By Cassandra Anderson
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Idaho State Representative Phil Hart authored the Idaho State Silver Gem Act earlier this year which allows for the Idaho State Treasurer to issue silver medallions and make them available to the public; people may use them for any purpose they want and will have the **option** of paying their State taxes with the silver. The benefits of the Silver Gem Act are:

- Silver can be used as an alternative currency, outside of the banking system
- Jobs will be created in the metal refining industry in Idaho
- Silver- and gold- are a protection against inflation for both the public and Idaho State

The Idaho Silver Gem Act serves as a model that other states and local governments can use. If the bill passes, people can use silver with confidence because the government of Idaho will accept it, too. The Idaho Silver gem Act will also help to prevent possible federal precious metal confiscation.

According to G. Edward Griffin, America's monetary system is based on fiat money, it has no intrinsic value and it is not asset- backed. Federal Reserve notes have value because of government regulations (the Legal Tender laws) that mandate their use under the threat of fine or imprisonment. The Legal Tender laws require people and businesses to accept Federal Reserve notes for payment, if Federal Reserve notes are offered as payment. However,

people, businesses and even governments can also accept payment in the form of gold, silver or any other thing of value- they are not tied to accepting **only** Federal Reserve notes.

Mr. Griffin said that the bankers DO NOT own most of the gold- most of the gold is still in the ground! And even if the bankers did own all of the gold, but the monetary system was based on gold, such a commodity backed money system would prohibit the bankers from using fractional reserves to make loans and collecting interest on money created from nothing, thus limiting their primary stream of income.

Representative Hart's Idaho Silver Gem Act, fully endorsed by G. Edward Griffin, is a first small step toward a competing currency. Instead of creating sweeping banking reforms Hart's legislation is practical, incremental and it can be put into place immediately. For example, Georgia had a bill that would have made it mandatory for silver and gold to be used in all State business. Georgia's bill failed because the implementation of the bill would have been monumental- imagine the difficulty of all businesses and entities trading with Georgia State's government having to convert all payments into precious metals.

Representative Phil Hart's Silver Gem Act passed the Idaho House vote (51 to 14) but it died in a Senate committee earlier this year. Two of the senators who were outspoken critics of the legislation were defeated in the 2010 primary election, improving the bill's chances for next year. The Silver Gem Act is the only competing currency bill to get this far and Phil Hart will re-introduce it again next year if he is re-elected.

Click here to read the Idaho Silver Gem Act

Representative Phil Hart