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Folder Title: 07/23/2002 [S. 2594] [771345]

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Collection Code: **SECLOG**

Staff Name:

Document Date:

Correspondent: **TIM SAUNDERS**

Subject/Description: **OVERSIZE ATTACHMENT # 9466 NARA # 9357 BOX 2
FOLDER 15B BILL FILE RECEIVED FROM THE OFFICE OF
THE EXECUTIVE CLERK - JUL 23 02 ENROLLED BILL S.
2594 - SUPPORT OF AMERICAN EAGLE SILVER BULLION
PROGRAM ACT**



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

APPROVED

July 16, 2002

JUL 23 2002

02 JUL 16 PM 3:58

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 2594 - Support of American Eagle Silver Bullion Program Act
Sponsors - Sen. Reid (D) Nevada and 5 cosponsors

Last Day for Action

July 23, 2002 - Tuesday

THE PRESIDENT HAS SEEN

07-23-02

Purpose

Allows the Department of the Treasury to purchase silver for the American Eagle Silver Bullion program from other sources when the United States' strategic stockpile of silver is depleted.

Agency Recommendations

Office of Management and Budget

Approval

Department of the Treasury
Department of Agriculture
Department of Commerce
Department of Defense
Department of the Interior
Department of Justice

Approval
Defers to Treasury
Defers to Treasury (Informally)
Defers to Treasury (Informally)
Defers to Treasury (Informally)
No comment (Informally)

Discussion

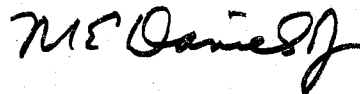
Under current law, Treasury is required to mint and issue, in quantities sufficient to meet public demand, one-dollar coins which weigh one ounce, contain 99.9 percent fine silver, and have a design symbolic of Liberty on one side and of an eagle on the other side. Since 1986, the United States has minted these silver coins, known as "Silver Eagles," as part of its American Eagle Bullion program. Current law also requires Treasury to obtain the silver for these coins by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act. According to House floor debate on June 27th of this year, "earlier this month the last of the stockpile was delivered to processors for refining and to be turned into the blanks from which the coins eventually will be struck."

S. 2594 would require Treasury, at such time as the silver stockpile is depleted, to obtain silver for these coins by buying silver mined from natural deposits in the United States that is brought to a U.S. mint or assay office within one year after the month in which the ore from which it is derived was mined. If it is not economically feasible to obtain silver in this way, Treasury would be authorized to obtain silver for these coins from "other available sources." The enrolled bill would prohibit Treasury from paying more than the average world price for silver under any circumstances. "Average world price" would be defined as the price determined by a "widely recognized" commodity exchange at the time the silver is obtained by Treasury. Treasury would be required to issue regulations to implement this provision of the enrolled bill.

The enrolled bill would require Treasury, within one year of enactment, to submit a report to specified congressional committees on the impact on the United States silver market of the American Eagle Silver Bullion Program. In addition, the United States Mint would be required to prepare and submit to Congress an annual report on the purchases of silver made pursuant to the authorities provided by the enrolled bill. This report could be incorporated into the United States Mint's annual report on the operations of the mint and assay offices.

Conclusion and Recommendations

We join Treasury in recommending approval of S. 2594, which passed both the Senate and the House by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures

One Hundred Seventh Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

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,*

SECTION 1. SHORT TITLE.

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

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;

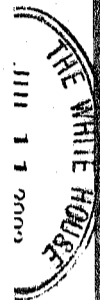
(6) in 2001, silver was commercially produced in 12 States, including, Alaska, Arizona, California, Colorado, Idaho, Missouri, Montana, Nevada, New Mexico, South Dakota, Utah, and Washington;

(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;

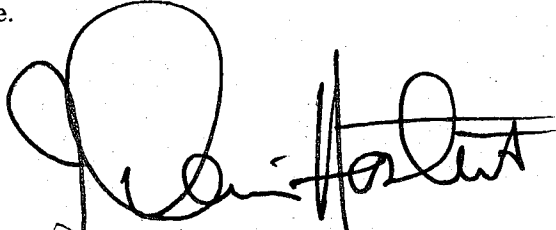
(8) the mining industry in Idaho is vital to the economy of the State, and the Silver Valley in northern Idaho leads



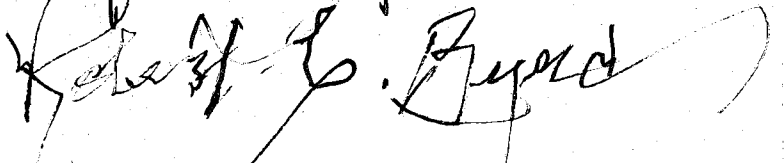
S. 2594—3

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.



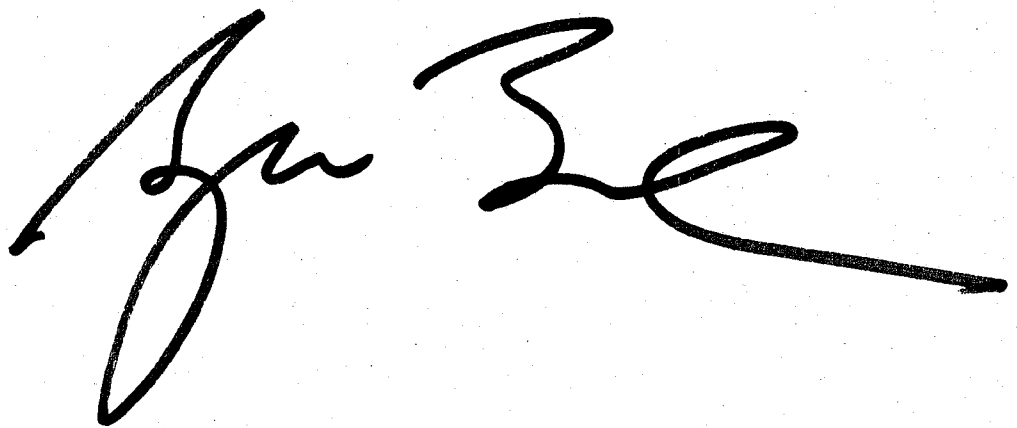
Speaker of the House of Representatives.



