

WCNS12

PASSAGE THIS SESSION OF THE OMNIBUS BANKING BILL, WITH ITS PROVISIONS FOR GOVERNMENT CONTROL OF THE FEDERAL RESERVE SYSTEM, HAS BEEN JEOPARDIZED BY AN INTER-ADMINISTRATION FIGHT INVOLVING HIGH FISCAL OFFICIALS.

PRESSURE HAS BEEN BROUGHT ON HOUSE BANKING AND CURRENCY COMMITTEE MEMBERS TO CUT THE BILL INTO SEGMENTS, IN AN EFFORT TO PUT OFF UNTIL NEXT SESSION ACTION ON FEDERAL RESERVE CHANGES. TREASURY OFFICIALS AND HEADS OF SEVERAL EMERGENCY CREDIT AGENCIES ARE REPORTED AT ODDS WITH FEDERAL RESERVE BOARD GOVERNOR ECCLES, CHAMPION OF THE OMNIBUS LEGISLATION.

CHAIRMAN STEAGALL SAID HE HOPED TO HAVE THE BILL IN SHAPE FOR HOUSE ACTION IMMEDIATELY AFTER PASSAGE OF THE SECURITY BILL. THE COMMITTEE ALREADY HAS AMENDED THE SECTION GIVING NEW POWERS TO THE FDIC. IT TENTATIVELY STRUCK OUT THE REQUIREMENT THAT STATE BANKS TO COME UNDER THE FUND MUST JOIN UP BEFORE 1937.

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