

JAMESTOWN 400TH ANNIVERSARY COMMEMORATIVE
COIN ACT OF 2003

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JULY 6, 2004.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

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Mr. THOMAS, from the Committee on Ways and Means,
submitted the following

R E P O R T

[To accompany H.R. 1914]

[Including cost estimate of the Congressional Budget Office]

The Committee on Ways and Means, to whom was referred the bill (H.R. 1914) to provide for the issuance of a coin to commemorate the 400th anniversary of the Jamestown settlement, having considered the same, report favorably thereon with an amendment and recommend that the bill, as amended, do pass.

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The amendment (stated in terms of the page and line numbers of the introduced bill) is as follows:

Page 8, after line 16 (at the end of section 7), add the following new subsection:

(d) LIMITATION.—Notwithstanding subsection (a), no surcharge may be included with respect to the issuance under this Act of any coin during a calendar year if, as of the time of such issuance, the issuance of such coin would result in the number of commemorative coin programs issued during such year to exceed the annual 2 commemorative coin program issuance limitation under section 5112(m)(1) of title 31, United States Codes (as in effect on the date of the enactment of this Act). The Secretary of the Treasury may issue guidance to carry out this subsection.

I. SUMMARY AND BACKGROUND

A. Purpose and summary

The bill, H.R. 1914, as amended, contains provisions that direct the U.S. Mint to produce coins to commemorate the 400th anniversary of the founding of Virginia at Jamestown and permit a surcharge to be collected on such coins. However, such surcharges may be collected only with respect to two commemorative coin programs per year.

B. Background and need for legislation

The provisions approved by the Committee reflect the need to enforce the limitation established in the Commemorative Coin Reform Act of 1996 that commemorative coins from no more than two commemorative coin programs carrying surcharges be issued per year.

C. Legislative history

The House Committee on Ways and Means marked up H.R. 1914 on June 23, 2004, and ordered the bill, as amended, favorably reported by voice vote.

II. EXPLANATION OF THE BILL

Present law

The Secretary of the Treasury is authorized to issue commemorative coins under the United States Commemorative Coin Act of 1996,¹ as amended, and specific statutes authorizing the issuance of coins under a commemorative coin program. A statute authorizing a commemorative coin program generally includes a provision establishing authority for the Secretary to impose a surcharge with respect to that program. Proceeds of the surcharge are to be used for the purposes authorized by the commemorative coin program authorizing legislation. Under present law, effective January 1, 1999, the Secretary may mint and issue commemorative coins during any calendar year with respect to not more than two commemorative coin programs.² This limitation applies to coin programs without regard to whether a surcharge is imposed.

Reasons for change

The Committee understands that, since 1982, 42 different commemorative coins have been produced and they have generated approximately \$430 million in surcharges. Changes enacted under the Commemorative Coin Reform Act of 1996 provide that the Federal Government may retain surcharges if the recipient organization does not meet certain requirements, e.g., matching funds. The surcharges raise revenue for the Federal Government that is used to fund various programs and organizations as provided in the authorizing legislation. The Commemorative Coin Reform Act of 1996 also provided that there would be a limit of no more than two commemorative coins issued annually. Because commemorative coins are used to raise revenue for the Federal Government, the Committee believes it is appropriate to enforce the limitation of no more than two commemorative coin programs per year by providing that

¹ Pub. L. No. 104-329.

² 31 U.S.C. 5112.

no surcharge may be collected on any commemorative coin issued as part of more than two commemorative coin programs in any calendar year.

Explanation of provision

H.R. 1914, as amended by the Committee, provides for the issuance of a coin to commemorate the 400th anniversary of the Jamestown settlement. The bill provides that the Secretary shall mint and issue a one-dollar coin and a five-dollar coin, each of which shall be legal tender and considered to be a numismatic item. The bill provides that all sales of the coins shall include a surcharge of thirty-five dollars per coin for a five-dollar coin, and ten dollars per coin for a one-dollar coin. Under the bill, fifty percent of the surcharges received by the secretary from the sale of coins issued under the bill shall be paid to the Jamestown-Yorktown Foundation of the Commonwealth of Virginia to support programs to promote the understanding of the legacies of Jamestown, and fifty percent shall be used to sustain the ongoing mission of preserving Jamestown; to enhance national and international educational programs relating to Jamestown; to improve infrastructure and archaeological research activities relating to Jamestown; and to conduct other programs to support the commemoration of the 400th anniversary of the settlement of Jamestown.

