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Interim Committee on 5/20/2026

Currency Availability

Business and Government Impacts

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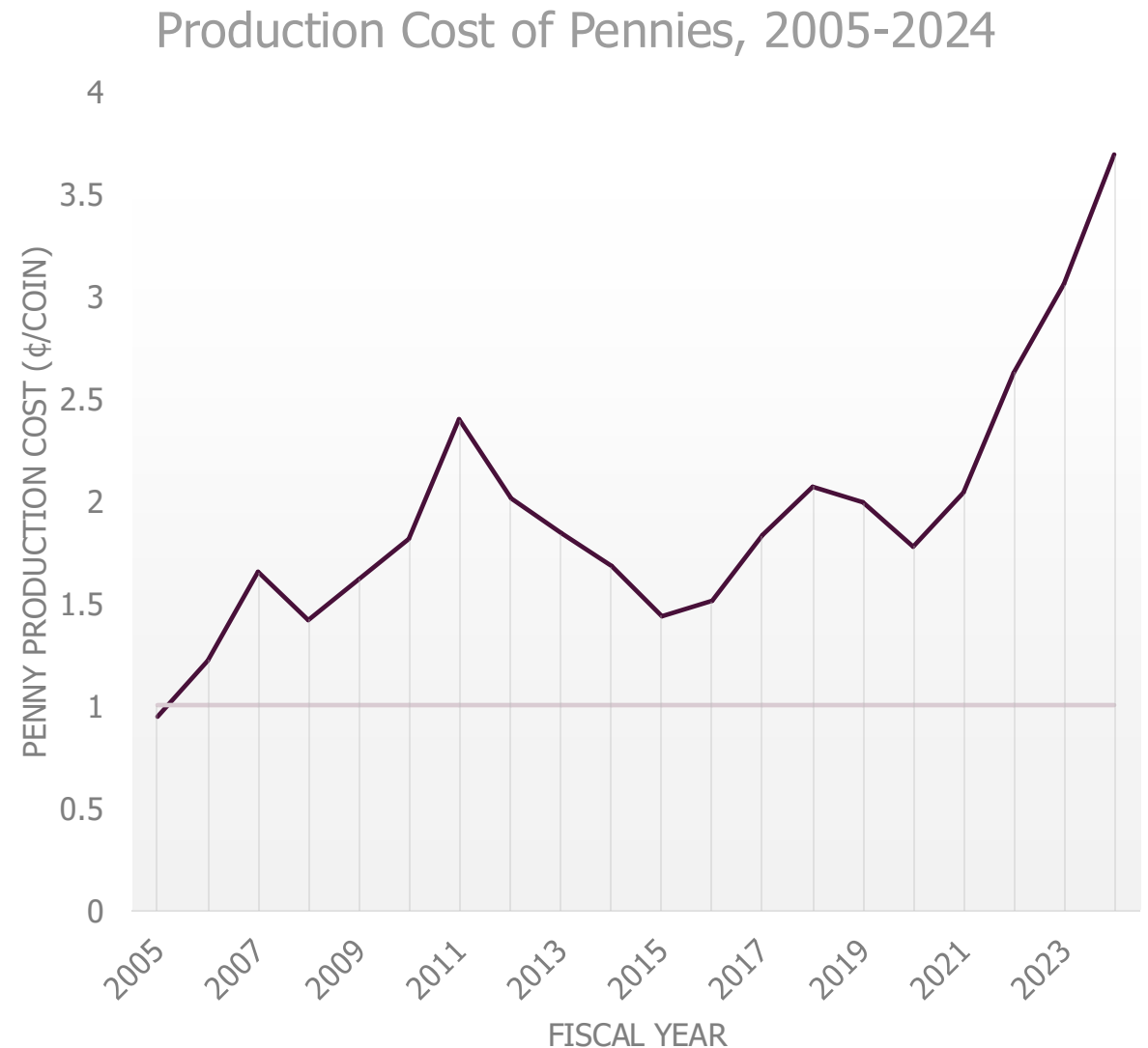
Context

