

Public Law 107-201
107th Congress

An Act

July 23, 2002
[S. 2594]

To authorize the Secretary of the Treasury to purchase silver on the open market when the silver stockpile is depleted, to be used to mint coins.

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

Support of
American Eagle
Silver Bullion
Program Act.
31 USC 5101
note.

SECTION 1. SHORT TITLE.

This Act may be cited as the “Support of American Eagle Silver Bullion Program Act”.

31 USC 5116
note.

SEC. 2. FINDINGS.

Congress finds that—

- (1) the American Eagle Silver Bullion coin leads the global market, and is the largest and most popular silver coin program in the United States;
- (2) established in 1986, the American Eagle Silver Bullion Program is the most successful silver bullion program in the world;
- (3) from fiscal year 1995 through fiscal year 2001, the American Eagle Silver Bullion Program generated—
 - (A) revenues of \$264,100,000; and
 - (B) sufficient profits to significantly reduce the national debt;
- (4) with the depletion of silver reserves in the Defense Logistic Agency’s Strategic and Critical Materials Stockpile, it is necessary for the Department of the Treasury to acquire silver from other sources in order to preserve the American Eagle Silver Bullion Program;
- (5) with the ability to obtain silver from other sources, the United States Mint can continue the highly successful American Eagle Silver Bullion Program, exercising sound business judgment and market acquisition practices in its approach to the silver market, resulting in continuing profitability of the program;
- (6) in 2001, silver was commercially produced in 12 States, including, Alaska, Arizona, California, Colorado, Idaho, Missouri, Montana, Nevada, New Mexico, South Dakota, Utah, and Washington;
- (7) Nevada is the largest silver producing State in the Nation, producing—
 - (A) 17,500,000 ounces of silver in 2001; and
 - (B) 34 percent of United States silver production in 2000;
- (8) the mining industry in Idaho is vital to the economy of the State, and the Silver Valley in northern Idaho leads

the world in recorded silver production, with over 1,100,000,000 ounces of silver produced between 1884 and 2001;

(9) the largest, active silver producing mine in the Nation is the McCoy/Cove Mine in Nevada, which produced more than 107,000,000 ounces of silver between 1989 and 2001;

(10) the mining industry in Idaho—

(A) employs more than 3,000 people;

(B) contributes more than \$900,000,000 to the Idaho economy; and

(C) produces \$70,000,000 worth of silver per year;

(11) the silver mines of the Comstock lode, the premier silver producing deposit in Nevada, brought people and wealth to the region, paving the way for statehood in 1864, and giving Nevada its nickname as “the Silver State”;

(12) mines in the Silver Valley—

(A) represent an important part of the mining history of Idaho and the United States; and

(B) have served in the past as key components of the United States war effort; and

(13) silver has been mined in Nevada throughout its history, with every significant metal mining camp in Nevada producing some silver.

SEC. 3. PURCHASE OF SILVER BY THE SECRETARY OF THE TREASURY.

(a) PURCHASE OF SILVER.—

(1) IN GENERAL.—Section 5116(b)(2) of title 31, United States Code, is amended by inserting after the second sentence the following: “At such time as the silver stockpile is depleted, the Secretary shall obtain silver as described in paragraph (1) to mint coins authorized under section 5112(e). If it is not economically feasible to obtain such silver, the Secretary may obtain silver for coins authorized under section 5112(e) from other available sources. The Secretary shall not pay more than the average world price for silver under any circumstances. As used in this paragraph, the term ‘average world price’ means the price determined by a widely recognized commodity exchange at the time the silver is obtained by the Secretary.”

(2) RULEMAKING AUTHORITY.—The Secretary of the Treasury shall issue regulations to implement the amendments made by paragraph (1).

31 USC 5116 note.

(b) STUDY REQUIRED.—

(1) STUDY.—The Secretary of the Treasury shall conduct a study of the impact on the United States silver market of the American Eagle Silver Bullion Program, established under section 5112(e) of title 31, United States Code.

31 USC 5112 note.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of the Treasury shall submit a report of the study conducted under paragraph (1) to the chairman and ranking minority member of—

Deadline.

(A) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(B) the Committee on Financial Services of the House of Representatives.

(c) ANNUAL REPORT.—

(1) IN GENERAL.—The Director of the United States Mint shall prepare and submit to Congress an annual report on

31 USC 5116 note.

the purchases of silver made pursuant to this Act and the amendments made by this Act.

(2) CONCURRENT SUBMISSION.—The report required by paragraph (1) may be incorporated into the annual report of the Director of the United States Mint on the operations of the mint and assay offices, referred to in section 1329 of title 44, United States Code.

Approved July 23, 2002.

LEGISLATIVE HISTORY—S. 2594:

CONGRESSIONAL RECORD, Vol. 148 (2002):

June 21, considered and passed Senate.

June 27, considered and passed House.