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Comptroller General
of the United States

United States Government Accountability Office
Washington, DC 20548

Decision

Matter of: Bureau of Engraving and Printing—Currency Reader Program

File: B-324588

Date: June 7, 2013

DIGEST

The Bureau of Engraving and Printing (BEP) may use appropriated funds to purchase and give currency readers to blind and visually impaired individuals as part of its compliance with a federal district court order to provide such individuals with meaningful access to U.S. currency. BEP's proposed approach is reasonable and consistent with BEP's statutory mission. BEP's distribution of currency readers serves to achieve BEP's objective of providing immediate relief to blind and visually impaired individuals as BEP continues its efforts with regard to multiple accommodations, including the addition of tactile features, large high-contrast numerals, and different colors to each denomination of U.S. currency that it is permitted to alter.

DECISION

The Bureau of Engraving and Printing (BEP) requests an advance decision under 31 U.S.C. § 3529(a), regarding the use of appropriated funds to purchase and give currency readers to blind and visually impaired individuals.¹ Letter from Acting Chief Counsel, BEP, to the General Counsel, GAO (Feb. 13, 2013) (Request Letter). As explained below, BEP may use appropriated funds to purchase and give currency readers to blind and visually impaired individuals.²

¹ BEP is a bureau in the Department of the Treasury and is responsible for the design and production of Federal Reserve notes. See 31 U.S.C. § 303, 12 U.S.C. § 418. The Bureau's operations are financed through a revolving fund. 31 U.S.C. § 5142.

² Our practice when issuing decisions is to obtain the facts and views from the relevant agency. GAO, *Procedures and Practices for Legal Decisions and Opinions*, (continued...)

BACKGROUND

On May 3, 2002, a blind individual, an individual with low vision, and the American Council of the Blind filed a civil action against the Secretary of the Treasury and the Treasurer of the United States. Request Letter, Exhibit A (Complaint for Declaratory and Injunctive Relief, *American Council of the Blind v. Paulson*, 581 F. Supp. 2d 1 (D.D.C. 2008)). The complaint stated that there are more than 3 million people in the United States with low vision, and approximately 200,000 people in the United States who are blind, and that these individuals are unable to identify, or experience difficulty in identifying, banknote denominations. *Id.* at 9–10. According to the plaintiffs, this is because U.S. banknotes are identical with respect to size and color, and virtually identical by design. *Id.* at 2. The complaint alleged that the defendants were in violation of section 504 of the Rehabilitation Act of 1973³ by failing to design and produce notes that “are readily identifiable by persons with blindness and low vision.” *Id.* at 15.

The court held that Department of Treasury “violated Section 504 of the Rehabilitation Act by failing to provide meaningful access to United States currency for blind and other visually impaired persons.” Request Letter, Exhibit B (Order and Judgment at 1, *American Council of the Blind v. Paulson*, 581 F. Supp. 2d 1 (D.D.C. 2008)). The court ordered, in relevant part, that the “defendant take such steps as may be required to provide meaningful access to United States currency for blind and other visually impaired persons.” *Id.*

To comply with the court’s order, the Department of the Treasury subsequently commissioned a study to help it identify and characterize options to improve the ability of blind and visually impaired people to independently denominate U.S. currency. Request Letter, at 2; ARINC Engineering Services, LLC, *Final Report: Study to Address Options for Enabling the Blind and Visually Impaired Community to*

(...continued)

GAO-06-1064P (Washington, D.C.: Sept. 2006), available at www.gao.gov/legal/resources.html. BEP’s request letter set out its legal views and provided the relevant order and judgment of the U.S. District Court for the District of Columbia in *American Council of the Blind v. Paulson*, 581 F. Supp. 2d 1 (D.D.C. 2008).

³ Section 504 of the Rehabilitation Act provides as follows:

“No otherwise qualified individual with a disability . . . shall, solely by reason of her or his disability, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance or under any program or activity conducted by any Executive agency or by the United States Postal Service.”

29 U.S.C. § 794(a).

Denominate U.S. Currency (July 2009), available at www.moneyfactory.gov/images/ARINC_Final_Report_7-26-09.pdf. The Department of the Treasury determined, based upon the results of the study and BEP's expertise in currency manufacturing and design, that multiple accommodations were needed to provide meaningful access to U.S. currency for blind and visually impaired individuals. These accommodations include 1) the distribution of currency readers, which are portable electronic devices capable of speaking the denomination of a bill out loud; 2) the addition of a raised tactile feature unique to each bill denomination that will provide the blind and visually impaired with a means of identifying each denomination by touch; and 3) the continuation of the process of adding large, high-contrast numerals and different colors to each denomination.⁴ Request Letter, at 2–3. BEP's request here focuses on the provision of currency readers to blind and visually impaired individuals. The currency readers require little training for the user and "are a critical aspect of the Department of the Treasury's response to the court's order because they will provide *immediate* relief to persons in the blind and visually impaired community." *Id.* at 3 (emphasis added).

