

History of the Office of the Comptroller of the Currency



1863

President Abraham Lincoln signs the Currency Act of 1863, establishing the Office of the Comptroller of the Currency. The act sets chartering standards for national banks and permits these banks to issue currency.

Hugh McCulloch is appointed the first Comptroller. As head of the Indiana banking system, McCulloch had opposed creation of the national banking system. He later reconciles himself to the new system and accepts an offer from Secretary of the Treasury Salmon P. Chase to head it as Comptroller.

The first national bank charter is issued to the First National Bank of Philadelphia.

The first national bank examination is completed.

The first national bank note is issued.



1865

Freeman Clarke is named Comptroller after McCulloch accepts President Lincoln's offer to become Treasury Secretary. McCulloch continues as Secretary under Andrew Johnson, working to contract the paper money supply in the post-Civil War era.

Congress attempts to drive state banks out of existence by levying a 10 percent tax on state bank notes.

The first national bank failure (First National Bank of Attica, New York) occurs on April 14, the same day that President Lincoln is shot.



1867

Hiland R. Hulburt becomes Comptroller.



1872

President Ulysses S. Grant appoints John Jay Knox as Comptroller. Knox serves until 1884—the second-longest term in the history of the OCC. A low failure rate of 73 banks in 12 years testifies to the effectiveness of the Office.



1884

Henry W. Cannon begins his term as Comptroller, during which he stresses analysis of bank examination reports.



1886

William L. Trenholm is appointed Comptroller.



1889

Edward S. Lacey is named Comptroller.



1892

A. Barton Hepburn becomes Comptroller.



1893

James H. Eckels is 35 years old when he is appointed Comptroller. Secretary of the Treasury Lyman J. Gage comments that "there was not much to Eckels," referring to the Comptroller's small stature. "But what little there was three-quarters brains." Eckels endures the Panic of 1893, when more than 100 national banks close their doors.



1898

Charles G. Dawes is appointed the 10th Comptroller, urging during his term that examiners be paid a fixed salary rather than fees based on bank size. After World War I, Dawes is appointed to head a commission that devises a plan for the defeated German nation to pay its war debts and regain economic stability. For his work on what becomes known as the "Dawes Plan," he wins the 1925 Nobel Peace Prize jointly with Sir J. Austen Chamberlain. He also serves as Calvin Coolidge's vice presidential running mate in the 1923 election. In 1929, President Herbert Hoover appoints Dawes ambassador to Great Britain. Dawes is also a skillful composer of popular music. The Tommy Edwards oldie, "It's All in the Game," is set to music composed by Dawes.



1901

William Barret Ridgely is appointed Comptroller.



1908

Lawrence O. Murray is named Comptroller. He places new emphasis on stricter bank chartering standards and insists on onsite bank supervision.

1913

The Federal Reserve System is established.



1914

John Skelton Williams becomes Comptroller and contests the Federal Reserve Board role in supervising national banks.



1921

D.R. Crissinger is named Comptroller and promotes national bank branching.



1923

Henry M. Dawes, brother of former Comptroller Charles Dawes, is appointed Comptroller.



1924

Joseph W. McIntosh becomes Comptroller.



1928

John W. Pole is appointed Comptroller.



1933

J.F.T. O'Connor twice declines President Franklin D. Roosevelt's offer to nominate him as Comptroller before accepting the position.

Roosevelt declares a four-day "bank holiday," and more than 1,400 national banks, owing depositors more than \$2 billion, are declared insolvent and denied permission to reopen. O'Connor is responsible for reorganizing the national banks that can be saved and liquidating those that cannot. To sell off bank assets, O'Connor employs sound trucks advertising real estate owned by the banks; his tactics are so successful that 93 cents out of every dollar in assets in those banks are returned to depositors.

O'Connor also helps establish the Federal Deposit Insurance Corporation (FDIC) and serves as one of its three directors.

1935

Banking Act of 1935 retires national bank currency in favor of Federal Reserve notes.



1938

Preston Delano begins his term as Comptroller and leaves in 1953 after serving longer than any other Comptroller.

OCC, Federal Reserve Board, and FDIC agree to share responsibility for bank examinations.



1953

Ray M. Gidney is appointed Comptroller.

1956

Bank Holding Company Act of 1956 places restrictions on interstate banking.



1961

President John F. Kennedy nominates James J. Saxon to be Comptroller. Saxon's top priority is to expand the national banking industry and liberate national banks from regulation he deems burdensome. Saxon permits national banks to engage in businesses from which they had previously been barred, such as selling insurance and issuing credit cards.



1966

William B. Camp is appointed Comptroller.



1973

James E. Smith becomes Comptroller. Smith adopts a more risk-focused approach to bank supervision.

1974–75

A study by the accounting firm of Haskins and Sells recommends that the OCC focus its supervision on troubled banks, rather than on all banks equally – the precursor to "risk-based supervision."



1977

John G. Heimann is named Comptroller. He reorganizes the OCC to reflect the increasing need for specialization.

1978

Federal Financial Institutions Examination Council (FFIEC) is established to provide uniform bank supervision.



1981

C. Todd Conover is appointed Comptroller and promotes the deregulation of national banks.



1985

Robert L. Clarke becomes Comptroller. He strengthens risk-based examination practices to meet a nationwide banking crisis.

1989

In response to the 1980s banking crisis, Congress passes the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). The act replaces the Federal Home Loan Bank Board with the Office of Thrift Supervision and provides pay parity among federal financial regulatory agencies.

1991

The FDIC Improvement Act (FDICIA) imposes new regulatory requirements on banks and enhances regulatory safeguards.



1993

Eugene A. Ludwig is named Comptroller. Ludwig encourages access to credit and the growth of bank subsidiaries.



1998

John D. Hawke, Jr., is named Comptroller. He strengthens the competitiveness of the national bank charter, works to end disparities in the funding of state and national bank supervision, and tightens OCC budget controls.