



For Immediate Release

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## **Tennessee Banks Ask Consumers to Deposit, Use Spare Change Due to Coin Shortage**

*Check with your local bank about depositing rolled coins*

**Nashville**—Time to empty out the piggy banks to help small businesses. Tennessee banks are asking consumers to deposit their spare change at their local bank or coin-cashing machines as the pandemic-related shutdowns has created a coin shortage.

When COVID-19 restrictions went into place, establishments like retail shops, bank branches, and laundromats—the typical places where coin enters society—closed, it significantly slowed the normal rate of coin circulation. Consumers then migrated to shopping online or, if in person, using debit and credit cards to avoid physical contact associated with using cash. The coins that they would have received in change were then not being circulated back into the system.

“In the beginning of 2020, more than 4 billion coins were deposited—or recirculated—each month,” said Colin Barrett, president and CEO of the Tennessee Bankers Association. “Those numbers dropped to less than 2 billion beginning in April.”

As businesses are reopening, demand from merchants to stock their coins at higher levels is increasing, but a large number of coins remain with consumers. This is creating a critical issue because recirculated coins represent more than 80% of the supply, with the remaining amount being new coins produced by the Mint.

“There is adequate coin in the economy, however the slowed pace of circulation means that a sufficient amount of coins is not readily available where needed,” said Barrett. “If you have spare change, we encourage Tennesseans to check with their local bank to see if they are accepting rolled coins, use exact amounts when purchasing items, or deposit them in grocery store coin-cashing machines.”

As of April 2020, the U.S. Treasury estimates that the total value of coin in circulation is \$47.8 billion, up from \$47.4 billion as of April 2019.

The Federal Reserve projects the gap between supply and demand between 2.3 to 3.5 billion coins each month through the end of 2020.

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### **About Tennessee Bankers Association**

The Tennessee Bankers Association is a not-for-profit organization representing Tennessee's commercial banks and thrifts. The Association provides continuing education, develops and monitors state and federal legislative agendas, disseminates information on all facets of the financial services industry, and promotes the public image of financial institutions. Visit us at our website, [www.TNBankers.org](http://www.TNBankers.org).