

**First Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 09-0722.02 Ed DeCecco

**HOUSE BILL 09-1206**

---

**HOUSE SPONSORSHIP**

**Lambert,**

**SENATE SPONSORSHIP**

**Lundberg,**

---

**House Committees**  
State, Veterans, & Military Affairs

**Senate Committees**

---

**A BILL FOR AN ACT**

101     **CONCERNING AN ELECTRONIC CURRENCY BACKED BY RESERVES OF**  
102     **PRECIOUS METALS.**

---

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

Establishes a system for certain transactions to allow the state and political subdivisions to make and receive payment using an electronic gold currency, which transactions shall include:

- !     Taxes and other involuntary charges;
- !     Purchase or sale of property by the state or a political subdivision;
- !     Any payment that arises out of the exercise of eminent

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

- domain;
- ! Judgments, decrees, or orders; and
- ! Wages, salaries, fees, or other monetary compensation.

Requires tobacco taxes to be paid using electronic gold currency. Requires the state treasurer to designate electronic gold currency providers through which the electronic gold currency transactions will be conducted for the state and political subdivisions. Requires any person that wants to make or receive a payment in electronic gold currency to maintain an account with an electronic gold currency payment provider. Requires the state treasurer and a fiscal officer of a political subdivision to facilitate the implementation of the electronic gold currency system.

Establishes qualifications for a designated gold currency payment provider, which include:

- ! Storage of gold representing the electronic gold currency units in each customer's account by an independent specie vault;
- ! Association with, or provision of services of, a specie exchange to allow the customers of the electronic gold currency payment provider to undertake various conversions involving gold and silver coin, electronic gold currency, and legal tender of the United States.

Establishes qualifications for an independent specie vault and for specie exchange.

Establishes civil liability and criminal penalties for the inaccurate determination of exchange rates between electronic gold currency and legal tender of the United States.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** Title 24, Colorado Revised Statutes, is amended BY  
3 THE ADDITION OF A NEW ARTICLE to read:

4 **ARTICLE 19.3**

5 **Payment in Coin and Electronic Currency**

6 **24-19.3-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND  
7 MAY BE CITED AS THE "COLORADO HONEST MONEY ACT".

8 **24-19.3-102. Legislative declaration.** (1) THE GENERAL  
9 ASSEMBLY HEREBY FINDS AND DECLARES THAT:

10 (a) THE ABSENCE OF GOLD AND SILVER COIN OR OF AN ELECTRONIC

1 GOLD CURRENCY THAT IS PAYABLE IN A SPECIFIED WEIGHT OF GOLD METAL  
2 AND CONVERTIBLE ON DEMAND INTO GOLD AND SILVER COIN AS MEDIA OF  
3 EXCHANGE BETWEEN THE STATE OF COLORADO AND THE CITIZENS,  
4 INHABITANTS, AND BUSINESSES OF THE STATE:

5 (I) EXPOSES THE STATE AND THE CITIZENS, INHABITANTS, AND  
6 BUSINESSES OF THE STATE TO CHRONIC PROBLEMS AND POTENTIALLY  
7 SERIOUS CRISES THAT MAY ARISE FROM THE ECONOMIC AND POLITICAL  
8 INSTABILITY OF THE PRESENT DOMESTIC AND INTERNATIONAL SYSTEMS OF  
9 COINAGE, CURRENCY, BANKING, AND CREDIT;

10 (II) EXPOSES THE STATE AND THE CITIZENS, INHABITANTS, AND  
11 BUSINESSES OF THE STATE TO THE CHRONIC DEPRECIATION OF MEDIA OF  
12 EXCHANGE OTHER THAN GOLD AND SILVER; AND

13 (III) WEAKENS THE FISCAL FOUNDATION OF THE STATE AND THE  
14 CITIZENS, INHABITANTS, AND BUSINESSES OF THE STATE; AND

15 (b) IT IS NECESSARY AND PROPER FOR THE GENERAL ASSEMBLY TO  
16 GUARANTEE TO AND PROVIDE FOR THE STATE A CONSTITUTIONAL AND  
17 ECONOMICALLY SOUND MEDIA OF EXCHANGE BY EXERCISING THE STATE'S  
18 POWER, PRIVILEGE, AND DUTY TO MAKE GOLD AND SILVER COIN A TENDER  
19 IN PAYMENT OF DEBTS, AS RESERVED TO AND REQUIRED OF EACH STATE  
20 UNDER CLAUSE 1 OF SECTION 10 OF ARTICLE I OF THE UNITED STATES  
21 CONSTITUTION, AND CONFIRMED BY THE TENTH AMENDMENT THERETO.

22 **24-19.3-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE  
23 CONTEXT OTHERWISE REQUIRES:

24 (1) "ELECTRONIC GOLD CURRENCY" MEANS A SPECIFICALLY  
25 DEFINED AMOUNT OF GOLD, MEASURED IN AN ELECTRONIC GOLD  
26 CURRENCY UNIT, THAT AN ELECTRONIC GOLD CURRENCY PAYMENT  
27 PROVIDER MAKES AVAILABLE TO ITS CUSTOMERS AS A MEDIUM OF

1 EXCHANGE.

2 (2) "ELECTRONIC GOLD CURRENCY ACCOUNT" MEANS AN ACCOUNT  
3 THAT IS WITH AN ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER AND  
4 IN WHICH THE ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER  
5 RECEIVES AND MAINTAINS, AND FROM WHICH THE ELECTRONIC GOLD  
6 CURRENCY PAYMENT PROVIDER TRANSFERS, ELECTRONIC GOLD CURRENCY  
7 UNITS ON BEHALF OF A CUSTOMER.

8 (3) "ELECTRONIC GOLD CURRENCY UNIT" MEANS A UNIT OF  
9 MONETARY ACCOUNT THAT REPRESENTS A CUSTOMER'S CLAIM OF TITLE  
10 AND OWNERSHIP TO A SPECIFICALLY DEFINED FIXED WEIGHT OF GOLD OR  
11 SILVER, OR BOTH GOLD AND SILVER, THAT MAY BE TRANSFERRED AMONG  
12 CUSTOMERS' ACCOUNTS MAINTAINED BY AN ELECTRONIC GOLD CURRENCY  
13 PAYMENT PROVIDER.

14 (4) "FINANCIAL INSTITUTION" MEANS ANY BANK, TRUST COMPANY,  
15 CREDIT UNION, DEPOSITARY INSTITUTION, SAVINGS INSTITUTION, OR ANY  
16 OTHER SIMILAR BUSINESS OR INSTITUTION.

17 (5) "FISCAL OFFICER" MEANS A MUNICIPAL OR COUNTY  
18 TREASURER.

