

An hourglass-shaped graphic with a globe inside. The top bulb is dark blue, and the bottom bulb is light blue. The globe is centered in the narrow neck of the hourglass. The top bulb has a dark blue cap, and the bottom bulb has a light blue cap.

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*Redesign of U.S. Coin or Currency to Commemorate
President Ronald W. Reagan*

Pauline Smale, Government and Finance Division

August 11, 2004

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CRS Report for Congress

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Redesign of U.S. Coin or Currency to Commemorate President Ronald W. Reagan

Pauline Smale
Economic Analyst
Government and Finance Division

Summary

Several bills have been introduced to place the likeness of President Ronald W. Reagan on circulating U.S. coin or currency. H.R. 3633 would place President Reagan's likeness on the dime, H.R. 4525 would place it on the half dollar, H.R. 4528 would redesign the \$10 note, and H.R. 4563 would change the \$20 note. The legislation, with the exception of H.R. 3633, was introduced after the death of the 40th President of the United States on June 5, 2004. Similar action was taken after the death of Presidents Franklin D. Roosevelt, Dwight D. Eisenhower, and John F. Kennedy. The portrait of President Roosevelt was placed on the dime, President Kennedy's portrait was placed on the half dollar, and President Eisenhower's portrait was placed on a dollar coin. The Kennedy half dollar and the Eisenhower dollar were authorized by federal legislation. The Secretary of the Treasury has the authority to make the design changes proposed by the four bills without legislation.

This report discusses history of the current design of the circulating coin and currency and the statutory requirements for the designs and portrait changes. It reviews what was done after the deaths of the three other Presidents. It concludes with the current proposals and concerns about the legislation.

This report will be updated as warranted by events.

Background

Since the inception of a national currency in 1862, the authority to determine the form and tenor of currency has been vested in the Secretary of the Treasury. This includes the current currency, Federal Reserve notes, which are issued under the authority of the Federal Reserve Act of 1913, by the 12 Federal Reserve Banks. All U.S. currency is produced by the Bureau of Engraving and Printing, an operating bureau of the U.S. Treasury Department. Only portraits of a deceased individual may appear on U.S. currency and each bill has the inscription "In God We Trust." In addition, the notes all have a letter and serial number. The current individuals on U.S. currency were determined by a citizens panel in the late 1920s. Currently, seven denominations are

issued: \$1, \$2, \$5, \$10, \$20, \$50, and \$100. The notes have the portraits of George Washington, Thomas Jefferson, Abraham Lincoln, Alexander Hamilton, Andrew Jackson, Ulysses Grant, and Benjamin Franklin respectively. Four denominations have not been printed since 1946: the \$500 (William McKinley), \$1,000 (Grover Cleveland), \$5,000 (James Madison), and \$10,000 (Salmon Chase). The Secretary of the Treasury has the authority to change the design of Federal Reserve notes with the exception of the dollar bill.¹ The Treasury Department has initiated several currency design changes since 1996 as part of an ongoing effort to deter counterfeiting but the individuals chosen in the 1920s have remained on the notes.

The Coinage Act of 1792 established the United States Mint, adopted the dollar as the standard monetary unit, and authorized U.S. coins. The mix, composition, and design of U.S. coins have changed over time. The design, composition, weight, and fineness of U.S. coins are determined by statute. The Secretary of the Treasury is authorized to change the design of an existing coin only after 25 years from the adoption of the design for that coin. The Mint, an operating bureau of the Treasury Department, makes all U.S. coins. Six denominations are currently minted. All carry the inscription “In God We Trust,” and with the exception of the dollar coin all portray the image of a past U.S. President. The Abraham Lincoln penny (one cent) was introduced in 1909, the Thomas Jefferson nickel (five cents) was introduced in 1938, the Franklin D. Roosevelt dime (10 cents) was introduced in 1946, the George Washington quarter (25 cents) was introduced in 1932, the John F. Kennedy half-dollar (50 cents) was introduced in 1964, and the Sacagawea dollar was introduced in 2000.

There have been several recent coinage design changes but only the dollar coin experienced a change in the individual portrayed. All of the changes were authorized by law. The 2000 Sacagawea Golden Dollar was authorized by P.L. 105-124, enacted on December 1, 1997. The new one-dollar coin was a major redesign of the Susan B. Anthony dollar minted in 1979 and 1980. The reverse side of the quarter is in the middle of a 10- year program to honor each of the 50 states. The act that created the Sacagawea dollar (P.L. 105-124) also authorized the Mint to issue five new quarters commemorating five states each year from 1999 through 2008. In addition, P.L. 108-15, enacted on February 26, 2003, authorized changes to the obverse and reverse side of the nickel for a three-year period (2003-2005) to honor the bicentennial of the Louisiana Purchase and the expedition of Meriwether Lewis and William Clark. The law keeps the image of Thomas Jefferson but permits the option of choosing a different likeness of the President.

Previous Coin Tributes

During the twentieth century, three Presidents, Roosevelt, Eisenhower, and Kennedy, were honored shortly after their deaths by their images being placed on circulating U.S. coins. Each circumstance was different. Franklin Delano Roosevelt was the nation’s only President elected to four terms. He was first elected in 1932. President Roosevelt died while serving his fourth term on April 12, 1945. The second World War was coming to an end. Congress and the American public wanted a memorial to the President. Before

¹ Redesign of the \$1 note is prohibited by a reoccurring provision in the annual Appropriations Acts for the Department of the Treasury.