The bill, as amended, further provides that no surcharge may be included with respect to the issuance of coins under H.R. 1914, the “Jamestown 400th Anniversary Commemorative Coin Act of 2003,” during a calendar year if, as of the time of such issuance, the issuance of such coin would result in the number of commemorative coin programs issued during such year to exceed the annual limitation of two such commemorative coin programs under section 5112(m)(1) of Title 31 of the United States Code. The bill provides that the Secretary of the Treasury may issue guidance to carry out the provision. The Secretary may issue coins minted under the bill only during the period beginning on January 1, 2007, and ending on December 31, 2007. Thus, if in 2007, prior to the issuance of either of the Jamestown coins, commemorative coins have been issued under two or more other commemorative coin programs for which a surcharge was included, then, under the bill as amended, the Jamestown coins issued in 2007 would have to be issued without a surcharge.

Effective date

The provision is effective on the date of enactment.

III. VOTES OF THE COMMITTEE

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statements are made concerning the votes of the Committee on Ways and Means in its consideration of the bill, H.R. 1914.

Motion to report the bill

The bill, H.R. 1914, as amended was ordered favorably reported by voice vote (with a quorum being present).

IV. BUDGET EFFECTS OF THE BILL

A. Committee estimate of budgetary effects

In compliance with clause 3(d)(2) of the rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of the revenue provisions of the bill, H.R. 1914 as reported.

The Committee agrees with the estimate prepared by CBO which is included below.

B. Statement regarding new budget authority and tax expenditures budget authority

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee states that the bill involves no new or increased budget authority.

C. Cost estimate prepared by the congressional budget office

In compliance with clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, the following statement by CBO is provided.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 1, 2004.

Hon. WILLIAM "BILL" M. THOMAS,
*Chairman, Committee on Ways and Means,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1914, the Jamestown 400th Anniversary Commemorative Coin Act of 2003.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

ELIZABETH M. ROBINSON
(For Douglas Holtz-Eakin, Director).

Enclosure.

H.R. 1914—Jamestown 400th Anniversary Commemorative Coin Act of 2003

Summary: H.R. 1914 would direct the U.S. Mint to produce a \$5 gold coin and a \$1 silver coin in calendar year 2007 to commemorate the 400th anniversary of the founding of Jamestown, Virginia. The bill would specify a surcharge on the sales price of \$35 for the gold coin and \$10 for the silver coin and would designate the Jamestown-Yorktown Foundation (an educational institution of the Commonwealth of Virginia), the National Park Service, and the Association for the Preservation of Virginia Antiquities (a private nonprofit association), as recipients of the income from those surcharges.

CBO estimates that enacting H.R. 1914 would have no significant net impact on direct spending over the 2004–2009 period. H.R. 1914 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA), and would likely benefit the Commonwealth of Virginia.

Estimated cost to the Federal Government: H.R. 1914 could raise as much as \$8.5 million in surcharges if the Mint sells the maximum number of authorized coins. Recent commemorative coin sales, however, suggest that receipts would be about \$3 million. Under current law, the Mint must ensure that it will not lose money on a commemorative coin program before transferring any surcharges to a designated recipient organization. CBO expects that the Mint would collect most of those surcharges in fiscal year 2007 and would transfer collections to the designated recipients in fiscal year 2008.

H.R. 1914 could limit the collection of surcharges from more than two commemorative coins in any calendar year. According to the Mint there are currently no commemorative coins scheduled to be issued in 2007, so we expect this provision would not reduce the collection or spending of surcharges for the Jamestown 400th Anniversary Commemorative Coins.

