



Institute of
Scrap Recycling
Industries, Inc.

www.isri.org

August 12, 2016

Jacob J. Lew
Secretary
Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Rhett Jeppson
Principal Deputy Director
United States Mint
801 9th Street NW
Washington DC 20220

Dear Secretary Lew and Director Jeppson,

This letter is a follow-up to ISRI's letter of July 14th requesting that the United States Department of the Treasury ("Treasury") and its U.S. Mint Bureau (the "Mint") not extend the Mint's moratorium on the repurchase of mutilated coins when it expires on November 2, 2016.

As was stated in our letter from last month, it was our understanding that the moratorium was extended to November 2nd because of ongoing litigation. As that litigation concluded on July 21st, we would now respectfully ask that the Mint move in an expedited fashion to bring an end to the moratorium as there appears to be no reason to not continue its program of repurchasing mutilated coins. Over the past ten months, the moratorium has caused a significant detrimental financial and operational impacts on U.S. based recyclers, who are now facing financial difficulties because of their inability to redeem the mutilated coins they have in inventory.

Background on the U.S. Based Scrap Recycling Industry

ISRI is the trade association representing the private, for-profit recycling industry, composed of approximately 1,400 companies at more than 5,000 facilities located here in the U.S. and in more than 35 countries that process, broker, and industrially consume scrap commodities, including metals, paper, plastics, glass, rubber, electronics, and textiles. Our members range from small, family-owned businesses to large, multi-billion dollar, multinational companies.

Recyclers are the first link in the manufacturing supply chain, supplying 40% of manufacturing's global raw material needs. Last year alone, the industry recycled more than 135 million tons of scrap, worth more than \$80 billion, into specification grade commodities for productive economic use as feedstock materials by steel mills, foundries, paper mills, smelters, reformulators and other consumers in the United States and throughout the world. To accomplish this task, the industry employs 149,000 men and women, continuing its tradition of creating good paying, "green jobs."

Recycling and the Mint's Mutilated Coin Redemption Program

Recyclers across the United States have been recovering coins for decades. The business started when recyclers would find loose coins that had fallen to the ground during the processing for recycling of cars, vending machines and other products. The business evolved with advances in sorting technology and the advent of new machinery capable of identifying very small items. As a result, the ability to purposefully recover coins in significant quantities grew quickly, and became an integral part of many recycling companies' operations and product lines.

During the lifetime of an automobile (estimated at between 10 and 12 years in the U.S.), most drivers manage to lose a fair number of coins to the cracks in seats and the areas under seats and forget to remove coins they store in their car for use in parking meters and the like before their car is sold. Surprising, many vending and other coin operated machines such as laundry equipment have coins remaining in them when they are sent for recycling. As a result of all of these practices, a large number of coins end up in the shredding stream.

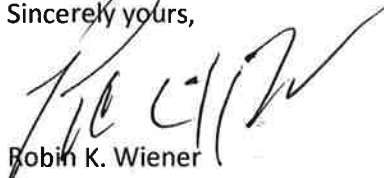
Summary

As a result of coins being left in cars and vending machines, the U.S. scrap recycling industry collects and redeems a lot of mutilated coins with the U.S. Mint each year. Scrap processors fully understand and respect their responsibility to properly redeem these mutilated coins with the U.S. Mint. However, the extended moratorium is placing both a financial as well as a storage program on these U.S. companies.

The U.S. Mint has stated it has an obligation to redeem coins while, at the same time, protecting against attempts to undermine this program. ISRI fully supports both the U.S. Mint's mutilated coin redemption program and its important enforcement efforts and would welcome any opportunity to provide assistance to the U.S. Mint for these purposes.

In conclusion, ISRI respectfully requests the U.S. Mint to cease its moratorium and resume its mutilated coin redemption program.

Sincerely yours,



Robin K. Wiener
President, ISRI