19 (6) "GOLD AND SILVER COIN" MEANS ANY OF THE FOLLOWING  
20 GOLD COINS, SILVER COINS, OR COMBINATION OF BOTH:

21 (a) GOLD COINS, WHICH SHALL INCLUDE:

22 (I) UNITED STATES AMERICAN EAGLE COINS, OF ALL  
23 DENOMINATIONS, MINTED UNDER PUBLIC LAW 99-185;

24 (II) AUSTRIAN ONE HUNDRED CORONA, TWENTY CORONA, FOUR  
25 DUCAT, AND ONE DUCAT;

26 (III) BRITISH SOVEREIGN;

27 (IV) CANADIAN ONE AND ONE-TENTH MAPLE LEAF;

1 (V) FRENCH TWENTY FRANC;

2 (VI) MEXICAN FIFTY, TWENTY, TEN, FIVE, AND TWO AND ONE-HALF  
3 PESO;

4 (VII) SOUTH AFRICAN ONE, ONE-HALF, ONE-QUARTER, AND  
5 ONE-TENTH KRUGERRAND; AND

6 (VIII) SWISS TWENTY FRANC; AND

7 (b) SILVER COINS, WHICH SHALL INCLUDE:

8 (I) UNITED STATES DOLLARS, SO DENOMINATED AND WHENEVER  
9 MINTED, THAT WERE OR ARE REQUIRED BY THE STATUTES AUTHORIZING  
10 THEIR COINAGE TO CONTAIN 371.25 GRAINS OF FINE SILVER PER DOLLAR;

11 (II) UNITED STATES HALF DOLLARS, QUARTER DOLLARS, AND  
12 DIMES, SO DENOMINATED, WHENEVER MINTED, THAT WERE OR ARE  
13 REQUIRED BY THE STATUTES AUTHORIZING THEIR COINAGE TO CONTAIN  
14 FINE SILVER IN AMOUNTS PROPORTIONATE TO THE CONSTITUTIONAL  
15 SILVER DOLLAR OF 371.25 GRAINS OF FINE SILVER PER DOLLAR;

16 (III) UNITED STATES AMERICAN EAGLE OR LIBERTY COINS MINTED  
17 UNDER PUBLIC LAW 99-61; AND

18 (IV) CANADIAN MAPLE LEAF.

19 (7) "INDEPENDENT SPECIE VAULT" MEANS A CORPORATION,  
20 PARTNERSHIP, LIMITED LIABILITY COMPANY, LIMITED LIABILITY  
21 PARTNERSHIP, TRUST COMPANY, OR OTHER LEGAL ENTITY THAT IS NOT  
22 AFFILIATED WITH AN ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER  
23 BY COMMON OWNERSHIP, CONTROL, OR OPERATION AND THAT IS UNDER A  
24 CONTRACTUAL ARRANGEMENT TO PERFORM FOR AN ELECTRONIC GOLD  
25 CURRENCY PAYMENT PROVIDER THE FUNCTIONS DESCRIBED IN SECTION  
26 24-19.3-107.

27 (8) (a) "LEGAL TENDER OF THE UNITED STATES" MEANS THE

1 FOLLOWING:

2 (I) ALL COINS OF THE UNITED STATES, WHENEVER MINTED, THAT  
3 WERE OR ARE REQUIRED BY THE STATUTE AUTHORIZING THEIR ISSUANCE  
4 TO BE COMPOSED OF FINE SILVER OR FINE GOLD TO THE EXTENT OF LESS  
5 THAN EIGHTY-FIVE PERCENT, BY WEIGHT;

6 (II) ALL COINS OF THE UNITED STATES, WHENEVER MINTED, THAT  
7 WERE OR ARE REQUIRED BY THE STATUTES AUTHORIZING THEIR ISSUANCE  
8 TO BE COMPOSED SOLELY OF BASE METALS;

9 (III) ALL PAPER CURRENCIES, WHENEVER ISSUED, THAT ARE  
10 EMITTED BY THE UNITED STATES, OR BY ANY INDIVIDUAL, PERSON,  
11 CORPORATION, OR OTHER LEGALLY RECOGNIZED ENTITY ACTING UNDER  
12 THE AUTHORITY OF THE LAWS OF THE UNITED STATES AND THAT ARE NOT  
13 GUARANTEED BY LAW TO BE REDEEMABLE AND IN FACT ARE NOT BEING  
14 REDEEMED ON A DOLLAR-FOR-DOLLAR BASIS IN GOLD AND SILVER COIN OF  
15 THE UNITED STATES THAT WERE OR ARE REQUIRED BY THE STATUTES  
16 AUTHORIZING THEIR ISSUANCE TO BE COMPOSED OF FINE SILVER OR FINE  
17 GOLD TO THE EXTENT OF EIGHTY-FIVE PERCENT OR MORE, BY WEIGHT.

18 (b) "LEGAL TENDER OF THE UNITED STATES" DOES NOT INCLUDE  
19 ANY GOLD AND SILVER COIN, REGARDLESS OF WHETHER THE GOLD AND  
20 SILVER COIN WERE DESIGNATED OR ARE DESIGNATED AS LEGAL TENDER  
21 UNDER THE LAWS OF THE UNITED STATES.

22 (9) "PERSON" MEANS ANY INDIVIDUAL, CORPORATION,  
23 GOVERNMENT OR GOVERNMENTAL SUBDIVISION OR AGENCY, BUSINESS  
24 TRUST, ESTATE, TRUST, LIMITED LIABILITY COMPANY, PARTNERSHIP,  
25 ASSOCIATION, OR OTHER LEGAL ENTITY.

26 (10) "POLITICAL SUBDIVISION" MEANS A MUNICIPALITY, COUNTY,  
27 CITY AND COUNTY, OR TOWN IN THE STATE.

1 (11) "SPECIE EXCHANGE" MEANS ANY PERSON THAT CONDUCTS  
2 THE BUSINESS OF EXCHANGING, IN ANY COMBINATION:

3 (a) GOLD AND SILVER COIN;

4 (b) LEGAL TENDER OF THE UNITED STATES; AND

5 (c) THE ELECTRONIC GOLD CURRENCY OF AN ELECTRONIC GOLD  
6 CURRENCY PAYMENT PROVIDER FOR PERSONS WITHIN THE STATE,  
7 REGARDLESS OF WHERE THE PERSON FUNCTIONING AS A SPECIE EXCHANGE  
8 IS LEGALLY ORGANIZED OR DOMICILED OR MAINTAINS THE PERSON'S  
9 PRINCIPAL PLACE OF BUSINESS.

10 (12) "STATE" MEANS THE STATE OF COLORADO AND INCLUDES  
11 ANY OFFICER, AGENCY, BRANCH, DEPARTMENT, BOARD, BUREAU,  
12 COMMISSION, DIVISION, OR INSTITUTION OF THE STATE AND ANY  
13 CORPORATION OF THE STATE OR BODY POLITIC OF THE STATE.

