



**THE CONSTITUTIONAL COURT OF
THE REPUBLIC OF LITHUANIA**

D E C I S I O N

On the petition filed by a group of the Seimas members requesting an investigation into whether the Republic of Lithuania's Law on the Credibility of the Litas is in compliance with the Constitution of the Republic of Lithuania

Vilnius, 4 January 1995

The Constitutional Court of the Republic of Lithuania, composed of the Justices of the Constitutional Court: Algirdas Gailiūnas, Kęstutis Lapinskas, Zigmas Levickis, Vladas Pavilionis, Stasys Stačiokas, Teodora Staugaitienė, Stasys Šedbaras, and Juozas Žilys

The court reporter—Rolanda Stimbirytė

The Constitutional Court of the Republic of Lithuania, in its procedural sitting, discussed the petition submitted by a group of members of the Seimas, the petitioner, requesting an investigation into whether the Republic of Lithuania's Law on the Credibility of the Litas is in compliance with Article 125 of the Constitution of the Republic of Lithuania.

The Constitutional Court

has established:

A group of members of the Seimas, the petitioner, requests an investigation into whether the Republic of Lithuania's Law on the Credibility of the Litas (Official Gazette *Valstybės žinios*, 1994, No. 24-378) is in compliance with Article 125 of the Constitution.

The petitioner grounds his request on the following arguments.

The norms of the first and third paragraphs of Article 2 as well as of the second paragraph of Article 3 of the Republic of Lithuania's Law on the Credibility of the Litas oblige the Bank of Lithuania to execute currency issue under conditions and to the extent established by other state

institutions, they actually allow the Seimas and the Government to take part in the process of currency issue. At the same time said norms of the Law on the Credibility of the Litas liquidate self-dependence of the Bank of Lithuania in the sphere of currency issue, they virtually establish that the right of currency issue belongs not only to the Bank of Lithuania but also to other state institutions, and make formal the right of the bank currency issue.

It is established in Article 5 of the Constitution that the powers of the State shall be exercised by the Seimas, the President of the Republic and the Government, and the Judiciary. It is also pointed out in this article that the scope of powers shall be defined by the Constitution. Authorisations of the Seimas are established in Article 67 of the Constitution. It does not grant the Seimas the right to regulate questions, the settlement of which in accordance with the Constitution is designated for the competence of other state institutions (in this case—the competence of the Bank of Lithuania). The Seimas, therefore, while establishing the rules in the Law on the Credibility of the Litas, the right to establish which, according to the Constitution, is vested in the Bank of Lithuania only, has exceeded its powers.

The Constitutional Court

holds that:

On 17 March 1994, the Seimas adopted the Republic of Lithuania's Law on the Credibility of the Litas, the norms of which established the procedure of issue of the litas for the Bank of Lithuania and regulated other matters related to that.

The petitioner requests an investigation into whether the Republic of Lithuania's Law on the Credibility of the Litas is in compliance with Article 125 of the Constitution, as, in his opinion, the exceptional right to currency issue of the Bank of Lithuania is restricted by this law. However, while giving reasons for his petition, the petitioner virtually provides arguments only on the grounds of the provisions of the first and third paragraphs of Article 2 and of the second paragraph of Article 3 of this law.

The limitations on the Bank of Lithuania regarding the issuance of currency, pointed out by the petitioner, first of all ensue from Article 3 of the Republic of Lithuania's Law on the Credibility of the Litas. In the meanwhile, on 20 July 1994 the Seimas adopted the Law "On Amendment of Article 3 of the Republic of Lithuania's Law on the Credibility of the Litas" (Official Gazette *Valstybės žinios*, 1994, No. 81-1516). On 1 December 1994, a new Law on the Bank of Lithuania was also adopted (Official Gazette *Valstybės žinios*, 1994, No. 99-1957), in Article 6 of which the exceptional right of the Bank of Lithuania to issue currency was respectively formulated.

Since certain amendments of the impugned law, and later of other laws, were made on 16 September 1994, a suggestion was made that the petitioner define his petition and reasoning more precisely. The petitioner has not reacted to this suggestion.

The fact that a part of the impugned act has been annulled, and nobody has applied to the Constitutional Court in regard with the constitutionality of the new norms and no additional arguments have been submitted, on the grounds of which it would be possible to investigate the issue concerning the unconformity of said law with the Constitution, shall form the basis to take the decision to dismiss the commenced legal proceedings.

Conforming to Item 5 of Paragraph 1 and Paragraph 4 of Article 69 and Article 28 of the Law on the Constitutional Court of the Republic of Lithuania, the Constitutional Court of the Republic of Lithuania adopts the following

decision:

To dismiss the legal proceedings commenced in this case.

Justices of the Constitutional Court:

Algirdas Gailiūnas

Kęstutis Lapinskas

Zigmas Levickis

Vladas Pavilionis

Stasys Stačiokas

Teodora Staugaitienė

Stasys Šedbaras

Juozas Žilys