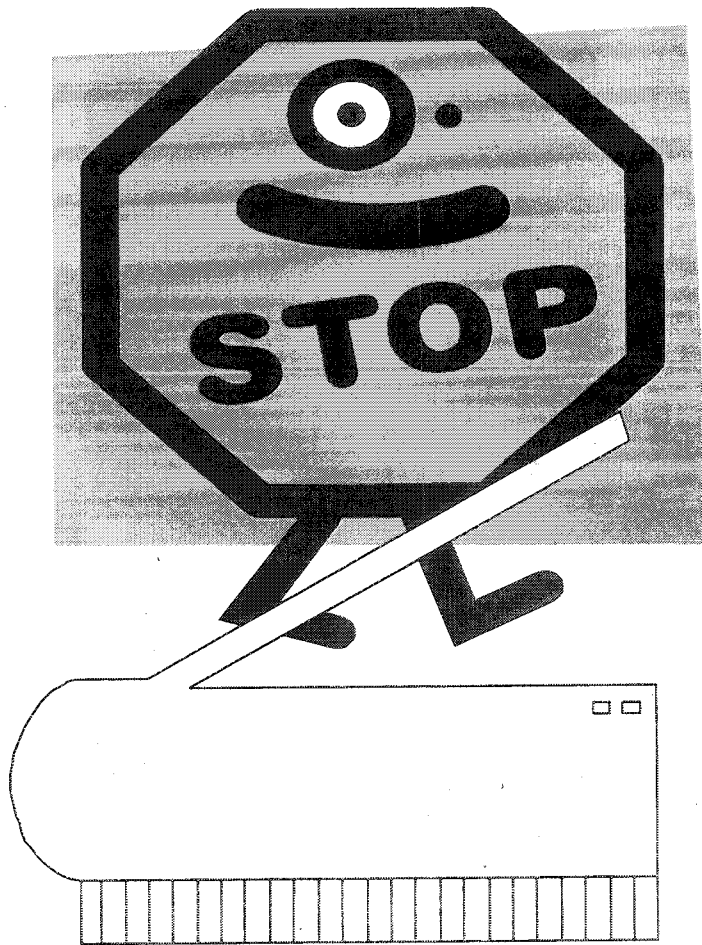
*Vice President of the United States and
President of the Senate pro tempore.*

APPROVED

JUL 23 2002



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Scanning insert sheet



Remainder of case not scanned



DEPARTMENT OF THE TREASURY
WASHINGTON

ASSISTANT SECRETARY

July 2, 2002

The Honorable Mitchell E. Daniels, Jr.
Director, Office of Management and Budget
Executive Office of the President
Washington, D.C. 20503

Dear Mr. Daniels:

This responds to your request for the views of this Department on enrolled bill S. 2594, the "Support of American Eagle Silver Bullion Program Act."

The enrolled bill authorizes the Secretary of the Treasury to purchase silver on the open market when the silver stockpile is depleted, to be used to mint coins pursuant to the American Silver Eagle Bullion Act. The Secretary is currently restricted to obtaining silver for bullion coins by purchase from silver stockpiles established under the Strategic and Critical Materials Stock Piling Act. The enrolled bill removes that limitation and authorizes the Secretary to obtain silver from silver mined from natural deposits in the United States. If it is not economically feasible to obtain such silver, the Secretary may obtain the silver from other available sources.

The enrolled bill allows the United States Mint (Mint) to continue its popular and valuable American Silver Eagle Bullion program. The Mint is the largest seller of silver coins in the world.

In view of the foregoing, the Department recommends that the President sign the enrolled bill.

Sincerely,

John Duncan
Assistant Secretary (Legislative Affairs)



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

The Honorable Mitchell E. Daniels, Jr.
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Director Daniels:

This letter is in response to the June 28, 2002, request from your office concerning the views of the Department of Agriculture on S. 2594, the "Support of American Eagle Silver Bullion Program Act." The Department defers to the recommendations of the Department of the Treasury on whether or not the President should sign the bill.

S. 2594 is a bill that would 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. S. 2594 would prohibit the Secretary of the Treasury from paying more than the average world price for silver under any circumstances. S. 2594 would require the Secretary of the Treasury to conduct a study on the American Eagle Silver Bullion Program and report that study to the Congress not later than 1 year after the date of enactment of the Act. The Department of Agriculture believes enactment of S. 2594 would have nominal effects upon the extraction of silver from National Forest System lands.

Thank you for the opportunity to present the views of the Department of Agriculture.

Sincerely,

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Ann M. Veneman
Secretary

One Hundred Seventh Congress
of the
United States of America

AT THE SECOND SESSION

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(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).

(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.

(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—

(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

S. 2594—3

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.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D. C. 20503

2002 JUL 16 PM 1:53

THE DIRECTOR

July 16, 2002

7/29/02
THE PRESIDENT HAS SEEN

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 2594 - Support of American Eagle Silver Bullion Program Act
Sponsors - Sen. Reid (D) Nevada and 5 cosponsors

Last Day for Action

July 23, 2002 - Tuesday

Purpose

Allows the Department of the Treasury to purchase silver for the American Eagle Silver Bullion program from other sources when the United States' strategic stockpile of silver is depleted.

Agency Recommendations

Office of Management and Budget

Approval

Department of the Treasury

Approval

Department of Agriculture

Defers to Treasury

Department of Commerce

Defers to Treasury (Informally)

Department of Defense

Defers to Treasury (Informally)

Department of the Interior

Defers to Treasury (Informally)

Department of Justice

No comment (Informally)

Discussion

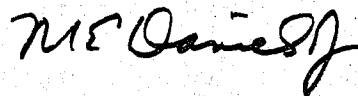
Under current law, Treasury is required to mint and issue, in quantities sufficient to meet public demand, one-dollar coins which weigh one ounce, contain 99.9 percent fine silver, and have a design symbolic of Liberty on one side and of an eagle on the other side. Since 1986, the United States has minted these silver coins, known as "Silver Eagles," as part of its American Eagle Bullion program. Current law also requires Treasury to obtain the silver for these coins by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act. According to House floor debate on June 27th of this year, "earlier this month the last of the stockpile was delivered to processors for refining and to be turned into the blanks from which the coins eventually will be struck."

S. 2594 would require Treasury, at such time as the silver stockpile is depleted, to obtain silver for these coins by buying silver mined from natural deposits in the United States that is brought to a U.S. mint or assay office within one year after the month in which the ore from which it is derived was mined. If it is not economically feasible to obtain silver in this way, Treasury would be authorized to obtain silver for these coins from "other available sources." The enrolled bill would prohibit Treasury from paying more than the average world price for silver under any circumstances. "Average world price" would be defined as the price determined by a "widely recognized" commodity exchange at the time the silver is obtained by Treasury. Treasury would be required to issue regulations to implement this provision of the enrolled bill.

