

Department of the Treasury  
Bureau of Engraving and  
Printing

Congressional Budget  
Justification

FY 2026

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## **Section I – Budget Request**

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### **A – Mission Statement**

To develop and produce United States currency notes trusted worldwide.

### **B – Summary of the Request**

The Bureau of Engraving and Printing (BEP) produces and delivers United States (U.S.) currency notes for the Federal Reserve System ordered by the Board of Governors of the Federal Reserve (FRB) and other security products for the Federal Government. BEP began printing currency in 1862 and operates on the basis of authority conferred upon the Secretary of the Treasury by 31 U.S.C. 321(a)(4) to engrave and print currency and other security documents. Operations are financed through a revolving fund established in 1950 in accordance with Public Law 81-656. The fund is reimbursed for direct and indirect costs of operations, including administrative expenses, through product sales. In 1977, Public Law 95-81 authorized BEP to include an amount sufficient to fund capital investment and to meet working capital requirements in the prices charged for products, eliminating the need for annual discretionary appropriations. BEP provides technical assistance, advice, and some production services to other federal agencies in the development of security documents requiring counterfeit deterrent features due to their innate value or other characteristics. Other activities at BEP include engraving plates and dies; manufacturing inks used to print security products; purchasing materials, supplies, and equipment; and storing and delivering products in accordance with customer requirements.

BEP's 2026 budget estimate reflects the bureau's continued commitment to a new state of the art facility in Beltsville, MD, the continuing advancement of the Catalyst series of notes, and the resources to support an Annual Print Order at 4.4 billion notes. This commitment is reflected in the following projects:

**1. DC Replacement Facility:** In FY 2019, BEP received legislative authority to acquire land and fund construction of a more efficient production facility to replace 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 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:** BEP achieved the 2024 final print order producing 5.8 billion notes. In 2025 the 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, 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 BEP’s continued modernization of the currency production equipment. The FRB and 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 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 BEP workforce and plans to achieve this by implementing a restructuring that is within the established targets.

**Table 1.1 – Resources Detail**

Dollars in Thousands

Details in Procedures									
Budgetary Resources		FY 2024 Actuals		FY 2025 Revised Estimate		FY 2026 Estimate		FY 2025 to FY 2026 % Change	
Revenue/Offsetting Collections	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	
Currency Program/ Manufacturing	1,914	\$1,262,433	2,006	\$1,116,629	1,647	\$1,138,087	-17.9%	1.9%	
Other Programs	0	\$11,000	0	\$13,000	0	\$13,000	NA	0.0%	
DC Replacement Facility	3	\$1,525,210	3	\$63,930	3	\$6,445	0.0%	-89.9%	
Total Revenue/ Offsetting Collections	1,917	\$2,798,643	2,009	\$1,193,559	1,650	\$1,157,532	-17.9%	-3.0%	
Obligations									
Manufacturing									
Direct Manufacturing	900	\$611,248	963	\$542,289	791	\$552,590	-17.9%	1.9%	
Indirect Manufacturing Support	1,014	\$662,185	1,043	\$587,340	856	\$598,496	-17.9%	1.9%	
DC Replacement Facility	3	\$1,525,210	3	\$63,930	3	\$6,445	0.0%	-89.9%	
Total Expenses/ Obligations	1,917	\$2,798,643	2,009	\$1,193,559	1,650	\$1,157,532	-17.9%	-3.0%	
Net Results	0	\$0	0	\$0	0	\$0	NA	NA	

FY 2024 Full-time equivalents (FTE) reflect actuals.

**Table 1.2 – Budget Adjustments**

Dollars in Thousands

	FTE	Amount
<b>FY 2025 Estimate</b>	<b>1,925</b>	<b>\$1,219,992</b>
<b>Program Changes:</b>		
<b>Program Decreases</b>	0	(\$91,892)
Currency Production Decrease-Materials	0	(\$91,892)
<b>Program Increases:</b>	84	\$65,459
Retooling	0	\$35,000
Manufacturing-Spare Parts	0	\$16,000
FTE Increase	84	\$14,459
Subtotal Program Changes	84	(\$26,433)
<b>FY 2025 Revised Estimate</b>	<b>2,009</b>	<b>\$1,193,559</b>
<b>Changes to Base:</b>		
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
<b>FY 2026 Current Services</b>	<b>2,009</b>	<b>\$1,195,274</b>
<b>Program Changes:</b>		
<b>Program Decreases</b>	(359)	(\$151,810)
Retooling	0	(\$35,000)
DC Replacement Facility	0	(\$57,485)
FTE Reduction/Efficiency Savings	(359)	(\$59,325)
<b>Program Increases</b>	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)
<b>FY 2026 Estimate</b>	<b>1,650</b>	<b>\$1,157,532</b>

**C – Budget Increases and Decreases Description****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 BEP's 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.

**Table 1.3 – Object Classification (Schedule O) Obligations**

Dollars in Thousands

Object Classification	FY 2024 Actual Obligations	FY 2025 Estimated Obligations	FY 2026 Estimated Obligations
11.1 - Full-time permanent	207,253	225,968	193,310
11.3 - Other than full-time permanent	369	219	219
11.5 - Overtime	39,284	18,516	18,516
<b>11.9 - Personnel Compensation (Total)</b>	<b>246,906</b>	<b>244,703</b>	<b>212,045</b>
12.0 - Personnel benefits	94,542	97,169	76,084
13.0 - Benefits for former personnel	19	4,499	632
<b>Total Personnel and Compensation Benefits</b>	<b>\$341,467</b>	<b>\$346,371</b>	<b>\$288,761</b>
21.0 - Travel and transportation of persons	1,870	2,060	2,060
22.0 - Transportation of things	1,524	880	880
23.0 - Rent, Communications and Utilities	0	0	0
23.1 - Rental payments to GSA	2,739	3,348	3,348
23.2 - Rental payments to others	715	866	866
23.3 - Communications, utilities, and miscellaneous charges	15,184	20,546	20,546
24.0 - Printing and reproduction	192	0	0
25.2 - Other services from non-Federal sources	226,138	165,287	165,287
25.3 - Other goods and services from Federal sources	1,550,422	149,923	185,222
25.4 - Operation and maintenance of facilities	13,749	0	0
25.5 - Research and development contracts	0	3,813	3,813
25.7 - Operation and maintenance of equipment	0	0	0
26.0 - Supplies and materials	257,605	308,669	329,952
26.0 - Raw Materials	0	0	0
31.0 - Equipment	386,913	191,602	156,602
42.0 - Insurance claims and indemnities	125	194	194
<b>Total Non-Personnel</b>	<b>\$2,457,176</b>	<b>\$847,188</b>	<b>\$868,770</b>
<b>Total Obligations</b>	<b>\$2,798,643</b>	<b>\$1,193,559</b>	<b>\$1,157,532</b>
<b>Full-time Equivalents (FTE)</b>	<b>1917</b>	<b>2009</b>	<b>1650</b>

Amounts reflect obligations of annually appropriated resources, carryover balances, reimbursables, and transfers.

**D – Appropriations Language and Explanation of Changes**

BEP does not require annual appropriations language.

**E – Legislative Proposals**

BEP has no legislative proposals.

**Section II – Additional Information****A – Summary of Capital Investments**

A summary of capital investments, including major information technology and non-technology investments, can be accessed at <https://www.treasury.gov/about/budget-performance/Pages/summary-of-capital-investments.aspx>.