

Penny Shortage Causes Headaches For Retailers



by Erika Tulfo Medill, Illinois News Bureau

At the Abraham Lincoln Presidential Library and Museum in Springfield, visitors can shop for sweatshirts, pillows, jewelry and chocolates using coins bearing the face of perhaps the most-famous Illinoisian, Abraham Lincoln.

But even here, pennies are growing scarce at the cash register.

The museum gift shop, like the rest of the country, is grappling with a penny shortage after the United States Mint halted production of the coin in November, citing the rising cost of producing them.

The lack of fixed guidance from the state and federal governments about how to cope with the shortage of new pennies has left some business owners scrambling to come up with ways to address it.

Many retailers are just rounding up or down to the nearest 0- or 5-cent mark in their prices to make change. They will accept the one-cent coins, but can't always pay them out.

"The retailer faces frustration on behalf of the consumer," said Rob Karr, president of the Illinois Retail Merchants Association. "Most retailers are rounding in the consumer's favor, which doesn't make the consumer mad, but it also takes profits out of the retailer and puts them at the narrowest end of the net profit margin. So every penny matters there. I think the absence of clear guidance at the moment is difficult."

Some businesses, like the Lincoln Museum gift shop, display a guide on how its rounding system works. The museum, for example, rounds amounts ending in 1 or 2 cents down to 0. It rounds amounts ending in 3 or 4 cents up to 5 cents, and amounts ending in 6 or 7 cents down to 5 cents. However, other business owners say this kind of multi-tiered rounding system can be inconvenient and confusing for customers.

For many Illinoisans, there is a sad, end-of-an-era feeling watching the slow disappearance of the one-cent coin, which was one of the first coins made by the U.S. Mint after its establishment in 1792. President Lincoln's profile has been on the "heads" side since 1909, and that change made him the first president featured on U.S. coins in honor of his 100th birthday.

Mary Disseler has been working as a volunteer at the Lincoln Museum for over 20 years since its founding in 2005. As a die-hard fan of Lincoln, she sees the decision to stop penny production as a sad but sensible decision.

"It kind of breaks my heart. I think it's a nice tribute to Mr. Lincoln, but I understand that it's costing four cents to make a penny, so there's a part of us that has to be practical, too," she said.

Keith Wetherell, executive director of the Illinois Beverage Association, which represents a handful of small, cash-reliant or cash-exclusive businesses, has practical concerns, too. He worries that the inconvenience posed by complicated rules around rounding could affect customers' sentiments.

"The one thing that we would really lobby against was any type of bouncing around from city to city where you have all these different rules and stuff; we want to just minimize the confusion," he said. "We just like to make everything as good and as easy as possible for the customer. Small businesses are struggling as it is. We don't want any operational challenges. When (customers) have challenges, they take it out on us by not buying them as much."

Julie Johnson, who owns Daisy Jane's, a boutique in downtown Springfield, said she rounded up cash change to the benefit of the customer when necessary, but would rather use pennies to give them exact amounts.

"My jar is pretty low on coins. I'm gonna have to figure out what (the state) wants us to do with pennies," she said. "There has to be a plan for that. When you calculate tax on something, it's almost always going to have pennies as part of the equation."

How will lawmakers respond?

Illinois lawmakers say the penny shortage is not an issue at the top of the agenda because of factors like the popularity of cashless payment methods and the fact that there are still billions of pennies in circulation.

Sen. Dave Syverson, R-Cherry Valley, wrote a note on his website in November applauding the U.S. Treasury's decision to halt production, saying it was "more of an inconvenience than a useful part

of the economy." He said no steps were currently being taken to address the shortage at the state level and that he would await guidance from the federal level.

"It'll be something that they'll obviously start working on addressing more and more as the pennies become less in circulation," he told Capitol News Illinois. "It doesn't look like people have to worry about it at all for 2026. I'm guessing that the soonest there'd be any guidance would be '27, when they would maybe set some rules about requiring businesses to accept whatever rounding decision that gets made."

But Karr, head of the retail merchants association, said he wasn't satisfied with Springfield playing the waiting game and leaving the decision up to the U.S. Treasury.

"While the federal government makes currency decisions, the states make sales tax decisions. So it's a shared responsibility," he said. "While there's clarity that the federal government needs to provide, there's also clarity that the state needs to provide. That clarity, it helps in terms of lawsuits as well, because there are lawyers out there who can sue if they don't think you've done something correctly. And without that guidance, it leaves the retailers certainly exposed."

