

FEDERAL RESERVE BANK
OF DALLAS

Circular No. 1
Series of 1925

January 14, 1925.

CIRCULATION OF STANDARD SILVER DOLLARS

To the Member Bank Addressed:

During the past several years an unprecedented demand has developed for One Dollar Bills and, in order to supply the demand and to meet redemptions of unfit and mutilated One Dollar Bills, the Treasury has been forced to place into circulation unseasoned currency with the result that the life of such bills has been considerably reduced.

In order to meet this situation and in the interest of economy, the Treasury Department is desirous of increasing the circulation of Standard Silver Dollars and, with a view of assisting the Treasury in its program, this bank and its branches will, for a limited time, continue to pay the charges on outgoing shipments of coin in this, as well as other denominations. However, effective immediately, this bank, including its branches, will discontinue absorbing transportation costs on incoming shipments of Standard Silver Dollars.

To make the Treasury's plan effective it will be necessary to have the co-operation of all banks and, in the interest of the Treasury, it is suggested that member banks include in their pay-rolls and other payments over the counter and in shipments to correspondent banks a reasonable amount of Standard Silver Dollars, explaining to their customers that this plan will result, not only in a direct saving to the Government through a reduction of expenditures for currency, but also in an improvement in the quality of paper currency by making possible an accumulation of a currency reserve in process of seasoning.

When receipts of Standard Silver Dollars over the counter and from other sources exceed ordinary requirements it is suggested that this surplus supply be held and redistributed in line with the foregoing and any accumulation you might have of One Dollar Bills be shipped to us, the transportation cost on which you understand will be absorbed by this bank.

This bank, including its branches, is prepared to make shipments of Standard Silver Dollars without any delay and, for a limited time, is prepared to ship reasonable amounts of uncirculated Standard Silver Dollars of the newest design.

We sincerely hope that the officers of your bank will give this matter serious consideration and that the Treasury may have your full co-operation.

Yours very truly,



Governor.