- In 2025, the U.S. Mint ceased production of new pennies
 - Some small amounts produced for collector's versions
- For fiscal year 2024, pennies represented approximately 57%, or 3.2 billion, of the 5.6 billion coins produced by the Mint
- U.S. Mint projections estimate roughly \$56 million in immediate savings from reduced material costs



Production Costs

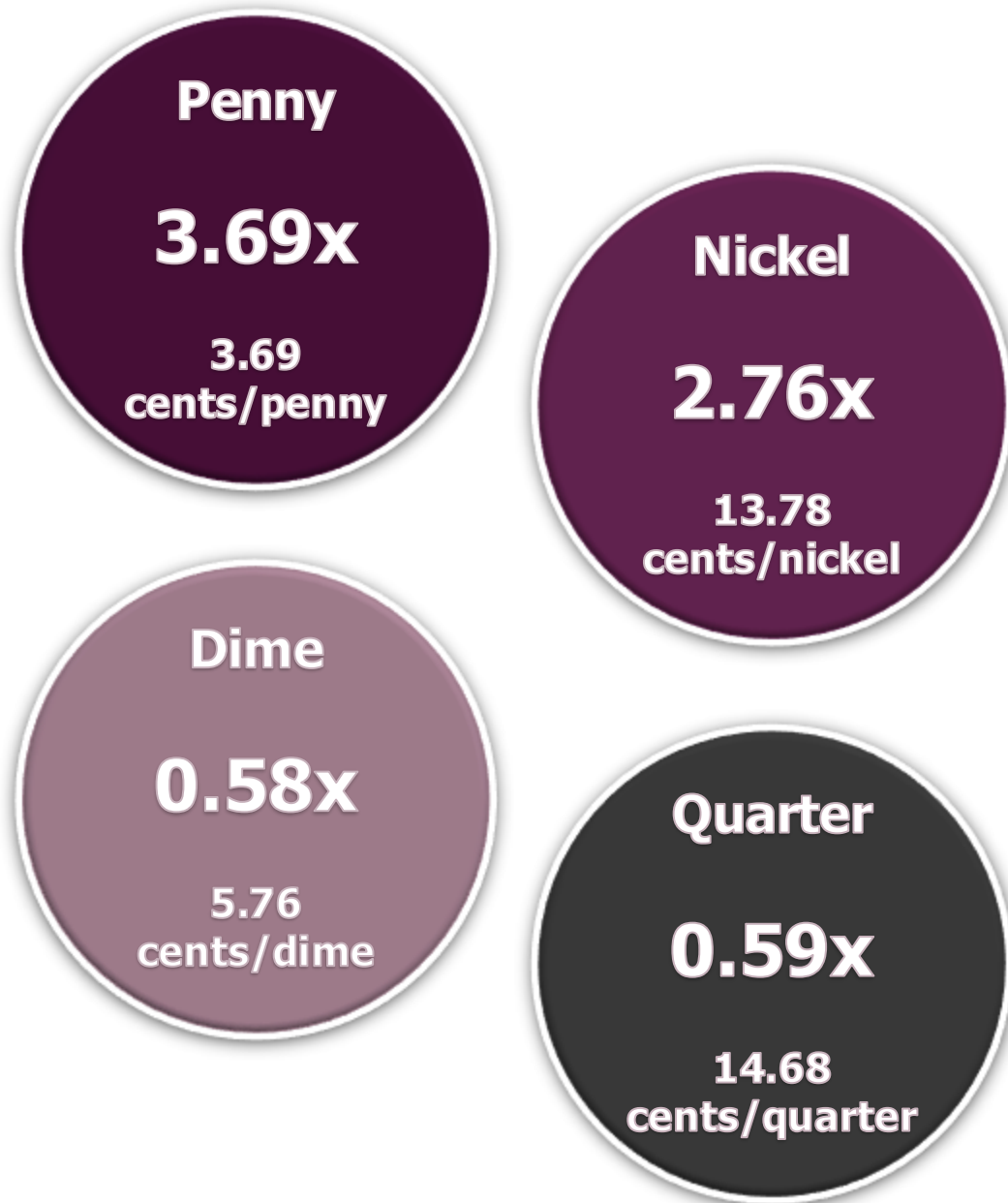
- Over the last two decades, inflation and rising material costs have driven the production costs of pennies to roughly 3.7 cents per coin in 2024
- Accounting for inflation, real costs have increased approximately 140%