The enrolled bill would require Treasury, within one year of enactment, to submit a report to specified congressional committees on the impact on the United States silver market of the American Eagle Silver Bullion Program. In addition, the United States Mint would be required to prepare and submit to Congress an annual report on the purchases of silver made pursuant to the authorities provided by the enrolled bill. This report could be incorporated into the United States Mint's annual report on the operations of the mint and assay offices.

Conclusion and Recommendations

We join Treasury in recommending approval of S. 2594, which passed both the Senate and the House by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

Subject: ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION PROGRAM ACT

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT <i>v/c</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	HUBBARD <i>w/c</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD <i>sk</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IRASTORZA	<input type="checkbox"/>	<input type="checkbox"/>
BARTLETT <i>v/c</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	JOHNSON	<input type="checkbox"/>	<input type="checkbox"/>
BLAKEMAN	<input type="checkbox"/>	<input type="checkbox"/>	LINDSEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BOLTEN ✓	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MARBURGER	<input type="checkbox"/>	<input type="checkbox"/>
BRIDGELAND	<input type="checkbox"/>	<input type="checkbox"/>	MIERS	<input type="checkbox"/>	<input type="checkbox"/>
CALIO <i>sk</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RICE	<input type="checkbox"/>	<input type="checkbox"/>
CONNAUGHTON	<input type="checkbox"/>	<input type="checkbox"/>	RIDGE	<input type="checkbox"/>	<input type="checkbox"/>
DANIELS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROVE <i>v/c</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FLEISCHER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SPELLINGS	<input type="checkbox"/>	<input type="checkbox"/>
GERSON	<input type="checkbox"/>	<input type="checkbox"/>	CLERK	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GONZALES <i>v/c</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:
 PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M.,
 WEDNESDAY, JULY 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE.
 THANK YOU.

RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702

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VICE PRESIDENT XXXX	<input checked="" type="checkbox"/>	<input type="checkbox"/>	HUBBARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IRASTORZA	<input type="checkbox"/>	<input type="checkbox"/>
BARTLETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	JOHNSON	<input type="checkbox"/>	<input type="checkbox"/>
BLAKEMAN	<input type="checkbox"/>	<input type="checkbox"/>	LINDSEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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BRIDGELAND	<input type="checkbox"/>	<input type="checkbox"/>	MIERS	<input type="checkbox"/>	<input type="checkbox"/>
CALIO	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RICE	<input type="checkbox"/>	<input type="checkbox"/>
CONNAUGHTON	<input type="checkbox"/>	<input type="checkbox"/>	RIDGE	<input type="checkbox"/>	<input type="checkbox"/>
DANIELS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROVE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FLEISCHER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SPELLINGS	<input type="checkbox"/>	<input type="checkbox"/>
GERSON	<input type="checkbox"/>	<input type="checkbox"/>	CLERK	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GONZALES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

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RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 16, 2002

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 2594 - Support of American Eagle Silver Bullion Program Act
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Agency Recommendations

Office of Management and Budget

Approval

Department of the Treasury
Department of Agriculture
Department of Commerce
Department of Defense
Department of the Interior
Department of Justice

Approval
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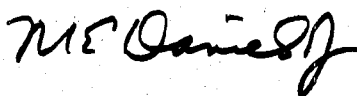
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DEPARTMENT OF THE TREASURY
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John Duncan
Assistant Secretary (Legislative Affairs)



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

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Secretary

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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).

(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.

(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—

(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

S. 2594—3

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.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

 *** TX REPORT ***

TRANSMISSION OK

TX/RX NO 0097
 CONNECTION TEL 66212
 CONNECTION ID
 ST. TIME 07/16 23:22
 USAGE T 02'17
 PGS. SENT 8
 RESULT OK

SS/ RM NO. _____

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

Subject: ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION PROGRAM ACT

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	HUBBARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IRASTORZA	<input type="checkbox"/>	<input type="checkbox"/>
BARTLETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	JOHNSON	<input type="checkbox"/>	<input type="checkbox"/>
BLAKEMAN	<input type="checkbox"/>	<input type="checkbox"/>	LINDSEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BOLTEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MARBURGER	<input type="checkbox"/>	<input type="checkbox"/>
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GONZALES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M.,
 _____ WITH A COPY TO THE STAFF SECRETARY'S OFFICE.

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION

Subject: PROGRAM ACT

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	HUBBARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IRASTORZA	<input type="checkbox"/>	<input type="checkbox"/>
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HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M., WEDNESDAY, JULY 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE. THANK YOU.

RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 0096
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CONNECTION ID
ST. TIME 07/16 22:51
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SS/ RM NO. _____

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

Subject: ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION PROGRAM ACT

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REMARKS:
PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M.,
SECRETARY'S OFFICE

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

Subject: ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION PROGRAM ACT

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HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M., WEDNESDAY, JULY 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE. THANK YOU.

RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702

 *** TX REPORT ***

TRANSMISSION OK

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 RESULT OK

SS/ RM NO. _____

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

Subject: ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION PROGRAM ACT

	ACTION	FYI		ACTION	FYI
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REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M.,

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION
 Subject: PROGRAM ACT

	ACTION	FYI		ACTION	FYI
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HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:
 PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M.,
 WEDNESDAY, JULY 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE.
 THANK YOU.

RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 16, 2002

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 2594 - Support of American Eagle Silver Bullion Program Act
Sponsors - Sen. Reid (D) Nevada and 5 cosponsors

Last Day for Action

July 23, 2002 - Tuesday

Purpose

Allows the Department of the Treasury to purchase silver for the American Eagle Silver Bullion program from other sources when the United States' strategic stockpile of silver is depleted.

Agency Recommendations

Office of Management and Budget

Approval

Department of the Treasury

Approval

Department of Agriculture

Defers to Treasury

Department of Commerce

Defers to Treasury (Informally)

Department of Defense

Defers to Treasury (Informally)

Department of the Interior

Defers to Treasury (Informally)

Department of Justice

No comment (Informally)

Discussion

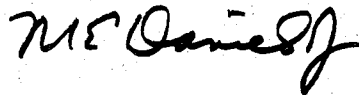
Under current law, Treasury is required to mint and issue, in quantities sufficient to meet public demand, one-dollar coins which weigh one ounce, contain 99.9 percent fine silver, and have a design symbolic of Liberty on one side and of an eagle on the other side. Since 1986, the United States has minted these silver coins, known as "Silver Eagles," as part of its American Eagle Bullion program. Current law also requires Treasury to obtain the silver for these coins by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act. According to House floor debate on June 27th of this year, "earlier this month the last of the stockpile was delivered to processors for refining and to be turned into the blanks from which the coins eventually will be struck."