BEP states that it considered two approaches to providing the currency readers to blind and visually impaired individuals, with one approach involving the loan of currency readers and the other involving providing currency readers outright to blind and visually impaired individuals. *Id.* With regard to the loaner program, BEP notes that such a program would also require it to track the currency readers to ensure that they are returned when no longer needed for authorized purposes. *Id.* BEP concluded that a tracking program would be expensive and largely ineffective due to the relatively inexpensive nature of the readers, the size of the target population, and because most of the individuals who would use the readers will need them over the long term. *Id.* Further, in addition to the costs associated with tracking the currency readers and ensuring their return when no longer needed, BEP states that it would also incur costs associated with the receipt of the readers, and the necessary testing, refurbishing, and repacking of the returned readers. *Id.* BEP states that these costs alone could approach the costs of providing new readers to qualifying individuals directly from a manufacturer. *Id.*

⁴ BEP notes that changes will not be made to the one dollar note, since current law prohibits any changes to the one dollar note, and the court order does not apply nor does it require any changes to the one dollar note. See Consolidated Appropriations Act, 2012, Pub. L. No. 112-74, div. C, title I, § 109, 125 Stat. 786, 890 (Dec. 23, 2011) ("None of the funds appropriated in this Act or otherwise available to the Department of the Treasury or the Bureau of Engraving and Printing may be used to redesign the \$1 Federal Reserve note.") (applicable to fiscal year 2013 per section 1101(a)(2) of the Further Continuing Appropriations Act, 2013, Pub. L. No. 113-6, div. F, 127 Stat. 198, 412 (Mar. 26, 2013)); Request Letter, Exhibit B (Order and Judgment at 1–2).

BEP concluded that a program in which it would transfer title and provide the readers to the qualifying individuals would permit it to satisfy the requirements of the court's order in the most cost-effective manner. *Id.* BEP notes that in addition to the anticipated cost savings in providing currency readers to qualified individuals in this manner, rather than through a loaner program, there "is simply no need for BEP to retain title to the readers in order to prevent diversion to unauthorized use." *Id.* at 7. BEP explains that currency readers will have little or no resale value because the only potential market for used readers is among individuals who need them to denominate currency, and those individuals could obtain currency readers at no cost directly from BEP. *Id.* BEP adds that to the extent that some number of readers is resold, the primary effect would be to spare BEP from incurring the expense of supplying new readers to buyers. *Id.*

DISCUSSION

At issue here is whether BEP may use appropriated funds to give currency readers to blind and visually impaired individuals. BEP's question raises issues related to the intersection of the necessary expense rule and BEP's compliance with the court's order with regard to the Rehabilitation Act.

The general rule is that an appropriation is only available for the purpose for which it was appropriated. Where an appropriation is not specifically available for a particular item, the purchase of the item may be authorized as a necessary expense if there is a reasonable relationship between the object of the expenditure and the general purpose for which the funds were appropriated, so long as the expenditure is not otherwise prohibited by law. B-302993, June 25, 2004. This rule, known as the necessary expense rule, recognizes an agency's discretion in using its appropriation to fulfill its purposes. *Id.*

Here, BEP's proposed distribution of the currency readers to blind and visually impaired individuals is in furtherance of BEP's statutory mission as clarified by the court, that is, to design and produce U.S. currency that provides the blind and visually impaired with meaningful access to that currency. See 31 U.S.C. § 303; 12 U.S.C. § 418; Request Letter, Exhibit B (Order and Judgment at 1). BEP, based upon its own expertise and a study commissioned by the Department of the Treasury, determined that giving the currency readers to blind and visually impaired individuals is a critical aspect of complying with the court order as BEP continues its efforts with regard to notes with tactile and high-contrast features. The distribution of currency readers "will provide immediate relief to persons in the blind and visually impaired community," and be both efficient and cost effective. Request Letter, at 3.

BEP's analysis includes its consideration of potential abuses of its proposed approach, and the determination, as explained above, that potential abuses should be minimal and may well benefit BEP by increasing the distribution of currency readers to individuals in need. In our view, BEP's proposed approach of purchasing and giving currency readers to blind and visually impaired individuals is reasonable

and consistent with BEP's statutory mission, and serves to achieve BEP's objective of providing immediate relief to blind and visually impaired individuals in compliance with the court order.

In our analysis, we do note the personal nature of the currency readers, but do not find that to be determinative. As a general rule, appropriated funds may not be used for personal gifts without specific statutory authority. B-318386, Aug. 12, 2009. While we rarely find exceptions to this rule, we do not object to the use of appropriated funds for what is otherwise a personal gift where an agency can demonstrate that the item will directly advance its statutory mission and the benefit accruing to the government outweighs the personal nature of the expense. *Id.*; B-310981, Jan. 25, 2008.

Here, BEP explains that "there is no distinction between official and personal use of a currency reader; its only realistic use is for the very purpose for which it is provided." Request Letter, at 7. BEP's overriding interest in satisfying the court order and facilitating access to U.S. currency and the personal interests of blind and visually impaired individuals clearly coincide. Given that the currency readers have no use other than to denominate U.S. currency, the benefit accruing to the government clearly outweighs the personal nature of the expense.

CONCLUSION

The Bureau of Engraving and Printing (BEP) may use appropriated funds to purchase and give currency readers to blind and visually impaired individuals as part of its compliance with a federal district court order to provide such individuals with meaningful access to U.S. currency. BEP's proposed approach is reasonable and consistent with BEP's statutory mission. BEP's distribution of currency readers serves to achieve BEP's objective of providing immediate relief to blind and visually impaired individuals as BEP continues its efforts with regard to multiple accommodations, including the addition of tactile features, large high-contrast numerals, and different colors to each denomination of U.S. currency that it is permitted to alter.

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