Gordon Davis, founder of the Springfield tea store Whimsy Tea, said he hasn't had issues with the penny shortage yet, but that it was "looming." He said that while 72% of his customers opted to pay with cards, more than one-quarter still chose to pay with cash.

Instead of rounding prices, Davis made prices tax-inclusive in his store's point of sale system, which he says saves him the trouble of facing legal complications with rounding.

"Rounding, as I understand, can run you afoul of federal law because you have to treat all currencies, all payment methods the same. If you're rounding for cash but not rounding for card, you're breaking the law," he said.

Still, experts say that beyond minor adjustment costs on the retailers' end, the penny shortage won't pose a major issue in terms of price increases simply because its value is low.

"Inflation-wise, it's not creating a problem," said Shihan Xie, an assistant professor of monetary economics at the University of Illinois Urbana-Champaign. "The value of the penny has diminished. It's at a point where the value is so small that it's not going to affect daily life much, or that it becomes crazy."

But for some citizens of the Land of Lincoln, the penny shortage is an issue that has more to do with sentiment. Lincoln Museum volunteer Disseler she understands the economics no longer support the beloved one-cent piece.

"We'll still have the \$5 bill," she said. "Even though they're phasing (the penny) out, we'll keep his memory alive forever."

Dig Into Spring Gardening With Confidence At Local Gardening Programs From Extension

Gardening is an ever-evolving journey, and each growing season brings fresh experiences and strategies for both new and veteran gardeners. This spring, learn more gardening techniques and grow skills at University of Illinois Extension gardening events across the state.

These spring garden seminars and workshops go beyond deepening your knowledge; they cultivate relationships. Gardeners come together and learn to identify plants of concern and preserve specimens for community science, pick up new plants from their garden wish list, explore hydroponic system benefits, attend stewardship days for hands-on opportunities to maintain pollinator habitat, and more.

"For the past several years, we've hosted the Rend Lake Pollinator Garden Stewardship Days, and it's always energizing to see participants actively caring for the garden after having learned about topics that inspire pollinator-friendly techniques," said Horticulture Educator Kimberly Rohling serving Franklin, Jackson, Perry, Randolph, and Williamson Counties. "The goal is for visitors to leave not only with a deeper appreciation for pollinators, but also with practical ideas they can use to create welcoming habitats at home."

Get ready to dig into expert tips and gain insights on attracting hummingbirds to your landscape, growing fruit trees at home, and creating soil blocks to reduce transplant shock. From expert-led content to comparing notes with fellow growers, attendees will gain real-world tips for a successful growing season. Participants can also enjoy interactive experiences such as garden walks, plant sales, artisan markets, and educational, hands-on activities that can be applied in their own backyards.

Illinois Extension staff work together to extend gardening education and practical experiences to communities throughout the state. Garden enthusiasts can also increase this reach by get-

ting involved with Extension's Master Gardener program, which equips volunteers with horticulture knowledge to continue growing and sharing in their local communities.

"Last year at our Gardenfest event, we welcomed 143 attendees with several new faces sprinkled about," said Master Gardener Coordinator Brenda Dahlfors serving Lake and McHenry Counties. "Seeing people return each year, bringing friends and family, reminds me of the impact these programs have on building more confident gardeners."

Connect with local Illinois Extension offices for expert gardening information and get specific questions answered. Extension also offers online gardening topic resources, including home vegetable gardening, herbs, fruit trees for home gardens, small fruits for home gardens, mushrooms, lawn care, plants, houseplants, container gardens, youth gardening, flowers, roses, Illinois pollinators, insects, composting, soil, plant problems, and invasives.

For monthly updates on gardening programs, subscribe to the monthly gardening newsletter. Or share tips and ideas with fellow gardeners in the Illinois Extension Horticulture Group on Facebook.

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NOTICE

TESTING OF PRECINCT TABULATION OPTICAL SCAN TECHNOLOGY EQUIPMENT AND PROGRAM

Notice is hereby given that the "Testing of the Automatic Precinct Tabulation Optical Scan Technology Equipment and Program", required by 10 ILCS 5/24A-9 or 24B-9 to be used at the Illinois General Primary Election March 17th, 2026, will be given in the Marshall County Clerk's Office, Marshall County Courthouse, 122 N. Prairie St., Lacon IL on March 3rd, 2026, at 1:00 P.M.

As prescribed by the Election Code, this test is open to representatives of the political parties, the press, and the public.

Dated: February 13, 2026

Jill M. Kenyon,
Marshall County Clerk & Recorder