

103<sup>D</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5168

To provide for the minting and circulation of one dollar coins and the establishment of the circulating coinage reserve fund as a successor to the coinage profit fund, to provide that excess amounts in the circulating coinage reserve fund may be made available to the Community Development Financial Institutions Fund, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 4, 1994

Mr. LAFALCE introduced the following bill; which was referred to the  
Committee on Banking, Finance and Urban Affairs

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## A BILL

To provide for the minting and circulation of one dollar coins and the establishment of the circulating coinage reserve fund as a successor to the coinage profit fund, to provide that excess amounts in the circulating coinage reserve fund may be made available to the Community Development Financial Institutions Fund, and for other purposes.

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 “One Dollar Coin and  
5 Community Development Act of 1994”.

1 **SEC. 2. ONE DOLLAR COINS.**

2 (a) COLOR AND CONTENT.—Section 5112(b) of title  
3 31, United States Code, is amended—

4 (1) in the 1st sentence, by striking “dollar,”;  
5 and

6 (2) by inserting after the 4th sentence, the fol-  
7 lowing new sentence: “The dollar coin shall be gold-  
8 en in color, have an unreeded edge, have tactile and  
9 visual features that make the denomination of the  
10 coin readily discernible, be minted and fabricated in  
11 the United States, and have such metallic,  
12 anticounterfeiting properties as United States clad  
13 coinage in circulation on the date of the enactment  
14 of the One Dollar Coin and Community Develop-  
15 ment Act of 1994.”.

16 (b) DESIGN OF DOLLAR COIN.—Section 5112(d)(1)  
17 of title 31, United States Code, is amended by striking  
18 the 5th and 6th sentences and inserting the following new  
19 sentence: “The Secretary of the Treasury shall select an  
20 appropriate design for the obverse side of the dollar.”.

21 (c) EFFECTIVE DATE.—Not later than 18 months  
22 after the date of enactment of this Act, the Secretary of  
23 the Treasury shall place into circulation 1 dollar coins au-  
24 thorized under subsection (a)(1) of section 5112 of title  
25 31, United States Code, which comply with the design re-  
26 quirements of subsections (b) and (d)(1) of such section,

1 as amended by subsections (a) and (b) of this section. The  
2 Secretary may include such coins in any numismatic set  
3 produced by the United States Mint before the date the  
4 coins are placed in circulation.

5 **SEC. 3. CEASING ISSUANCE OF ONE DOLLAR NOTES.**

6 (a) IN GENERAL.—After the date that coins de-  
7 scribed in section 2(c) are first placed in circulation, no  
8 Federal reserve bank may order or place into circulation  
9 any \$1 Federal reserve note.

10 (b) REDEMPTION OF \$1 NOTES.—

11 (1) IN GENERAL.—Section 5119(b)(1) of title  
12 31, United States Code, is amended by adding at  
13 the end the following new subparagraph:

14 “(F) Federal reserve notes in the denomi-  
15 nation of \$1.”.

16 (2) EFFECTIVE DATE.—

17 (A) IN GENERAL.—The amendment made  
18 by paragraph (1) shall take effect on the date  
19 on which coins minted pursuant to the amend-  
20 ments made by section 2 are first placed in cir-  
21 culation.

22 (B) NOTICE OF EFFECTIVE DATE.—The  
23 Secretary of the Treasury shall publish a notice  
24 in the Federal Register of the date on which  
25 the amendment made by paragraph (1) takes

1 effect in accordance with subparagraph (A) of  
2 this paragraph.

3 (c) EXCEPTION.—The Secretary of the Treasury  
4 shall produce only such Federal reserve notes of 1 dollar  
5 denomination as are required from time to time to meet  
6 the needs of collectors of this series. Such notes shall be  
7 produced in sheets and sold by the Secretary, in whole,  
8 or in part, at a price that exceeds the face value of the  
9 currency by an amount that, at a minimum, reimburses  
10 the Secretary for the cost of production.

11 **SEC. 4. RESERVE FUND FOR CIRCULATING COINAGE.**

12 (a) ESTABLISHMENT.—Section 5111(b) of title 31,  
13 United States Code, is amended to read as follows:

14 “(b) COINAGE FUNDS.—

15 “(1) COINAGE METAL FUND.—The Secretary of  
16 the Treasury—

17 “(A) shall maintain a coinage metal fund  
18 in the Department of the Treasury; and

19 “(B) may use the fund to buy metal to  
20 mint coins.

21 “(2) CIRCULATING COINAGE RESERVE FUND.—

22 “(A) ESTABLISHMENT.—The Secretary of  
23 the Treasury shall maintain a circulating coin-  
24 age reserve fund in the Department of the  
25 Treasury.

1           “(B) CREDITS AND DEBITS.—The Sec-  
2           retary shall—

3                   “(i) credit the coinage reserve fund  
4                   with the amount by which the nominal  
5                   value of the coins minted and placed into  
6                   circulation under this subchapter (other  
7                   than numismatic items) exceeds the cost of  
8                   the metal; and

9                   “(ii) charge the account with—

10                           “(I) the waste incurred in mint-  
11                           ing the coins referred to in clause (i);  
12                           and

13                           “(II) the cost of distributing the  
14                           coins, including the cost of coin bags  
15                           and pallets.

16           “(C) AVAILABILITY OF FUNDS FOR COM-  
17           MUNITY DEVELOPMENT.—

18                   “(i) IN GENERAL.—Effective for any  
19                   fiscal year only to the extent and in such  
20                   amounts as are provided in advance in ap-  
21                   propriation Acts, the Secretary may lend  
22                   excess amounts in the circulating coinage  
23                   reserve fund to the Community Develop-  
24                   ment Institutions Fund for the provision of  
25                   financial assistance by such Fund through

1 deposits, credit union shares, and loans in  
2 accordance with section 108 of the Com-  
3 munity Development Banking and Finan-  
4 cial Institutions Act of 1994.

5 “(ii) TERMS AND CONDITIONS.—Any  
6 loan by the Secretary to the Community  
7 Development Institutions Fund in accord-  
8 ance with clause (i) shall bear such rate of  
9 interest and be subject to such other terms  
10 and conditions as the Secretary determines  
11 to be appropriate.

12 “(D) INVESTMENT OF BALANCE IN AC-  
13 COUNT.—Subject to subparagraph (C), the Sec-  
14 retary of the Treasury shall invest excess  
15 amounts in the circulating coinage reserve fund  
16 in—

17 “(i) instruments issued by the Sec-  
18 retary under chapter 31; and

19 “(ii) other instruments to the extent,  
20 and in such amounts, as may be author-  
21 ized by law.

22 “(E) PAYMENT TO GENERAL FUND.—In-  
23 terest, dividends, and other earnings on invest-  
24 ments of the circulating coinage reserve fund,  
25 including interest on loans to the Community

1           Development Financial Institutions Fund, shall  
2           be paid into the general fund of the Treasury  
3           to assist in reducing the deficit.”.

4           (b) TERMINATION OF COINAGE PROFIT FUND.—The  
5           coinage profit fund is hereby abolished and any balance  
6           in the account as of such termination shall be transferred  
7           by the Secretary to the circulating coinage reserve fund  
8           established pursuant to the amendment made by sub-  
9           section (a) as soon as practicable after the date of the  
10          enactment of this Act.

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