

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

Date January 28, 1946.

To Chairman Eccles

Subject: _____

From Mr. Knapp

AK

Counsel agrees that the Export-Import Bank cannot be touched under the Reorganization Act because of the clause in that Act forbidding any reorganization of agencies whose position has been established by legislation passed since January 1, 1945.

This clause was introduced as an amendment to the bill by Senator Taft. He had the specific case of the Export-Import Bank in mind as indicated by the following quotation from a speech which he delivered in the Senate on November 2, 1945:

"With great deliberation, Congress established the independence of the Export-Import Bank, giving proper representation to the departments on its Board. If this bill is passed, it may be transferred the next day to the State Department, or the Federal Reserve Board, or the Treasury, or it may be entirely abolished and its functions transferred to the Secretary of the Treasury."

It seems to me this shows that great opposition may be expected, at least from Senator Taft, to any attempt to change the status of the Export-Import Bank by legislative action.