



Written by [Joe Wolverton, II, J.D.](#) on February 22, 2010

SC Bill Seeks to Refuse Federal Reserve Notes as Legal Tender

As South Carolina State Representative Mike Pitts walked into the Greenwood (South Carolina) Chamber of Commerce annual Legislative Breakfast Friday morning, he knew what the local small business leaders gathered there were most anxious to hear about. Anybody listening to the radio or reading the paper had heard reports that Representative Pitts wanted to outlaw paper money in South Carolina. That sort of dust up is better than donuts at drawing at a crowd at the Chamber.



On February 2, 2010, former college baseball coach and retired police officer, Mike Pitts submitted bill number 4501 to the clerk of the South Carolina House of Representatives. The title of the bill, “Gold and Silver Coins as Legal Tender,” reveals the constitutional and controversial purpose of the measure. Representative Pitts, a dedicated constitutionalist, wrote the bill to fight what he describes as “constant federal intrusion into states’ rights.”

Section 1 of the [proposed bill](#) succinctly proclaims the impetus and spirit of the measure, “The South Carolina General Assembly finds and declares that the State is experiencing an economic crisis of severe magnitude caused in large part by the unconstitutional substitution of Federal Reserve Notes for silver and gold coin as legal tender in this State. The General Assembly also finds and declares that immediate exercise of the power of the State of South Carolina reserved under Article I, Section 10, Paragraph 1 of the United States Constitution and by the Tenth Amendment, is necessary to protect the safety, health and welfare of the people of this State, by guaranteeing to them a constitutional and economically sound monetary system.”

By placing the lion’s share of the blame squarely at the feet of the federal government, particularly its unrepentant, unchecked, and (most importantly) unconstitutional manipulation of the monetary system of the United States through the creation and perpetuation of the Federal Reserve system, Representative Pitts is reasserting the sovereignty of the state of South Carolina and re-enshrining the Tenth Amendment to the Constitution wherein the Founding Fathers intended to erect an impregnable barricade around the self-determination of the sovereign states.

Specifically, Representative Pitts bill would prohibit the state of South Carolina including all the departments, agencies, and political subdivisions thereof) from accepting “anything other than silver



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and gold coin as a legal tender in payment of any debt.” The bill also sets out the precise standards of measurement to be employed in determining the legal weight and purity for the specie of coin to be accepted as legal tender.

According to the author’s interview with the sponsor of this bill, the local Columbia, South Carolina media is firing a steady volley of arrows at him and describing him as a “wing nut.” Predictably, the news media using Representative Pitts as a bulls-eye have recruited “experts” to deconstruct the measure and label it as “unconstitutional.” Representative Pitts respects the opinion of genuine economists, but questions the qualifications of the local political science professors whose assessment of the bill has been offered by the media as determinative. “I’ve had Harvard trained economists tell me that this bill is constitutional,” responds Representative Pitts.

Regardless of the battle of expert testimony, Representative Pitts reckons that the only way to finally and fully establish the constitutionality of his bill is to pass the bill and then wait and see if the federal government challenges it’s mandates in the Supreme Court. “The Supreme Court is the forum for determining the constitutionality of a bill, not the media,” states Representative Pitts.

As a retired police officer, Representative Pitts has first hand experience with the federal government’s efforts at shackling the hands of local law enforcement through regulations promulgated under the Commerce Clause. “Everyday as a police officer I ran up against the federal government’s attempts to use the Commerce clause to get into every avenue of law enforcement,” reports Representative Pitts. After being recruited by his local Republican Party to run for office, Mike Pitts was determined to bring his life experience and his constitutionalism to bear during his service to the people residing in the three counties he represents.

In the General Assembly of South Carolina, representative are seated geographically, rather than by party affiliation. During a meeting of the House of Representatives Republican Caucus, Representative Pitts was seated next to state representative Jeff Duncan (now a candidate for a U.S. House seat) himself a staunch constitutionalist, when House Majority Leader Kenny Bingham announced that he was “making standing up to the federal government a top priority” of the caucus. Upon hearing this, Representative Pitts leaned over to his seatmate Duncan and whispered, “That’s news to me. They haven’t supported any of my state sovereignty bills in the past.”

Mike Pitts is the first Republican elected in the 14th District to serve in the South General Assembly and from day one he has devoted his time and talent to challenging the federal government’s constant encroachment on the rights of states to govern themselves. Since taking the oath of office in 2003, Representative Mike Pitts has [written or sponsored several key pieces of legislation](#) aimed at reaffirming the principle of state sovereignty.

Although several of these bills were admittedly mere declarations of state sovereignty without any legal force, there is one act “with real teeth” of which Representative Pitts is particularly proud: the [South Carolina Illegal Immigration Reform Act of 2008](#). This act, signed into law by Governor Mark Sanford, has been described as “one of the nation’s strongest immigration laws.” The section of the bill co-authored by Representative Pitts requires that all parents enrolling their children in public school must provide proof of residence, regardless of immigration status. Representative Pitts also contributed to the part of the act restricting all but emergency health care from being provided to those illegal aliens living in South Carolina.

Despite the slings and arrows of outrageous fortune being hurled at Representative Pitts, he has no



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plans to run for cover. "There are two groups left that can challenge the federal government's power grab and make a change: the voters and the legislatures of the fifty sovereign states," Pitts explained. The recent election in Massachusetts and the growth of the Tea Party is evidence to Representative Pitts that the voters are expressing their distaste with the federal government's plans to nationalize health care and continue spending taxpayer money on billion dollar bank bailouts. "We may have to defend this bill in federal court, but it's worth it," Pitts stated.

Representative Mike Pitts believes that the real value of his bill to restore silver and gold as the coin of the realm in South Carolina by refusing to accept Federal Reserve notes as legal tender for payment of debts cannot be weighed today, but in coming generations. Accordingly, Pitts thus soberly admonishes all of his fellow Americans, "If we allow the federal government to continue printing paper money in order to pay the interest on all the foreign loans that are funding their unconstitutional schemes, and if we don't stand up and fight then our grandchildren will live either broke and in abject poverty or as Chinese citizens."



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