



Congressman Jim Jordan (R-OH), RSC Chairman
Congressman Connie Mack (R-FL), RSC Repeal Task Force Chairman

Prevention of Wasteful and Unneeded Coins Act

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Background: The Presidential Coin Act was enacted December 22, 2005, directing the U.S. Mint to produce \$1 coins with engravings of relief portraits of U.S. Presidents. Currently, there are over a billion dollars in \$1 coins stacked up in Federal Reserve vaults around the country.

On August 1, Congressman Kevin Yoder (R-KS) introduced H.R. 2789, the Prevention of Wasteful and Unneeded Coins Act. This bill would temporarily suspend further production of both the Sacagawea and Presidential \$1 coins.

What We Know:

- **What the Bill Will Do:**

1. Temporarily suspend the further production of \$1 coins, both Sacagawea and Presidential, until the excess stockpiles have been reduced to levels only needed to meet public demand.
2. Remove language in current statute that mandates an additional twenty percent excess production of \$1 Sacagawea coins in addition to the annual production of \$1 Presidential Coins outside of actual demand.
3. Removes the requirement that all \$1 coins be distributed to financial institutions in “unmixed quantities.”

- **How Much this Will Save:** According to the Board of Governors of the Federal Reserve System 2011 Annual Report, the estimated amount of stockpiled coins will soon expand to 2 billion, forcing the Federal Reserve Bank of Dallas to add more storage space for the coins at a cost of \$650,000. In addition, the Reserve Banks will incur costs of more than \$3 million to ship the surplus inventory from other Reserve Banks to the new facility.

- **Why this is Wasteful:** The authorizing language that required a twenty percent excess production of \$1 coins is the essence of wasteful government. Repealing the twenty percent language, and suspending further production of all \$1 coins, will help to reduce the billions of coins currently stockpiled in our Federal Reserve vaults around the country. We should not be spending hard-earned U.S. taxpayer dollars to add storage and pay for the shipment of unused and unwanted coins. Producing more coins with the continued absence of public demand will only continue to waste taxdollars.

MEMBER ACTION ITEM: All RSC Members are encouraged to support H.R. 2789. Please contact Jordan Austin with Rep. Yoder at Jordan.Austin@mail.house.gov to cosponsor this legislation.

If you would like to participate in the RSC Repeal Task Force, please email Curtis.Rhyne@mail.house.gov.

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“The RSC Repeal Task Force’s mission is to put our nation onto a path of greater economic freedom by eliminating U.S. federal laws and regulations that impede or inhibit economic growth, prosperity and opportunity.”