

REFERENCE TITLE: budget stabilization fund; investment; specie

State of Arizona
House of Representatives
Fifty-fourth Legislature
First Regular Session
2019

HB 2500

Introduced by
Representative Finchem

AN ACT

**AMENDING SECTION 35-314.02, ARIZONA REVISED STATUTES; RELATING TO THE
BUDGET STABILIZATION FUND.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 35-314.02, Arizona Revised Statutes, is amended
3 to read:
4 35-314.02. Budget stabilization fund monies: investment:
5 definition
6 A. In addition to the investment authority in section 35-313, the
7 state treasurer:
8 1. May invest and reinvest monies of the budget stabilization fund
9 established ~~in~~ BY section 35-144 in equity securities pursuant to section
10 35-314, except that not more than twenty-five ~~per cent~~ PERCENT of the
11 monies may be invested in equity securities at any time. The percentage
12 of investment shall be calculated at cost.
13 2. SHALL HOLD AT LEAST TEN PERCENT OF THE MONIES IN THE BUDGET
14 STABILIZATION FUND IN SPECIE, OR IN REFINED GOLD OR SILVER BULLION THAT IS
15 GRADED AT LEAST .999 PURE, OR IN ANY COMBINATION OF SPECIE AND REFINED
16 GOLD OR SILVER BULLION THAT IS GRADED AT LEAST .999 PURE.
17 B. THE SPECIE AND BULLION HELD PURSUANT TO SUBSECTION A OF THIS
18 SECTION MUST BE HELD IN A LEVEL III RATED SECURE DEPOSITORY FACILITY
19 DESIGNED FOR PRECIOUS METALS STORAGE AND CONSTRUCTED WITH A MINIMUM
20 UNDERWRITERS LABORATORY RATED CLASS TWO VAULT DOOR. THE SPECIE AND
21 BULLION MUST BE FULLY INSURED AND PHYSICALLY SEGREGATED FROM OTHER ASSETS
22 HELD IN THE SECURE DEPOSITORY FACILITY.
23 C. FOR THE PURPOSES OF THIS SECTION, "SPECIE" MEANS EITHER:
24 1. COINS HAVING PRECIOUS METAL CONTENT.
25 2. REFINED GOLD OR SILVER BULLION THAT IS STAMPED OR IMPRINTED WITH
26 ITS WEIGHT AND PURITY AND THAT IS VALUED PRIMARILY ON ITS METAL CONTENT,
27 NOT ITS FORM.
28 Sec. 2. Effective date
29 This act is effective from and after June 30, 2020.
30 Sec. 3. Short title
31 This act may be cited as the "Arizona Sound Money Stabilization
32 Act".