

110<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5614

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## AN ACT

To authorize the production in palladium of Saint-Gaudens Double Eagle coins as ultra-high relief numismatic coins and bullion investment coins in order to provide affordable opportunities for investments in precious metals, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act shall be known as the “Original Saint-  
3 Gaudens Double Eagle Ultra-High Relief Palladium Bul-  
4 lion Coin Act”.

5 **SEC. 2. FINDINGS.**

6 The Congress finds that—

7 (1) the Augustus Saint-Gaudens \$20 gold  
8 pieces of 1907 with ultra-high relief are considered  
9 by many in the numismatic community to be the  
10 most beautiful coins ever produced;

11 (2) two separate “pattern” versions of the  
12 ultra-high relief Double Eagle were produced in  
13 1907;

14 (3) a 34-millimeter version was hand-struck on  
15 a standard Double Eagle planchet using a medal  
16 press and, because manufacturing and technical lim-  
17 itations prevented mass production of these pieces,  
18 this production resulted in low mintage, with fewer  
19 than two dozen specimens of the 34-millimeter  
20 version known to be in existence today;

21 (4) a second, 27-millimeter, version was struck  
22 using two stacked \$10 Eagle planchets;

23 (5) these experimental “pattern” 27-millimeter  
24 pieces were deemed to be illegal to produce and all  
25 specimens were destroyed except for 2 that reside in  
26 the Smithsonian’s National Numismatic Collection;

1           (6) the 27-millimeter pattern pieces are ranked  
2           by numismatists as among the most beautiful coins  
3           ever produced, but none are in private hands and  
4           none have ever come up for sale;

5           (7) the ultra-high relief Double Eagles are rep-  
6           resentative of the greatest period of American coin-  
7           age, the so-called “Golden Age of Coinage” in the  
8           United States, initiated by President Theodore Roo-  
9           sevelt, with the assistance of noted sculptors and  
10          medallic artists James Earle Fraser and Augustus  
11          Saint-Gaudens;

12          (8) the introduction of this famous piece as a  
13          numismatic proof coin would not only give collectors  
14          an opportunity to own a version of a legendary coin  
15          that has never before been available for private own-  
16          ership, but also inaugurate a neo-renaissance in  
17          United States coin design and demonstrate the tech-  
18          nological advances that the United States has  
19          achieved over the last century;

20          (9) the modern coin version of the \$20 gold  
21          piece would be updated with the addition of the in-  
22          scription “In God We Trust” and would include the  
23          date of minting or issuance, to distinguish it from  
24          the originals and prevent counterfeiting;

1           (10) palladium is a rare silver-white metal, and  
2 is considered a precious metal because of its scar-  
3 city;

4           (11) palladium is one of 6 platinum group met-  
5 als that include ruthenium, rhodium, osmium, irid-  
6 ium, and platinum; it is the least dense and has the  
7 lowest melting point of the platinum group metals;

8           (12) the major nations mining palladium are in  
9 order of volume: Russia, South Africa, United States  
10 of America, and Canada;

11           (13) the major mine producing palladium in the  
12 United States is located in Montana;

13           (14) palladium is fabricated into a wide range  
14 of applications that includes its extensive use as an  
15 industrial catalyst and a key component in the man-  
16 ufacturing of automotive catalytic converters;

17           (15) palladium is also used in dentistry, jew-  
18 elry, and in the production of surgical instruments  
19 and electrical contacts;

20           (16) the demand for precious metals is driven  
21 not only by their practical use, but also by their role  
22 as a store of value;

23           (17) a variety of investment options are avail-  
24 able to palladium investors that includes coins, bars,  
25 and exchange-traded funds;

1           (18) palladium coins have been issued by sev-  
2           eral countries, mainly as commemorative coins, but  
3           also as bullion investment coins (bullion is the form  
4           of palladium traded for investment purposes and is  
5           a reference to its purity);

6           (19) Tonga commenced issuing palladium coins  
7           in 1967 and other issuing countries have included  
8           Canada, the Soviet Union, France, Russia, China,  
9           Australia, and Slovakia;