14 **24-19.3-104. State treasurer - fiscal officer - duties.** (1) THE  
15 STATE TREASURER SHALL:

16 (a) DESIGNATE ONE OR MORE ELECTRONIC GOLD CURRENCY  
17 PAYMENT PROVIDERS TO BE AN ELECTRONIC GOLD CURRENCY PAYMENT  
18 PROVIDER FOR THE STATE AND POLITICAL SUBDIVISIONS;

19 (b) MAINTAIN ONE OR MORE ELECTRONIC GOLD CURRENCY  
20 ACCOUNTS WITH ONE OR MORE DESIGNATED ELECTRONIC GOLD CURRENCY  
21 PAYMENT PROVIDERS;

22 (c) CONDUCT ALL MONETARY TRANSACTIONS OF THE STATE  
23 INVOLVING GOLD AND SILVER IN ANY FORM THROUGH DESIGNATED  
24 ELECTRONIC GOLD CURRENCY PAYMENT PROVIDERS AND THROUGH  
25 ELECTRONIC GOLD CURRENCY ACCOUNTS;

26 (d) ADOPT ANY RULES AND GUIDELINES THAT ARE NECESSARY AND  
27 PROPER TO IMPLEMENT THIS ARTICLE;

1 (e) PREPARE AND DISTRIBUTE ALL NECESSARY AND APPROPRIATE  
2 FORMS, INSTRUCTIONS, AND OTHER INFORMATIONAL MATERIALS TO  
3 EDUCATE PERSONS CONCERNING THEIR RIGHTS, DUTIES, AND OPTIONS  
4 UNDER THIS ARTICLE AND ENABLE PERSONS TO PAY TO AND RECEIVE FROM  
5 THE STATE GOLD AND SILVER IN ANY FORM, AS REQUIRED OR ALLOWED  
6 UNDER THIS ARTICLE;

7 (f) REPORT AT LEAST QUARTERLY TO THE GENERAL ASSEMBLY  
8 AND TO THE GOVERNOR CONCERNING RECEIPTS, DEPOSITS,  
9 DISBURSEMENTS, AND OTHER RELEVANT INFORMATION RELATED TO  
10 MONETARY TRANSACTIONS INVOLVING GOLD AND SILVER IN ANY FORM;

11 (g) MAKE RECOMMENDATIONS TO THE GENERAL ASSEMBLY  
12 CONCERNING THE ADMINISTRATION OF THIS ARTICLE; AND

13 (h) ADVISE ANY FISCAL OFFICER WHO REQUESTS INFORMATION OR  
14 ASSISTANCE RELATED TO THE FISCAL OFFICER'S IMPLEMENTATION OF THIS  
15 ARTICLE.

16 (2) THE FISCAL OFFICER OF EACH POLITICAL SUBDIVISION SHALL:

17 (a) MAINTAIN ONE OR MORE ELECTRONIC GOLD CURRENCY  
18 ACCOUNTS WITH ONE OR MORE ELECTRONIC GOLD CURRENCY PAYMENT  
19 PROVIDERS WHO ARE DESIGNATED BY THE STATE TREASURER PURSUANT  
20 TO PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION;

21 (b) CONDUCT ALL MONETARY TRANSACTIONS OF THE FISCAL  
22 OFFICER'S POLITICAL SUBDIVISION INVOLVING GOLD AND SILVER IN ANY  
23 FORM THROUGH DESIGNATED ELECTRONIC GOLD CURRENCY PAYMENT  
24 PROVIDERS AND THROUGH ELECTRONIC GOLD CURRENCY ACCOUNTS;

25 (c) PREPARE AND DISTRIBUTE ALL NECESSARY AND APPROPRIATE  
26 FORMS, INSTRUCTIONS, AND OTHER INFORMATIONAL MATERIALS TO  
27 EDUCATE PERSONS AS TO THEIR RIGHTS, DUTIES, AND OPTIONS UNDER THIS



1 ARTICLE AND ENABLE PERSONS TO PAY TO AND RECEIVE FROM THE FISCAL  
2 OFFICER'S POLITICAL SUBDIVISION GOLD AND SILVER IN ANY FORM, AS  
3 REQUIRED OR ALLOWED UNDER THIS ARTICLE; AND

4 (d) CONSULT WITH THE STATE TREASURER ON THE MOST  
5 EFFECTIVE AND EFFICIENT MANNER OF IMPLEMENTING THIS ARTICLE  
6 WITHIN THE FISCAL OFFICER'S POLITICAL SUBDIVISION.

7 **24-19.3-105. Account with designated electronic gold currency**  
8 **payment provider required.** ALL PERSONS WHO DEAL WITH THE STATE  
9 OR A POLITICAL SUBDIVISION IN MONETARY TRANSACTIONS INVOLVING  
10 GOLD AND SILVER IN ANY FORM SHALL MAINTAIN AT LEAST ONE ACCOUNT  
11 WITH A DESIGNATED ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER.

12 **24-19.3-106. Designated electronic gold currency payment**  
13 **providers - qualification.** (1) IN ORDER TO QUALIFY FOR DESIGNATION  
14 BY THE STATE TREASURER PURSUANT TO SECTION 24-19.3-104 (1) (a), AN  
15 ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER SHALL:

16 (a) USE AN ELECTRONIC GOLD CURRENCY UNIT THAT CONSTITUTES  
17 A MONETARY UNIT OF ACCOUNT AND REPRESENTS A CLAIM OF TITLE TO  
18 AND OWNERSHIP OF A SPECIFICALLY DEFINED FIXED WEIGHT OF GOLD HELD  
19 IN ALLOCATED STORAGE FOR CUSTOMERS IN AND BY AN INDEPENDENT  
20 SPECIE VAULT;

21 (b) DESIGNATE RECEIPTS AND HOLDINGS OF GOLD IN, AND  
22 TRANSFER GOLD AMONG, THE ACCOUNTS OF CUSTOMERS OF THE  
23 ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER ONLY IN THE  
24 ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER'S ELECTRONIC GOLD  
25 CURRENCY UNIT;

26 (c) PROVIDE A SEPARATE ACCOUNT FOR EACH CUSTOMER THAT IS  
27 ACCESSIBLE TO THE CUSTOMER THROUGH THE INTERNET AND THAT

1       ALLOWS ELECTRONIC GOLD CURRENCY UNITS TO BE ADDED TO THE  
2       ACCOUNT OR TRANSFERRED TO OTHER CUSTOMERS' ACCOUNTS, TO SPECIE  
3       EXCHANGES, OR TO FINANCIAL INSTITUTIONS THAT ASSOCIATE OR  
4       MAINTAIN ACCOUNTS WITH THE ELECTRONIC GOLD CURRENCY PAYMENT  
5       PROVIDER, AS THE CUSTOMER MAY DIRECT;

6               (d) MAINTAIN A SECURE ELECTRONIC DATABASE THAT RECORDS  
7       AND MAKES AVAILABLE FOR EACH CUSTOMER'S REVIEW EACH ACTIVITY IN  
8       THE CUSTOMER'S ACCOUNT UPON THE COMPLETION OF THE ACTIVITY AND  
9       THE NUMBER OF ELECTRONIC GOLD CURRENCY UNITS CREDITED TO AND  
10      AVAILABLE FOR THE CUSTOMER'S USE IN THE CUSTOMER'S ACCOUNT  
11      FOLLOWING THE COMPLETION OF THE ACTIVITY THAT MEETS THE  
12      REQUIREMENTS SET FORTH IN SUBSECTION (2) OF THIS SECTION;

13              (e) ACT AS AGENT ON BEHALF OF THE ELECTRONIC GOLD  
14      CURRENCY PAYMENT PROVIDER'S CUSTOMERS TO ARRANGE AND MAINTAIN  
15      SAFEKEEPING OF THE GOLD, REPRESENTED BY THE ELECTRONIC GOLD  
16      CURRENCY UNITS RECORDED IN THE CUSTOMERS' ACCOUNTS, IN  
17      SPECIFICALLY ALLOCATED STORAGE IN AND BY AN INDEPENDENT SPECIE  
18      VAULT, ON PRINCIPLES OF BAILMENT, SO THAT THE ELECTRONIC GOLD  
19      CURRENCY PAYMENT PROVIDER'S CUSTOMERS ALWAYS RETAIN TITLE TO  
20      AND OWNERSHIP OF ALL GOLD THAT MAY BE RECORDED AND MAINTAINED  
21      IN THEIR ACCOUNTS, SUBJECT ONLY TO CLAIMS THAT THE ELECTRONIC  
22      GOLD CURRENCY PAYMENT PROVIDER, THE INDEPENDENT SPECIE VAULT,  
23      OR BOTH, MAY BRING AGAINST CUSTOMERS FOR FEES OWED BUT NOT PAID;

