

tity owned or controlled by persons not citizens of the United States, or for the manufacture of such distinctive paper outside of the United States or its possessions. This subsection shall not apply if the Secretary of the Treasury determines that no domestic manufacturer of distinctive paper for United States currency or securities exists with which to make a contract and if the Secretary of the Treasury publishes in the Federal Register a written finding stating the basis for the determination.”

Similar provisions were contained in the following prior appropriation act:

Pub. L. 100-202, §101(m) [title VI, §622(a)], Dec. 22, 1987, 101 Stat. 1329-390, 1329-428.

§ 5115. United States currency notes

(a) The Secretary of the Treasury may issue United States currency notes. The notes—

(1) are payable to bearer; and

(2) shall be in a form and in denominations of at least one dollar that the Secretary prescribes.

(b) The amount of United States currency notes outstanding and in circulation—

(1) may not be more than \$300,000,000; and

(2) may not be held or used for a reserve.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 983.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5115(a)	31:401.	R.S. §3571.
5115(b)	31:402.	June 20, 1874, ch. 343, §6, 18 Stat. 124; Jan. 14, 1875, ch. 15, §3, 18 Stat. 296.

In the section, the words “United States currency notes” are substituted for “United States notes” for clarity and consistency in the revised title.

In subsection (a), the first sentence is added for clarity and because of the restatement. The words “shall not bear interest” are omitted because of the source provisions restated in section 5118 of the revised title.

In subsection (b), before clause (1), the words “in circulation” are substituted for “to be used as a part of the circulation medium” to eliminate unnecessary words. In clause (1), the words “the sum of” are omitted as surplus. The words “which said sum shall appear in each monthly statement of the public debt” are omitted because of the source provisions restated in section 5118 of the revised title. In clause (2), the words “and no part thereof shall” are omitted because of the restatement. The text of section 3(less 2d sentence) of the Act of January 14, 1875 (ch. 15, 18 Stat. 296), is omitted as executed.

§ 5116. Buying and selling gold and silver

(a)(1) With the approval of the President, the Secretary of the Treasury may—

(A) buy and sell gold in the way, in amounts, at rates, and on conditions the Secretary considers most advantageous to the public interest; and

(B) buy the gold with any direct obligations of the United States Government or United States coins and currency authorized by law, or with amounts in the Treasury not otherwise appropriated.

(2) Amounts received from the purchase of gold are an asset of the general fund of the Treasury. Amounts received from the sale of gold shall be deposited by the Secretary in the general fund of the Treasury and shall be used for the sole purpose of reducing the national debt.

(3) The Secretary shall acquire gold for the coins issued under section 5112(i) of this title by purchase of gold mined from natural deposits in the United States, or in a territory or possession of the United States, within one year after the month in which the ore from which it is derived was mined. The Secretary shall pay not more than the average world price for the gold. In the absence of available supplies of such gold at the average world price, the Secretary may use gold from reserves held by the United States to mint the coins issued under section 5112(i) of this title. The Secretary shall issue such regulations as may be necessary to carry out this paragraph.

(b)(1) The Secretary may buy silver mined from natural deposits in the United States, or in a territory or possession of the United States, that is brought to a United States mint or assay office within one year after the month in which the ore from which it is derived was mined. The Secretary may use the coinage metal fund under section 5111(b) of this title to buy silver under this subsection.

(2) The Secretary may sell or use Government silver to mint coins, except silver transferred to stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.). The Secretary shall obtain the silver for the coins authorized under section 5112(e) of this title by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.). At such time as the silver stockpile is depleted, the Secretary shall obtain silver as described in paragraph (1) to mint coins authorized under section 5112(e). If it is not economically feasible to obtain such silver, the Secretary may obtain silver for coins authorized under section 5112(e) from other available sources. The Secretary shall not pay more than the average world price for silver under any circumstances. As used in this paragraph, the term “average world price” means the price determined by a widely recognized commodity exchange at the time the silver is obtained by the Secretary. The Secretary shall sell silver under conditions the Secretary considers appropriate for at least \$1.292929292 a fine troy ounce.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 984; Pub. L. 99-61, title II, §203, July 9, 1985, 99 Stat. 116; Pub. L. 99-185, §2(c), Dec. 17, 1985, 99 Stat. 1178; Pub. L. 100-274, §5, Mar. 31, 1988, 102 Stat. 50; Pub. L. 107-201, §3(a)(1), July 23, 2002, 116 Stat. 737.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5116(a)	31:733(words after semicolon).	R.S. §3699(words after semicolon); restated Jan. 30, 1934, ch. 6, §9, 48 Stat. 341.
	31:734.	R.S. §3700; restated Jan. 30, 1934, ch. 6, §8, 48 Stat. 341.
5116(b)(1)	31:335.	R.S. §3526; restated May 10, 1950, ch. 173, 64 Stat. 157; July 9, 1956, ch. 535, §2, 70 Stat. 518; July 23, 1965, Pub. L. 89-81, §205, 79 Stat. 256.
	31:394.	July 23, 1965, Pub. L. 89-81, §104, 79 Stat. 255.
5116(b)(2)	31:405a-1.	June 4, 1963, Pub. L. 88-36, §2, 77 Stat. 54; July 23, 1965, Pub. L. 89-81, §209, 79 Stat. 257; restated June 24, 1967, Pub. L. 90-29, §3, 81 Stat. 77.