Congress acted with legislation the Treasury Department announced plans to place Roosevelt's image on the dime. The image on the obverse side of the dime at that time was a winged liberty head "Mercury." The Mercury dime was first issued in 1916 so the 25-year requirement had been met and the Treasury could act without legislation. The dime was chosen as a tribute because President Roosevelt had helped to establish the "March of Dimes" fundraising campaign to combat polio. The President had himself suffered from polio. The new design was completed and the new dimes minted by January 30, 1946, the late President's birthday and the date for the kick off of the 1946 March of Dimes campaign.

President John Fitzgerald Kennedy was elected to office in 1960. On November 22, 1963, the President was assassinated. Many memorials and tributes to President Kennedy were planned after his death; the idea to place his likeness on a coin was an early suggestion. In December of 1963, President Johnson sent a message to Congress requesting legislation to authorize the minting of 50-cent coins with the image of President Kennedy. The current image on the obverse side of the half dollar was of Benjamin Franklin. The likeness of Benjamin Franklin had been on the coin since 1948 so the 25-year requirement had not been met. There was some debate in Congress about removing Benjamin Franklin's image and whether more time should pass before the decision was made to put President Kennedy's image on a coin. Nevertheless, legislation (H.R. 9413) was quickly passed in both the House and Senate. On December 30, 1963, P.L. 88-256 was enacted authorizing the coinage of the Kennedy half dollar.

President Dwight D. Eisenhower was a two-term president first elected in 1952. President Eisenhower had been the commanding general of the victorious forces in Europe during World War II. The President died on March 28, 1969. At the time of his death there was no circulating dollar coin. The previous dollar coin was minted between 1921 and 1935. It was called the Peace dollar; the obverse side had the image of the Statue of Liberty's head. Legislation (H.R. 14127) to place the likeness of President Eisenhower on a dollar coin was introduced in the fall of 1969. The legislation was passed as Title II of the omnibus Bank Holding Company Act, P.L. 91-607, enacted on December 31, 1970. Debate about the coin addressed its composition and specifically whether to include any silver. Old silver dollars were taken out of circulation because their value had become greater than their face value. Title II provided for the coinage of completely silverless coins for all circulating denominations. It did permit the minting of silver-clad coins for sale to collectors.

Current Legislation

Many tributes and memorials have been proposed to honor President Reagan. Several years before his death, a private group (the Ronald Reagan Legacy Project) was formed to honor the legacy of President Reagan.² One goal of the project is to name "significant public landmarks" after the 40th President in more than 3,000 counties nationwide. Some of the landmarks already named required federal legislation to re-name them.

² For information about the project, see [<http://www.reaganlegacy.org>].

Currently four bills would redesign circulating currency and coin to incorporate the likeness of the late President. The project is in favor of changing the \$10 note which bears the portrait of Alexander Hamilton. To date hearings have not been held on any of the bills. The Secretary of the Treasury has the authority to make the proposed changes without federal legislation.

H.R. 3633 would provide for the minting of the dime coin with a likeness of President Reagan on the obverse side. Since the image of President Roosevelt has been on the coin for more than 25 years the Treasury Department could make this change without legislation. The legislation was introduced before President Reagan died on November 21, 2003. Original support for the legislation cooled when it was reported that Mrs. Reagan was not in favor of replacing President Roosevelt on the dime. In addition, a concurrent resolution, H.Con.Res. 343, to preserve President Roosevelt's image on the dime was also introduced on November 21, 2003. Interest in the Reagan dime was renewed with the death of the 40th President.

Legislation , H.R. 4525, to redesign the half dollar by placing the image of President Reagan on the obverse side was introduced on June 8, 2004. The Treasury could also make this change without legislation since the image of President Kennedy has been on the coin for more than 25 years.

H.R. 4528 would redesign the \$10 note, changing the face of the bill by replacing the portrait of Alexander Hamilton with the image of President Reagan. Alexander Hamilton lived from 1755 to 1804. He was an aide-de-camp to General George Washington during the Revolutionary War. Hamilton was a founding father, a signer of the U.S. Constitution, a leader of the Federalist Party, and the first Secretary of the Treasury.

On June 14, 2004, H.R. 4563 was introduced to change the face of the \$20 note. The bill would redesign the note by replacing the portrait of President Andrew Jackson with the image of President Reagan. President Jackson was a two-term President first elected in 1828. He built a political coalition that was the foundation of the subsequent Democratic Party.

Several issues have been raised concerning the proposed legislation. Some characterized the legislation as premature. Replacing the images of Democratic Presidents on the dime, half dollar, or \$20 note with the Republican President Reagan might invite a partisan fight. In addition, because the portraits on the U.S. currency have been consistent since the 1920s, there is concern that a Reagan \$10 or \$20 note would cause confusion and be assumed to be counterfeit. Alternatives such as a two-dollar coin or a commemorative coin have been suggested. H.R. 4669 and S. 2517 would provide for the minting of gold, silver, and bimetallic (gold and platinum) coins in commemoration of President Reagan, as collectors items.