

The Kansas Specie Legal Tender Act

Testimony by: **Jason Cozens**.

My name is Jason Cozens and I am the founder & CEO of Glint Pay Inc (USA) and Glint Pay (UK) which is a regulated business that has developed and operates the first technology platform in the world to have enabled physical gold to be used in real-time electronic payments using the Glint App and Debit Card. I am the in support of HB 2729 and SB513.

Overview

In the United States, a comprehensive regulatory framework already supports the use of gold and silver in everyday transactions. This framework includes both federal and state-level banking and money transmission services¹.

However, the Kansas Specie Legal Tender Act is essential for safeguarding the constitutional rights of Kansas residents to use gold and silver as legal tender should they choose to do so and without the threat of their money being taxed.

With the State's legal recognition of gold and silver as a legitimate form of currency this Act reinforces the principle of financial autonomy, security and economic justice.

Private turnkey solutions already exist that make this Act straightforward to implement. Glint is an example of how this works. With over 200,000 registered users and nearly half a Billion USD in transactions it has successfully and compliantly offered services that enable gold to be used as everyday money to 10,000's of residents in the United States, many in Kansas, for several years. It does this with the Glint App and Debit card which demonstrates the practical application of existing regulations.

It is just another way to pay. Like a bank account but where your money is not put at risk and is free from the depreciating purchasing power over the long term.

How does it work?

Glint has developed a platform that operates within regulatory compliance while maintaining independence from the traditional financial system.

Glint has a robust Customer Identification Program (CIP) which verifies the identity of individuals wishing to open a Glint account. This ensures the ongoing security of the users account and conforms with current US financial regulations.

Upon approval, users can buy and securely store as little as one cent's worth of allocated gold bullion using a payment card or bank transfer. They can also receive gold as a gift or in payment for a product or service.

¹ The term "money transmission services" means the acceptance of currency, funds, or other value (such as gold and silver) that substitutes for currency from one person and the transmission of currency, funds, or other value (such as gold and silver) that substitutes for currency to another location or person by any means (source 31 CFR § 1010.100(ff)(5)(i)(A)).

The gold meets the LBMA standard and is securely stored in an insured vault in Switzerland. The vault could easily be in Kansas either using an existing privately run vault or in a purpose-built state-owned vault before or after critical mass is achieved.

The platform charges low fees (for example 0.5% buying or selling gold, free when spending and only 0.02% per month for storage and insurance) because of the economies of scale given by a such a highly scalable fintech platform.

Additionally, users can easily gift or spend this gold by securely transferring ownership to other Glint account holders, with the simplicity of sending a text message through the Glint App.

To enhance usability during the early adoption phase of gold as currency, Glint also seamlessly integrates with the existing financial ecosystem. This integration enables clients to execute transfers between their bank accounts and Glint, and to use gold in transactions using the Glint debit card without them having to sell their gold in advance. At the point of authorization, the amount of client gold required is sold into the currency of the merchant using the real-time market exchange rate and the fiat currency is transferred to the merchant via the international card payments network. Accepted by hundreds of millions of merchants globally, the card can be used not only in Kansas and across the USA but also around the world, offering a practical and versatile payment solution.

To give as much choice and flexibility as possible the Glint platform also has a US Dollar wallet that can be used with the card. The US Dollars of our users' wallets are held in an FDIC insured client account at a bank which could be a Kansas bank.

The State, given adequate expertise, time, and financial resources, could endeavor to develop a system akin to Glint. However, should the State opt to engage a vendor for a ready-made solution, numerous configurations could be available. The fiscal budget is expected to be minimal if utilizing a vendor's pre-existing resources and infrastructure. Nonetheless, expenses could escalate based on the specific business model the State wishes to implement.

Conclusion

The Kansas Specie Legal Tender Act not only upholds the constitutional rights of Kansas residents but also introduces an innovative and secure method to engage in everyday financial transactions. Glint's proven model, with its robust regulatory compliance, ease of use, and integration into the existing financial ecosystem, exemplifies the feasibility and benefits of this initiative. By adopting this Act, Kansas is poised to lead in financial autonomy, offering its residents a stable and reliable alternative to traditional currency that safeguards against inflation and enhances economic justice.

This testimony underscores the practicality and potential of the Kansas Specie Legal Tender Act to revolutionize how we think about and use money, ensuring a future where financial security and choice are accessible to all.

Please see illustrations on next page:

Screenshots showing the Glint App which illustrates how it could work for the state:

