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NAMA Endorses Legislation to Change Metal Content of U.S. Coins

In November 2007 NAMA alerted you about pending legislation from The House Committee on Financial Services to authorize the Treasury Secretary to change the metal content of all U.S. coins.

Rising prices for copper, nickel and zinc have pushed the cost to make pennies and nickels well above their face value. While switching to lower cost metals would eliminate the loss from the penny and nickel, changing the composition of coins could very well have lead to expensive modifications to coin mechanisms.

The House Committee on Financial Services, after working with NAMA and a coalition of other interested parties, has amended the Bill to stipulate that that future coins work in existing acceptance equipment without modification.

NAMA of course shares the desire of Congress to save the taxpayer money and is pleased to be part of the process whereby The Committee crafts legislation to make these savings a reality. We agree that rising prices for copper, nickel and zinc require an examination of the alloys used in making U.S. coins, but have expressed our position that such examination be just one element in broad, fundamental coin and currency reform. Any such reform should include replacing dollar bills with dollar coins, which would save the taxpayer at least \$600 million a year.

With the full concurrence of our Board of Directors, NAMA endorses this legislation as written and will offer our perspective through testimony at its hearing on March 11, 2008. Please call your Congressman and express your support of H.R.5512, the Coin Modernization and Taxpayer Savings Act of 2008. Remind your Representative that true coin modernization would see dollar bills replaced with dollar coins. For more information on the Representatives who serve on the Financial Services Committee, or to find and contact your District House Member, go to <http://www.house.gov/Welcome.shtml>.

We'll keep you posted on the bill's progress. We look forward to working with The House Committee on Financial Services on initiatives to modernize our nation's coins and currency. If you have any questions please let us know.

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