S. 2594 would require Treasury, at such time as the silver stockpile is depleted, to obtain silver for these coins by buying silver mined from natural deposits in the United States that is brought to a U.S. mint or assay office within one year after the month in which the ore from which it is derived was mined. If it is not economically feasible to obtain silver in this way, Treasury would be authorized to obtain silver for these coins from "other available sources." The enrolled bill would prohibit Treasury from paying more than the average world price for silver under any circumstances. "Average world price" would be defined as the price determined by a "widely recognized" commodity exchange at the time the silver is obtained by Treasury. Treasury would be required to issue regulations to implement this provision of the enrolled bill.

The enrolled bill would require Treasury, within one year of enactment, to submit a report to specified congressional committees on the impact on the United States silver market of the American Eagle Silver Bullion Program. In addition, the United States Mint would be required to prepare and submit to Congress an annual report on the purchases of silver made pursuant to the authorities provided by the enrolled bill. This report could be incorporated into the United States Mint's annual report on the operations of the mint and assay offices.

Conclusion and Recommendations

We join Treasury in recommending approval of S. 2594, which passed both the Senate and the House by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



DEPARTMENT OF THE TREASURY
WASHINGTON

ASSISTANT SECRETARY

July 2, 2002

The Honorable Mitchell E. Daniels, Jr.
Director, Office of Management and Budget
Executive Office of the President
Washington, D.C. 20503

Dear Mr. Daniels:

This responds to your request for the views of this Department on enrolled bill S. 2594, the "Support of American Eagle Silver Bullion Program Act."

The enrolled bill authorizes the Secretary of the Treasury to purchase silver on the open market when the silver stockpile is depleted, to be used to mint coins pursuant to the American Silver Eagle Bullion Act. The Secretary is currently restricted to obtaining silver for bullion coins by purchase from silver stockpiles established under the Strategic and Critical Materials Stock Piling Act. The enrolled bill removes that limitation and authorizes the Secretary to obtain silver from silver mined from natural deposits in the United States. If it is not economically feasible to obtain such silver, the Secretary may obtain the silver from other available sources.

The enrolled bill allows the United States Mint (Mint) to continue its popular and valuable American Silver Eagle Bullion program. The Mint is the largest seller of silver coins in the world.

In view of the foregoing, the Department recommends that the President sign the enrolled bill.

Sincerely,

A handwritten signature in black ink, appearing to read "John Duncan".

John Duncan
Assistant Secretary (Legislative Affairs)



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

The Honorable Mitchell E. Daniels, Jr.
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Director Daniels:

This letter is in response to the June 28, 2002, request from your office concerning the views of the Department of Agriculture on S. 2594, the "Support of American Eagle Silver Bullion Program Act." The Department defers to the recommendations of the Department of the Treasury on whether or not the President should sign the bill.

S. 2594 is a bill that would 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. S. 2594 would prohibit the Secretary of the Treasury from paying more than the average world price for silver under any circumstances. S. 2594 would require the Secretary of the Treasury to conduct a study on the American Eagle Silver Bullion Program and report that study to the Congress not later than 1 year after the date of enactment of the Act. The Department of Agriculture believes enactment of S. 2594 would have nominal effects upon the extraction of silver from National Forest System lands.

Thank you for the opportunity to present the views of the Department of Agriculture.

Sincerely,

A handwritten signature in black ink, appearing to read "Ann M. Veneman".

Ann M. Veneman
Secretary

One Hundred Seventh Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

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,*

SECTION 1. SHORT TITLE.

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

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).

(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.

(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—

(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

S. 2594—3

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.


Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

Subject: ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION PROGRAM ACT

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	HUBBARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IRASTORZA	<input type="checkbox"/>	<input type="checkbox"/>
BARTLETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	JOHNSON	<input type="checkbox"/>	<input type="checkbox"/>
BLAKEMAN	<input type="checkbox"/>	<input type="checkbox"/>	LINDSEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BOLTEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MARBURGER	<input type="checkbox"/>	<input type="checkbox"/>
BRIDGELAND	<input type="checkbox"/>	<input type="checkbox"/>	MIERS	<input type="checkbox"/>	<input type="checkbox"/>
CALIO	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RICE	<input type="checkbox"/>	<input type="checkbox"/>
CONNAUGHTON	<input type="checkbox"/>	<input type="checkbox"/>	RIDGE	<input type="checkbox"/>	<input type="checkbox"/>
DANIELS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROVE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FLEISCHER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SPELLINGS	<input type="checkbox"/>	<input type="checkbox"/>
GERSON	<input type="checkbox"/>	<input type="checkbox"/>	CLERK	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GONZALES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:
 PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M.,
 WEDNESDAY, JULY 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE.
 THANK YOU.

RESPONSE:

Handwritten: RL AHC 7/17 0600

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D. C. 20503

July 16, 2002

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 2594 - Support of American Eagle Silver Bullion Program Act
Sponsors - Sen. Reid (D) Nevada and 5 cosponsors

Last Day for Action

July 23, 2002 - Tuesday

Purpose

Allows the Department of the Treasury to purchase silver for the American Eagle Silver Bullion program from other sources when the United States' strategic stockpile of silver is depleted.

Agency Recommendations

Office of Management and Budget

Approval

Department of the Treasury
Department of Agriculture
Department of Commerce
Department of Defense
Department of the Interior
Department of Justice

Approval
Defers to Treasury
Defers to Treasury (Informally)
Defers to Treasury (Informally)
Defers to Treasury (Informally)
No comment (Informally)

Discussion

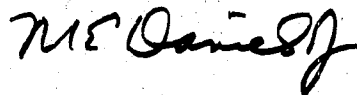
Under current law, Treasury is required to mint and issue, in quantities sufficient to meet public demand, one-dollar coins which weigh one ounce, contain 99.9 percent fine silver, and have a design symbolic of Liberty on one side and of an eagle on the other side. Since 1986, the United States has minted these silver coins, known as "Silver Eagles," as part of its American Eagle Bullion program. Current law also requires Treasury to obtain the silver for these coins by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act. According to House floor debate on June 27th of this year, "earlier this month the last of the stockpile was delivered to processors for refining and to be turned into the blanks from which the coins eventually will be struck."

