

October 12, 1974

Office of the White House Press Secretary

NOTICE TO THE PRESS

The President has signed H. R. 16032 - Composition of penny and Eisenhower College grants; which authorizes the Secretary of the Treasury to alter the composition of the one-cent piece and also, in the form of a rider, authorizes additional grants to Eisenhower College, Seneca Falls, New York, and grants to the Samuel Rayburn Library.

Section 1 of the bill will provide temporary authority for changes in the composition of the one-cent coin in the event that copper prices should increase to levels making the penny more valuable for its copper content than as a coin. Current law requires that the alloy of the penny be 95 percent copper and 5 percent zinc and that it weigh 48 grains.

This bill stems from the recent rise of copper prices which resulted in diversion from circulation of large quantities of pennies into speculative channels and created shortages of the coins in many parts of the country despite record production in the last fiscal year.

Section 2 of the bill is a rider which will authorize the Secretary of the Treasury to take one-tenth of the moneys derived from the sale of proof dollars bearing the likeness of the late President Eisenhower and transfer such amount to the Eisenhower College, Seneca Falls, New York. However, the transfer will be subject to appropriation and the total appropriations could not exceed \$10 million.

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