

My name is Mike Carter, I am here today as a citizen activist in support of HB 2729 and SB513. I am co-founder of the National Security Investment Consultant Institute; there we monitor economic and geo-political threats and bring thought leaders together to help solve some of America's biggest national security and economic challenges.

### **Summary of the Situation:**

As we look at America's rising wealth gap and record high inflation, Kansans and citizens across America are looking for answers to the economic threats they are feeling now and ahead. For many Americans, it seems they are working harder than ever just to pay the bills.

HB 2729 and SB 513 helps offer a critical solution to sound money and a stable store of value for hard working Kansans.

It also offers a potential safety valve for the country and helps stabilize the dollar by slowing the growth of other gold backed currencies like China's gold backed digital yuan. Most important for Kansans, it provides a potential rainy-day savings fund with a stable store of value and back up in case of any other unforeseen economic attacks.

Ultimately, this is just another way to pay, but the pathway is exciting economically and fiscally!

### **The Problem:**

Since we went off the Gold Standard in 1971, the dollar lost 87% of its purchasing power since 1971. Today, Kansans and all American's are facing a historical inflation surge.

The Federal Reserve of Cleveland notes that we may now be facing 4 straight months of accelerating inflation.

- If that proves true, we have only seen this happen 7 times since 1947. What is ahead, who knows? Wouldn't it be nice to have a choice on where to put your money?
- Following the 9 percent gains seen in 2022, 2024 looks to be followed by another year of 4 to 5% gains. When will this stop?
- Massive money printing and unsustainable US debt indicate real economic threats. This is both a Republican and Democrat problem.
- As a result, Kansans are ultimately spending more on necessities and looking for relief.
- The BRICS nations targeting the de-dollarization of America, now with the shifting loss of Petro dollar and other efforts for de-dollarization, it is time for Kansas legislators to act!

### **The Idea:**

It is time for Kansas to help lead America with a sound money choice. One that can help strengthen the dollar, but also offer another way to pay.

- Transactional Gold and Silver is an exciting state-based solution that can help Kansas build the Yellow Brick Road!
- China has their belt and road initiative which is not good for the countries they occupy; Kansas is offering a better plan, a plan back to the future, of the Yellow Brick Road! A plan for Economic Liberty.

This is Economic Liberty for Kansans – EXAMPLE: Comparing the cost of a new home today to one built in the 70's, it cost less to build a house today in equivalent gold. Home prices have not appreciated, the dollar has depreciated verses hard assets.

### **Transactional Gold and Silver offers a critical solution:**

To address this accelerated cost of living, I have been helping to facilitate state based transactional gold and silver across the country. I applaud Kansas and HB2729 and SB513 as a solution for everyday working Americans and especially Kansans!

Article 1 Section 10 allowing states to recognize gold and silver as legal tender. It was put in the Constitution by our founding fathers for such a time as this. What was lost in the Constitution has now become a movement!

- This is a big idea, and states that lead, the early adopters will have competitive advantage! Imagine Kansas as potentially the gold capitol of the world!
- Legislation is currently being considered or drafted in over 23 states across the country. Will Kansas lead?
- This is a bill that is **bipartisan support** because it is right for everyone!

**How it Works, It's Just Another Way to Pay** - Transactional gold and silver is simple, it offers just another way to pay. It is like a Venmo, PayPal, or Apple Pay, but as a state-based Constitutional gold and silver legal tender has other benefits:

- Now everyone can afford to own gold, Kansans can easily buy with as little as \$5.00 worth of gold or silver and start saving; or some will buy thousands of dollars of gold or silver. Most important they can easily transact in gold and silver.
- Gold is liberated from being something that is stored or buried, to something that is transactional.
- If states make gold and silver bullion legal tender, transactional gold and silver literally becomes functional currency/money. Gold and Silver Bullion in this form is not considered a collectable but is now functional. While I am not a tax expert, according to the current IRS code, if you can buy a stick of gum, a car, or pay your taxes with it becomes functional money and not be subject to federal capital gain taxes.

- A new way to save! With modern technology, Kansans will be able to buy gold /silver and start saving. Through the state-based app, they can put a \$100, \$300 of gold or silver per month as part of their own auto save plan.
- The gold in Kansans accounts represents what is physically in their wallet. It is not fractionalized or loaned out; their gold is their until they transact with it. This is a debit card. This is not a bank; deposits go into a bullion depository.
- As transactions are swiped spending their gold with a debit card, there is significant potential to increase Kansas State Revenues, not through taxes but everyday industry standard transaction fees.

Note: There is a first mover advantage - Kansas could become the Gold Capitol of the World!! Imagine attracting capital from all over the world. Money flows where it is treated best. A US state-based gold and silver will be noticed.

Key Consumer Insights as it relates to Gold and to some extent silver:

- Until now, affordability of Gold and silver, as well as access are the major barriers for working Americans.
- 4 in 10 have already bought gold, as a potential store of value. You might be one that has it hidden for a rainy day? What if you need to sell the gold you have quickly, it is not easy.
- What about the other 6 who are not sure they can afford to buy gold? This bill will help fill the gap for all Kansans.
- Many that do not own gold fear if they buy gold, it may not be pure or real. Kansas can fix this through assurance of the depository and a trusted sourcing.
- While Gold can help all Americans fight inflation, **many know little about the purchase journey and they fear that it is unaffordable, unobtainable, or simply too difficult.** A Kansan Debit Card eliminates friction and provide assurance. Imagine being able to have an auto save account in gold, where it helps keep up with inflation.
- **There is a need for readily accessible and affordable entry points.** | Kansans can get started buying as little as \$5.00 worth of gold. You no longer need to be rich to buy gold.
- **They want assurance that once an investment has been made there will be a clear exit route.** Transactional gold and silver, there is no need for an appraisal, easy to sell.

Imagine working Kansans being able to have their own rainy-day savings, one that is a true stable store of value. All the world's central banks are buying gold, why shouldn't Kansans be able to have the same advantage?

- It's Constitutional, our founders put it in the Constitution for such a time as this.
- The Technology exists to easily make transactional gold and silver a reality.
- Tested, pure quality gold can be easily purchased, safely secured, insured, and protected in a State Depository instead of hidden in a closet.

Kansas can be the Gold Capitol of the World!! This will have significant Economic benefits for the state! New industry | Innovation | Ancillary Business

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The Real Yellow Brick Road is Kansas Transactional Gold and Silver!

KANSAS HAS THE RIGHT HERITAGE FOR A NEW YELLOW BRICK ROAD

The Wizard of Oz novel was an allegory about the demonetization of silver in 1873, whereby "the cyclone that carried Dorothy to the Land of Oz represents the economic and political upheaval, the yellow brick road stands for the gold standard, and the silver shoes Dorothy inherits from the Wicked Witch of the East represents the pro-silver movement. When Dorothy is taken to the Emerald Palace before her audience with the Wizard, she is led through seven passages and up three flights of stairs, a subtle reference to the **Coinage Act of 1873** which started the class conflict in America." -Wikipedia

19<sup>th</sup> Century

*The Wonderful Wizard of OZ.*

- OZ. for ounce
  - Yellow brick road for gold
  - Silver slippers (changed to ruby for technicolor)
  - Wicked witch was bankers in the northeast.
  - Tin man (factory workers), scarecrow (farmers), cowardly lion (William Jennings Bryan), munchkins (citizens) and Toto (teatotalers)
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