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Register of the Treasury

Signature on U. S. Currency

Purpose and Overview

The purpose of this article is to explain the role of the Register of the Treasury and why the signature of the Register of the Treasury was replaced by that of the Secretary of the Treasury on Treasury currency at the startup of the small note era in 1928.



Figure 1. The Signatures of the Register of the Treasury and Treasurer of the United States were used to convey the authority and obligation of the Treasury on U. S. currency from the inception of the legal tender issues beginning in 1862. Heritage Auction Archives photo.

Register of the Treasury

The office of the Register of the Treasury came into being as an officer in the Treasury Office under the Continental Congress in 1780 (Walston, 2013). The office was carried over to the United States Treasury Department by the enabling act providing for the Treasury passed by the First Congress in 1789. The duties of the Register grew to keep all accounts of receipts and expenditures of public money and of all debts due to or from the United States, sign and issue government securities, and take charge of the registry of vessels under United States laws (Black's Law Dictionary).

For decades the Register held the most important bookkeeping position in the Treasury. The Register reported to the Secretary of the Treasury, a cabinet position. Power and prestige in the executive branch falls off with distance from the President, thus, the Register was in the enviable third tier.

The scope of the work and the status of the Register's office was diminished through legislation and reorganizations over the decades following the Civil War as various responsibilities were transferred to other divisions within Treasury. The debt management functions were transferred to a newly titled Division of Loans in 1868, the latter being renamed the Division of Loans and Currency in 1876. Congress created the Bureau of Navigation within the Treasury Department in 1884 to consolidate administration of laws pertaining to shipping, so that bureau absorbed many of the functions pertaining to vessels previously handled by the Register's office (Walston, 2013).

The Dockery Act of 1894, which centralized accounting functions, transferred the duties and records relating to documenting the receipt and expenditure of public funds from the Register's office to a new entity within the Treasury Department called the Division of Bookkeeping and Warrants. This narrowed the scope of the Register's duties primarily to recording the issuance of bonds and other securities. However, his office continued to have a role in the redemption of Treasury currency.

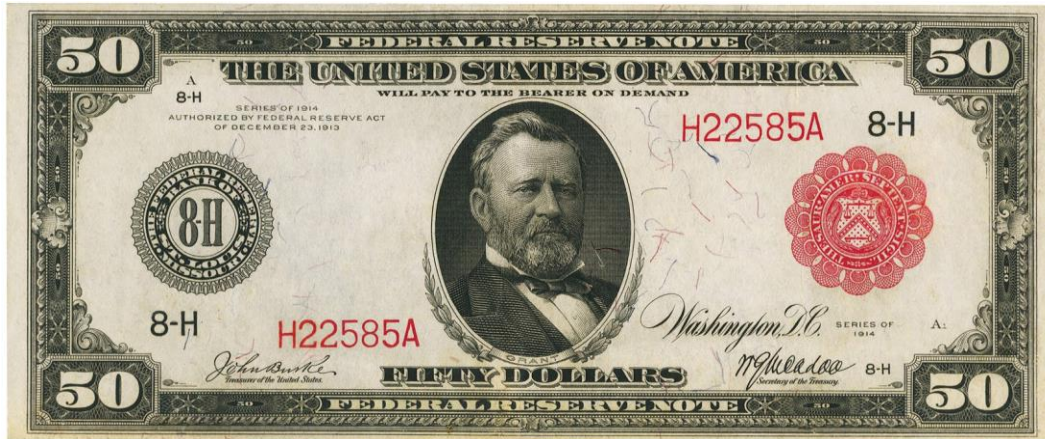


Figure 2. Series of 1914 Federal Reserve notes were the first U. S. currency to carry the signatures of the Secretary of the Treasury. The Federal Reserve Act of December 23, 1913 gave the Secretary of the Treasury authority over the form of the notes and it was deemed at the time that those were the logical signatures to convey that the notes were the obligation of the Federal government. Heritage Auction Archives photo.

