

BILL ANALYSIS

Senate Research Center

C.S.H.B. 1056
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Finance
5/23/2025
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2015, the 84th Texas Legislature passed H.B. 483, establishing the Texas Bullion Depository—the first state-administered precious metals depository in the nation. Despite its significance, the depository remains underutilized. At the same time, inflation has eroded the value of the U.S. dollar, with 2022 seeing the sharpest decline in purchasing power since 1980. This has disproportionately impacted low-income Texans, many of whom seek stable alternatives like gold and silver. However, there are currently few practical ways for Texans to use precious metals in everyday transactions.

H.B. 1056 empowers the Comptroller of Public Accounts of the State of Texas (comptroller) to leverage existing technology to make the Texas Bullion Depository more accessible and functional for citizens. Specifically, it authorizes the creation of a transactional currency backed by physical gold and silver held in the depository. The bill directs the comptroller to establish mechanisms for conducting transactions with this currency and provide options for redemption in either U.S. dollars or physical bullion. This system would give Texans a practical hedge against inflation while enabling commerce through a secure, gold-backed currency. The state would charge a service fee to cover administrative costs and potentially generate a financial return.

(Original Author's/Sponsor's Statement of Intent)

C.S.H.B. 1056 amends current law relating to the recognition of gold and silver specie as legal tender and the establishment of a transactional currency based on gold and silver and authorizes a fee.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Comptroller of Public Accounts of the State of Texas in SECTION 1 (Section 2116.105, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 2116, Government Code, by adding Subchapter D, as follows:

SUBCHAPTER D. GOLD AND SILVER CURRENCY

Sec. 2116.101. LEGAL TENDER. (a) Provides that, to the extent authorized by Section 10, Article I, United States Constitution, gold and silver specie that meet the requirements of this section are hereby recognized by this state as legal tender.

(b) Prohibits gold or silver specie recognized as legal tender from being imprinted, stamped, or otherwise marked with any name, symbol, or other information or design, including any suggestion that such specie has been minted or issued by any government, except that such specie is required to be imprinted, stamped, or otherwise marked with the specie's weight and purity and is authorized to be imprinted, stamped, or otherwise marked with the name or symbol that identifies any refiner or mint of the gold or silver specie.

- (c) Provides that this section does not restrict the electronic transfer of gold or silver specie or currency as tender for the payment of a debt.
- (d) Provides that this section does not apply to United States coin or currency issued or recognized under federal law.
- (e) Provides that this subchapter does not prohibit or limit the tender, acceptance, or use of Federal Reserve notes in the payment of debts.
- (f) Prohibits a person or entity, including any governmental entity, from being required to offer or accept any legal tender recognized under this subsection for the payment of a debt, deposit, or any other purpose.

Sec. 2116.103. TRANSACTIONAL CURRENCY. Authorizes the Comptroller of Public Accounts of the State of Texas (comptroller) to establish or authorize one or more electronic systems that enable depositors, or vendors on behalf of depositors, to make and receive payments that are backed by bullion held in the depository.

Sec. 2116.104. CONTRACTING. Authorizes the comptroller to contract with one or more vendors to implement this subchapter. Requires the comptroller, to the extent consistent with state and federal law, in contracting with a private vendor under this subsection, to give preference to a vendor whose principal place of business is in this state.

Sec. 2116.105. RULES. Requires the comptroller to adopt rules as necessary or convenient to implement and administer this subchapter, including rules to provide for the security of transactions and related data; determine the value of gold and silver currency at the time of a transaction or in a commercially reasonable manner; establish fees that are reasonable and necessary to administer this subchapter; authorize and approve vendors, including financial institutions, to provide an electronic payment system that uses bullion held in the depository as backing; and adopt policies and procedures to prevent fraud and prevent transactions involving a foreign adversary or a person associated with a foreign adversary as identified under 15 C.F.R. § 791.4.

SECTION 2. (a) Provides that, except as provided by Subsection (b) of this section, this Act takes effect September 1, 2026.

(b) Provides that Section 2116.101, Government Code, as added by this Act, takes effect May 1, 2026.