In subsection (a)(1), the words “With the approval of the President” are applied to 31:733(words after semicolon) because of 31:822b. The words “at home or abroad” in 31:733(words after semicolon) and 734 are omitted as surplus. The words “terms and” are omitted as included in “conditions”. The text of 31:733(proviso) is omitted as superseded by the Bretton Woods Agreement Act (22 U.S.C. 286 et seq.) and sections 6 and 9 of the Act of October 19, 1976 (Pub. L. 94-564, 90 Stat. 2661), repealing 31:449 that provided for parity of the dollar on terms of gold and special drawing rights. The text of 31:734(1st sentence words after semicolon) is omitted as surplus.

In subsection (b)(1), the words “coinage metal fund” are substituted for “bullion fund” in 31:335 as being more precise and because of section 5111 of the revised title. The words “after July 23, 1965” in 31:394 are omitted as executed. The words “to procure bullion for coinage” and 31:335(2d-last sentences) are omitted as obsolete because the Secretary of the Treasury has authority to mint coins containing silver only under section 5112(e) of the revised title and the Secretary holds sufficient silver to mint those coins. See Sen. Rept. No. 91-1084 (1970).

In subsection (b)(2), the word “terms” is omitted as being included in “conditions”. The words “for at least” are substituted for “at a price not less than the monetary value of” to eliminate unnecessary words.

REFERENCES IN TEXT

The Strategic and Critical Materials Stock Piling Act, referred to in subsec. (b)(2), is act June 7, 1939, ch. 190, as revised generally by Pub. L. 96-41, § 2, July 30, 1979, 93 Stat. 319, which is classified generally to subchapter III (§98 et seq.) of chapter 5 of Title 50, War and National Defense. For complete classification of this Act to the Code, see section 98 of Title 50 and Tables.

AMENDMENTS

2002—Subsec. (b)(2). Pub. L. 107-201 inserted after second sentence “At such time as the silver stockpile is depleted, the Secretary shall obtain silver as described in paragraph (1) to mint coins authorized under section 5112(e). If it is not economically feasible to obtain such silver, the Secretary may obtain silver for coins authorized under section 5112(e) from other available sources. The Secretary shall not pay more than the average world price for silver under any circumstances. As used in this paragraph, the term ‘average world price’ means the price determined by a widely recognized commodity exchange at the time the silver is obtained by the Secretary.”

1988—Subsec. (a)(2). Pub. L. 100-274 amended last sentence generally, substituting “shall be deposited by the Secretary in the general fund of the Treasury and shall be used for the sole purpose of reducing the national debt” for “shall be deposited in the general fund of the Treasury”.

1985—Subsec. (a)(3). Pub. L. 99-185 added par. (3).

Subsec. (b)(1). Pub. L. 99-61, §203(1), (2), substituted “The Secretary may buy silver” for “The Secretary shall buy silver”, and struck out provision directing that the Secretary pay \$1.25 a fine troy ounce for silver.

Subsec. (b)(2). Pub. L. 99-61, §203(3), inserted provision directing that the Secretary obtain the silver for the coins authorized under section 5112(e) of this title by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act.

EFFECTIVE DATE OF 1985 AMENDMENTS

Amendment by Pub. L. 99-185 effective Oct. 1, 1985, except that no coins may be issued or sold under section 5112(i) of this title before Oct. 1, 1986, see section 3 of Pub. L. 99-185, set out as a note under section 5112 of this title.