Three distinct Treasury offices were involved in redemptions of Treasury currency at the time. The Division of Redemption in the Treasurer's office received currency from the sub-treasuries and banks. They sorted and counted it by class and denomination. The notes were then cut in half lengthwise as a protection against theft. The lower halves were sent to the Secretary of the Treasury's Division of Loans and Currency and the upper halves were sent to the Register's office where each verified the counts. Once the three counts were reconciled, the halves were sent to the Destruction Committee. The Register's office also was responsible for counting fractional currency that came to the Treasury for redemption.

The verification count performed by the Register's office was discontinued June 16, 1913. This terminated the Register's involvement with currency operations. At this point, William S. Broughton, Assistant Chief of the Division of Loans and Currency, pointed out that it seemed inappropriate for the Register's signature to continue to appear on currency (Broughton, Nov 24, 1913).

In 1919, Secretary of the Treasury Carter Glass, a Woodrow Wilson appointee, effected a reorganization of the Department of the Treasury in order to better handle the greatly increased work load imposed on it by World War I. To this end, he established the Fiscal Assistant Secretary, who reported directly to him, to oversee three administrative divisions: a newly created Commissioner of the Public Debt as well as the existing Comptroller of the Currency and Commissioner of Accounts and Deposits. The Register of the Treasury, Division of Loans and Currency and other debt officers were placed under the supervision of the Commissioner of the Public Debt (Glass, 1920, p. 239-242).

Subsequent to the creation of the Division of Public Debt, the Treasury Department recommended to Congress in 1920 that the Register should cease to be a Presidential appointee with Senate confirmation. Instead, the position should be a civil service position where the candidate would be appointed by the Secretary of the Treasury and would report to the Commissioner of the Public Debt (Houston, 1920, p. 42). Implementation of the recommendation was delayed so Harley V. Speelman became the last of the Presidentially-appointed Registers, being confirmed by the Senate January 23, 1922.

William S. Broughton was named the first Commissioner of the Public Debt on November 16, 1919 and served in that capacity until he retired in 1945 (Cantor and Stabile, 1990). Newly installed Secretary of the Treasury Andrew W. Mellon changed the name of the Division of Public Debt to Public Debt Service in 1921 to reflect its growing responsibilities (Walston, 2013). The mission of the Public Debt Service was to supervise the sale and redemption of Treasury and Federal Reserve debt as well as the issuance and redemption of Treasury currency. Broughton's Division of Loans and Currency assumed the massive World War I Liberty Loan Bond program that previously had been administered by the Register. Broughton had a primary role in everything pertaining to currency including currency design during his tenure.

Secretary of the Treasury Andrew Mellon made sweeping changes to the organization of the Department in 1923 by creating a new position called the Undersecretary of the Treasury who oversaw a lieutenant called the Assistant Secretary in Charge of Fiscal Offices. Broughton's Public Debt Service answered to this Assistant, and the Register in turn answered to Broughton as before. The Register had become a civil service position with greatly diminished responsibilities and was now buried within the executive hierarchy.

The Office of the Register finally was abolished in 1956, and its remaining duties were assumed by the Public Debt Service.

Patronage

The Register of the Treasury was appointed by the President until the early 1920s so it was a plumb patronage position often used for political advantage by the President and party in power to appeal to specific constituencies. Post-Civil War Republican presidents beginning with James Garfield in 1881 awarded the office to accomplished blacks to solidify black loyalty to the party. It thereby became the highest executive office held by blacks during that era.

Blanche K. Bruce, a senator from Mississippi, was the first and continued to serve under President Arthur after Garfield's assassination. He was appointed again by President McKinley in 1898 after a hiatus of a dozen years. The complete list is the following.

Register	Official Term of Office	Republican President
Blanch K. Bruce	May 21, 1881-June 5, 1885	Garfield, Arthur
	December 3, 1897-March 17, 1898	McKinley
Judson W. Lyons	April 7, 1898-April 1, 1906	McKinley
William T. Vernon	June 12, 1906-March 14, 1911	Taft
James C. Napier	May 18, 1911-March 31, 1913	Taft

The practice ceased abruptly when Democrat Woodrow Wilson assumed the Presidency in 1913. Wilson installed fervent southern segregations into a couple of key cabinet positions including Secretary of the Treasury William G. McAdoo. McAdoo presided over the segregation of the U. S. Treasury including the BEP. Register James Napier, who resigned in protest, was replaced by Gabe E. Parker, a part-Native American Choctaw from Oklahoma.

