

# CONGRESSMAN JARED POLIS

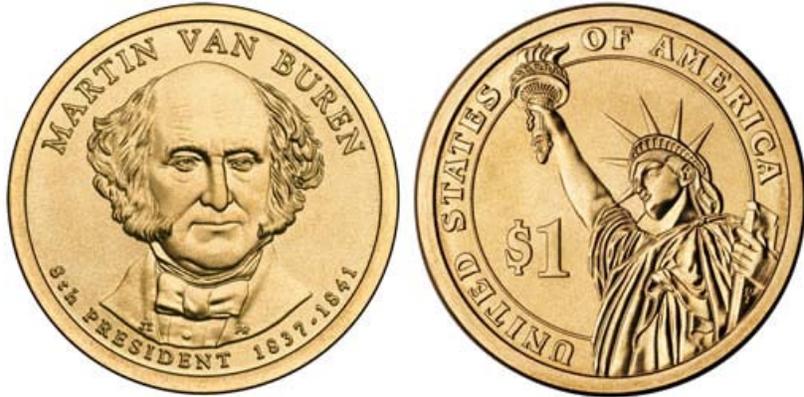
2nd District, Colorado | 501 Cannon HOB, Washington, D.C. 20515 | (202) 225-2161 | polis.house.gov

## THE CUTTING OUT INEFFICIENT AND NEEDLESS SPENDING (COINS) ACT

In 2005, Congress passed the Presidential \$1 Coin Act, which required the United States Mint to begin producing \$1 coins bearing the images of former presidents in the order they served in office. Since 2007, the Mint has produced four presidential coins each year. The Federal Reserve has ordered more than 2 billion coins from the Mint. At a cost of 32 cents per coin, production of the \$1 Presidential coins has cost taxpayer more than \$640 million.

Although initially popular among collectors, demand for the coins has declined precipitously, according to a June 2011 report from the Federal Reserve Board of Governors. As a result, excess quantities of unused coins have piled up, forcing Federal Reserve Banks to transport the coins—at a cost of over \$3 million—to a new taxpayer-funded \$650,000 storage facility. The facility will store over \$1.2 billion in \$1 coins, an increase of \$1.1 billion since the start of the presidential coin program.

To address the issue of excess supply while continuing to honor our former presidents as Congress intended, the COINS Act would amend current law by:



- Instructing the Secretary of the Treasury to suspend issuance of the coins when Treasury determines that there is a surplus of \$1 coins exceeding reasonable circulation needs for one year. Although Treasury already has the authority to mint coins based on demand, this bill would require Treasury to suspend production when supply exceeds demand.
- Eliminating the requirement that all new presidential coins receive a mandatory introductory period during which all Federal Reserve banks must purchase unmixed quantities of each new coin, regardless of whether they already have an excess supply of one dollar coins. Under the current law, Reserve banks cannot adjust the quantity of coins they acquire from the Mint, leading to production of large quantities of coins for which there is no demand. This bill would remove this requirement, putting the Presidential \$1 Coin Program in line with all other commemorative coin programs that ensure availability of coins without mandating excess production.