

Ben S Bernanke: Introduction of the new \$100 note

Brief remarks by Mr Ben S Bernanke, Chairman of the Board of Governors of the Federal Reserve System, at the New \$100 Note Unveiling Event, US Treasury Department, Washington DC, 21 April 2010.

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Thank you, Madame Treasurer.

A sound currency is the bedrock of a sound economy. Therefore, the United States government must stay ahead of counterfeiters and protect the integrity of our currency. The three agencies represented here today all share this important responsibility, and today we come together to unveil the latest phase in our efforts – the new design for the \$100 note.

Since the U.S. notes first issued by the Treasury Department in 1862, our national currency has played an integral role in the fortunes of our country. The Federal Reserve only assumed responsibility for issuing U.S. currency following the passage of the Federal Reserve Act in 1913. As our nation's central bank, we have a wide range of responsibilities related to paper money, from ensuring an adequate supply to protecting and maintaining confidence in our currency. Together with our partners at the Treasury Department, its Bureau of Engraving and Printing, and the United States Secret Service, we continuously monitor the counterfeiting threats for each denomination, and make redesign decisions based on these threats.

This job has become more complex in recent years as technology advances and U.S. dollar flows expand and increase. In just the past 25 years, the value of Federal Reserve notes in circulation has grown from \$180 billion to \$890 billion, an increase of almost 400 percent. And while in the past, most U.S. dollars were held domestically, today many of these notes circulate outside of our borders. In fact, we estimate that as many as two-thirds of all \$100 notes circulate outside the United States. For this reason, we must ensure that the people around the world who rely on the \$100 note are educated about changes that we make to its design.

We will unveil the new design for the \$100 note in just a few moments and the Federal Reserve will begin putting these notes into circulation on February 10, 2011. In the intervening months the Federal Reserve, together with our partners represented here today, will reach out to businesses and consumers all over the world to raise awareness about the new design and explain how to use its security features. This global public education program is crucial to the successful introduction of the new \$100 note, because a well-informed public is our first and best line of defense against counterfeiting.

It is important to understand that when this new-design \$100 note is issued on February 10, 2011, the approximately 6.5 billion older-design \$100s already in circulation will remain legal tender. U.S. currency users should know they will not have to trade in their older design notes when the new ones begin circulating.

We look forward to working with you all on the successful introduction of this new \$100 note. Thank you.