

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE DRH30167-LB-247C (03/11)

Short Title: Constitutional Tender Act.

(Public)

Sponsors: Representative Bradley.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE THAT THE STATE OF NORTH CAROLINA DECLARES
3 SECTION 10 OF ARTICLE I OF THE UNITED STATES CONSTITUTION AS
4 AUTHORITY RECOGNIZING ELEMENTAL GOLD AND ELEMENTAL SILVER AS
5 VALID TENDER IN THE STATE OF NORTH CAROLINA.

6 The General Assembly of North Carolina enacts:

7 SECTION 1. This act may be known and cited as the North Carolina
8 Constitutional Hard Tender Act.

9 SECTION 2. Definitions. – As used in this act, the following definitions apply:

- 10 (1) Gold tender. – All exchangeable struck commodity gold in 22k and 24k by
11 elemental mass of gold.
12 (2) Silver tender. – All exchangeable struck commodity silver from ninety
13 percent (90%) and up by elemental mass of silver.
14 (3) State money. – Any gold tender, silver tender, or registered specie.
15 (4) Federal money. – Federal legal tender as defined in Section 31 U.S.C. §
16 5103.
17 (5) Registered specie. – Gold and silver coin and bullion as described in Section
18 4 of this act.

19 SECTION 3. Use as tender. – State money shall be legal tender within the State of
20 North Carolina. The purchase or exchange of State money shall not be taxed.

21 SECTION 4. Specie registry. –

22 (a) Registered specie are listed to include the following:

- 23 (1) Gold coins, including the following:
24 a. United States American eagle coins, of all denominations, minted
25 pursuant to the Gold Bullion Coin Act of 1985, Public Law 99-185.
26 b. Austrian 100 and 20 corona, and 4 and 1 ducat.
27 c. British sovereign.
28 d. Canadian 1 and 1/10 maple leaf.
29 e. French 20 franc.
30 f. Mexican 50, 20, 10, 5, and 2.5 peso.
31 g. South African 1, 1/2, 1/4, and 1/10 krugerrand.
32 h. Swiss 20 franc.
33 (2) Silver coins, including the following:
34 a. United States dollars, so denominated and whenever minted, that
35 were or are required by the statutes authorizing their coinage to



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1 contain 371.25 grains (troy) of fine silver per dollar, as "dollar" is
2 referred to in Section 9 of Article I of the United States Constitution
3 and the Seventh Amendment to the United States Constitution, the
4 value of which was established in the Coinage Act of April 2, 1792,
5 1 Stat. 246.

6 b. United States half dollars, quarter dollars, and dimes, denominated as
7 half dollars, quarter dollars, or dimes, whenever minted, that were or
8 are required by the statutes authorizing their coinage to contain fine
9 silver in amounts proportionate to the constitutional silver dollar of
10 371.25 grains (troy) of fine silver per dollar.

11 c. United States American eagle or liberty coins minted pursuant to the
12 Liberty Coin Act of July 9, 1985, Public Law 99-61, 99 Stat. 113,
13 115.

14 d. Canadian maple leaf.

15 (3) Stamped silver and gold bullion in bars and rounds from providers that
16 correspond with a certified list compiled by the State Treasurer and
17 approved or amended by the General Assembly.

18 (4) Any combination of gold and silver coin or of gold coin alone or of silver
19 coin alone, as the context may require, indicate, or allow.

20 (b) The State Treasurer will provide for bullion providers to register products as
21 specie as provided by subdivision (a)(3) of this section.

22 **SECTION 5.** Exchange with federal money. –

23 (a) Exchanging State money for federal money. –

24 (1) State money may be exchanged to the State treasury for federal money at the
25 defined exchange rate.

26 (2) State money may be exchanged for federal money by a private enterprise
27 that will provide the service at the exchange rate agreed upon by both parties
28 of the exchange with the following provisions:

29 a. Assessing of handling fees is allowed for private exchanges.

30 b. The State treasury may assess handling fees at the exchange equal to
31 the operational costs of the exchange.

32 (b) Exchanging federal money for State money. –

33 (1) The State treasury will, to its best ability and supply, exchange State money
34 for federal money at the defined exchange rate.

35 (2) Federal money may be exchanged for State money to a private enterprise
36 that will provide the service at the exchange rate agreed upon by both parties
37 of the exchange.

38 (c) Vendor Exchanges. – Federal money may be rendered at both parties' agreed
39 upon exchange rate in change for purchases made in State money by sellers if agreed to by both
40 the buyer and the seller.

41 (d) Vendor Acceptance. –

42 (1) This act shall not compel any seller to accept registered specie or State
43 money, except as agreed to beforehand by contract.

44 (2) Vendors may elect to accept only registered specie in lieu of State money or
45 federal money.

46 **SECTION 6.** Exchange rate is the Current Median of 168- by 24-hour Moving
47 Average Spot Price.

48 **SECTION 7.** This act is effective when it becomes law.