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115TH CONGRESS
2D SESSION

H. R. 5404

To define the dollar as a fixed weight of gold.

IN THE HOUSE OF REPRESENTATIVES

MARCH 22, 2018

Mr. MOONEY of West Virginia introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To define the dollar as a fixed weight of gold.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress finds the following:

(1) The United States dollar has lost 30 percent of its purchasing power since 2000, and 96 percent of its purchasing power since the end of the gold standard in 1913.

(2) Under the Federal Reserve's 2 percent inflation objective, the dollar loses half of its purchasing power every generation, or 35 years.

(3) American families need long-term price stability to meet their household spending needs, save money, and plan for retirement.

(4) The Federal Reserve policy of long-term inflation has made American manufacturing uncompetitive, raising the cost of United States manufactured goods by more than 40 percent since 2000, compared to less than 20 percent in Germany and France.

(5) Between 2000 and 2010, United States manufacturing employment shrunk by one-third after holding steady for 30 years at nearly 20,000,000 jobs.

(6) The American economy needs a stable dollar, fixed exchange rates, and money supply controlled by the market not the government.

(7) The gold standard puts control of the money supply with the market instead of the Federal Reserve.

(8) The gold standard means legal tender defined by and convertible into a certain quantity of gold.

(9) Under the gold standard through 1913 the United States economy grew at an annual average of

four percent, one-third larger than the growth rate since then and twice the level since 2000.

(10) The international gold exchange standard from 1914 to 1971 did not provide for a United States dollar convertible into gold, and therefore helped cause the Great Depression and stagflation.

(11) The Federal Reserve's trickle down policy of expanding the money supply with no demand for it has enriched the owners of financial assets but endangered the jobs, wages, and savings of blue collar workers.

(12) Restoring American middle-class prosperity requires change in monetary policy authorized to Congress in Article I, Section 8, Clause 5 of the Constitution.

SEC. 2. DEFINE THE DOLLAR IN TERMS OF GOLD.

Effective 30 months after the date of enactment of this Act—

(1) the Secretary of the Treasury (in this Act referred to as the ''Secretary'') shall define the dollar in terms of a fixed weight of gold, based on that day's closing market price of gold; and

(2) Federal Reserve Banks shall make Federal Reserve notes exchangeable with gold at the statutory gold definition of the dollar.

SEC. 3. DISCLOSURE OF HOLDING.

During the 30-month period following the date of enactment of this Act, the United States Government shall take timely and reasonable steps to disclose all of its holdings of gold, together with a contemporaneous report of any United States governmental purchases or sales, thus enhancing the ability of the market and of market participants to arrive at the fixed dollar-gold parity in an orderly fashion.

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