



# The New Color of Money

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Safer. Smarter. More Secure.

## U.S. Currency Milestones

Colonial Notes  
1690

The Massachusetts Bay Colony, one of the Thirteen Original Colonies, issued the first paper money to cover costs of military expeditions. The practice of issuing paper notes spread to the other Colonies.

Franklin's Unique  
Counterfeit Deterrent  
1739

Benjamin Franklin's printing firm in Philadelphia printed colonial notes with nature prints — unique raised impressions of patterns ca from actual leaves. This process added an innovative and effective counterfeit deterrent to notes, not completely understood until centuries later.

British Ban  
1764

Following years of restrictions on colonial paper currency, Britain finally ordered a complete ban on the issuance of paper money by the Colonies.

Continental Currency  
1775

The Continental Congress issued paper currency to finance the Revolutionary War. Continental currency was denominated in Spanish milled dollars. Without solid backing and easily counterfeited, the notes quickly lost their value, giving rise to the phrase “not worth a Continental.”

The Bank of North  
America  
1781

Congress chartered the Bank of North America in Philadelphia as the first national bank, creating it to support the financial operations of the fledgling government.

The Dollar  
1785

Congress adopted the dollar as the money unit of the United States.

First Central Bank  
1791

Congress chartered the Bank of the United States for a 20-year period to serve as the U.S. Treasury’s fiscal agent. The bank was the first to perform central bank functions for the government and operated until 1811, when Congress declined to renew the bank's charter. Recognizing that a central banking system was still necessary to meet the nation's financial needs, Congress chartered a second Bank of the United States in 1816 for another 20-year period.

Monetary System  
1792

The Coinage Act of 1792 created the U.S. Mint and established a federal monetary system, set denominations for coins, and specified the value of each coin in gold, silver, or copper.



<b>Greenbacks 1861</b>	The first general circulation of paper money by the federal government occurred in 1861. Pressed to finance the Civil War, Congress authorized the U.S. Treasury to issue non-interest-bearing Demand Notes. These notes acquired the nickname “greenback” because of their color. Today all U.S. currency issued since 1861 remains valid and redeemable at full face value.
<b>The Design 1862</b>	By 1862, the design of U.S. currency incorporated fine-line engraving, intricate geometric lathework patterns, a Treasury seal, and engraved signatures to aid in counterfeit deterrence. Since that time, the U.S. Treasury has continued to add features to thwart counterfeiting.
<b>National Banking System 1863</b>	Congress established a national banking system and authorized the U.S. Treasury to oversee the issuance of National Bank Notes. This system established Federal guidelines for chartering and regulating "national" banks and authorized those banks to issue national currency secured by the purchase of United States bonds.
<b>Secret Service 1865</b>	The United States Secret Service was established as a bureau of the Treasury for the purpose of controlling the counterfeiters whose activities were destroying the public's confidence in the nation's currency.
<b>Bureau of Engraving and Printing 1877</b>	The Department of the Treasury's Bureau of Engraving and Printing began printing all U.S. currency.
<b>Federal Reserve Act 1913</b>	The Federal Reserve Act of 1913 created the Federal Reserve as the nation's central bank and provided for a national banking system that was more responsive to the fluctuating financial needs of the country. The Federal Reserve System issued new currency called Federal Reserve Notes.
<b>Paper Currency With Background Color 1905</b>	The last U.S. paper currency printed with background color was the \$20 Gold Certificate, Series 1905, which had a golden tint and a red seal and serial number.
<b>Standardized Design 1929</b>	The first sweeping change to affect the appearance of all paper money occurred in 1929. In an effort to lower manufacturing costs, all currency was reduced in size by about 30 percent. In addition, standardized designs were instituted for each denomination across all classes of currency, decreasing the number of different designs in circulation. This standardization made it easier for the public to distinguish between genuine and counterfeit notes.

**In God We Trust  
1957**

The use of the National Motto “In God We Trust” on all currency has been required by law since 1955. It first appeared on paper money with the issuance of the \$1 Silver Certificates, Series 1957, and began appearing on Federal Reserve Notes with the 1963 Series.

**Security Thread and  
Microprinting  
1990**

A security thread and microprinting were introduced to deter counterfeiting by advanced copiers and printers. The features first appeared in Series 1990 \$100 notes. By Series 1993, the features appeared on all denominations except \$1 and \$2 notes.

**Currency Redesign  
1996**

In the first significant design change in 67 years, U.S. currency was redesigned to incorporate a series of new counterfeit deterrents. The new notes were issued beginning with the \$100 note in 1996, followed by the \$50 in 1997, the \$20 in 1998 and the \$10 and \$5 notes in 2000. The Bureau of Engraving and Printing announced that new designs would be undertaken every 7-10 years to stay ahead of currency counterfeiters.

**Secret Service  
Integrated Into  
Homeland Security  
Department  
2003**

Protecting the security of the dollar against counterfeiting takes its place side-by-side with other homeland security efforts, as the U.S. Secret Service is integrated into the new the U.S. Department of Homeland Security.

**The New Color of  
Money: Safer.  
Smarter.  
More Secure.  
2003**

To stay ahead of currency counterfeiters, the U.S. government announces new designs to be issued, beginning with the \$20 note in late 2003. New designs for the \$50 and \$100 will follow in 2004 and 2005. For the first time since the Series 1905 \$20 Gold Certificate, the new currency will feature subtle background color. Different colors will be used for different denominations. This will help everyone - particularly those who are visually impaired - to tell denominations apart. While color is not in itself a security feature, the use of color makes it more burdensome for potential currency counterfeiters because it adds complexity to the note and thus makes counterfeiting more difficult.