Register's Signature on Currency

There are two classes of U. S. currency: Treasury currency and bank currency.

Treasury currency is currency that Congress authorized the Secretary of the Treasury to issue. It included demand notes (1861-1862), legal tender notes (1862-1971), gold certificates (1863-1934), silver certificates (1878-1963) and Treasury notes (1890-1893).

Congress also authorized the issuance of bank currency, which encompassed national bank notes (1863-1935) and Federal Reserve notes (1913-present). Federal Reserve bank notes, an emergency supplemental currency with backing similar to national bank notes, were current during 1915-1923 and 1933-1934, with additional uses of stocks of fit and previously unissued small size Federal Reserve bank notes during 1942-1943.

The difference between these classes of currency was who was obligated to redeem the notes into legal money. The Treasury itself carried the obligation for all Treasury currency. The bankers were obligated in the case of the bank currency, although ultimate liability for Federal Reserve notes rests with the United States.

Beginning with legislation authorizing the issuance of \$50,000,000 in demand notes passed July 17, 1861, Congress specified that the notes be "signed by the First or Second Comptroller, or the Register of the Treasury, and countersigned by such other officer or officers of the Treasurer as the Secretary of the Treasury may designate." This was immediately amended by a supplemental act passed August 5, 1861 that stipulated that the notes be "signed by the Treasurer of the United States, or by some officer of the Treasury Department, designated by the Secretary of the Treasury, for said Treasurer, and countersigned by the Register of the Treasury, or by some officer of the Treasury Department, designated by the Secretary of the Treasury, for said Register." A large force of clerks was hired to hand sign the demand notes on the behalf of the Treasurer and Register.



Figure 3. The decision to use the Secretary of the Treasury's signature on small size notes was approved by Secretary Mellon on May 12, 1928 while Register W. O. Woods' and Treasurer Frank White's signatures were current. See Figure 4. Heritage Auction Archives photo.



Figure 4. Plates for small size \$1 Series of 1928 silver certificates began to be made November 3, 1927 with a large ONE to the left that carried the then customary signatures of Register W. O. Woods and Treasurer Frank White (top). A new master plate was begun July 10, 1928 after the use of the Register's signature was dropped that bore the signatures of Secretary A. W. Mellon and newly appointed Treasurer H. T. Tate, and production plates began to be certified on July 25th. However, the design was abandoned in September 1928 (Huntoon, 2007). National Numismatic Collection photos.

The important point is that it became established early on that the Register and Treasurer were the designated officials who signed currency on behalf of the government. The selection of those two officials made sense at the time because the Treasurer placed Treasury currency into circulation and the Register was charged with recording it as a liability on the government's books.

The Acts of February 25 and July 11, 1862 authorizing the issuance of legal tender notes solidified this tradition by stating that those issues "shall bear the written or engraved signatures of the Treasurer of the United States and the Register of the Treasury."

In the case of national bank notes, the Acts of February 25, 1863 and June 3, 1864 provided "notes shall express upon their face that they are secured by United States bonds, deposited with the treasurer of the United States, and issued under the provisions of this act, which statement shall be attested by the written

or engraved signatures of the treasurer and register, and by the imprint of the seal of the treasury.” Thus, the tradition was established for using the signatures of the Register and Treasurer on bank currency as well.

Subsequent legislation creating Treasury currency was mixed on the issue of authorizing signatures. The Act of March 3, 1863 providing for first gold certificates contained language similar to the earlier acts that specified the use of the Register’s signature. Other legislation was silent on the issue, such as occurred with the Bland-Allison Act of February 28, 1878 that authorized the first silver certificates. More commonly, though, authority over the design of the notes was given to the Secretary of the Treasury, thus by default yielding to the Secretary discretion over the signatures.

The Federal Reserve Act of December 23, 1913 gave the Secretary of the Treasury discretion over all aspects of the design of Federal Reserve notes except for labeling the districts from which they were issued; specifically, “Such notes shall be in form and tenor as directed by the Secretary of the Treasury under the provisions of this Act and shall bear the distinctive numbers of the several Federal reserve banks through which they are issued.”

By 1913, owing to the diminished role the Register had with respect to currency, it seemed appropriate to observant Treasury officials to use the signatures of the Treasurer and Secretary instead of the Register. Secretary of the Treasury William McAdoo signed off on the concept so his signature and that of Treasurer John Burke appeared on the first Series of 1914 Federal Reserve notes. This represented the first appearance of the signature of the Secretary of the Treasury on U. S. currency.

In contrast, Federal Reserve bank notes issued under the authority of Section 18, of the Federal Reserve Act of December 23, 1913, retained the signatures of the Register of the Treasury and U. S. Treasurer as signers for the government. National bankers could sell bonds they used to secure their circulations to Federal Reserve banks thus allowing the Federal Reserve banks to replace those national bank note circulations with an equal amount of Federal Reserve bank notes. Section 4 of the Act stated: “such notes to be issued under the same conditions and provisions of law as relate to the issue of circulating notes of national banks secured by bonds of the United States.” This language was used to grandfather the use of the Register and Treasurer signatures onto the Federal Reserve bank notes consistent with the language in the National Bank Act. The same logic carried over to the Series of 1929 Federal Reserve bank notes authorized by the Emergency Banking Relief Act of March 9, 1933

Signature Change

Public Debt Service Commission Broughton, who was a primary behind-the-scenes official involved with Secretary Andrew Mellon’s initiative to reduce the size of the currency, began arguing forcefully in 1927 that the Register’s signature on Treasury currency should be replaced by that of the Secretary of the Treasury on the coming small notes. His central point was that the Secretary was the chief financial officer of the nation and as such “It seems to me most appropriate for an obligation of the United States to be given in the name of the Secretary” (Broughton, May 20, 1927). Besides, at this point the Register was no longer involved with any aspect of currency issues, either Treasury or bank currency.



Figure 5. William S. Broughton, Commissioner of the Public Debt, was the primary person behind the move to replace the signature of the Register of the Treasury with that of the Secretary of the Treasury on small size Treasury currency. U. S. Treasury photo.

Broughton continued to press for the use of the Secretary’s signature on the coming small notes in a March 17, 1928 memo to Henry Herrick Bond, President Coolidge’s appointee to Assistant Secretary of the Treasury in charge of Fiscal Affairs. He pointing out the precedent for using the Secretary’s signature on Federal Reserve notes. He followed up on May 5th by pointing out that although the Legal Tender Acts

specified that the Register's signature should be used, subsequent legislation stated that United States notes "shall be in such form as the Secretary may deem best." Broughton was of the opinion that this sweeping statement effectively gave the Secretary discretion over all aspects of currency designs including the signatures, so Treasury could disregard the Register provisions in the early acts.

A Treasury lawyer, initials indecipherable, wrote a memo to Bond on May 7th affirming that Broughton's take regarding the use of signatures on Treasury currency was correct, but the law pertaining to national bank notes left no ambiguity that the Register's signature had to be used on them. Furthermore, the legislation authorizing Federal Reserve bank notes implied but did not spell out that the Register's signature should be used on them as well because they "shall be issued and redeemed under the same terms and conditions as national bank notes."



Broughton noted in his memo of May 5th to Bond that Secretary Mellon "stated he would prefer not to make the change. Mr. Hall [Director of the Bureau of Engraving and Printing] and I, however, felt the matter was of sufficient importance to present to you for such further consideration as you may deem appropriate."

Figure 6. Secretary of the Treasury Andrew W. Mellon (left), Director of the Bureau of Engraving and Printing Alvin W. Hall (standing) and Assistant Secretary of the Treasury in charge of Fiscal Affairs Henry Herrick Bond (right) inspect sheets of the new small size currency. Each was instrumental in bringing the conversion to small size currency to fruition in 1929. Library of Congress photo.