Source: Department of the Treasury

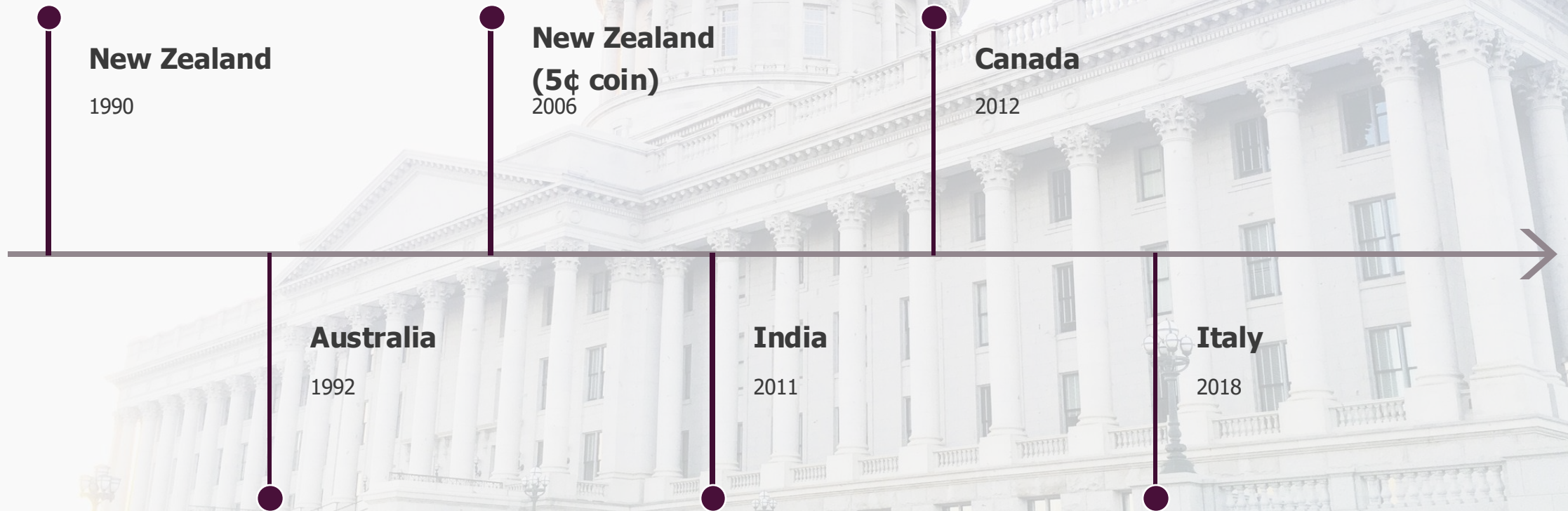


Costs in Context



- Relative to its value, pennies are the most expensive U.S. coin in circulation
- This is not the first time penny production has been modified due to high costs
 - In 1982, the composition of pennies was reworked because of the cost of copper