10          (20) today, only Canada mints palladium bul-  
11          lion coins;

12          (21) during the period 2003 through 2007, the  
13          price of palladium ranged between \$148 and \$404  
14          per troy ounce, and the average price in 2007 was  
15          \$355 per troy ounce;

16          (22) by contrast, during the same period, the  
17          price of platinum ranged between a low of \$603 and  
18          a high \$1,544, and the average price in 2007 was  
19          \$1,303 per troy ounce;

20          (23) thus, platinum bullion coins have become  
21          too expensive for the average investor;

22          (24) The Royal Canadian Mint minted plat-  
23          inum bullion coins for 14 years (between 1988 and  
24          2001), but ceased production in the face of high  
25          metal prices and declining sales;

1           (25) when the United States Mint’s American  
2 Eagle Platinum Bullion Coin was launched in 1997,  
3 the average price for the metal that year was \$395  
4 per troy ounce; and

5           (26) over the past decade, the price has more  
6 than tripled, which has caused a dramatic decline in  
7 demand for these coins, from 80,050 ounces sold in  
8 1997 to 9,050 in 2007.

9 **SEC. 3. ORIGINAL SAINT-GAUDENS DOUBLE EAGLE ULTRA-**  
10 **HIGH RELIEF BULLION COIN.**

11 Section 5112 of title 31, United States Code, is  
12 amended—

13           (1) in subsection (a), by adding at the end the  
14 following new paragraph:

15           “(12) A \$20 coin that—

16                   “(A) is 27 millimeters in diameter;

17                   “(B) weighs 1 ounce;

18                   “(C) is of an appropriate thickness, as de-  
19 termined by the Secretary; and

20                   “(D) bears, on the obverse and reverse, the  
21 designs of the famous 27-millimeter version of  
22 the 1907 Augustus Saint-Gaudens Double  
23 Eagle gold piece, as described in subsection  
24 (t).”;

1           (2) by adding at the end, the following new sub-  
2           section:

3           “(t) ORIGINAL SAINT-GAUDENS DOUBLE EAGLE  
4 ULTRA-HIGH RELIEF NUMISMATIC COINS AND BULLION  
5 INVESTMENT COINS.—

6           “(1) IN GENERAL.—Beginning January 1,  
7           2009, the Secretary shall commence minting and  
8           issuing for sale—

9           “(A) such number of \$20 bullion invest-  
10           ment coins as the Secretary may determine to  
11           be appropriate, that bear the design described  
12           in paragraph (2); and

13           “(B) not more than 15,000 of the numis-  
14           matic \$20 coins that bear the design and meet  
15           the requirements of paragraph (3).

16           “(2) DESIGN AND REQUIREMENTS FOR BUL-  
17           LION INVESTMENT COINS.—

18           “(A) IN GENERAL.—Except as provided  
19           under subparagraph (B), the obverse and re-  
20           verse of the coins minted and issued pursuant  
21           to paragraph (1)(A) shall bear a close approxi-  
22           mation of the original obverse and reverse de-  
23           signs by Augustus Saint-Gaudens which appear  
24           on the famous 27-millimeter version of the  
25           1907 Double Eagle ultra-high relief gold piece.

1           “(B) VARIATIONS.—The coins referred to  
2           in subparagraph (A) shall—

3                   “(i) have inscriptions of the weight of  
4                   the coin and the purity of the alloy in the  
5                   coin raised on the edge of the coin;

6                   “(ii) bear the nominal denomination  
7                   of the coin;

8                   “(iii) bear the date of issue of the coin  
9                   on the obverse, expressed as a Roman nu-  
10                  meral as in the original design; and

11                  “(iv) bear such other inscriptions, in-  
12                  cluding ‘In God We Trust’, as the Sec-  
13                  retary determines to be appropriate and in  
14                  keeping with the original design.

