

Bureau of Engraving and Printing

Program Summary by Budget Activity

Dollars in Thousands

Budget Activity	FY 2024 Actuals	FY 2025 Revised Estimate	FY 2026 Estimate	FY 2025 to FY 2026 \$ Change % Change	
Manufacturing	\$1,273,433	\$1,129,629	\$1,151,087	\$21,458	1.9%
DC Replacement Facility	\$1,525,210	\$63,930	\$6,445	(\$57,485)	-89.9%
Total Program Operating Level	\$2,798,643	\$1,193,559	\$1,157,532	(\$36,027)	-3.0%
Total Full-time Equivalents (FTE)	1,917	2,009	1,650	-359	-17.9%

Summary

The mission of the Bureau of Engraving and Printing (BEP) is to develop and produce United States currency notes trusted worldwide.

The BEP's 2026 President's Budget request funds the following projects:

1. DC Replacement Facility: In FY 2019, the BEP received legislative authority to acquire land and fund construction of a more efficient production facility to replace the BEP's current aging facility located in Washington, D.C. A provision in the Agriculture Improvement Act of 2018 (P.L. 115-334) authorized the transfer of a U.S. Department of Agriculture (USDA) land parcel in Beltsville, Maryland to the Department of the Treasury to be the site for the BEP's replacement production facility. The property transfer Memorandum of Agreement (MOA) between USDA and Treasury was finalized in early 2020. The formal transfer of administrative control from USDA to Treasury occurred in 2022. According to a GAO report, a replacement facility will save an estimated \$568 million over 10 years, as compared to the cost of renovating the existing facility.

2. Annual Print Order (formally Yearly Currency Order (YCO)) Reduction: The 2025 Annual Print Order was initially projected to be 6.8 billion notes which was reflected in the FY 2025 President's Budget. Subsequently, the FRB transmitted the actual print order which is 4.6 billion notes for 2025. The reduction in the 2025 order is due to the retooling equipment's offline time requirements for the preparation and testing needed for the new series of notes. This decrease to the overall FY 2025 estimates corresponds to the reduced need for materials related to the lower print order. In FY 2026, the Annual Print Order will decrease slightly from the 2025 production volume of 4.6 billion to 4.4 billion notes; however, an increase is still required for the Catalyst series of redesigned \$10 bills.

3. Banknote Design and Development: In FY 2025 and FY 2026, the BEP will continue to work with the Federal government's Advanced Counterfeit Deterrent (ACD) Steering Committee to develop the next family of banknotes. This advancement will include new and effective security features to deter counterfeiting and a raised tactile feature to provide meaningful access to blind and visually impaired individuals.

4. Retooling: This initiative accelerates a multi-year effort to retool manufacturing processes with state-of-the-art intaglio printing presses, electronic inspection systems, and finishing equipment. The FY 2025 increase in capability will support the BEP's continued modernization

of the currency production equipment. The FRB and the BEP have jointly developed short-, medium-, and long-term strategic equipment replacement plans for the U.S. Currency Program (USCP). Successful implementation of advanced technology improves productivity, reduces environmental impact, and enhances counterfeit deterrence of U.S. currency notes. To date the BEP has obligated funding for 43 new machines to accomplish this initiative.

5. Human Capital/Talent Management: The FY 2026 budget estimate supports finding efficiencies within the BEP workforce and plans to achieve this by implementing a restructuring that is within the established targets.

Budget Highlights

Dollars in Thousands

	FTE	Amount
FY 2025 Estimate	1,925	\$1,219,992
Program Changes:		
Program Decreases	0	(\$91,892)
Currency Production Decrease-Materials	0	(\$91,892)
Program Increases:	84	\$65,459
Retooling	0	\$35,000
Manufacturing-Spare Parts	0	\$16,000
FTE Increase	84	\$14,459
Subtotal Program Changes	84	(\$26,433)
FY 2025 Revised Estimate	2,009	\$1,193,559
Changes to Base:		
Maintaining Current Levels (MCLs):	0	\$1,715
Pay Annualization (2025 2.0% average pay raise)	0	\$1,715
Subtotal Changes to Base	0	\$1,715
FY 2026 Current Services	2,009	\$1,195,274
Program Changes:		
Program Decreases	(359)	(\$151,810)
Retooling	0	(\$35,000)
DC Replacement Facility	0	(\$57,485)
FTE Reduction/Efficiency Savings	(359)	(\$59,325)
Program Increases	0	\$114,067
Currency Production Increase-Materials	0	\$21,283
Mission Critical Capital Projects for Existing DC Facility	0	\$92,784
Subtotal Program Changes	(359)	(\$37,742)
FY 2026 Estimate	1,650	\$1,157,532

Budget Adjustments

Program Decreases..... - \$91,892,000 / -0 FTE
Currency Production Decrease-Materials - \$91,892,000 / -0 FTE

The Annual Print Order was adjusted from 6.8 billion notes to 4.6 billion notes. This reduction was necessary to account for retooling equipment's offline time requirements for the preparation and testing needed for the new series of notes.

Program Increases..... +\$65,459,000 / +84 FTE

Retooling +\$35,000,000 / +0 FTE

This increase enables BEP to purchase additional retooling equipment to include two new Intaglio presses and supports BEP's continued modernization of the currency production equipment.

Manufacturing-Spare Parts +\$16,000,000 / +0 FTE

This increase supports purchase of spare parts necessary to sustain BEPs new retooling investments to include the new Catalyst system across multiple locations.

FTE Increase +\$14,459,000 / +84 FTE

This increase supports BEP's workforce planning efforts to provide a sufficient workforce. The realigned workforce includes new personnel with unique skills necessary for the Catalyst family, which incorporates new machinery and new processes. We will need the additional staffing to support several of our craft apprenticeship programs which can take up to seven years to complete.

FY 2025 Adjustments

Maintaining Current Levels (MCLs)..... +\$1,715,000 / +0 FTE

Pay Annualization (2.0% in 2025) +\$1,715,000 / +0 FTE

Funds are required for annualization of the January 2025 2.0% average pay raise.

FY 2026 Adjustments

Program Decreases..... -\$151,810,000 / -359 FTE

Retooling -\$35,000,000 / -0 FTE

This reduction reflects the decrease in new retooling investments requirements from FY 2025 and is not required in FY 2026.

DC Replacement Facility -\$57,485,000 / -0 FTE

This reflects the FY 2026 funding requirement to support the project. The total funding required for FY 2026 is \$6.4 million.

FTE Reduction/Efficiency Savings -\$59,325,000 / -359 FTE

This reduction reflects finding efficiencies within BEP workforce and enabling a restructuring that is within the established targets.

Program Increases +\$114,067,000 / +0 FTE

Currency Production Increase-Materials +\$21,283,000 / +0 FTE

The Annual Print Order will decrease slightly from the 2025 production volume of 4.6 billion to 4.4 billion notes for 2026. However, an increase is still required for the Catalyst series of redesigned \$10 bills.

Mission Critical Capital Projects for Existing DC Facility +\$92,784,000 / +0 FTE

The current DC facility is over 114 years old and in need of mission critical capital improvements due to deferred maintenance and updates needed to run the facility for at least the next decade. This is primarily due to the delay of the planned replacement facility. These critical capital projects needed to support production include refurbishment/replacement of Air

Handlers, Elevators, Chiller and Compressor plants and includes some site preparation for projects to support new production equipment.

Legislative Proposals

The BEP has no legislative proposals.