



**CONGRESSIONAL BUDGET OFFICE  
PAY-AS-YOU-GO ESTIMATE**

October 18, 2000

**H.R. 4259  
National Museum of the American Indian Commemorative Coin Act  
of 2000**

*As cleared by the Congress on October 11, 2000*

**SUMMARY**

H.R. 4259 would authorize the U.S. Mint to produce a silver coin in 2001 to commemorate the opening of the National Museum of the American Indian. The legislation would specify that the price of the coin include a surcharge of \$10 and that the receipts from surcharges be transferred to the National Museum of the American Indian of the Smithsonian Institution. The museum could use the surcharge receipts to commemorate its opening and to supplement its endowment and education outreach funds. CBO estimates that enacting H.R. 4259 would decrease direct spending by \$1 million over the fiscal year 2001-2005 period, but would have no effect on direct spending over the 2001-2010 period.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 4259 is shown in the following table. For pay-as-you-go-purposes, only the effects in the budget year and the subsequent four years are counted. The legislation would affect budget functions 800 (general government) and 050 (defense).

	By Fiscal Year, in Millions of Dollars									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>CHANGES IN DIRECT SPENDING</b>										
Receipt of Coin Surcharges										
Estimated Budget Authority	-2	a	0	0	0	0	0	0	0	0
Estimated Outlays	-2	a	0	0	0	0	0	0	0	0
Spending of Coin Surcharges										
Estimated Budget Authority	0	2	0	0	0	0	0	0	0	0
Estimated Outlays	0	2	0	0	0	0	0	0	0	0
Purchase of Government Silver										
Estimated Budget Authority	-1	0	0	0	0	0	1	0	0	0
Estimated Outlays	-1	0	0	0	0	0	1	0	0	0
Total Changes										
Estimated Budget Authority	-3	2	0	0	0	0	1	0	0	0
Estimated Outlays	-3	2	0	0	0	0	1	0	0	0

a. Less than \$500,000.

## BASIS OF ESTIMATE

H.R. 4259 could raise as much as \$5 million in surcharges if the Mint sells the maximum number of authorized coins, although the experience of recent anniversary-based commemoratives suggests that sales would be significantly less than the authorized total, resulting in surcharges of about \$2 million, almost all of which would be collected in fiscal year 2001. CBO expects that the receipts from such surcharges would be transferred to the museum in fiscal year 2002. In sum, CBO estimates that the collection, transfer, and spending of surcharges under H.R. 4259 would have no net budgetary effect.

In addition, because we expect the Mint would acquire silver from the Defense Logistics Agency (DLA) to produce the coins, CBO estimates that H.R. 4259 would also increase DLA's offsetting collections from the sale of excess silver by between \$500,000 and \$1 million in fiscal year 2001. However, the government's supply of silver is limited, and we anticipate that it will be depleted by fiscal year 2007. Hence, the use of silver for this coin in 2001 would leave less available for other collectible coins in subsequent years, resulting in a loss of between \$500,000 and \$1 million in receipts in 2007. Finally, the Mint would retain and spend any additional net proceeds generated from the sale of the coins to fund other commercial activities.

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