(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 984.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
5117(a)	31:441(1st, last sentences).	Jan. 30, 1934, ch. 6, §§ 2(a), 11, 48 Stat. 337, 342.
5117(b)	31:405b.	Jan. 30, 1934, ch. 6, § 14(c), 48 Stat. 344; Mar. 18, 1968, Pub. L. 90–269, § 12, 82 Stat. 51; restated Oct. 19, 1976, Pub. L. 94–564, § 8, 90 Stat. 2661.
	31:408a(last proviso).	Jan. 30, 1934, ch. 6, § 6(last proviso), 48 Stat. 340; Mar. 18, 1968, Pub. L. 90–269, § 8, 82 Stat. 50.
	31:441(2d sentence).	
5117(c)	31:822b.	

In subsection (a), the words ''On January 30, 1934'' are omitted as executed. The word ''gold'' is substituted for ''gold coin and gold bullion'' for consistency and to omit unnecessary words. The word ''transferred'' is substituted for ''pass'' for consistency in the subsection. The words ''to be held in the Treasury'' are added for consistency with the source provisions restated in subsection (b) of the revised section.

In subsection (b), the first sentence is substituted for 31:441(2d sentence) for consistency. The word ''issued'' in 31:405b is omitted as being included in ''outstanding''. The words ''of 42 and two-ninths dollars a fine troy ounce)'' are substituted for ''at the legal standard provided in section 449 of this title on October 19, 1976'' because that was the legal standard in that section on that date. The text of 31:449 was repealed by section 6 of the Bretton Woods Agreements Act. The words ''The Secretary shall hold . . . in the Treasury . . . as security'' are substituted for ''security . . . shall be maintained'' in 31:408a(last proviso) because of the source provisions restated in section 321 of the revised title. The words ''gold certificates issued after January 29, 1934'' are substituted for ''gold certificates (including the gold certificates held in the Treasury for credits payable therein)'' for clarity and because of section 5118(c)(1)(A) of the revised title.

In subsection (c), the word ''regulations'' is substituted for ''rules and regulations'', and the word ''necessary'' is substituted for ''necessary or proper'', to eliminate unnecessary words.

§ 5118. Gold clauses and consent to sue

(a) In this section—

(1) ''gold clause'' means a provision in or related to an obligation alleging to give the obligee a right to require payment in—

(A) gold;

(B) a particular United States coin or currency; or

(C) United States money measured in gold or a particular United States coin or currency.

(2) ''public debt obligation'' means a domestic obligation issued or guaranteed by the United States Government to repay money or interest.

(b) The United States Government may not pay out any gold coin. A person lawfully holding United States coins and currency may present the coins and currency to the Secretary of the Treasury for exchange (dollar for dollar) for other United States coins and currency (other than gold and silver coins) that may be lawfully held. The Secretary shall make the exchange under regulations prescribed by the Secretary.

(c)(1) The Government withdraws its consent given to anyone to assert against the Government, its agencies, or its officers, employees, or agents, a claim—

(A) on a gold clause public debt obligation or interest on the obligation;

(B) for United States coins or currency; or

(C) arising out of the surrender, requisition, seizure, or acquisition of United States coins or currency, gold, or silver involving the effect or validity of a change in the metallic content of the dollar or in a regulation about the value of money.

(2) Paragraph (1) of this subsection does not apply to a proceeding in which no claim is made for payment or credit in an amount greater than the face or nominal value in dollars of public debt obligations or United States coins or currency involved in the proceeding.

(3) Except when consent is not withdrawn under this subsection, an amount appropriated for payment on public debt obligations and for United States coins and currency may be expended only dollar for dollar.

(d)(1) In this subsection, ''obligation'' means any obligation (except United States currency) payable in United States money.

(2) An obligation issued containing a gold clause or governed by a gold clause is discharged on payment (dollar for dollar) in United States coin or currency that is legal tender at the time of payment. This paragraph does not apply to an obligation issued after October 27, 1977.