24              (f) HAVE A MUTUAL, EXPLICIT, AND CONTRACTUALLY  
25      ENFORCEABLE POLICY AND AGREEMENT WITH THE INDEPENDENT SPECIE  
26      VAULT WITH WHICH THE ELECTRONIC GOLD CURRENCY PAYMENT  
27      PROVIDER ASSOCIATES THAT:

1 (I) RESERVES TO THE ELECTRONIC GOLD CURRENCY PAYMENT  
2 PROVIDER A RIGHT, THROUGH THE AUDITORS, ACCOUNTANTS, OR OTHER  
3 PERSONS DESIGNATED BY THE ELECTRONIC GOLD CURRENCY PAYMENT  
4 PROVIDER, AT ANY REASONABLE TIME, WITH OR WITHOUT PRIOR NOTICE,  
5 TO INSPECT THE INDEPENDENT SPECIE VAULT TO VERIFY THAT THE  
6 INDEPENDENT SPECIE VAULT IN FACT MAINTAINS IN ITS POSSESSION AND  
7 SUBJECT TO ITS CONTROL ALL OF THE GOLD REPRESENTED BY THE  
8 ELECTRONIC GOLD CURRENCY UNITS RECORDED IN ALL OF THE ACCOUNTS  
9 OF THE ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER'S CUSTOMERS;  
10 AND

11 (II) REQUIRES RETURN BY THE INDEPENDENT SPECIE VAULT, IF THE  
12 ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER FOR ANY REASON  
13 CEASES OPERATIONS, OF THE FULL FREE MARKET VALUE OF ALL THE GOLD  
14 OF THE ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER'S CUSTOMERS'  
15 BARS OF GOOD DELIVERY GOLD OF DESIGNATED WEIGHTS, LEGAL TENDER  
16 OF THE UNITED STATES IF THE WEIGHT OF GOLD TO BE DELIVERED DOES  
17 NOT REACH THE DESIGNATED AMOUNT, OR BOTH, AS THE CASE MAY BE;

18 (g) ASSOCIATE WITH, OR PROVIDE THE SERVICES OF, A SPECIE  
19 EXCHANGE SO THAT THE ELECTRONIC GOLD CURRENCY PAYMENT  
20 PROVIDER'S CUSTOMERS MAY ON DEMAND CONVERT:

21 (I) GOLD AND SILVER COIN INTO ELECTRONIC GOLD CURRENCY  
22 UNITS;

23 (II) ELECTRONIC GOLD CURRENCY UNITS INTO GOLD AND SILVER  
24 COIN;

25 (III) GOLD AND SILVER COIN INTO LEGAL TENDER OF THE UNITED  
26 STATES;

27 (IV) LEGAL TENDER OF THE UNITED STATES INTO GOLD AND

1 SILVER COIN;

2 (V) LEGAL TENDER OF THE UNITED STATES INTO ELECTRONIC  
3 GOLD CURRENCY UNITS; AND

4 (VI) ELECTRONIC GOLD CURRENCY UNITS INTO LEGAL TENDER OF  
5 THE UNITED STATES;

6 (h) ANNUALLY SUBJECT ALL OF THE ELECTRONIC GOLD CURRENCY  
7 PAYMENT PROVIDER'S POLICIES, SYSTEMS, AND OPERATIONS TO AN  
8 INDEPENDENT THIRD PARTY SYSTEMS AUDIT, OR EQUIVALENT REVIEW  
9 APPROVED BY THE STATE TREASURER, AND PROVIDE A CERTIFIED COPY OF  
10 THE AUDIT REPORT TO THE STATE TREASURER; AND

11 (i) CERTIFY TO THE STATE TREASURER THAT NONE OF THE  
12 ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER'S DIRECTORS,  
13 OFFICERS, PARTNERS, TRUSTEES, CHIEF EXECUTIVE, OR EMPLOYEES HAVE  
14 BEEN CONVICTED OF A FELONY OR CRIME OF MORAL TURPITUDE, HAVE  
15 BEEN FOUND LIABLE FOR A CIVIL JUDGMENT FOR FRAUD OR FORGERY, OR  
16 HAVE FILED FOR PERSONAL BANKRUPTCY. IF AN ELECTRONIC GOLD  
17 CURRENCY PAYMENT PROVIDER MAKES A MATERIALLY FALSE  
18 REPRESENTATION REGARDING ANY OF THE ELECTRONIC GOLD CURRENCY  
19 PAYMENT PROVIDER'S DIRECTORS, OFFICERS, PARTNERS, TRUSTEES, OR  
20 CHIEF EXECUTIVE, OR IF A CHANGE IN CIRCUMSTANCE CAUSES THE  
21 CERTIFICATION TO NO LONGER BE TRUE, THE ELECTRONIC GOLD CURRENCY  
22 PAYMENT PROVIDER SHALL BE DISQUALIFIED FROM BEING AN ELECTRONIC  
23 GOLD CURRENCY PAYMENT PROVIDER FOR THE STATE AND POLITICAL  
24 SUBDIVISIONS.

25 (2) (a) A SECURE ELECTRONIC DATABASE REQUIRED PURSUANT TO  
26 PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION SHALL BE MANAGED  
27 BY A PERSON THAT:

1 (I) IS NOT AFFILIATED BY COMMON OWNERSHIP, CONTROL, OR  
2 OPERATION WITH THE ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER;  
3 AND

4 (II) UNDER A CONTRACTUAL ARRANGEMENT PERFORMS FOR THE  
5 ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER THE NECESSARY DATA  
6 PROCESSING SERVICES.

7 (b) THE PERSON MANAGING THE SECURE ELECTRONIC DATABASE  
8 SHALL PROVIDE A REPORT TO THE ELECTRONIC GOLD CURRENCY PAYMENT  
9 PROVIDER, DELIVERED AT LEAST QUARTERLY, SPECIFYING THE NUMBER OF  
10 ELECTRONIC GOLD CURRENCY UNITS IN EACH CUSTOMER'S ACCOUNT AND  
11 THE TOTAL NUMBER OF GOLD CURRENCY UNITS IN ALL CUSTOMERS'  
12 ACCOUNTS.

13 (3) A FINANCIAL INSTITUTION MAY FUNCTION AS AN ELECTRONIC  
14 GOLD CURRENCY PAYMENT PROVIDER IF THE FINANCIAL INSTITUTION  
15 OTHERWISE MEETS ALL THE REQUIREMENTS OF AN ELECTRONIC GOLD  
16 CURRENCY PAYMENT PROVIDER.

17 (4) A PERSON MAY PROVIDE THE SERVICES OF BOTH AN  
18 ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER AND A SPECIE  
19 EXCHANGE IF THAT PERSON MEETS ALL OF THE REQUIREMENTS UNDER THIS  
20 ARTICLE FOR EACH OPERATION.