Worldwide Currency Penny Phase-Out

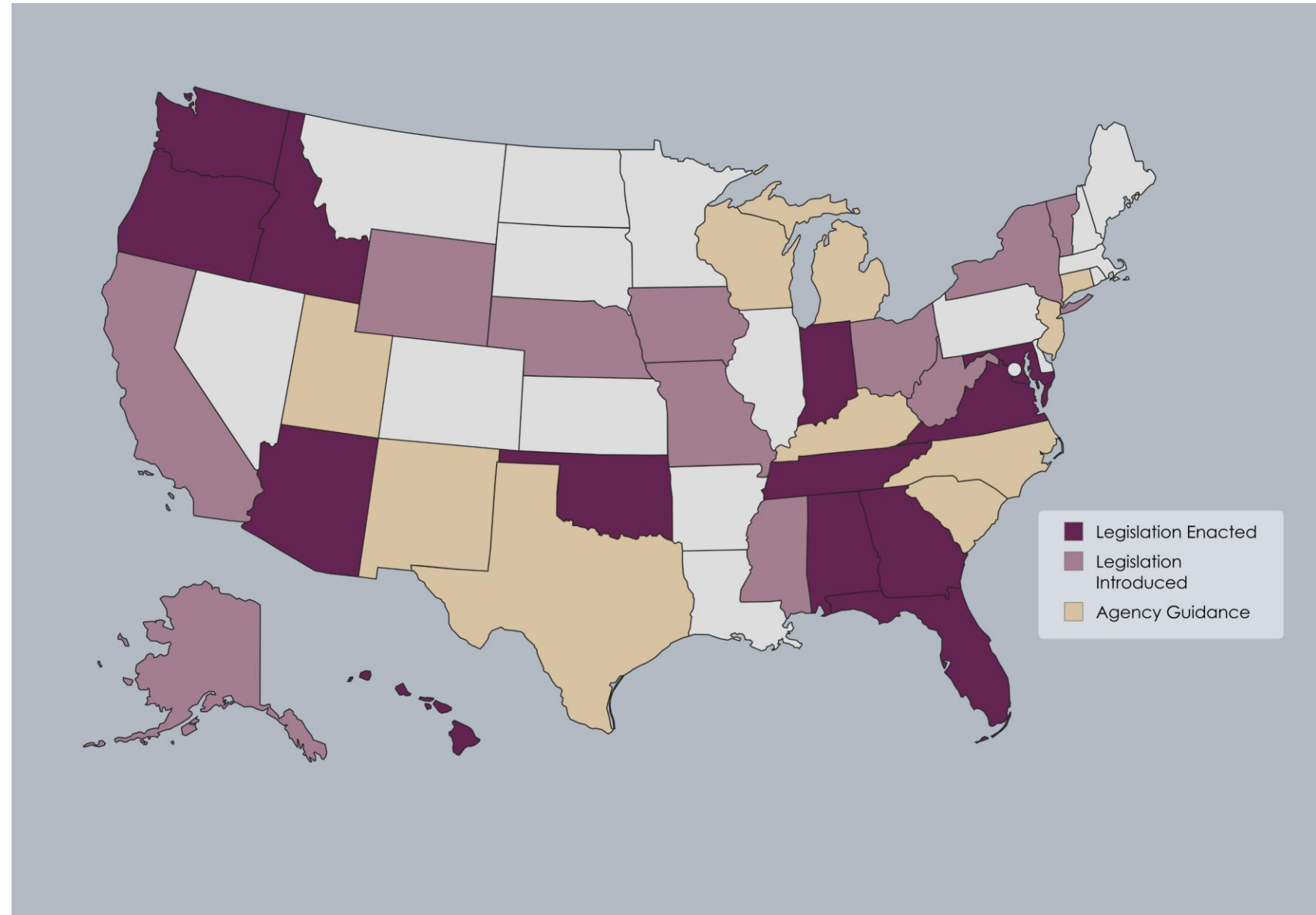


Future of Pennies

- Although pennies are no longer being minted for circulation, they remain legal tender
- Businesses may implement rounding for cash transactions
 - No national standard for rounding exists
 - Congressional legislation has been introduced to set a uniform rounding standard, but has not passed either chamber
- According to data from Worldpay, approximately 86% of point-of-sale transactions are cashless



State Responses



Questions?



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