



Coalition for the Presidential \$1 Coin

\$1 COIN COULD SAVE BILLIONS

Given the United States' current economic situation, replacing the \$1 bill with the \$1 coin would save the taxpayers billions of dollars, generate cost savings and increased revenues for certain businesses, and be more environmentally friendly.

- Congress enacted the Presidential \$1 Coin Act of 2005 to generate widespread circulation of \$1 coins in everyday commerce. The Act passed by overwhelming margins – unanimously in the Senate and on the Suspension Calendar in the House.
- In 2000, the General Accounting Office estimated that replacing all \$1 notes with \$1 coins would save the U.S. government \$522 million annually.¹
- The private sector experiences even greater cost savings and increased revenues from \$1 coins. Jammed \$1 bills in vending machines cost the industry \$1 billion in annual repair costs and lost sales. The transit industry has found that it costs \$12.36 to process one thousand \$1 bills, but only \$2.16 to process one thousand \$1 coins.
- Dollar coins have a lifespan of 30 years or more, while \$1 notes last only about 21 months. A \$1 coin that is produced for less than 16¢ would replace seventeen bills that would have to be printed for a cost of 47¢.²
- Coins are 100% recyclable. Scrap metal from the production process as well as coins that become too worn for circulation are melted and reformed into strip metal for minting new coins. In contrast, \$1 bills are removed from circulation due to wear and tear, then shredded, and most are deposited in landfills.
- Other major countries have benefited from replacing small denomination bills with coins. In the EU, the smallest denomination bill is €5 (~\$6.40); in Japan, ¥1000 (~\$11.27); and in Canada, C\$5 (~\$4.00). According to the GAO, these countries have “succeeded in introducing high-denomination coins by withdrawing the note of similar value.”³
- The GAO found that when Americans were informed that “it would save about half a billion dollars a year if the U.S. government replaced the dollar bill with the dollar coin, the number who said they were opposed dropped from 64 percent to 37 percent and those who said they were in favor of such a proposal increased from 17 percent to 55 percent.”⁴

¹ General Accounting Office, Financial Impact of Issuing the New \$1 Coin, GAO/GGD-00-111R (Apr. 7, 2000).

² Mint Annual Report (2006); Bureau of Engraving and Printing CFO Report (2006).

³ General Accounting Office, New Dollar Coin, GAO-02-896 (Sept. 2002).

⁴ General Accounting Office, U.S. Coins, GAO-03-206 (Dec. 2002).