21 **24-19.3-107. Independent specie vault - qualifications.** (1) IN  
22 ORDER TO QUALIFY TO PERFORM SAFEKEEPING SERVICES FOR AN  
23 ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER DESIGNATED BY THE  
24 STATE TREASURER PURSUANT TO SECTION 24-19.3-104 (1) (a), AN  
25 INDEPENDENT SPECIE VAULT SHALL:

26 (a) HOLD ALL GOLD FOR EACH CUSTOMER OF THE ELECTRONIC  
27 GOLD CURRENCY PAYMENT PROVIDER IN SPECIFICALLY ALLOCATED

1 STORAGE IN A VAULT OR OTHER SECURE FACILITY;

2 (b) BE ADEQUATELY INSURED TO THE SATISFACTION OF THE STATE  
3 TREASURER;

4 (c) NOT BE AFFILIATED THROUGH COMMON OWNERSHIP, CONTROL,  
5 OR OPERATION WITH ANY ELECTRONIC GOLD CURRENCY PAYMENT  
6 PROVIDER FOR WHICH THE INDEPENDENT SPECIE VAULT PERFORMS THE  
7 FUNCTION OF SAFEKEEPING AND STORING GOLD FOR THE ELECTRONIC  
8 GOLD CURRENCY PAYMENT PROVIDER'S CUSTOMERS;

9 (d) FOR THE PURPOSE OF INCREASING OR DECREASING THE  
10 AMOUNTS OF PHYSICAL GOLD HELD IN AND BY THE INDEPENDENT SPECIE  
11 VAULT, UNDER TRANSFERS MADE TO OR ON BEHALF OF CUSTOMERS OF THE  
12 ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER FOR WHICH THE  
13 INDEPENDENT SPECIE VAULT PERFORMS THE FUNCTION OF SAFEKEEPING  
14 AND STORING GOLD, ASSOCIATE WITH A SPECIE EXCHANGE OR OTHER  
15 CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY, LIMITED  
16 LIABILITY PARTNERSHIP, TRUST COMPANY, OR OTHER LEGAL ENTITY THAT:

17 (I) REGULARLY DEALS IN THE PHYSICAL TRANSFER OF GOLD  
18 AMONG PRIVATE BUSINESSES OR GOVERNMENTAL AGENCIES;

19 (II) IS ADEQUATELY INSURED TO THE SATISFACTION OF THE STATE  
20 TREASURER; AND

21 (III) IS NOT AFFILIATED THROUGH COMMON OWNERSHIP, CONTROL,  
22 OR OPERATION WITH THE INDEPENDENT SPECIE VAULT OR ANY ELECTRONIC  
23 GOLD CURRENCY PAYMENT PROVIDER FOR WHICH THE INDEPENDENT  
24 SPECIE VAULT PERFORMS THE FUNCTION OF SAFEKEEPING AND STORING  
25 GOLD FOR THE ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER'S  
26 CUSTOMERS;

27 (e) REPORT AT LEAST QUARTERLY TO EACH ELECTRONIC GOLD

1 CURRENCY PAYMENT PROVIDER FOR WHICH THE INDEPENDENT SPECIE  
2 VAULT PERFORMS THE FUNCTION OF SAFEKEEPING AND STORING GOLD FOR  
3 THE ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER'S CUSTOMERS,  
4 CERTIFYING:

5 (I) THE WEIGHTS OF GOLD AND NUMBER OF ELECTRONIC GOLD  
6 CURRENCY UNITS, HELD IN AND BY THE INDEPENDENT SPECIE VAULT ON  
7 BEHALF OF EACH CUSTOMER OF EACH ELECTRONIC GOLD CURRENCY  
8 PAYMENT PROVIDER; AND

9 (II) THAT THE TOTAL WEIGHT OF GOLD HELD IN AND BY THE  
10 INDEPENDENT SPECIE VAULT ON BEHALF OF ALL THE CUSTOMERS OF EACH  
11 ELECTRONIC GOLD CURRENCY PAYMENT PROVIDER IS AT LEAST EQUAL TO  
12 THE TOTAL WEIGHT OF GOLD REPRESENTED BY EACH ELECTRONIC GOLD  
13 CURRENCY PAYMENT PROVIDER'S ELECTRONIC GOLD CURRENCY UNITS IN  
14 CIRCULATION AS MEDIA OF EXCHANGE IN ALL THE CUSTOMERS' ACCOUNTS  
15 AT THE TIME THE REPORT IS PREPARED;

16 (f) HAVE A MUTUAL, EXPLICIT, AND CONTRACTUALLY  
17 ENFORCEABLE POLICY AND AGREEMENT WITH EACH ELECTRONIC GOLD  
18 CURRENCY PAYMENT PROVIDER FOR WHICH THE INDEPENDENT SPECIE  
19 VAULT PERFORMS THE FUNCTION OF SAFEKEEPING AND STORING GOLD IN  
20 BAILMENT ON BEHALF OF THE ELECTRONIC GOLD CURRENCY PAYMENT  
21 PROVIDER'S CUSTOMERS, FOR RETURN OF THE FULL FREE MARKET VALUE  
22 OF THE CUSTOMERS' GOLD HELD IN AND BY THE INDEPENDENT SPECIE  
23 VAULT IN BARS OF GOOD DELIVERY GOLD OF DESIGNATED WEIGHTS, LEGAL  
24 TENDER OF THE UNITED STATES IF THE WEIGHT OF GOLD TO BE DELIVERED  
25 DOES NOT REACH THE DESIGNATED AMOUNT, OR BOTH BARS, IF THE  
26 CUSTOMERS' ELECTRONIC GOLD CURRENCY PAYMENT PROVIDERS FOR ANY  
27 REASON CEASE OPERATIONS.

1           (2) A FINANCIAL INSTITUTION MAY FUNCTION AS AN INDEPENDENT  
2 SPECIE VAULT IF THE FINANCIAL INSTITUTION OTHERWISE MEETS ALL THE  
3 REQUIREMENTS OF AN INDEPENDENT SPECIE VAULT.

4           (3) A PERSON MAY PROVIDE THE SERVICES OF BOTH AN  
5 INDEPENDENT SPECIE VAULT AND A SPECIE EXCHANGE IF THAT PERSON  
6 MEETS ALL OF THE REQUIREMENTS UNDER THIS ARTICLE FOR EACH  
7 OPERATION.