Amendment by Pub. L. 99-61 effective Oct. 1, 1985, with exception as to issuance or sale of coins under section 5112(e) of this title, see section 205 of Pub. L. 99-61, set out as a note under section 5112 of this title.

REGULATIONS

Pub. L. 107-201, §3(a)(2), July 23, 2002, 116 Stat. 737, provided that: “The Secretary of the Treasury shall issue regulations to implement the amendments made by paragraph (1) [amending this section].”

CONGRESSIONAL FINDINGS CONCERNING AMERICAN EAGLE SILVER BULLION PROGRAM

Pub. L. 107-201, §2, July 23, 2002, 116 Stat. 736, provided that: “Congress finds that—

“(1) the American Eagle Silver Bullion coin leads the global market, and is the largest and most popular silver coin program in the United States;

“(2) established in 1986, the American Eagle Silver Bullion Program is the most successful silver bullion program in the world;

“(3) from fiscal year 1995 through fiscal year 2001, the American Eagle Silver Bullion Program generated—

“(A) revenues of \$264,100,000; and

“(B) sufficient profits to significantly reduce the national debt;

“(4) with the depletion of silver reserves in the Defense Logistic Agency’s Strategic and Critical Materials Stockpile, it is necessary for the Department of the Treasury to acquire silver from other sources in order to preserve the American Eagle Silver Bullion Program;

“(5) with the ability to obtain silver from other sources, the United States Mint can continue the highly successful American Eagle Silver Bullion Program, exercising sound business judgment and market acquisition practices in its approach to the silver market, resulting in continuing profitability of the program;

“(6) in 2001, silver was commercially produced in 12 States, including, [sic] Alaska, Arizona, California, Colorado, Idaho, Missouri, Montana, Nevada, New Mexico, South Dakota, Utah, and Washington;

“(7) Nevada is the largest silver producing State in the Nation, producing—

“(A) 17,500,000 ounces of silver in 2001; and

“(B) 34 percent of United States silver production in 2000;

“(8) the mining industry in Idaho is vital to the economy of the State, and the Silver Valley in northern Idaho leads the world in recorded silver production, with over 1,100,000,000 ounces of silver produced between 1884 and 2001;

“(9) the largest, active silver producing mine in the Nation is the McCoy/Cove Mine in Nevada, which produced more than 107,000,000 ounces of silver between 1989 and 2001;

“(10) the mining industry in Idaho—

“(A) employs more than 3,000 people;

“(B) contributes more than \$900,000,000 to the Idaho economy; and

“(C) produces \$70,000,000 worth of silver per year;

“(11) the silver mines of the Comstock lode, the premier silver producing deposit in Nevada, brought people and wealth to the region, paving the way for statehood in 1864, and giving Nevada its nickname as ‘the Silver State’;

“(12) mines in the Silver Valley—

“(A) represent an important part of the mining history of Idaho and the United States; and

“(B) have served in the past as key components of the United States war effort; and

“(13) silver has been mined in Nevada throughout its history, with every significant metal mining camp in Nevada producing some silver.”

ANNUAL REPORT ON SILVER PURCHASES IN SUPPORT OF AMERICAN EAGLE SILVER BULLION PROGRAM

Pub. L. 107-201, §3(c), July 23, 2002, 116 Stat. 737, provided that:

“(1) IN GENERAL.—The Director of the United States Mint shall prepare and submit to Congress an annual report on the purchases of silver made pursuant to this

Act [amending this section and enacting provisions set out as notes under this section and sections 5101 and 5112 of this title] and the amendments made by this Act.

“(2) CONCURRENT SUBMISSION.—The report required by paragraph (1) may be incorporated into the annual report of the Director of the United States Mint on the operations of the mint and assay offices, referred to in section 1329 of title 44, United States Code.”

TERMINATION OF COINAGE METAL FUND

All assets and liabilities of Coinage Metal Fund transferred to United States Mint Public Enterprise Fund and such coinage fund to cease to exist as separate fund as its activities and functions are subsumed under and subject to United States Mint Public Enterprise Fund, see section 5136 of this title.