15           “(C) MINT FACILITY.—Any facility of the  
16           United States Mint may be used to strike coins  
17           minted pursuant to paragraph (1)(A) other  
18           than the United States mint at West Point,  
19           New York.

20           “(3) DESIGN AND REQUIREMENTS FOR ULTRA-  
21           HIGH RELIEF NUMISMATIC COINS.—

22                   “(A) IN GENERAL.—Subject to subpara-  
23                   graph (B), the obverse and reverse of the coins  
24                   minted and issued pursuant to paragraph  
25                   (1)(B) shall bear exact replicas of the original



1 obverse and reverse designs by Augustus Saint-  
2 Gaudens which appear on the famous 27-milli-  
3 meter version of the 1907 Double Eagle ultra-  
4 high relief gold piece and the edge of the coin  
5 shall have all appropriate raised lettering in the  
6 same manner as the original coin.

7 “(B) VARIATIONS.—The coins referred to  
8 in subparagraph (A) shall—

9 “(i) bear a single finish that most  
10 closely approximate the finish of the origi-  
11 nal gold 1907 ultra-high relief gold piece  
12 as is practicable;

13 “(ii) bear the nominal denomination  
14 of the coin;

15 “(iii) bear the date of issue of the coin  
16 on the obverse, expressed as a Roman nu-  
17 meral as in the original design; and

18 “(iv) bear such other inscriptions, in-  
19 cluding ‘In God We Trust’, as the Sec-  
20 retary determines to be appropriate and in  
21 keeping with the original design.

22 “(C) MINT FACILITY.—Coins minted pur-  
23 suant to paragraph (1)(B) may only be struck  
24 at the United States mint at West Point, New  
25 York.

1           “(D) FRACTIONAL COINS PROHIBITED.—  
2           No coins issued pursuant to paragraph (1)(B),  
3           shall be made available as so-called ‘fractional’  
4           coins.

5           “(4) DISTRIBUTION IN SETS AND OTHER CO-  
6           ORDINATION REQUIREMENTS.—If the Secretary  
7           chooses, in accordance with subsection (i), to mint  
8           and issue a gold bullion coin that bears the same de-  
9           sign as the ultra-high relief numismatic coins de-  
10          scribed in paragraph (1)(B)—

11           “(A) each palladium coin issued under  
12           paragraph (1)(B) may only be issued in a set  
13           containing 1 of each such coins;

14           “(B) each set of coins described in sub-  
15           paragraph (A) shall be provided in a presen-  
16           tation case of appropriate design;

17           “(C) the set described in subparagraph (A)  
18           may only be issued and sold in 2009;

19           “(D) gold coins issued in any set described  
20           in subparagraph (A) may only be struck at the  
21           United States mint at West Point, New York  
22           and no other gold coin issued by the Secretary  
23           that bears the same design as the ultra-high re-  
24           lief numismatic coins described in paragraph

1 (1)(B) may be struck at such mint at West  
2 Point; and

3 “(E) no gold coin that bears the same de-  
4 sign as the ultra-high relief numismatic coins  
5 described in paragraph (1)(B) shall be made  
6 available as so-called ‘fractional’ coins.

7 “(5) COMPOSITION.—

8 “(A) IN GENERAL.—The coins minted  
9 under this subsection shall contain .995 pure  
10 palladium.

11 “(B) SOURCE OF BULLION.—

12 “(i) IN GENERAL.—The Secretary  
13 shall acquire bullion for the palladium  
14 coins issued under this subsection by pur-  
15 chase of palladium mined from natural de-  
16 posits in the United States, or in a terri-  
17 tory or possession of the United States,  
18 within 1 year after the month in which the  
19 ore from which it is derived was mined.

20 “(ii) PRICE OF BULLION.—The Sec-  
21 retary shall pay not more than the average  
22 world price for the palladium under sub-  
23 paragraph (A).