In addition, CBO expects that the Mint would use gold obtained from the reserves held at the Treasury to produce the gold coin. Because the budget treats the sale of gold as a means of financing governmental operations—that is, the Treasury's receipts from such sales do not affect the size of the deficit—CBO has not included such receipts in this estimate. CBO estimates that H.R. 1914 would provide the federal government with about \$3.5 million in additional cash (in exchange for gold) for financing the federal deficit in fiscal year 2007.

Intergovernmental and private-sector impact: H.R. 1914 contains no intergovernmental or private-sector mandates as defined in UMRA, and would likely benefit the Commonwealth of Virginia.

Previous CBO estimates: On June 25, 2004, CBO transmitted a cost estimate for S. 976, the Jamestown 400th Anniversary Commemorative Coin Act of 2003, as ordered reported by the Senate Committee on Banking, Housing, and Urban Affairs. On March 22, 2004, CBO transmitted a cost estimate for H.R. 1914, as ordered reported by the House Committee on Financial Services on March 17, 2004. The three pieces of legislation are similar and our cost estimates are the same.

Estimate prepared by: Federal Costs: Matthew Pickford. Impact on State, Local, and Tribal Governments: Sarah Puro. Impact on the Private Sector: Paige Piper/Bach.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

D. Macroeconomic impact analysis

In compliance with clause 3(h)(2) of rule XIII of the Rules of the House of Representatives, the following statement is made by the Joint Committee on Taxation with respect to the provisions of the bill amending the Internal Revenue Code of 1986: the effects of the bill on economic activity are so small as to be incalculable within the context of a model of the aggregate economy.

V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE

A. Committee oversight findings and recommendations

With respect to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives (relating to oversight findings), the Committee advises that it was a result of the Committee's oversight review concerning Federal commemorative coin programs that the Committee concluded that it is appropriate and timely to enact the revenue provision included in the bill as reported.

B. Statement of general performance goals and objectives

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee establishes the following performance related goals and objectives for this legislation:

The Secretary of the Treasury shall use the authority granted by this legislation to mint two commemorative coins emblematic of the settlement of Jamestown and transfer the proceeds from the sale of those coins to the Jamestown-Yorktown Foundation of the Commonwealth of Virginia.

C. Constitutional authority statement

With respect to clause 3(d)(1) of the rule XIII of the Rules of the House of Representatives (relating to Constitutional Authority), the Committee states that the Committee's action in reporting this bill is derived from Article I of the Constitution, Section 8 ("The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises. . .").

D. Information relating to unfunded mandates

This information is provided in accordance with section 423 of the Unfunded Mandates Act of 1995 (P.L. 104-4).

The Committee has determined that the revenue provisions of the bill do not impose a Federal intergovernmental mandate on State, local, or tribal governments.

E. Applicability of House rule XXI 5(b)

Rule XXI 5(b) of the Rules of the House of Representatives provides, in part, that "A bill or joint resolution, amendment, or conference report carrying a Federal income tax rate increase may not be considered as passed or agreed to unless so determined by a vote of not less than three-fifths of the Members voting, a quorum being present." The Committee has carefully reviewed the provisions of the bill, and states that the provisions of the bill do not involve any Federal income tax rate increases within the meaning of the rule.

F. Tax complexity analysis

Section 4022(b) of the Internal Revenue Service Reform and Restructuring Act of 1998 (the "IRS Reform Act") requires the Joint Committee on Taxation (in consultation with the Internal Revenue Service and the Department of the Treasury) to provide a tax complexity analysis. The complexity analysis is required for all legislation reported by the Senate Committee on Finance, the House Committee on Ways and Means, or any committee of conference if

the legislation includes a provision that directly or indirectly amends the Internal Revenue Code (the "Code") and has widespread applicability to individuals or small businesses.

The staff of the Joint Committee on Taxation has determined that a complexity analysis is not required under section 4022(b) of the IRS Reform Act because the bill contains no provisions that directly or indirectly amend the Internal Revenue Code.

