Idaho Lawmaker Leads Drive For Alternative National Currency

By Scott Logan Boise TV-2 August 2005.

A state lawmaker from Northern Idaho is helping lead the local charge for a new currency in the United States.

Rep. Phil Hart is pushing what's called Liberty Dollars, supposedly backed by gold and silver bullion, stored at a warehouse in Northern Idaho.

Proponents claim they're legal, but state officials aren't so sure.

Hart was in the news recently for his trouble with the IRS, owing \$90,000 in back taxes, a problem he says is being resolved.

Hart says Liberty Dollars will strengthen the national economy and contribute to the repeal of the Federal Reserve Act.

"This is a precious metal currency system," said the Athol Republican, affiliated with the National Organization for the Repeal of the Federal Reserve Act or NORFED.

NORFED distributes Liberty Dollars, which are minted by Sunshine Minting of Coeur d'Alene. Our calls to Sunshine Minting to find out more about the warehouse went unreturned.

But Hart says his role is to get people and merchants to accept the new currency.

"When you go out to eat, you can chose restaurant A or B," he said. "And if you want to trade and do commerce with the Liberty Dollar, it's out there for people to do that."

Hart estimates \$12 million worth of Liberty Dollars are in circulation.

To be clear, Liberty Dollars are not legal tender. You can't pay your taxes with them, for example. And banks won't take them, so who will?

Jack Rogers of Nampa will.

He sells alternative health products from home. **'The Liberty Dollars are very practical,''** Rogers told Local 2 News. **'It gives the people a choice.''** Rogers and others in the Treasure Valley hope to establish what are called regional currency offices to help distribute Liberty dollars in Southern Idaho.

The organization's website says its goal is to repeal the Federal Reserve system in favor of one backed by Liberty dollars.

"I like to refer to it as moral," said Rogers. "It's not cheating anybody the way inflation cheats people of their spending power. It's legal, and has been reviewed by the U.S. Treasury Department."

Legal for barter, perhaps. But State Treasurer Ron Crane says establishing an alternative currency to traditional greenbacks could violate the U.S. Constitution, which gives the federal government the right to create currency.

"You're undermining the economic security of our country. It's imperative that we have only one currency for economic stability and political stability," Crane said.

The Liberty Dollar website says about 100,000 people are using the Liberty Dollar around the country through a national network.

The organization's website lists about a half dozen vendors in the Treasure Valley who accept the new currency right now. But supporters say those numbers are growing daily and are willing to bet their bottom dollar on it — a Liberty Dollar, of course.