

SENATE BILL 2735

By Niceley

AN ACT to amend Tennessee Code Annotated, Title 9,
Chapter 4, relative to a facility to produce a wide
range of precious metal products.

WHEREAS, the governor signed House Bill 1479 / Senate Bill 519 (Chapter 69 of the Public Acts of 2023), which was enacted by the 113th General Assembly, allowing the state treasurer to purchase and sell physical gold and precious metal bullion; and

WHEREAS, it is in the interest of the State to enable residents and interested parties to purchase, securely and reliably, gold and precious metal bullion; and

WHEREAS, gold and precious metal bullion offered for sale by the State must be securely controlled and identifiable as originating from the State; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 9-4-801, is amended by deleting the language "section" and substituting instead the language "part", and adding the following as new, appropriately numbered subdivisions:

() "Covered activity" means:

(A) Making capital improvements, including construction, reconstruction, and nonroutine maintenance of a structure, infrastructure, or improvement relating to the operation of, or access to, a facility to produce bullion products in uniform shapes, including, but not limited to, rounds, bars, and commemorative pieces with unique designs, shapes, and finishes that appeal to collectors and investors;

(B) Receiving orders from the state for the production of such bullion products and shipping them to locations designated by the state treasurer in a state depository; and

(C) Another activity necessary to operate or maintain the facility of an eligible entity;

() "Eligible entity" means an entity with:

(A) Previous or current contracts with the federal government and other governmental entities to produce coinage products in uniform shapes to be stamped by the respective governments into official coin products;

(B) A written comprehensive plan to build all facilities necessary for operation of the Tennessee Mint, which comply with the requirements of § 9-4-803; and

(C) United States domicile and ownership, operating for over fifty (50) years as a manufacturer, with not less than forty (40) of such years manufacturing coinage products in uniform shape for coin products;

() "State depository" has the same meaning as defined in § 9-4-107; and

() "State mint" or "Tennessee Mint" means a facility in existence on the effective date of this act, which is designated by a contractual agreement between an eligible entity with the state treasurer pursuant to § 9-4-803 to securely produce, store, process, and ship bullion products for the state's depository.

SECTION 2. Tennessee Code Annotated, Title 9, Chapter 4, Part 8, is amended by adding the following language as a new section:

9-4-803.

Pursuant to the procurement requirements and process required in title 12, chapter 4, relating to public contracts, and subject to appropriation, the state treasurer shall:

(1) Enter into an agreement with an eligible entity to carry out covered activities in order to serve as the state mint and upon completion of such covered activities, designating it as the state mint; and

(2) Promulgate rules to effectuate the operations of the state mint established in this section. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 5, chapter 5.

SECTION 3. If any provision of this act or its application to any person or circumstance is held invalid, then the invalidity does not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end, the provisions of this act are severable.

SECTION 4. This act takes effect July 1, 2024, the public welfare requiring it.