

# Mint says Liberty dollar not cash

By Staff writer  
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A warning was issued by the U.S. Mint Sept. 14 urging the public not to confuse privately produced "Liberty Dollar" medallions with genuine U.S. Mint coinage. The Mint also states that prosecutors in the Department of Justice "have determined that the use of these gold and silver NORFED 'Liberty Dollar' medallions as circulating money is a federal crime."

NORFED is the private entity that has created Liberty Dollar medallions and scrip. NORFED stands for the National Organization for the Repeal of the Federal Reserve Act and the Internal Revenue Code.

Michael Johnson, executive director of NORFED, issued a statement saying, "NORFED dba (doing business as) The American Liberty Dollar, based in Evansville, Ind., has never produced 'legal tender.' We privately mint currency that is backed by gold and silver, not the United States Government. The designs and verbiage on our specie and certificate are original and are not copies of any U.S. Mint currency."

The Mint in its warning says "Liberty Dollars"

- "might look like real money because they bear inscriptions 'Liberty' 'Dollars,' 'Trust in God' (similar to 'In God We Trust'), and 'USA' (similar to 'United States of America'), and an inscription purporting to denote the year of production.
- "Depict images that are similar to United States coins, such as the torch on the reverses of the current dime coin, 1986 Statue of Liberty commemorative silver dollar and 1993 Bill of Rights commemorative half dollar, and the Liberty Head designs on the obverses of United States gold coins from the mid-1800s to the early 1900s."

The Mint also explained that it is the only lawful authority to mint and issue United States coins.

NORFED's statement says the Treasury's legal team reviewed the currency and quotes Claudia Dickens of the Bureau of Engraving and Printing saying, "As long as it doesn't say legal tender, there's nothing wrong with it."

NORFED also attributes a quote to Andrew Williams, spokesman for the Federal Reserve, "There is no law that says goods and services must be paid for with

Federal Reserve Notes. Parties entering into a transaction can establish any medium of exchange that is agreed upon."

Neither quote was dated, though another quotation cites a January 2000 interview.

"It is the opinion of our lead attorney that the Gold and Silver Libertys distributed by NORFED are not in conflict because they are not 'coins,' nor are we circulating them as 'money' as defined by the government," Johnson said.

The Mint says NORFED on its Web site encourages "Liberty associates" to "accept NORFED 'Liberty Dollar' medallions and offer them as change in sales transactions of merchandise or services."

The Mint also says the medallions "are specifically marketed to be used as current money in order to limit reliance on, and to compete with the circulating coinage of the United States. Consequently, prosecutors with the United States Department of Justice have concluded that the use of NORFED's 'Liberty Dollar' medallions violates 18 U.S.C. § 486, and is a crime.

The United States Mint has a Consumer Alert with photos of Liberty Dollars at <http://www.usmint.gov/consumer/index.cfm?action=HotItems>.