

111TH CONGRESS
2^D SESSION

H. R. 6162

To provide research and development authority for alternative coinage materials to the Secretary of the Treasury, increase congressional oversight over coin production, and ensure the continuity of certain numismatic items.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 22, 2010

Mr. WATT introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To provide research and development authority for alternative coinage materials to the Secretary of the Treasury, increase congressional oversight over coin production, and ensure the continuity of certain numismatic items.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Coin Modernization,
5 Oversight, and Continuity Act of 2010”.

1 **SEC. 2. AUTHORITY TO CONDUCT RESEARCH AND DEVEL-**
2 **OPMENT ON ALL CIRCULATING COINS.**

3 (a) IN GENERAL.—To accomplish the goals of this
4 Act and the requirements of subchapter II of chapter 51
5 of title 31, United States Code, the Secretary of the Treas-
6 ury may—

7 (1) conduct any appropriate testing of appro-
8 priate coinage metallic materials within or outside of
9 the Department of the Treasury; and

10 (2) solicit input from or otherwise work in con-
11 junction with entities within or outside of the Fed-
12 eral Government including independent research fa-
13 cilities or current or potential suppliers of the metal-
14 lic material used in volume production of circulating
15 coins,

16 to complete the report referred to in this Act and to de-
17 velop, evaluate or begin the use of new metallic materials
18 for such production.

19 (b) FACTORS TO BE CONSIDERED.—In the conduct
20 of research, development, and the solicitation of input or
21 work in conjunction with entities within and outside the
22 Federal Government, and in reporting to the Congress
23 with recommendations, as required by this Act, the Sec-
24 retary of the Treasury shall consider the following:

25 (1) Factors relevant to the potential impact of
26 any revisions to the composition of the material used

1 in coin production on the current coinage material
2 suppliers.

3 (2) Factors relevant to the ease of use and abil-
4 ity to co-circulate of new coinage materials, includ-
5 ing the effect on vending machines and commercial
6 coin processing equipment and making certain, to
7 the greatest extent practicable, that any new coins
8 work without interruption in existing coin accept-
9 ance equipment without modification.

10 (3) Such other factors that the Secretary of the
11 Treasury, in consultation with merchants who would
12 be affected by any change in the composition of cir-
13 culating coins, vending machine and other coin ac-
14 ceptor manufacturers, vending machine owners and
15 operators, transit officials, municipal parking offi-
16 cials, depository institutions, coin and currency han-
17 dlers, armored-car operators, car wash operators,
18 and American-owned manufacturers of commercial
19 coin processing equipment, considers to be appro-
20 priate and in the public interest, after notice and op-
21 portunity for comment.

1 **SEC. 3. BIENNIAL REPORT TO THE CONGRESS ON THE CUR-**
2 **RENT STATUS OF COIN PRODUCTION COSTS**
3 **AND ANALYSIS OF ALTERNATIVE CONTENT.**

4 (a) **REPORT REQUIRED.**—Before the end of the 2-
5 year period beginning on the date of the enactment of this
6 Act, and at 2-year intervals following the end of such pe-
7 riod, the Secretary of the Treasury shall submit a report
8 to the Committee on Financial Services of the House of
9 Representatives and the Committee on Banking, Housing,
10 and Urban Affairs of the Senate analyzing production
11 costs for each circulating coin, cost trends for such pro-
12 duction, and possible new metallic materials or tech-
13 nologies for the production of circulating coins.

14 (b) **DETAILED RECOMMENDATIONS.**—In preparing
15 and submitting the reports required under subsection (a),
16 the Secretary of the Treasury shall include detailed rec-
17 ommendations for any appropriate changes to the metallic
18 content of circulating coins in such a form that the rec-
19 ommendations could be enacted into law as appropriate.

20 (c) **IMPROVED PRODUCTION EFFICIENCY.**—In pre-
21 paring and submitting the reports required under sub-
22 section (a), the Secretary of the Treasury shall include
23 recommendations for changes in the methods of producing
24 coins that would further reduce the costs to produce circu-
25 lating coins, and include notes on the legislative changes
26 that are necessary to achieve such goals.

1 (d) MINIMIZING CONVERSION COSTS.—In preparing
2 and submitting the reports required under subsection (a),
3 the Secretary of the Treasury, to the greatest extent pos-
4 sible, may not include any recommendation for new speci-
5 fications for producing a circulating coin that would re-
6 quire any significant change to coin-accepting and coin-
7 handling equipment to accommodate changes to all circu-
8 lating coins simultaneously.

9 (e) FRAUD PREVENTION.—The reports required
10 under this section shall make no recommendation for a
11 specification change that would facilitate or allow the use
12 of a coin with a lesser value produced, minted, or issued
13 by another country, or the use of any token or other easily
14 or regularly produced metal device of minimal value, in
15 the place of a circulating coin produced by the Secretary.

16 (f) RULE OF CONSTRUCTION.—No provision of this
17 Act shall be construed as requiring that additional re-
18 search and development be conducted for any report under
19 this Act but any such report shall include information on
20 any such research and development during the period cov-
21 ered by the report.

1 **SEC. 4. MEETING DEMAND FOR SILVER NUMISMATIC**
2 **ITEMS.**

3 Section 5112(e) of title 31, United States Code is
4 amended by striking “quantities” and inserting “qualities
5 and quantities that the Secretary determines are”.

6 **SEC. 5. TECHNICAL CORRECTIONS.**

7 Section 5112 of title 31, United States Code is
8 amended—

9 (1) in subsection (e), by inserting “qualities
10 and” before “quantities”;

11 (2) in subsection (i)(1), by inserting “qualities
12 and” before “quantities”; and

13 (3) in subsection (u)(1)—

14 (A) by striking “exact duplicates” and in-
15 serting “likenesses”;

16 (B) by striking subparagraph (C);

17 (C) by redesignating subparagraphs (D)
18 and (E) as subparagraphs (C) and (D), respec-
19 tively; and

20 (D) in subparagraph (A), by striking “of
21 3.0 inches” and inserting “determined by the
22 Secretary that is no less than 2.5 inches and no
23 greater than 3.0 inches”.

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