24 “(6) SALE OF COINS.—Each coin issued under  
25 this subsection shall be sold for an amount the Sec-

1       retary determines to be appropriate, but not less  
2       than the sum of—

3               “(A) the nominal denomination of the coin;

4               “(B) the market value of the bullion at the  
5       time of sale; and

6               “(C) the cost of designing and issuing the  
7       coins, including labor, materials, dies, use of  
8       machinery, overhead expenses, marketing, dis-  
9       tribution, and shipping.

10              “(7) LEGAL TENDER.—The coins minted under  
11       this title shall be legal tender, as provided in section  
12       5103.

13              “(8) TREATMENT AS NUMISMATIC ITEMS.—For  
14       purposes of section 5134 and 5136, all coins minted  
15       under this subsection shall be considered to be nu-  
16       ismatic items.

17              “(9) QUALITY.—The Secretary may issue the  
18       coins described in paragraph (1)(A) in both proof  
19       and uncirculated versions.

20              “(10) PROTECTIVE AND ANTI-COUNTERFEITING  
21       COVER.—

22              “(A) IN GENERAL.—The Secretary shall  
23       give strong consideration to making the coins  
24       described in this subsection available only in  
25       protective covers that preserve the coins in the

1 condition in which they are issued, allow clear  
2 and easy viewing of the obverse, reverse, and  
3 sides of the coin and protect it from movement  
4 within the holder, and also protect against  
5 counterfeiting of such coins or of the container.

6 “(B) ACQUISITION.—The Secretary may  
7 elect to comply with subparagraph (A) by pro-  
8 ducing and assembling such protective covers  
9 within the United States Mint or by contracting  
10 for the installation of such covers.

11 “(11) FURTHER ANTI-COUNTERFEITING MEAS-  
12 URES.—

13 “(A) REPORT REQUIRED.—In an attempt  
14 to forestall the counterfeiting or marketing of  
15 the coins described in this section, including  
16 this subsection, and of collectible, numismatic  
17 and rare coins in general, the Comptroller Gen-  
18 eral shall, after consulting with the Director of  
19 the United States Secret Service and the Fed-  
20 eral Trade Commission, and in consultation  
21 with hobbyists, numismatists, law enforcement  
22 agencies, and the Citizens Coinage Advisory  
23 Committee, shall submit to the Committee on  
24 Financial Services of the House of Representa-  
25 tives and the Committee on Banking, Housing,

1 and Urban Affairs of the Senate, before the end  
2 of the 9-month period beginning on the date of  
3 the enactment of the Original Saint-Gaudens  
4 Double Eagle Ultra-High Relief Bullion Coin  
5 Act, a report detailing the extent of counter-  
6 feiting of rare, collectible or numismatic coins  
7 made available for sale in the United States, re-  
8 gardless of the country where the original of  
9 such coin was produced or of the country in  
10 which the counterfeiting takes place, or sales  
11 overseas if such counterfeit coins are unauthor-  
12 ized copies of coins originally produced by the  
13 United States Mint.

14 “(B) CONTENTS OF REPORT.—The report  
15 submitted under subparagraph (A) shall de-  
16 scribe the following:

17 “(i) The extent of such counterfeiting  
18 of coins and numismatic items.

19 “(ii) The source of such counter-  
20 feiting, if known, including which countries  
21 may be the origin of such counterfeits if  
22 they are produced outside the United  
23 States.

1           “(iii) The distribution and marketing  
2 channels for such counterfeits within and  
3 without the United States.

4           “(iv) The effect of any such counter-  
5 feiting on hobbyists, numismatists and on  
6 the investment opportunities for bullion or  
7 numismatic coins produced by the United  
8 States Mint.

9           “(v) Whether such counterfeiting ex-  
10 tends to the counterfeiting of coin-grading  
11 or protective materials in such a way that  
12 might imply that the counterfeit inside had  
13 been examined and authenticated by a rep-  
14 utable coin-grading firm.

15           “(vi) Such recommendations for legis-  
16 lative or administrative action as the  
17 Comptroller General may determine to be  
18 appropriate to curtail or forestall any such  
19 counterfeiting.”.

Passed the House of Representatives May 15, 2008.

Attest:

*Clerk.*

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