On May 15, 1928 Andrew Mellon, Secretary of the Treasury, signed off on replacing the signature of the Register with that of the Secretary on the small size Treasury currency in the historic document shown as Figure 10 that is transcribed below.



Figure 7. The Woods-Tate Register-Treasurer signature combination was the last to be used on large size Treasury currency and it was used only on \$1 Series of 1923 silver certificates. Register W. O. Woods went on to become Treasurer in 1929. Heritage Auction Archives photo.

Treasury Department
 Assistant Secretary
 Washington
 May 12, 1928

WSB [William S. Broughton]
 5/16/28

MEMORANDUM TO THE SECRETARY

At the present time three kinds of United States currency, namely, United States notes, gold certificates, and silver certificates, are issued with the engraved facsimile signatures of the Treasurer of the United States and Register of the Treasury.

The signature of the Register of the Treasury is not required by law and inasmuch as the Secretary of the Treasury is charged with these issues and the Treasurer is the active agent for the issue it is more logical that the signatures of the Secretary and the Treasurer should express the obligations of the United States.

In connection with the issues of the new small sized currency it seems appropriate to revise the matter of signatures so that all currency with the exception of National bank notes will have the same signatures.

I accordingly recommend for your approval replacing of the engraved facsimile signatures of the Treasurer of the United States and the Secretary of the Treasury on United States notes, gold certificates and silver certificates, instead of the signatures of the Treasurer of the United States and the Register of the Treasury.

Henry Herrick Bond
 Assistant Secretary

APPROVED: May 15, 1928
 A. W. Mellon
 Secretary of the Treasury



Figure 8. \$1 Series of 1928 silver certificate plates with the revised design, where the Treasury seal was overprinted to the left, began to be made on October 2, 1928. They carried the signatures of Treasurer H. T. Tate and Secretary A. W. Mellon. The notes began to be released into circulation on January 10th, 1929. National Numismatic Collection photo.

Register Continued to Sign Bank Note Currency

The authorization to replace the Register's signature with that of the Secretary could not apply to bank currency because the Register's signature was specifically called for in the National Bank Act. Consequently, the Register's signature continued to be used on the Series of 1929 national bank notes, even though such use in the words of Broughton was an anachronism. Someone in the Treasury Department could have petitioned Congress to pass a resolution or act to amend the language in the National Bank Act, but there is no record that anyone wanted to press the issue.

When the Emergency Banking Relief Act of March 9, 1933 was passed that called for the immediate release of supplemental Federal Reserve currency, Commissioner Broughton and BEP Director Alvin W. Hall turned to the existing blank national bank note stock that was in inventory at the BEP. The Federal Reserve bank information was hastily overprinted on it.

There was no hesitancy in using that stock in part because the emergency currency was secured by the deposit of collateral similar to that used for national bank currency and the earlier large-size Federal Reserve bank notes. The national bank note stock carried the signatures of a Register and Treasurer as required by law for bank currency. This fact may well have tilted the selection of the national bank note stock over Federal Reserve note stock for use for the emergency issues.

End of an Era

The last printings of currency with the Register's signature occurred on the last Series of 1929

Figure 9. The signature of the Register of the Treasury already was on the generic faces of Series of 1929 national currency, which helps explain why that stock was used to print the emergency Federal Reserve bank notes in 1933-4. Heritage Auction Archives photo.



national bank notes printed in early 1935 before that class of currency was phased out then.

However, only about a third of the Series of 1929 Federal Reserve bank notes printed in 1933-4 were issued during the banking emergency. The rest of it along with fit notes removed from circulation after the emergency remained in government vaults. Ultimately, as an economy measure, those stocks were released between the last days of 1942 and early 1944 to alleviate a currency shortage that developed during World War II (Huntoon and Lofthus, 2010). These late releases gave the Register's signature a reprieve before use of that signature on currency faded into history.