S. 2594 would require Treasury, at such time as the silver stockpile is depleted, to obtain silver for these coins by buying silver mined from natural deposits in the United States that is brought to a U.S. mint or assay office within one year after the month in which the ore from which it is derived was mined. If it is not economically feasible to obtain silver in this way, Treasury would be authorized to obtain silver for these coins from "other available sources." The enrolled bill would prohibit Treasury from paying more than the average world price for silver under any circumstances. "Average world price" would be defined as the price determined by a "widely recognized" commodity exchange at the time the silver is obtained by Treasury. Treasury would be required to issue regulations to implement this provision of the enrolled bill.

The enrolled bill would require Treasury, within one year of enactment, to submit a report to specified congressional committees on the impact on the United States silver market of the American Eagle Silver Bullion Program. In addition, the United States Mint would be required to prepare and submit to Congress an annual report on the purchases of silver made pursuant to the authorities provided by the enrolled bill. This report could be incorporated into the United States Mint's annual report on the operations of the mint and assay offices.

Conclusion and Recommendations

We join Treasury in recommending approval of S. 2594, which passed both the Senate and the House by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



DEPARTMENT OF THE TREASURY
WASHINGTON

ASSISTANT SECRETARY

July 2, 2002

The Honorable Mitchell E. Daniels, Jr.
Director, Office of Management and Budget
Executive Office of the President
Washington, D.C. 20503

Dear Mr. Daniels:

This responds to your request for the views of this Department on enrolled bill S. 2594, the "Support of American Eagle Silver Bullion Program Act."

The enrolled bill authorizes the Secretary of the Treasury to purchase silver on the open market when the silver stockpile is depleted, to be used to mint coins pursuant to the American Silver Eagle Bullion Act. The Secretary is currently restricted to obtaining silver for bullion coins by purchase from silver stockpiles established under the Strategic and Critical Materials Stock Piling Act. The enrolled bill removes that limitation and authorizes the Secretary to obtain silver from silver mined from natural deposits in the United States. If it is not economically feasible to obtain such silver, the Secretary may obtain the silver from other available sources.

The enrolled bill allows the United States Mint (Mint) to continue its popular and valuable American Silver Eagle Bullion program. The Mint is the largest seller of silver coins in the world.

In view of the foregoing, the Department recommends that the President sign the enrolled bill.

Sincerely,

A handwritten signature in black ink, appearing to read "John Duncan".

John Duncan
Assistant Secretary (Legislative Affairs)



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

The Honorable Mitchell E. Daniels, Jr.
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Director Daniels:

This letter is in response to the June 28, 2002, request from your office concerning the views of the Department of Agriculture on S. 2594, the "Support of American Eagle Silver Bullion Program Act." The Department defers to the recommendations of the Department of the Treasury on whether or not the President should sign the bill.

S. 2594 is a bill that would 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. S. 2594 would prohibit the Secretary of the Treasury from paying more than the average world price for silver under any circumstances. S. 2594 would require the Secretary of the Treasury to conduct a study on the American Eagle Silver Bullion Program and report that study to the Congress not later than 1 year after the date of enactment of the Act. The Department of Agriculture believes enactment of S. 2594 would have nominal effects upon the extraction of silver from National Forest System lands.

Thank you for the opportunity to present the views of the Department of Agriculture.

Sincerely,

A handwritten signature in black ink, appearing to read "Ann M. Veneman".

Ann M. Veneman
Secretary

One Hundred Seventh Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

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,*

SECTION 1. SHORT TITLE.

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

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).

(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.

(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—

(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

S. 2594—3

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.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

Subject: ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION PROGRAM ACT

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	HUBBARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IRASTORZA	<input type="checkbox"/>	<input type="checkbox"/>
BARTLETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	JOHNSON	<input type="checkbox"/>	<input type="checkbox"/>
BLAKEMAN	<input type="checkbox"/>	<input type="checkbox"/>	LINDSEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BOLTEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MARBURGER	<input type="checkbox"/>	<input type="checkbox"/>
BRIDGELAND	<input type="checkbox"/>	<input type="checkbox"/>	MIERS	<input type="checkbox"/>	<input type="checkbox"/>
CALIO	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RICE	<input type="checkbox"/>	<input type="checkbox"/>
CONNAUGHTON	<input type="checkbox"/>	<input type="checkbox"/>	RIDGE	<input type="checkbox"/>	<input type="checkbox"/>
DANIELS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROVE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FLEISCHER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SPELLINGS	<input type="checkbox"/>	<input type="checkbox"/>
GERSON	<input type="checkbox"/>	<input type="checkbox"/>	CLERK	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GONZALES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:
 PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M.,
 WEDNESDAY, JULY 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE.
 THANK YOU.

RESPONSE:

No comment
ryh
07/17/02

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702


SS/ RM NO. _____

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

Subject: ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION PROGRAM ACT

02 JUL 17 AM '02

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	HUBBARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IRASTORZA	<input type="checkbox"/>	<input type="checkbox"/>
BARTLETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	JOHNSON	<input type="checkbox"/>	<input type="checkbox"/>
BLAKEMAN	<input type="checkbox"/>	<input type="checkbox"/>	LINDSEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BOLTEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MARBURGER	<input type="checkbox"/>	<input type="checkbox"/>
BRIDGELAND	<input type="checkbox"/>	<input type="checkbox"/>	MIERS	<input type="checkbox"/>	<input type="checkbox"/>
CALIO	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RICE	<input type="checkbox"/>	<input type="checkbox"/>
CONNAUGHTON	<input type="checkbox"/>	<input type="checkbox"/>	RIDGE	<input type="checkbox"/>	<input type="checkbox"/>
DANIELS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROVE 	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FLEISCHER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SPELLINGS	<input type="checkbox"/>	<input type="checkbox"/>
GERSON	<input type="checkbox"/>	<input type="checkbox"/>	CLERK	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GONZALES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M., WEDNESDAY, JULY 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE. THANK YOU.

No comment

RESPONSE:

00 : 2 17 AM '02
 EXEC. ADJ. PRESIDENT
 WH STAFF SECRETARY'S OFFICE

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702

SS/ RM NO.

