



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

December 10, 2004

### **H.R. 3204**

### **Benjamin Franklin Commemorative Coin Act**

*As cleared by the Congress on December 7, 2004*

H.R. 3204 would authorize the U.S. Mint to produce two \$1 silver coins in calendar year 2006 to commemorate the 300th anniversary of the birth of Benjamin Franklin (not more than 250,000 bearing an image of Franklin as a young man and not more than 250,000 with his image as an older man). The legislation would specify a surcharge of \$10 on the sale of each coin and would designate The Franklin Institute, a nonprofit entity, as the recipient of the income from the surcharge to use for events and activities celebrating Benjamin Franklin's tercentenary. CBO estimates that enacting H.R. 3204 would have no significant net impact on direct spending over the 2005-2010 period.

Based on recent commemorative coin sales, CBO estimates that the Mint will produce the maximum number of authorized coins, and receipts would be about \$5 million mostly in 2006. Under current law, the Mint must ensure that it does not lose money producing commemorative coins before transferring any surcharges to a recipient organization. CBO expects that those receipts from such surcharges would be transferred to the foundation in fiscal year 2007. Thus, we estimate that the act would reduce direct spending by \$5 million in 2006 and would increase direct spending by \$5 million in 2007.

H.R. 3204 would limit the collection of surcharges to no more than two commemorative coins in any calendar year. According to the Mint, there are no commemorative coins scheduled to be issued in 2006, so we expect this provision would not reduce the collection or spending of surcharges for the Benjamin Franklin Commemorative Coins.

The CBO staff contact for this estimate is Matthew Pickford. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.