8           **24-19.3-108. Specie exchanges - qualifications.** (1) IN ORDER  
9 TO ENABLE AN ELECTRONIC PAYMENT PROVIDER TO QUALIFY FOR  
10 DESIGNATION BY THE STATE TREASURER PURSUANT TO SECTION  
11 24-19.3-104 (1) (a), A SPECIE EXCHANGE WITH WHICH THE ELECTRONIC  
12 GOLD CURRENCY PAYMENT PROVIDER ASSOCIATES MUST CONDUCT THE  
13 BUSINESS OF EXCHANGING, IN ANY COMBINATION, AND FOR FEES  
14 MUTUALLY AGREED UPON BY THE SPECIE EXCHANGE AND ITS CUSTOMERS,  
15 GOLD AND SILVER COIN, LEGAL TENDER OF THE UNITED STATES, AND THE  
16 ELECTRONIC GOLD CURRENCY OF THE ELECTRONIC GOLD CURRENCY  
17 PAYMENT PROVIDER, SO THAT ANY PERSON THAT CHOOSES TO DEAL IN  
18 GOLD AND SILVER WITH THE STATE OR A POLITICAL SUBDIVISION UNDER  
19 THIS ARTICLE MAY, AT THE PERSON'S OPTION:

20           (a) BEGIN THE PROCESS BY BRINGING GOLD AND SILVER COIN TO  
21 THE SPECIE EXCHANGE FOR THE PURPOSE OF OBTAINING THE FREE MARKET  
22 VALUE OF THE GOLD AND SILVER COIN IN AN ELECTRONIC GOLD  
23 CURRENCY;

24           (b) TERMINATE THE PROCESS BY BRINGING ELECTRONIC GOLD  
25 CURRENCY TO THE SPECIE EXCHANGE FOR THE PURPOSE OF OBTAINING THE  
26 FREE MARKET VALUE OF THE ELECTRONIC GOLD CURRENCY IN GOLD AND  
27 SILVER COIN; OR



1 (c) PERFORM A TRANSACTION DESCRIBED IN PARAGRAPH (a) OR (b)  
2 OF THIS SUBSECTION (1) IN LEGAL TENDER OF THE UNITED STATES.

3 (2) A FINANCIAL INSTITUTION MAY FUNCTION AS A SPECIE  
4 EXCHANGE IF THE FINANCIAL INSTITUTION OTHERWISE MEETS ALL THE  
5 REQUIREMENTS OF A SPECIE EXCHANGE.

6 **24-19.3-109. Payments to the state and political subdivisions.**

7 (1) AFTER DECEMBER 31, 2009, ALL PAYMENTS TO THE STATE REQUIRED  
8 PURSUANT TO ARTICLE 28 OR 28.5 OF TITLE 39, C.R.S., MUST BE MADE IN  
9 ELECTRONIC GOLD CURRENCY UNITS AT THE FREE MARKET RATE OF  
10 EXCHANGE, AS OF THE TIME OF PAYMENT, BETWEEN THE ELECTRONIC  
11 GOLD CURRENCY UNITS AND THE AMOUNTS OF LEGAL TENDER OF THE  
12 UNITED STATES.

13 (2) EXCEPT AS OTHERWISE SET FORTH IN SUBSECTION (1) OF THIS  
14 SECTION, THE PERSON LIABLE FOR ANY TAX OR INVOLUNTARY  
15 CONTRIBUTION, CHARGE, ASSESSMENT FEE, FINE, OR OTHER MONETARY  
16 PENALTY MAY DELIVER TO THE STATE OR THE POLITICAL SUBDIVISION,  
17 AND THE STATE OR THE POLITICAL SUBDIVISION SHALL RECEIVE IN  
18 PAYMENT, EITHER LEGAL TENDER OF THE UNITED STATES OR ELECTRONIC  
19 GOLD CURRENCY WITH, AT THE TIME OF PAYMENT, A TOTAL VALUE IN  
20 LEGAL TENDER EQUAL TO THE AMOUNT.

21 **24-19.3-110. Sales by the state and political subdivisions.**

22 (1) WITH RESPECT TO THE PURCHASE OR SALE AFTER DECEMBER 31,  
23 2009, BY THE STATE OR A POLITICAL SUBDIVISION OF LAND, REAL ESTATE,  
24 BUILDINGS, TANGIBLE PERSONAL PROPERTY, OR ANY OTHER ASSETS,  
25 PROPERTY, THINGS OF VALUE, LEGAL OR EQUITABLE RIGHTS, EASEMENTS,  
26 OR OTHER INTERESTS, THE FOLLOWING REQUIREMENTS SHALL APPLY:

27 (a) AT THE TIME OF SALE OR PURCHASE, THE STATE OR THE

1 POLITICAL SUBDIVISION SHALL DETERMINE AND CERTIFY THE PRICE OF THE  
2 THING TO BE SOLD, OR SHALL AGREE TO AND CERTIFY THE PRICE OF THE  
3 THING TO BE PURCHASED, IN BOTH LEGAL TENDER OF THE UNITED STATES  
4 AND ELECTRONIC GOLD CURRENCY;

5 (b) THE PURCHASER OF A THING TO BE SOLD BY THE STATE OR THE  
6 POLITICAL SUBDIVISION MAY DELIVER TO THE STATE OR THE POLITICAL  
7 SUBDIVISION, AND THE STATE OR THE POLITICAL SUBDIVISION SHALL  
8 RECEIVE FROM THE PURCHASER, IN PAYMENT, EITHER LEGAL TENDER OF  
9 THE UNITED STATES OR ELECTRONIC GOLD CURRENCY; AND

10 (c) THE SELLER OF THE THING TO BE PURCHASED BY THE STATE OR  
11 THE POLITICAL SUBDIVISION MAY RECEIVE FROM THE STATE OR THE  
12 POLITICAL SUBDIVISION, AND THE STATE OR THE POLITICAL SUBDIVISION  
13 SHALL DELIVER TO THE SELLER OF THE THING, IN PAYMENT, EITHER LEGAL  
14 TENDER OF THE UNITED STATES OR ELECTRONIC GOLD CURRENCY.

15 **24-19.3-111. Eminent domain payments.** AFTER DECEMBER 31,  
16 2009, THE STATE OR POLITICAL SUBDIVISION THAT IS MAKING A PAYMENT  
17 THAT ARISES OUT OF THE EXERCISE OF EMINENT DOMAIN SHALL  
18 DETERMINE AND CERTIFY THE AMOUNT OF SUCH PAYMENT IN BOTH LEGAL  
19 TENDER OF THE UNITED STATES AND IN ELECTRONIC GOLD CURRENCY.  
20 THE PERSON WHOSE PROPERTY HAS BEEN OR WILL BE CONDEMNED UNDER  
21 THE POWER OF EMINENT DOMAIN HAS THE OPTION OF ACCEPTING PAYMENT  
22 FOR THE PROPERTY IN EITHER LEGAL TENDER OF THE UNITED STATES OR  
23 IN ELECTRONIC GOLD CURRENCY.

24 **24-19.3-112. Judgment - awards and penalties.** (1) EXCEPT AS  
25 OTHERWISE PROVIDED IN THIS ARTICLE, WITH RESPECT TO ANY JUDGMENT,  
26 DECREE, OR ORDER THAT IS ISSUED AFTER DECEMBER 31, 2009, BY ANY  
27 COURT, ADMINISTRATIVE AGENCY, OR OTHER TRIBUNAL OF THE STATE OR

1 A POLITICAL SUBDIVISION ARISING IN A CIVIL ACTION OR PROCEEDING OR  
2 IN A CRIMINAL PROSECUTION AND THAT SPECIFIES, IMPOSES, ENFORCES, OR  
3 OTHERWISE INVOLVES MONETARY DAMAGES, AN AWARD, A PAYMENT, A  
4 FINE, OR OTHER MONETARY PENALTY OR FORFEITURE, THE STATE OR  
5 POLITICAL SUBDIVISION SHALL DETERMINE AND CERTIFY THE AMOUNT OF  
6 THE DAMAGES, AWARD, PAYMENT, FINE, PENALTY, OR FORFEITURE AS  
7 FOLLOWS:

8 (a) IN ANY CASE IN WHICH THE STATE OR POLITICAL SUBDIVISION  
9 IS ENTITLED TO RECEIVE A PAYMENT FOR THE STATE'S OR POLITICAL  
10 SUBDIVISION'S OWN ACCOUNT, THE PERSON REQUIRED TO PAY THE  
11 DAMAGES, AWARD, PAYMENT, FINE, PENALTY, OR FORFEITURE SHALL PAY  
12 THAT AMOUNT IN ELECTRONIC GOLD CURRENCY; AND

13 (b) IN CIVIL CASES, THE PERSON IN THE POSITION OF JUDGMENT  
14 CREDITOR MAY STIPULATE WITH THE PERSON IN THE POSITION OF  
15 JUDGMENT DEBTOR TO RECEIVE AND TO PAY, RESPECTIVELY, THE AMOUNT  
16 OF ANY AWARD, INCLUDING ANY AWARD OF ATTORNEY FEES, IN EITHER  
17 LEGAL TENDER OF THE UNITED STATES OR ELECTRONIC GOLD CURRENCY.  
18 THE STIPULATION SHALL BE SPECIFICALLY ENFORCED BY THE STATE OR  
19 POLITICAL SUBDIVISION AS A CONTRACT. IN THE ABSENCE OF SUCH A  
20 STIPULATION, THE STATE OR POLITICAL SUBDIVISION SHALL REQUIRE THE  
21 PERSON IN THE POSITION OF JUDGMENT DEBTOR TO PAY TO THE PERSON IN  
22 THE POSITION OF JUDGMENT CREDITOR BY USING THE MEDIUM OF  
23 EXCHANGE CHOSEN BY THE JUDGMENT CREDITOR.

24 **24-19.3-113. Monetary compensation.** (1) THE FOLLOWING  
25 SHALL APPLY WITH RESPECT TO ANY CONTRACT, AGREEMENT, OR OTHER  
26 ARRANGEMENT FOR THE PAYMENT AFTER DECEMBER 31, 2009, OF WAGES,  
27 SALARIES, FEES, OR OTHER MONETARY COMPENSATION TO ANY PERSON

1 THAT HAS PROVIDED OR WILL PROVIDE GOODS OR SERVICES TO, OR  
2 OTHERWISE BE ENTITLED TO PAYMENT FROM, THE STATE OR A POLITICAL  
3 SUBDIVISION, EITHER AS AN OFFICER, AN EMPLOYEE, AN AGENT, OR A  
4 CONTRACTOR OR IN ANY OTHER SIMILAR CAPACITY:

5 (a) THE STATE OR POLITICAL SUBDIVISION SHALL DETERMINE AND  
6 CERTIFY THE AMOUNT OF THE MONETARY COMPENSATION IN BOTH LEGAL  
7 TENDER OF THE UNITED STATES AND ELECTRONIC GOLD CURRENCY;

8 (b) EXCEPT AS OTHERWISE REQUIRED BY LAW, IF THE STATE OR  
9 POLITICAL SUBDIVISION IS REQUIRED TO WITHHOLD FROM THE  
10 COMPENSATION AND PAY OVER TO THE UNITED STATES OR TO THE STATE  
11 OR A POLITICAL SUBDIVISION ANY PERCENTAGE OR PORTION OF THE  
12 COMPENSATION BY WAY OF TAXES OR OTHER PUBLIC CHARGES, THOSE  
13 AMOUNTS SHALL BE PAID OVER IN LEGAL TENDER OF THE UNITED STATES.

14 (2) THE PERSON ENTITLED TO RECEIVE THE COMPENSATION SHALL  
15 HAVE THE OPTION TO RECEIVE IN EITHER LEGAL TENDER OF THE UNITED  
16 STATES OR ELECTRONIC GOLD CURRENCY THE NET AMOUNT REMAINING  
17 AFTER ANY DEDUCTIONS MADE UNDER PARAGRAPH (b) OF SUBSECTION (1)  
18 OF THIS SECTION, AND THE STATE OR POLITICAL SUBDIVISION SHALL  
19 SPECIFICALLY ENFORCE THE PERSON'S CHOICE AS A CONTRACT.

20 (3) IN THE CASE OF COMPENSATION TO BE PAID ON A REGULAR  
21 SCHEDULE, SUCH AS SALARIES, WAGES, OR PARTS OF CONTRACTUAL  
22 PRICES, OR ON ANY OTHER CONTINUOUS, ROUTINE, OR FREQUENT BASIS, A  
23 PERSON ENTITLED TO THE COMPENSATION MAY CHOOSE TO RECEIVE  
24 EITHER LEGAL TENDER OF THE UNITED STATES OR A DESIGNATED  
25 ELECTRONIC GOLD CURRENCY FOR ALL FUTURE PAYMENTS UNTIL THAT  
26 PERSON CHANGES THE PERSON'S CHOICE.

27 **24-19.3-114. Election of form of payment.** (1) WITH RESPECT

1 TO ANY TRANSACTION IN WHICH A PERSON IS REQUIRED TO ELECT THE  
2 FORM OF PAYMENT PURSUANT TO THIS ARTICLE, EACH PERSON ENGAGING  
3 IN THE TRANSACTION SHALL NOTIFY THE STATE OR POLITICAL SUBDIVISION  
4 IN A MANNER CONSIDERED TIMELY ACCORDING TO RULES OR GUIDELINES  
5 ADOPTED BY THE STATE TREASURER OR THE FISCAL OFFICER OF THE  
6 PERSON'S ELECTION TO RECEIVE OR TO PAY A DESIGNATED ELECTRONIC  
7 GOLD CURRENCY INSTEAD OF LEGAL TENDER OF THE UNITED STATES. THE  
8 ELECTION SHALL BE MADE BY USE OF FORMS OR OTHER MEANS  
9 DESIGNATED BY THE STATE TREASURER OR THE FISCAL OFFICER.

10 (2) IF A PERSON DOES NOT MAKE A TIMELY NOTIFICATION AS  
11 REQUIRED BY SUBSECTION (1) OF THIS SECTION, THE MEDIUM OF  
12 EXCHANGE FOR THE TRANSACTION IS LEGAL TENDER OF THE UNITED  
13 STATES.

14 **24-19.3-115. Electronic gold currency payment provider**  
15 **account - insufficient gold - priority of payments.** (1) A PERSON  
16 SHALL NOT PAY OR PROMISE TO PAY OUT ON BEHALF OF THE STATE OR A  
17 POLITICAL SUBDIVISION ANY GOLD IN EXCESS OF THE GOLD HELD IN THE  
18 STATE'S OR THE POLITICAL SUBDIVISION'S ACCOUNTS WITH ELECTRONIC  
19 GOLD CURRENCY PAYMENT PROVIDERS AT THE TIME OF PAYMENT.

