

# SPONSOR'S REBUTTAL TO FISCAL NOTE

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**Bill Number:** HB 513

**Date Prepared:** 03/07/2011

**Short Title:** Require state to back transactions of state business with gold & silver coin

**Sponsor:** Wagner, Bob

**Fiscal Note Version and Date:**

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**Generally, why do you disagree with the fiscal note?**

The fiscal note is denominated in dollar units of exchange, when in fact the State has no dollar units of exchange as defined by Act 1, Section 10 of the US Constitution and Act 1, Section 9 as well as The Coinage Act of April 2, 1792 1 Stat, 246: a "dollar" according to the law shall contain 371.25 troy grains of fine silver.

**Specifically, what in the fiscal note do you feel is flawed?**

It is fraud to mislead or misrepresent a value of exchange. A federal reserve note is not a dollar as defined by law. Legal tender and lawful money are not the same. Legal tender represents an ever changing value based in confidence. The purpose of the bill is to restore confidence lost. Not even our own Board of Investments recommends holding treasury notes as a safe storage of value. T-bills currently return 1/5 of 1% paid in mere legal worthless tender not lawful money of account.

**What is your estimate of the fiscal impact?**

In March of 2009 when this bill was first introduced, silver was approx \$13.00 per ounce. As of writing this Rebuttal, the same ounce is \$36.00. I would predict a surplus or net gain as the US Federal Reserve Note continues to devalue.

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