WHITE HOUSE STAFFING MEMORANDUM


BRETT

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION

Subject: PROGRAM ACT

07 JUL 17 PM 10:14

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	HUBBARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IRASTORZA	<input type="checkbox"/>	<input type="checkbox"/>
BARTLETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	JOHNSON	<input type="checkbox"/>	<input type="checkbox"/>
BLAKEMAN	<input type="checkbox"/>	<input type="checkbox"/>	LINDSEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BOLTEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MARBURGER	<input type="checkbox"/>	<input type="checkbox"/>
BRIDGELAND	<input type="checkbox"/>	<input type="checkbox"/>	MIERS	<input type="checkbox"/>	<input type="checkbox"/>
CALIO	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RICE	<input type="checkbox"/>	<input type="checkbox"/>
CONNAUGHTON	<input type="checkbox"/>	<input type="checkbox"/>	RIDGE	<input type="checkbox"/>	<input type="checkbox"/>
DANIELS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROVE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FLEISCHER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SPELLINGS	<input type="checkbox"/>	<input type="checkbox"/>
GERSON	<input type="checkbox"/>	<input type="checkbox"/>	CLERK	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GONZALES 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M., WEDNESDAY, JULY 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE. THANK YOU.

RESPONSE:

*No objections
Brett Karaway*

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION
 Subject: PROGRAM ACT

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	HUBBARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IRASTORZA	<input type="checkbox"/>	<input type="checkbox"/>
BARTLETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	JOHNSON	<input type="checkbox"/>	<input type="checkbox"/>
BLAKEMAN	<input type="checkbox"/>	<input type="checkbox"/>	LINDSEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BOLTEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MARBURGER	<input type="checkbox"/>	<input type="checkbox"/>
BRIDGELAND	<input type="checkbox"/>	<input type="checkbox"/>	MIERS	<input type="checkbox"/>	<input type="checkbox"/>
CALIO	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RICE	<input type="checkbox"/>	<input type="checkbox"/>
CONNAUGHTON	<input type="checkbox"/>	<input type="checkbox"/>	RIDGE	<input type="checkbox"/>	<input type="checkbox"/>
DANIELS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROVE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FLEISCHER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SPELLINGS	<input type="checkbox"/>	<input type="checkbox"/>
GERSON	<input type="checkbox"/>	<input type="checkbox"/>	CLERK	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GONZALES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M., WEDNESDAY, JULY 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE. THANK YOU.

no comment

RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 16, 2002

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 2594 - Support of American Eagle Silver Bullion Program Act
Sponsors - Sen. Reid (D) Nevada and 5 cosponsors

Last Day for Action

July 23, 2002 - Tuesday

Purpose

Allows the Department of the Treasury to purchase silver for the American Eagle Silver Bullion program from other sources when the United States' strategic stockpile of silver is depleted.

Agency Recommendations

Office of Management and Budget

Approval

Department of the Treasury
Department of Agriculture
Department of Commerce
Department of Defense
Department of the Interior
Department of Justice

Approval
Defers to Treasury
Defers to Treasury (Informally)
Defers to Treasury (Informally)
Defers to Treasury (Informally)
No comment (Informally)

Discussion

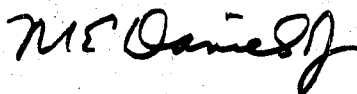
Under current law, Treasury is required to mint and issue, in quantities sufficient to meet public demand, one-dollar coins which weigh one ounce, contain 99.9 percent fine silver, and have a design symbolic of Liberty on one side and of an eagle on the other side. Since 1986, the United States has minted these silver coins, known as "Silver Eagles," as part of its American Eagle Bullion program. Current law also requires Treasury to obtain the silver for these coins by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act. According to House floor debate on June 27th of this year, "earlier this month the last of the stockpile was delivered to processors for refining and to be turned into the blanks from which the coins eventually will be struck."

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Conclusion and Recommendations

We join Treasury in recommending approval of S. 2594, which passed both the Senate and the House by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



DEPARTMENT OF THE TREASURY
WASHINGTON

ASSISTANT SECRETARY

July 2, 2002

The Honorable Mitchell E. Daniels, Jr.
Director, Office of Management and Budget
Executive Office of the President
Washington, D.C. 20503

Dear Mr. Daniels:

This responds to your request for the views of this Department on enrolled bill S. 2594, the "Support of American Eagle Silver Bullion Program Act."

The enrolled bill authorizes the Secretary of the Treasury to purchase silver on the open market when the silver stockpile is depleted, to be used to mint coins pursuant to the American Silver Eagle Bullion Act. The Secretary is currently restricted to obtaining silver for bullion coins by purchase from silver stockpiles established under the Strategic and Critical Materials Stock Piling Act. The enrolled bill removes that limitation and authorizes the Secretary to obtain silver from silver mined from natural deposits in the United States. If it is not economically feasible to obtain such silver, the Secretary may obtain the silver from other available sources.

The enrolled bill allows the United States Mint (Mint) to continue its popular and valuable American Silver Eagle Bullion program. The Mint is the largest seller of silver coins in the world.

In view of the foregoing, the Department recommends that the President sign the enrolled bill.

Sincerely,

John Duncan
Assistant Secretary (Legislative Affairs)



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

The Honorable Mitchell E. Daniels, Jr.
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Director Daniels:

This letter is in response to the June 28, 2002, request from your office concerning the views of the Department of Agriculture on S. 2594, the "Support of American Eagle Silver Bullion Program Act." The Department defers to the recommendations of the Department of the Treasury on whether or not the President should sign the bill.

S. 2594 is a bill that would 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. S. 2594 would prohibit the Secretary of the Treasury from paying more than the average world price for silver under any circumstances. S. 2594 would require the Secretary of the Treasury to conduct a study on the American Eagle Silver Bullion Program and report that study to the Congress not later than 1 year after the date of enactment of the Act. The Department of Agriculture believes enactment of S. 2594 would have nominal effects upon the extraction of silver from National Forest System lands.

Thank you for the opportunity to present the views of the Department of Agriculture.

Sincerely,

A handwritten signature in black ink, appearing to read "Ann M. Veneman".

Ann M. Veneman
Secretary

One Hundred Seventh Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

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,*

SECTION 1. SHORT TITLE.

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

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).

(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.