20 (2) IF THERE IS NOT SUFFICIENT GOLD IN THE STATE'S OR A  
21 POLITICAL SUBDIVISION'S ACCOUNTS WITH ELECTRONIC GOLD CURRENCY  
22 PAYMENT PROVIDERS FOR THE STATE OR THE POLITICAL SUBDIVISION TO  
23 MAKE ANY PAYMENT ALLOWABLE UNDER THIS ARTICLE, THE PAYMENT  
24 SHALL BE MADE IN LEGAL TENDER OF THE UNITED STATES. A PAYMENT  
25 REQUESTED BY ANY PERSON TO BE MADE IN GOLD, WHERE THE GOLD  
26 NECESSARY FOR FULL PAYMENT IS UNAVAILABLE AT THE TIME OF THE  
27 DEMAND, SHALL NOT BE DEFERRED OR RESCHEDULED TO A FUTURE DATE

1 AT WHICH SUFFICIENT GOLD MAY BE AVAILABLE.

2 (3) IF THERE IS NOT SUFFICIENT GOLD IN THE STATE'S OR POLITICAL  
3 SUBDIVISION'S ACCOUNTS WITH ELECTRONIC GOLD CURRENCY PAYMENT  
4 PROVIDERS FOR THE STATE OR THE POLITICAL SUBDIVISION TO MAKE ANY  
5 PAYMENT ALLOWABLE UNDER THIS ARTICLE TO ALL PERSONS DEMANDING  
6 PAYMENT IN GOLD, BUT WHERE THERE IS SUFFICIENT GOLD TO PAY ONE OR  
7 MORE PERSONS DEMANDING PAYMENT IN GOLD, PAYEES SHALL BE  
8 PREFERRED AS FOLLOWS:

9 (a) PERSONS THAT HAVE PAID GOLD TO THE STATE OR THE  
10 POLITICAL SUBDIVISION DURING THE CURRENT FISCAL YEAR SHALL BE PAID  
11 IN PREFERENCE TO PERSONS WHO HAVE NOT MADE SUCH PAYMENTS;

12 (b) AMONG PERSONS WHO HAVE PAID GOLD TO THE STATE OR THE  
13 POLITICAL SUBDIVISION DURING THE CURRENT FISCAL YEAR, THOSE WHO  
14 HAVE PAID LARGER AMOUNTS OF GOLD SHALL BE PAID IN PREFERENCE TO  
15 THOSE WHO HAVE PAID SMALLER AMOUNTS; AND

16 (c) AMONG PERSONS WHO HAVE PAID GOLD TO THE STATE OR THE  
17 POLITICAL SUBDIVISION DURING THE CURRENT FISCAL YEAR IN EQUAL  
18 AMOUNTS, PREFERENCE SHALL BE ACCORDING TO THE PERSON WHO FIRST  
19 PAID THE GOLD.

20 (4) EACH FISCAL YEAR, THE STATE TREASURER AND EACH FISCAL  
21 OFFICER SHALL MAINTAIN LISTS OF ALL PERSONS WHO MAKE PAYMENTS IN  
22 ELECTRONIC GOLD CURRENCY AND THE AMOUNT OF PAYMENTS TO  
23 DETERMINE ALLOTING PREFERENCES UNDER SUBSECTION (3) OF THIS  
24 SECTION.

25 **24-19.3-116. Inaccurate determination - remedies -**  
26 **misdemeanor.** (1) A PERSON AGGRIEVED BY THE INACCURATE  
27 DETERMINATION OF EXCHANGE RATES BETWEEN LEGAL TENDER OF THE

1 UNITED STATES AND A DESIGNATED ELECTRONIC GOLD CURRENCY THAT  
2 AFFECTS ANY RIGHT, POWER, PRIVILEGE, OR IMMUNITY SECURED UNDER  
3 THIS ARTICLE MAY BRING A CIVIL ACTION AGAINST EACH PERSON  
4 RESPONSIBLE FOR THE INACCURATE DETERMINATION, IN BOTH THE  
5 OFFICIAL AND INDIVIDUAL CAPACITIES OF THE PERSON ALLEGEDLY  
6 RESPONSIBLE FOR THE INACCURATE DETERMINATION, FOR ANY  
7 APPROPRIATE FORMS OF RELIEF, INCLUDING MONETARY DAMAGES. IN  
8 SUCH A CIVIL ACTION, THE PERSON ALLEGEDLY RESPONSIBLE FOR THE  
9 INACCURATE DETERMINATION IS NOT IMMUNE FROM LIABILITY BECAUSE  
10 OF THE PERSON'S POSITION AS AN OFFICER OR EMPLOYEE OF THE STATE OR  
11 A POLITICAL SUBDIVISION. IN ANY CIVIL OR CRIMINAL CASE IN WHICH A  
12 PERSON AGGRIEVED BY AN INACCURATE DETERMINATION IS MADE A  
13 DEFENDANT, THE INACCURATE DETERMINATION MAY BE RAISED, WHERE  
14 RELEVANT, BY WAY OF DEFENSE, COUNTERCLAIM, SETOFF, OR OTHER  
15 PLEADING. IF THE ISSUE OF AN INACCURATE DETERMINATION IS DISMISSED  
16 WITH PREJUDICE, DECIDED BY SUMMARY JUDGMENT, HEARD AND DECIDED  
17 ON THE MERITS, OR DECIDED ON APPEAL, REASONABLE ATTORNEY FEES  
18 SHALL BE AWARDED TO THE PREVAILING PARTY FOR LITIGATION OF THAT  
19 QUESTION.

20 (2) A PERSON THAT MAKES AN INACCURATE DETERMINATION OF  
21 EXCHANGE RATES BETWEEN LEGAL TENDER OF THE UNITED STATES AND  
22 A DESIGNATED ELECTRONIC GOLD CURRENCY THAT AFFECTS ANY RIGHT,  
23 POWER, PRIVILEGE, OR IMMUNITY SECURED UNDER THIS ARTICLE, OR  
24 ADVISES OR PARTICIPATES IN, AIDS AND ABETS, OR ATTEMPTS TO CONCEAL  
25 BY THE WITHHOLDING, DESTRUCTION, OR FALSIFICATION OF RECORDS, BY  
26 FALSE STATEMENT, WHETHER MADE UNDER PENALTY OF PERJURY OR NOT,  
27 OR BY ANY OTHER DEVICE, ARTIFICE, OR MEANS, AN INACCURATE

1 DETERMINATION COMMITS A CLASS 2 MISDEMEANOR AND, UPON  
2 CONVICTION THEREOF, SHALL BE PUNISHED AS PROVIDED IN SECTION  
3 18-1.3-501, C.R.S.

4 **24-19.3-117. Exceptions.** THE PROVISIONS OF THIS ARTICLE  
5 SHALL NOT APPLY TO ANY GOLD AND SILVER COIN, OR TO ANY LEGAL  
6 TENDER OF THE UNITED STATES, THAT HAS A RECOGNIZED NUMISMATIC  
7 OR COLLECTORS' CHARACTER AND VALUE ABOVE ITS FACE OR NOMINAL  
8 VALUE.

9 **SECTION 2. Act subject to petition - effective date.** This act  
10 shall take effect at 12:01 a.m. on the day following the expiration of the  
11 ninety-day period after final adjournment of the general assembly that is  
12 allowed for submitting a referendum petition pursuant to article V,  
13 section 1 (3) of the state constitution, (August 4, 2009, if adjournment  
14 sine die is on May 6, 2009); except that, if a referendum petition is filed  
15 against this act or an item, section, or part of this act within such period,  
16 then the act, item, section, or part, if approved by the people, shall take  
17 effect on the date of the official declaration of the vote thereon by  
18 proclamation of the governor.