(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 985; Pub. L. 99–185, § 2(d), Dec. 17, 1985, 99 Stat. 1178; Pub. L. 104–208, div. A, title II, § 2609, Sept. 30, 1996, 110 Stat. 3009–475; Pub. L. 105–61, title VI, § 641, Oct. 10, 1997, 111 Stat. 1318.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
5118(a)	31:773d.	Aug. 27, 1935, ch. 780, 49 Stat. 938.
5118(b)	31:315b.	Jan. 30, 1934, ch. 6, § 5, 48 Stat. 340.
	31:773a.	
5118(c)(1), (2).	31:773b.	
5118(c)(3)	31:773c.	
5118(d)	31:463.	June 5, 1933, ch. 48, § 1, 48 Stat. 113.
	31:463(note).	Oct. 28, 1977, Pub. L. 95–147, § 4(c), 91 Stat. 1229.

In subsection (a), before clause (1), the words ''the phrase'' are omitted as surplus. In clause (1), the words ''declared to be against public policy by section 463 of this title'' are omitted as surplus. Clause (2) is substituted for 31:773d(words after semicolon) for consistency in the revised title and to eliminate unnecessary words.

In subsection (b), the words ''after January 30, 1934'' in 31:315b are omitted as executed. The words ''that may be lawfully held'' are substituted for ''which may be lawfully acquired and are legal tender for public and private debts'' in 31:773a for consistency in the subsection and to eliminate unnecessary words. The words ''and that the owners of the gold clause securities of the United States shall be, at their election, entitled to receive immediate payment of the stated dollar amount thereof with interest to the date of payment or to prior maturity or to prior redemption date, whichever is earlier'' in section 1 of the Act of August 27, 1935 (ch. 780, 49 Stat. 938), are omitted as expired. The words ''make the exchange'' are substituted for ''make such exchanges and payments upon presentation hereunder'' to eliminate unnecessary words. The words ''No gold shall after January 30, 1934, be coined'' in 31:315b are omitted because of section 5112 of the revised title. The text of 31:315b(proviso) is omitted as unnecessary be-

cause of the restatement. The text of 31:315b(last sentence) is omitted as executed.

In subsection (c)(1), before clause (A), the word ''Government'' is substituted for ''United States'' for consistency in the revised title and with other titles of the United States Code. The words ''to anyone'' are added for clarity. The words ''whether by way of suit, counterclaim, set-off, recoupment, or other affirmative action or defense in its own name or in the name of'' are omitted as surplus. The word ''employees'' is added for consistency in the revised title and with other titles of the Code. The word ''instrumentalities'' is omitted as unnecessary because of section 101 of the revised title. The word ''claim'' is substituted for ''right, privilege, or power'' to eliminate unnecessary words and for consistency in the revised title and with other titles of the Code. The words ''in any proceeding of any nature whatsoever'' are omitted as surplus. In clause (C), the words ''or demand'' are omitted as surplus.

In subsection (c)(2), the words ''any suit commenced prior to August 27, 1935, or which may be commenced by January 1, 1936'' are omitted as executed. The words ''referred to in this section'' are omitted as surplus.

In subsection (c)(3), the words ''may be expended'' are substituted for ''an amount appropriated or authorized to be expended'' and ''shall be available for or expended in'', and the words ''dollar for dollar'' are substituted for ''on an equal and uniform dollar for dollar basis'', to eliminate unnecessary words.

In subsection (d)(1), the words ''including every obligation of and to the United States'' are omitted as surplus. The text of 31:463(b)(words after semicolon) is omitted as unnecessary because of the restatement.

Editorial Notes

AMENDMENTS

1997—Subsec. (d)(2). Pub. L. 105–61 struck out at end ''This paragraph shall apply to any obligation issued on or before October 27, 1977, notwithstanding any assignment or novation of such obligation after October 27, 1977, unless all parties to the assignment or novation specifically agree to include a gold clause in the new agreement. Nothing in the preceding sentence shall be construed to affect the enforceability of a Gold Clause contained in any obligation issued after October 27, 1977 if the enforceability of that Gold Clause has been finally adjudicated before the date of enactment of the Economic Growth and Regulatory Paperwork Reduction Act of 1996.''

