HLS 12RS-4234

Regular Session, 2012

HOUSE STUDY REQUEST NO. 5

BY REPRESENTATIVE CROMER

COMMITTEE STUDIES: Urges and requests the House Committee on Ways and Means and House Committee on Commerce to study issues surrounding the potential adoption of silver and gold coinage issued by the federal government as legal tender in La.

1	A STUDY REQUEST
2	To urge and request the House Committee on Ways and Means and House Committee on
3	Commerce to study the issues surrounding the potential adoption of silver and gold
4	coinage issued by the federal government as legal tender in Louisiana.
5	WHEREAS, silver and gold coins of the United States are designated "legal tender"
6	under Article I of the Constitution of the United States; and
7	WHEREAS, the Supreme Court of the United States in Lane County v. Oregon, 74
8	U.S. (7 Wallace) 71, 76-78 (1869), and Hagar v. Reclamation District No. 108, 111 U.S.
9	701, 706 (1884), has ruled that states may adopt whatever currency they desire for the
10	purpose of performing their sovereign governmental functions, including the adoption of
11	silver and gold coin, while at the same time refusing to employ a currency which is not
12	redeemable in silver and gold coin but which congress has designated "legal tender"; and
13	WHEREAS, actions over the last four years by the Board of Governors of the Federal
14	Reserve System with respect to debasement of the United States dollar to a magnitude which
15	approaches a degree of currency debasement which has throughout history resulted in
16	hyperinflation and economic and political collapse; and
17	WHEREAS, an adequate system of governmental finance and a sound and robust
18	private economy cannot be maintained in the absence of a sound currency; and
19	WHEREAS, the Legislature of Louisiana exists to enact laws and policies which
20	protect and support the welfare, safety, and property rights of the citizens of Louisiana; and

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1	WHEREAS, in the event of hyperinflation, depression, or other economic calamity
2	related to the breakdown of the Federal Reserve System, for which this state is not prepared,
3	Louisiana's governmental finances and private economy will be thrown into chaos, with
4	gravely detrimental effects upon the lives, health, and property of Louisiana's citizens; and
5	WHEREAS, the adoption of a currency to serve as an alternative to the currency
6	distributed by the Federal Reserve System in the event of a disruption or failure of the
7	Federal Reserve System is a policy which should be examined by each state for the
8	protection of its citizens; and
9	WHEREAS, the issues surrounding the potential adoption of an alternative currency
10	are complex and would require a level of study which would be challenging within a Regular
11	Session of the Legislature.
12	THEREFORE, the Legislature of Louisiana does hereby urge and request the House
13	Committee on Ways and Means and House Committee on Commerce to study the issues
14	surrounding the potential adoption of silver and gold coinage issued by the federal
15	government as legal tender in Louisiana and to report findings and recommendations to the
16	House of Representatives by February 1, 2013.
17	BE IT FURTHER RESOLVED that the committee studies shall be completed by
18	January 1, 2013. The chairmen of the committees shall issue a either a joint report or
19	individual report of findings and recommendations generated as a result of the studies. The
20	report shall be provided to each member of the House of Representatives.

DIGEST

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Cromer

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