§ 5117. Transferring gold and gold certificates

(a) All right, title, and interest, and every claim of the Board of Governors of the Federal Reserve System, a Federal reserve bank, and a Federal reserve agent, in and to gold is transferred to and vests in the United States Government to be held in the Treasury. Payment for the transferred gold is made by crediting equivalent amounts in dollars in accounts established in the Treasury under the 15th paragraph of section 16 of the Federal Reserve Act (12 U.S.C. 467). Gold not in the possession of the Government shall be held in custody for the Government and delivered on the order of the Secretary of the Treasury. The Board of Governors, Federal reserve banks, and Federal reserve agents shall give instructions and take action necessary to ensure that the gold is so held and delivered.

(b) The Secretary shall issue gold certificates against gold transferred under subsection (a) of this section. The Secretary may issue gold certificates against other gold held in the Treasury. The Secretary may prescribe the form and denominations of the certificates. The amount of outstanding certificates may be not more than the value (for the purpose of issuing those certificates, of 42 and two-ninths dollars a fine troy ounce) of the gold held against gold certificates. The Secretary shall hold gold in the Treasury equal to the required dollar amount as security for gold certificates issued after January 29, 1934.

(c) With the approval of the President, the Secretary may prescribe regulations the Secretary considers necessary to carry out this section.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 984.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
5117(a)	31:441(1st, last sentences).	Jan. 30, 1934, ch. 6, §§2(a), 11, 48 Stat. 337, 342.
5117(b)	31:405b.	Jan. 30, 1934, ch. 6, §14(c), 48 Stat. 344; Mar. 18, 1968, Pub. L. 90-269, §12, 82 Stat. 51; re-stated Oct. 19, 1976, Pub. L. 94-564, §8, 90 Stat. 2661.
	31:408a(last proviso).	Jan. 30, 1934, ch. 6, §6(last proviso), 48 Stat. 340; Mar. 18, 1968, Pub. L. 90-269, §8, 82 Stat. 50.
5117(c)	31:441(2d sentence), 31:822b.	

In subsection (a), the words “On January 30, 1934” are omitted as executed. The word “gold” is substituted for “gold coin and gold bullion” for consistency and to

omit unnecessary words. The word “transferred” is substituted for “pass” for consistency in the subsection. The words “to be held in the Treasury” are added for consistency with the source provisions restated in subsection (b) of the revised section.

In subsection (b), the first sentence is substituted for 31:441(2d sentence) for consistency. The word “issued” in 31:405b is omitted as being included in “outstanding”. The words “of 42 and two-ninths dollars a fine troy ounce)” are substituted for “at the legal standard provided in section 449 of this title on October 19, 1976” because that was the legal standard in that section on that date. The text of 31:449 was repealed by section 6 of the Bretton Woods Agreements Act. The words “The Secretary shall hold . . . in the Treasury . . . as security” are substituted for “security . . . shall be maintained” in 31:408a(last proviso) because of the source provisions restated in section 321 of the revised title. The words “gold certificates issued after January 29, 1934” are substituted for “gold certificates (including the gold certificates held in the Treasury for credits payable therein)” for clarity and because of section 5118(c)(1)(A) of the revised title.

In subsection (c), the word “regulations” is substituted for “rules and regulations”, and the word “necessary” is substituted for “necessary or proper”, to eliminate unnecessary words.

§ 5118. Gold clauses and consent to sue

(a) In this section—

(1) “gold clause” means a provision in or related to an obligation alleging to give the obligee a right to require payment in—

- (A) gold;
- (B) a particular United States coin or currency; or
- (C) United States money measured in gold or a particular United States coin or currency.

(2) “public debt obligation” means a domestic obligation issued or guaranteed by the United States Government to repay money or interest.

(b) The United States Government may not pay out any gold coin. A person lawfully holding United States coins and currency may present the coins and currency to the Secretary of the Treasury for exchange (dollar for dollar) for other United States coins and currency (other than gold and silver coins) that may be lawfully held. The Secretary shall make the exchange under regulations prescribed by the Secretary.

(c)(1) The Government withdraws its consent given to anyone to assert against the Government, its agencies, or its officers, employees, or agents, a claim—

- (A) on a gold clause public debt obligation or interest on the obligation;
- (B) for United States coins or currency; or
- (C) arising out of the surrender, requisition, seizure, or acquisition of United States coins or currency, gold, or silver involving the effect or validity of a change in the metallic content of the dollar or in a regulation about the value of money.

(2) Paragraph (1) of this subsection does not apply to a proceeding in which no claim is made for payment or credit in an amount greater than the face or nominal value in dollars of public debt obligations or United States coins or currency involved in the proceeding.

(3) Except when consent is not withdrawn under this subsection, an amount appropriated