(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—

(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

S. 2594—3

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.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*



'02 JUL 17 PM 1:25

OFFICE OF THE VICE PRESIDENT

WASHINGTON

July 17, 2002

MEMORANDUM FOR JIM JUKES

FROM: JONATHAN BURKS
DEPUTY STAFF SECRETARY TO THE VICE PRESIDENT

SUBJECT: Enrolled Bill S. 2594 – Support of American Eagle
Silver Bullion Program Act

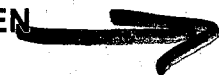
The Office of the Vice President has reviewed the above-referenced draft and has no comments.

cc: Harriet Miers
Staff Secretary

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION
 Subject: PROGRAM ACT

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	HUBBARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IRASTORZA	<input type="checkbox"/>	<input type="checkbox"/>
BARTLETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	JOHNSON	<input type="checkbox"/>	<input type="checkbox"/>
BLAKEMAN	<input type="checkbox"/>	<input type="checkbox"/>	LINDSEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BOLTEN 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MARBURGER	<input type="checkbox"/>	<input type="checkbox"/>
BRIDGELAND	<input type="checkbox"/>	<input type="checkbox"/>	MIERS	<input type="checkbox"/>	<input type="checkbox"/>
CALIO	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RICE	<input type="checkbox"/>	<input type="checkbox"/>
CONNAUGHTON	<input type="checkbox"/>	<input type="checkbox"/>	RIDGE	<input type="checkbox"/>	<input type="checkbox"/>
DANIELS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROVE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FLEISCHER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SPELLINGS	<input type="checkbox"/>	<input type="checkbox"/>
GERSON	<input type="checkbox"/>	<input type="checkbox"/>	CLERK	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GONZALES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M., WEDNESDAY, JULY 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE. THANK YOU.

RESPONSE:

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 16, 2002

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 2594 - Support of American Eagle Silver Bullion Program Act
Sponsors - Sen. Reid (D) Nevada and 5 cosponsors

Last Day for Action

July 23, 2002 - Tuesday

Purpose

Allows the Department of the Treasury to purchase silver for the American Eagle Silver Bullion program from other sources when the United States' strategic stockpile of silver is depleted.

Agency Recommendations

Office of Management and Budget

Approval

Department of the Treasury
Department of Agriculture
Department of Commerce
Department of Defense
Department of the Interior
Department of Justice

Approval
Defers to Treasury
Defers to Treasury (Informally)
Defers to Treasury (Informally)
Defers to Treasury (Informally)
No comment (Informally)

Discussion

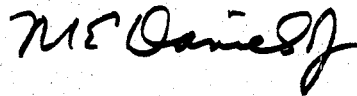
Under current law, Treasury is required to mint and issue, in quantities sufficient to meet public demand, one-dollar coins which weigh one ounce, contain 99.9 percent fine silver, and have a design symbolic of Liberty on one side and of an eagle on the other side. Since 1986, the United States has minted these silver coins, known as "Silver Eagles," as part of its American Eagle Bullion program. Current law also requires Treasury to obtain the silver for these coins by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act. According to House floor debate on June 27th of this year, "earlier this month the last of the stockpile was delivered to processors for refining and to be turned into the blanks from which the coins eventually will be struck."

S. 2594 would require Treasury, at such time as the silver stockpile is depleted, to obtain silver for these coins by buying silver mined from natural deposits in the United States that is brought to a U.S. mint or assay office within one year after the month in which the ore from which it is derived was mined. If it is not economically feasible to obtain silver in this way, Treasury would be authorized to obtain silver for these coins from "other available sources." The enrolled bill would prohibit Treasury from paying more than the average world price for silver under any circumstances. "Average world price" would be defined as the price determined by a "widely recognized" commodity exchange at the time the silver is obtained by Treasury. Treasury would be required to issue regulations to implement this provision of the enrolled bill.

The enrolled bill would require Treasury, within one year of enactment, to submit a report to specified congressional committees on the impact on the United States silver market of the American Eagle Silver Bullion Program. In addition, the United States Mint would be required to prepare and submit to Congress an annual report on the purchases of silver made pursuant to the authorities provided by the enrolled bill. This report could be incorporated into the United States Mint's annual report on the operations of the mint and assay offices.

Conclusion and Recommendations

We join Treasury in recommending approval of S. 2594, which passed both the Senate and the House by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



DEPARTMENT OF THE TREASURY
WASHINGTON

ASSISTANT SECRETARY

July 2, 2002

The Honorable Mitchell E. Daniels, Jr.
Director, Office of Management and Budget
Executive Office of the President
Washington, D.C. 20503

Dear Mr. Daniels:


This responds to your request for the views of this Department on enrolled bill S. 2594, the "Support of American Eagle Silver Bullion Program Act."

The enrolled bill authorizes the Secretary of the Treasury to purchase silver on the open market when the silver stockpile is depleted, to be used to mint coins pursuant to the American Silver Eagle Bullion Act. The Secretary is currently restricted to obtaining silver for bullion coins by purchase from silver stockpiles established under the Strategic and Critical Materials Stock Piling Act. The enrolled bill removes that limitation and authorizes the Secretary to obtain silver from silver mined from natural deposits in the United States. If it is not economically feasible to obtain such silver, the Secretary may obtain the silver from other available sources.

The enrolled bill allows the United States Mint (Mint) to continue its popular and valuable American Silver Eagle Bullion program. The Mint is the largest seller of silver coins in the world.

In view of the foregoing, the Department recommends that the President sign the enrolled bill.

Sincerely,


John Duncan
Assistant Secretary (Legislative Affairs)



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

The Honorable Mitchell E. Daniels, Jr.
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Director Daniels:

This letter is in response to the June 28, 2002, request from your office concerning the views of the Department of Agriculture on S. 2594, the "Support of American Eagle Silver Bullion Program Act." The Department defers to the recommendations of the Department of the Treasury on whether or not the President should sign the bill.

S. 2594 is a bill that would 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. S. 2594 would prohibit the Secretary of the Treasury from paying more than the average world price for silver under any circumstances. S. 2594 would require the Secretary of the Treasury to conduct a study on the American Eagle Silver Bullion Program and report that study to the Congress not later than 1 year after the date of enactment of the Act. The Department of Agriculture believes enactment of S. 2594 would have nominal effects upon the extraction of silver from National Forest System lands.

Thank you for the opportunity to present the views of the Department of Agriculture.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ann M. Veneman".

Ann M. Veneman
Secretary

**One Hundred Seventh Congress
of the
United States of America**

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

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,*

SECTION 1. SHORT TITLE.

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

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

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(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).

(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.

(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—

(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

S. 2594—3

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.


Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

WHITE HOUSE STAFFING MEMORANDUM

Date: 07-16-02 9:00 PM ACTION / CONCURRENCE / COMMENT DUE BY: 07-17-02 12:00 PM

Subject: ENROLLED BILL S. 2594 -- SUPPORT OF AMERICAN EAGLE SILVER BULLION PROGRAM ACT

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	HUBBARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	IRASTORZA	<input type="checkbox"/>	<input type="checkbox"/>
BARTLETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	JOHNSON	<input type="checkbox"/>	<input type="checkbox"/>
BLAKEMAN	<input type="checkbox"/>	<input type="checkbox"/>	LINDSEY	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BOLTEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MARBURGER	<input type="checkbox"/>	<input type="checkbox"/>
BRIDGELAND	<input type="checkbox"/>	<input type="checkbox"/>	MIERS	<input type="checkbox"/>	<input type="checkbox"/>
CALIO 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	RICE	<input type="checkbox"/>	<input type="checkbox"/>
CONNAUGHTON	<input type="checkbox"/>	<input type="checkbox"/>	RIDGE	<input type="checkbox"/>	<input type="checkbox"/>
DANIELS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROVE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
FLEISCHER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SPELLINGS	<input type="checkbox"/>	<input type="checkbox"/>
GERSON	<input type="checkbox"/>	<input type="checkbox"/>	CLERK	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GONZALES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAWKINS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

PLEASE FORWARD COMMENTS TO JIM JUKES, X53458, OR FAX 56148, BY 12:00 P.M., WEDNESDAY, JULY 17, 2002, WITH A COPY TO THE STAFF SECRETARY'S OFFICE. THANK YOU.

RESPONSE:

Legation Affair (Howard) -ck

Harriet E. Miers
 Assistant to the President
 and Staff Secretary
 Ext. 62702



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 16, 2002

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 2594 - Support of American Eagle Silver Bullion Program Act
Sponsors - Sen. Reid (D) Nevada and 5 cosponsors

Last Day for Action

July 23, 2002 - Tuesday

Purpose

Allows the Department of the Treasury to purchase silver for the American Eagle Silver Bullion program from other sources when the United States' strategic stockpile of silver is depleted.

Agency Recommendations

Office of Management and Budget

Approval

Department of the Treasury

Approval

Department of Agriculture

Defers to Treasury

Department of Commerce

Defers to Treasury (Informally)

Department of Defense

Defers to Treasury (Informally)

Department of the Interior

Defers to Treasury (Informally)

Department of Justice

No comment (Informally)

Discussion

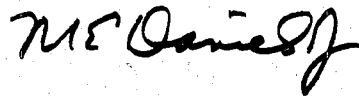
Under current law, Treasury is required to mint and issue, in quantities sufficient to meet public demand, one-dollar coins which weigh one ounce, contain 99.9 percent fine silver, and have a design symbolic of Liberty on one side and of an eagle on the other side. Since 1986, the United States has minted these silver coins, known as "Silver Eagles," as part of its American Eagle Bullion program. Current law also requires Treasury to obtain the silver for these coins by purchase from stockpiles established under the Strategic and Critical Materials Stock Piling Act. According to House floor debate on June 27th of this year, "earlier this month the last of the stockpile was delivered to processors for refining and to be turned into the blanks from which the coins eventually will be struck."

S. 2594 would require Treasury, at such time as the silver stockpile is depleted, to obtain silver for these coins by buying silver mined from natural deposits in the United States that is brought to a U.S. mint or assay office within one year after the month in which the ore from which it is derived was mined. If it is not economically feasible to obtain silver in this way, Treasury would be authorized to obtain silver for these coins from "other available sources." The enrolled bill would prohibit Treasury from paying more than the average world price for silver under any circumstances. "Average world price" would be defined as the price determined by a "widely recognized" commodity exchange at the time the silver is obtained by Treasury. Treasury would be required to issue regulations to implement this provision of the enrolled bill.

The enrolled bill would require Treasury, within one year of enactment, to submit a report to specified congressional committees on the impact on the United States silver market of the American Eagle Silver Bullion Program. In addition, the United States Mint would be required to prepare and submit to Congress an annual report on the purchases of silver made pursuant to the authorities provided by the enrolled bill. This report could be incorporated into the United States Mint's annual report on the operations of the mint and assay offices.

Conclusion and Recommendations

We join Treasury in recommending approval of S. 2594, which passed both the Senate and the House by unanimous consent.



Mitchell E. Daniels, Jr.
Director

Enclosures



DEPARTMENT OF THE TREASURY
WASHINGTON

ASSISTANT SECRETARY

July 2, 2002

The Honorable Mitchell E. Daniels, Jr.
Director, Office of Management and Budget
Executive Office of the President
Washington, D.C. 20503

Dear Mr. Daniels:

This responds to your request for the views of this Department on enrolled bill S. 2594, the "Support of American Eagle Silver Bullion Program Act."

The enrolled bill authorizes the Secretary of the Treasury to purchase silver on the open market when the silver stockpile is depleted, to be used to mint coins pursuant to the American Silver Eagle Bullion Act. The Secretary is currently restricted to obtaining silver for bullion coins by purchase from silver stockpiles established under the Strategic and Critical Materials Stock Piling Act. The enrolled bill removes that limitation and authorizes the Secretary to obtain silver from silver mined from natural deposits in the United States. If it is not economically feasible to obtain such silver, the Secretary may obtain the silver from other available sources.

The enrolled bill allows the United States Mint (Mint) to continue its popular and valuable American Silver Eagle Bullion program. The Mint is the largest seller of silver coins in the world.

In view of the foregoing, the Department recommends that the President sign the enrolled bill.

Sincerely,

John Duncan
Assistant Secretary (Legislative Affairs)



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

The Honorable Mitchell E. Daniels, Jr.
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Director Daniels:

This letter is in response to the June 28, 2002, request from your office concerning the views of the Department of Agriculture on S. 2594, the "Support of American Eagle Silver Bullion Program Act." The Department defers to the recommendations of the Department of the Treasury on whether or not the President should sign the bill.

S. 2594 is a bill that would 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. S. 2594 would prohibit the Secretary of the Treasury from paying more than the average world price for silver under any circumstances. S. 2594 would require the Secretary of the Treasury to conduct a study on the American Eagle Silver Bullion Program and report that study to the Congress not later than 1 year after the date of enactment of the Act. The Department of Agriculture believes enactment of S. 2594 would have nominal effects upon the extraction of silver from National Forest System lands.

Thank you for the opportunity to present the views of the Department of Agriculture.

Sincerely,

A handwritten signature in black ink, appearing to read "Ann M. Veneman".

Ann M. Veneman
Secretary

One Hundred Seventh Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

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,*

SECTION 1. SHORT TITLE.

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

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).

(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.

(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—

(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

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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.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

One Hundred Seventh Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the twenty-third day of January, two thousand and two*

An Act

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,*

SECTION 1. SHORT TITLE.

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

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;

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Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*