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ASSEMBLY BILL NO. 532—COMMITTEE ON  
CONSTITUTIONAL AMENDMENTS

MARCH 24, 2003

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Referred to Committee on Constitutional Amendments

SUMMARY—Directs issuance of Nevada silver coins.  
(BDR 31-1297)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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AN ACT relating to state financial administration; directing the issuance of Nevada silver coins; providing that such coins are legal tender for all debts in this state; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1     **Section 1.** Chapter 353 of NRS is hereby amended by adding  
2     thereto the provisions set forth as sections 2 and 3 of this act.  
3     **Sec. 2. *The Legislature finds that:***  
4     1. *The State of Nevada, at the time of its admission to the*  
5     *United States, was a sovereign entity on equal footing with the 13*  
6     *sovereignties that formed the compact known as the Constitution*  
7     *of the United States.*  
8     2. *In ratifying and approving the Constitution of the United*  
9     *States, Nevada agreed to delegate certain of her sovereign powers*  
10    *to three agencies of government, all in the form provided by the*  
11    *Constitution.*  
12    3. *Among the powers delegated by Nevada was the sovereign*  
13    *power to issue money. That power was delegated by Nevada and its*  
14    *sister states to the Congress of the United States in Section 8 of*  
15    *Article I of the Constitution of the United States, on condition that*  
16    *the Congress would issue all money.*



1       4. Nevada also, in Section 10 of Article I of the Constitution  
2 of the United States, agreed not to issue its own money. This  
3 agreement was also conditioned upon the Congress discharging its  
4 obligation to issue money as the agent of Nevada and its sister  
5 states.

6       5. The purported delegation by the Congress of the power to  
7 issue money to the Federal Reserve Bank, a privately owned  
8 corporation, is a violation of the terms of the Constitution of the  
9 United States.

10       6. The failure of the Congress to discharge its obligation to  
11 issue all of the money pursuant to Section 8 of Article I of the  
12 Constitution of the United States absolves the State of Nevada  
13 from its constitutional obligation not to issue money.

14       **Sec. 3.** 1. The State of Nevada shall issue into circulation  
15 coins of the State of Nevada in the face amount of \$50,000,000.  
16 The coins must contain 1 ounce of fine silver, must be alloyed to  
17 90 percent fineness and must bear The Great Seal of the State of  
18 Nevada on one side and the words "Contains One Troy Ounce  
19 Fine Silver," "Twenty Dollars," "Nevada Legal Tender" and the  
20 year of issue on the other side. The coins so issued are legal tender  
21 for all debts, public and private, in this state.

22       2. Except as otherwise provided in this section, when the  
23 coins authorized by subsection 1 are received into the State  
24 Treasury, they must be reissued. The coins must not be held as a  
25 reserve except as the Legislature otherwise directs.

26       3. If the number of coins subject to the control of the State  
27 Treasurer diminishes to 500,000, the State of Nevada shall make  
28 successive issues of coins in accordance with subsection 1 in the  
29 face amount of \$50,000,000, unless the total face value of the  
30 coins already issued is \$500,000,000, in which case the State of  
31 Nevada shall issue no further coins without prior approval of the  
32 Legislature.

33       4. If the Legislature of the State of Nevada determines that  
34 the Congress of the United States is fulfilling its constitutional  
35 obligation to issue money by:

36       (a) Requiring the Federal Reserve Bank to retire its  
37 circulating notes; and

38       (b) Causing the issuance of sufficient notes of the United  
39 States and other currency to meet the needs of the commerce of  
40 the United States and of Nevada,  
41 the State Treasurer shall retire the coins authorized by this section  
42 as they are received into the State Treasury.

43       **Sec. 4.** This act becomes effective upon passage and approval.