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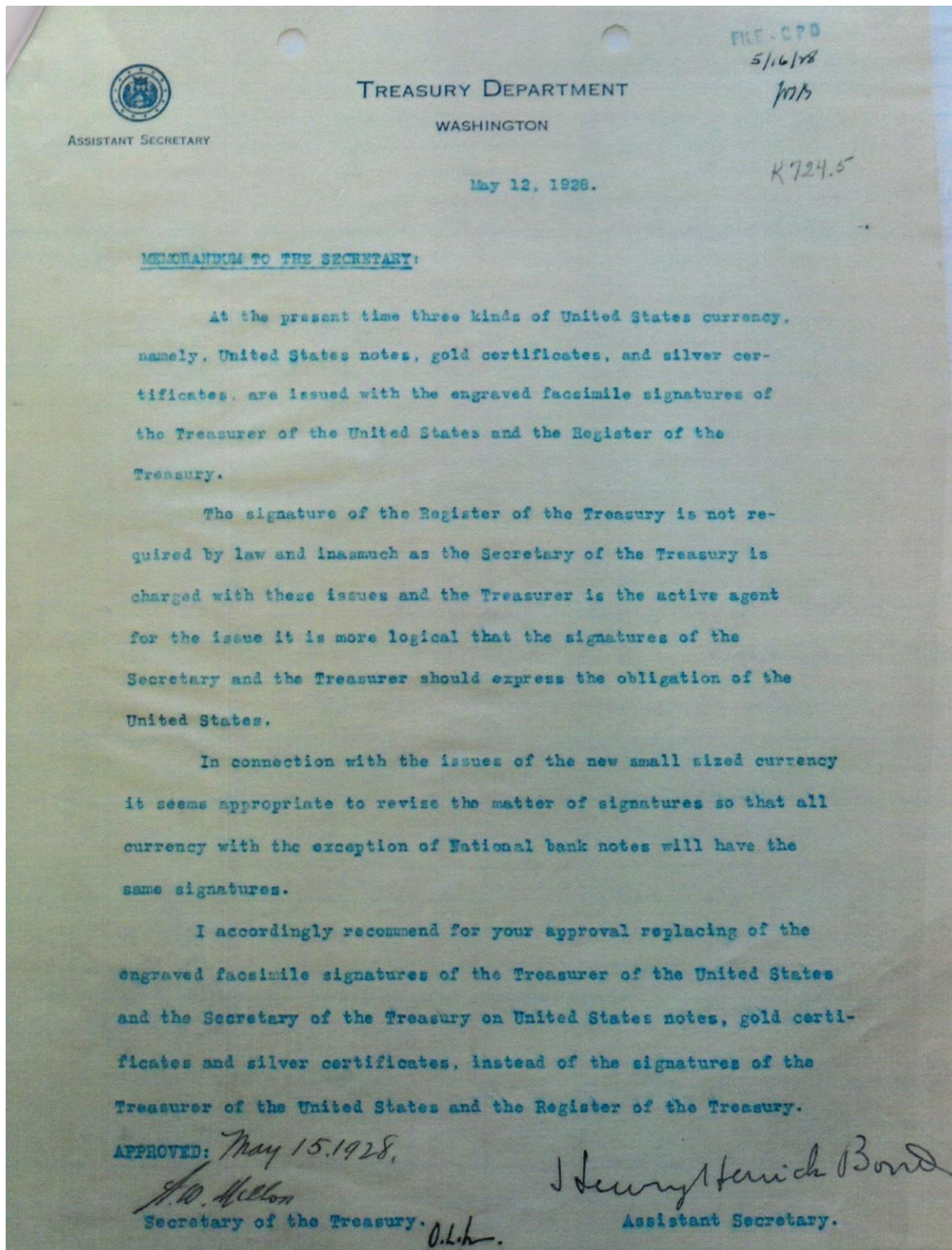


Figure 10. The decision to replace the Register's signature with that of the Secretary of the Treasury on the coming small size Treasury currency was rendered on May 15, 1928 in this historic Treasury Department memo prepared by Assistant Secretary Henry Herrick Bond that was signed by Secretary of the Treasury Andrew W. Mellon and initialed in the upper right corner by Commissioner of the Public Debt William S. Broughton. Photo of the document in the U. S. National Archives.