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UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548

OFFICE OF GENERAL COUNSEL  
A-70863

June 23, 1982

The Honorable Paul Laxalt  
United States Senate

Dear Senator Laxalt:

This is in reference to a request from Mr. [redacted] that you assist him in inquiring about a Government note, issued in 1782, authorizing payment of 3000 Pounds Sterling to Mr. Haym Salomon. By letter of February 2, 1982, you forwarded his request, with enclosures, to this Office for our consideration and comments. Shortly thereafter, you forwarded to us an additional request from Mr. [redacted] in which he asks you to obtain a copy of this Office's file on the matter in question.

The enclosures to his request include the text of a note signed by Robert Morris, United States Secretary of Finance, authorizing the Banker of Paris " \* \* \* to pay to Mr. Haym Salomon or to his order the sum of Three Thousand Pounds Sterling" out of the account of the United States, effective 180 days after March 27, 1782. The enclosures also include a photocopy of an article 1/ which describes Mr. Salomon's efforts on behalf of the American Revolutionary Government.

According to the article, congressional review of this matter dates back to 1827 when Mr. Salomon's son, Haym M. Salomon, began petitioning the Government to pay its debts to his father. The article summarizes congressional action in this regard as follows:

" \* \* \* All told, the claim of the Salomon's against the Government of the United States was approved by six Congressional Committees of Revolutionary Claims for the following sums: Government obligation, \$353,729.43; Specie advance to Supt. of France, \$211,678.00; Promissory notes, \$92,600.00; loans to the secret Ambassador from Spain to encourage Spain's assistance, \$10,000.00; loans to the Ambassador of France, \$10,000.00; additional money loaned to members of Congress and the military (Jefferson, Madison, Morris, General St. Clair, etc.), in excess of \$700,000.00."

The article indicates that the United States never repaid any of its debts to the Salomon family.

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1/ The introduction to the article states that it was read into the Congressional Record by the Honorable [redacted] Solari, Member of the United States House of Representatives.

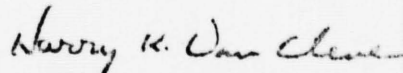
According to the account of a more recent article 2/, Mr. [redacted] an autograph dealer and owner of the Nevada Museum for Historical Documents in Las Vegas, purchased the note 1 year ago and wants to collect on the debt. Mr. [redacted] believes the note to be worth \$14 billion, including interest.

Our only previous involvement in this matter was the comments we provided the Honorable William E. Hess, former member of the United States House of Representatives, on H.R. 10782, 74th Congress, which provided "for the relief of the heirs of Haym Salomon on account of money loaned by him to the Government during the Revolutionary War." See A-70863, March 6, 1936, copy enclosed. We informed Mr. Hess that a search of our records did not reveal any transactions between the United States and Mr. Salomon. We further stated, however, that this Office had been informally advised "that the Treasury Department has on file all available records relative to this matter and that that Department had made pertinent reports to Congressional committees from time to time since 1864." Finally, we pointed out that to the extent the bill proposes the payment of interest on such sums as may have been loaned to the Government by Mr. Salomon, consideration should be given to the rule against imposing interest on the United States "except where it assumes the liability by contract or by the express words of a statute, or must pay interest as part of the just compensation required by the constitution for property taken."

It is not clear from Mr. [redacted] communications whether he is attempting to claim the proceeds of the note in his own right as owner of the note, whether he is purporting to act on behalf of the heirs of Haym Salomon, or whether he is merely writing to inform you of an interesting bit of historic memorabilia. If he is in fact attempting to assert a claim to the proceeds, he would have to establish his authority to act for a legitimate heir of Haym Salomon. The text of the note makes it clear that it is not a bearer instrument and therefore he cannot present it for payment on his own behalf.

In any event, it does not appear that this matter requires any determinations by this Office at this time. With respect to the request for a copy of our file, we are enclosing copies of the relevant material.

Sincerely yours,



Harry R. Van Cleve  
Acting General Counsel

Enclosures

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2/ See the Los Angeles Times Newspaper, April 21, 1982.