

# The Boston Globe

## This lobby warns Trump's penny ban would nickel and dime Americans

By [Sam Brodey](#) Globe Staff, Updated February 12, 2025, 5:49 a.m.

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Freshly-made pennies sat in a bin at the US Mint in Denver on Aug. 15, 2007. DAVID ZALUBOWSKI/ASSOCIATED PRESS

WASHINGTON — When President Trump said on Sunday night he would [direct the Treasury to stop producing the penny in order to cut costs](#), he may have wagered that the increasingly irrelevant coins wouldn't be missed outside the confines of couch cushions and piggy banks.

But there is a constituency for every federal initiative, even the beleaguered penny. And its assorted makers and boosters are anxiously hoping Trump doesn't make this change.

For decades, just one company has been responsible for producing the zinc-based metal disks that become pennies: Artazn, which is headquartered in Greene County, Tenn.

The zinc used for the pennies comes from a processing plant in Mooresboro, N.C.; a transportation network takes the zinc from there to Tennessee, and then onward to US Mint locations in Denver and Philadelphia, which finally mint the unmarked discs into legal tender.

It's a small but tight-knit chain that quietly made 3.2 billion pennies last year. The industry finances lobbying efforts to help keep it that way. Artazn, which is owned by private equity firm One Rock Capital Partners, has long been the primary funder of Americans for Common Cents, the nation's only lobbying group dedicated to promoting the penny.

Mark Weller, the group's executive director, has worked to avoid the exact outcome that Trump casually willed into existence in a social media post on the [night of the Super Bowl](#). The president's move, inspired by billionaire [Elon Musk's "Department of Government Efficiency" effort](#), came as a "complete surprise" to virtually everyone in the penny world, Weller said.

Abruptly forced into action, propenny interests are mounting a campaign to persuade the president, the public, and relevant lawmakers that the coin is worth keeping.

They argue it would ultimately cost the government more in the long run to stop producing the coin, and that there could be an inflationary impact in prices being rounded to the nickel and not the penny.

But the likeliest outcome of ending the penny is also the narrowest: putting the people who make it out of work.

"There will be job losses both in Tennessee and North Carolina as a direct result of the action," said Weller, who explained that Artazn employs around 250 people and the zinc plant in North Carolina — which sells one-quarter of its product for the purpose of making pennies — employs several hundred people. The Mint in Denver, he said, which has been minting coins for over a century, could be at risk of closing, too.

The penny business may be among the first — but certainly not the last — to find itself scrambling for survival due to one of the core realities of Trump's second term: his eagerness to unilaterally wave his executive power for instant, broad effect, usually without much warning whatsoever.

Weller, for one, warned of the "unintended consequences" of DOGE's strident cost-cutting mindset. "There's impacts on the economy . . . What's a Walmart supposed to do?" he asked, invoking the retail giant, which often prices goods at specific cent intervals.

The timing of the president's move may have surprised, but the substance of it didn't come entirely from nowhere. In January, the DOGE account on X aired one of the main arguments in favor of eliminating the one-cent coin: that it costs 3 cents to make. And the Mint makes more pennies than any other coin, largely because its low value keeps them out of circulation, either stored away or simply lost or discarded.

"Production of pennies is because people lose them," said David Gulley, a professor of economics at Bentley University in Waltham. "From the sheer technical point of view, it's a money loser."

Various reformers have pushed on and off for decades to eliminate the penny but have failed to make it happen, even as peer nations, like Canada, eliminated their one-cent coins. Propenny advocates have insisted that overall federal expenses will increase if the coin is eliminated. The argument rests on blaming the penny's most common neighbor in the coin jar: the nickel.

While the penny and the nickel each cost about three times more than their worth to make, the government loses two cents on each penny but roughly nine cents on each nickel. If nickel production were to increase in the absence of the penny — which some observers expect — the losses might be greater in the aggregate.

“DOGE is right to consider coin reform, but their focus should be on revamping the nickel,” said Weller. (To their misfortune, the nickel lacks a lobbyist or spokesman.)

The other point Weller makes is that ending the penny would be inflationary. “There’s probably two issues [Trump] was elected on: one is the border, the other is inflation,” he said. “Right out of the blocks, you’re waving the white flag on inflation, to get rid of the penny and start rounding to the nickel.”

There is some utility to society in having the penny available, argued Gulley, and the estimated annual cost of making the penny, around \$175 million, is marginal in the context of the sprawling federal budget. But he was skeptical the move would prove more costly in the long run, noting the government could prioritize production of the quarter coin, which costs roughly 15 cents to make.

“In terms of impact on inflation,” he added, “it’s minimal compared to other forces driving prices up or down.”

While the particulars of Trump’s penny move reflect the new environment forming in Washington, the playbook emerging to halt it has been around for decades. Regardless of their merits, long-running federal programs and practices are notoriously difficult to kill because they often face concentrated opposition from those who would be most affected by a change — and their representatives in Congress.

Weller cited the Republican senators from Tennessee and North Carolina, where penny-related job losses would be the greatest, as the leading potential allies to convince Trump and other lawmakers to keep the penny. In particular, Senator Marsha Blackburn of Tennessee has previously been receptive to the case, Weller said. (Blackburn’s office did not respond to a request for comment, nor did Senator Bill Hagerty of Tennessee or Senators Thom Tillis and Ted Budd of North Carolina.)

The penny advocates are also “trying to educate the House and Senate DOGE caucus,” said Weller, in addition to other relevant committees, that the issue “is a little more complex than it might seem on its face.” (He did note that DOGE itself is “somewhat of a black box right now.”)

Still, support for Trump’s move has emerged from perhaps unexpected corners. Governor Jared Polis of Colorado, a Democrat, posted to X his approval of the move, arguing that “eliminating the penny will help save people money and support our environment, since producing them leads to poorer air quality and large extractions of key minerals.” (In 2021, the zinc plant in North Carolina was investigated by a local news outlet for discharging potentially toxic waste in nearby waterways, though the [reporters found its compliance improved](#) in 2023.)

Up against the considerable political influence of Trump and Musk, it might be tempting to accept that penny's luck may finally be running out after years of winning Washington policy debates.

But once the administration realizes the penny's case, Weller insisted, "they'll hopefully reverse course."

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