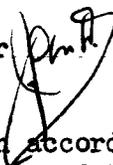


Office Correspondence

FEDERAL RESERVE
BOARDDate January 31, 1935To Governor EcclesSubject: Housing subsidy.From J. M. Daiger 

670 16-852

In accordance with your suggestion Tuesday evening, I have gone over the proposed Emergency Relief Appropriation Act of 1935 with your idea of a housing subsidy in mind. Section 1 by its general terms, and Section 5(b) by specifically authorizing the President "to make grants," might both be construed to permit the subsidizing of private construction. The question is one that the legal department of the Treasury might best be able to answer.