository, agent, or system on any person residing in West Virginia are reasonable considering actual service costs and expenses.

§47-29-5. Implementation date; reporting.

(a) The Treasurer shall implement the provisions of this article by July 1, 2027.

(b) By July 1 of each year, the Treasurer shall submit a report in an electronic format to the Joint Committee on Government and Finance that includes:

(1) The status and operation of each designated or established bullion depository;

(2) The implementation and usage of each authorized and approved electronic payment system;

(3) The state's fiscal and economic effect of recognizing bullion as legal tender, if any; and

(4) Any concerns or recommendations concerning the Transactional Gold and Silver Act.

§47-29-6. Tax exemptions.

(a) The exchange of one type or form of legal tender for another type or form of legal

2 tender shall not give rise to any tax liability in this state.

3 (b) The purchase, sale, or exchange of bullion shall not give rise to any tax liability in this

4 state.