1996—Subsec. (d)(2). Pub. L. 104–208 inserted at end ''This paragraph shall apply to any obligation issued on or before October 27, 1977, notwithstanding any assignment or novation of such obligation after October 27, 1977, unless all parties to the assignment or novation specifically agree to include a gold clause in the new agreement. Nothing in the preceding sentence shall be construed to affect the enforceability of a Gold Clause contained in any obligation issued after October 27, 1977 if the enforceability of that Gold Clause has been finally adjudicated before the date of enactment of the Economic Growth and Regulatory Paperwork Reduction Act of 1996.''

1985—Subsec.(b). Pub. L. 99–185 struck out ''or deliver'' after ''pay out'' and inserted ''(other than gold and silver coins)'' before ''that may be lawfully held''.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99–185 effective Oct. 1, 1985, except that no coins may be issued or sold under section 5112(i) of this title before Oct. 1, 1986, see section 3 of Pub. L. 99–185, set out as a note under section 5112 of this title.

§ 5119. Redemption and cancellation of currency

(a) Except to the extent authorized in regulations the Secretary of the Treasury prescribes with the approval of the President, the Secretary may not redeem United States currency (including Federal reserve notes and circulating notes of Federal reserve banks and national banks) in gold. However, the Secretary shall redeem gold certificates owned by the Federal reserve banks at times and in amounts the Secretary decides are necessary to maintain the equal purchasing power of each kind of United States currency. When redemption in gold is authorized, the redemption may be made only in gold bullion bearing the stamp of a United States mint or assay office in an amount equal at the time of redemption to the currency presented for redemption.

(b)(1) Except as provided in subsection (c)(1) of this section, the following are public debts bearing no interest:

(A) gold certificates issued before January 30, 1934.

(B) silver certificates.

(C) notes issued under the Act of July 14, 1890 (ch. 708, 26 Stat. 289).

(D) Federal Reserve notes for which payment was made under section 4 of the Old Series Currency Adjustment Act.

(E) United States currency notes, including those issued under section 1 of the Act of February 25, 1862 (ch. 33, 12 Stat. 345), the Act of July 11, 1862 (ch. 142, 12 Stat. 532), the resolution of January 17, 1863 (P.R. 9; 12 Stat. 822), section 2 of the Act of March 3, 1863 (ch. 73, 12 Stat. 710), or section 5115 of this title.

(2) REDEMPTION, CANCELLATION, AND DESTRUCTION OF CURRENCY.—The Secretary shall—

(A) redeem any currency described in paragraph (1) from the general fund of the Treasury upon presentment to the Secretary; and

(B) cancel and destroy such currency upon redemption.

The Secretary shall not be required to reissue United States currency notes upon redemption.

(c)(1) The Secretary may determine the amount of the following United States currency that will not be presented for redemption because the currency has been destroyed or irretrievably lost:

(A) circulating notes of Federal reserve banks and national banks issued before July 1, 1929, for which the United States Government has assumed liability.

(B) outstanding currency referred to in subsection (b)(1) of this section.

(2) When the Secretary makes a determination under this subsection, the Secretary shall reduce the amount of that currency outstanding by the amount the Secretary determines will not be redeemed and credit the appropriate receipt account.

(d) To provide a historical collection of United States currency, the Secretary may withhold from cancellation and destruction and transfer to a special account one piece of each design, issue, or series of each denomination of each kind of currency (including circulating notes of Federal reserve banks and national banks) after redemption. The Secretary may make appropriate entries in Treasury accounts because of the transfers.

(Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 985; Pub. L. 102–390, title II, § 226(b), Oct. 6, 1992, 106 Stat.