

EXECUTIVE ORDER

CONSOLIDATING THE BANKING SUPERVISORY AGENCIES OF THE GOVERNMENT

By virtue of the authority vested in me by Title I of the First War Powers Act, 1941, approved December 18, 1941 (Public Law 354, 77th Congress), and as President of the United States, it is hereby ordered as follows:

1. It is the purpose of this order, in accordance with which it shall be interpreted and administered, to establish at one point the responsibility for executing governmental policy with respect to supervision of banks by the Federal Government; to effect economies in the use of Government workers; to eliminate unnecessary expense; to avoid duplication of effort and the exercise of duplicated functions, powers, and duties; and generally to provide a coordinated program of bank supervision designed to support economic stability and national credit policy. The Board of Governors of the Federal Reserve System is utilized to consolidate and coordinate the supervisory functions of the Federal Government with respect to banks.

2. The following agencies, functions, powers, and duties are consolidated into and shall be administered by or under the direction and supervision of the Board of Governors of the Federal Reserve System:

(a) All functions, powers, and duties of the Comptroller of the Currency and the Bureau of the Comptroller of the Currency, except as otherwise provided herein, are transferred to and shall be administered

by the Board of Governors of the Federal Reserve System. Except as otherwise provided in this order, all other personnel, books, records and other property of the Bureau of the Comptroller of the Currency are transferred to the Board of Governors of the Federal Reserve System. All unexpended moneys appropriated to the Bureau of the Comptroller of the Currency, not otherwise transferred by this order, are transferred to the general fund of the Treasury. All unexpended moneys derived by the Bureau of the Comptroller of the Currency from assessments made on national banks are transferred to the Board of Governors of the Federal Reserve System to be administered by the Board.

(b) The functions, powers, and duties of the board of directors of the Federal Deposit Insurance Corporation are consolidated into and shall be administered by the Board of Governors of the Federal Reserve System.

(c) The functions, powers, and duties of the Secretary of the Treasury with respect to the licensing of the opening or reopening of banks, the purchase by the Reconstruction Finance Corporation of preferred stock, capital notes, or debentures from banks, and the supervision of the Bureau of the Comptroller of the Currency or the approval or appointment of the personnel of such Bureau are transferred to and shall be administered by the Board of Governors of the Federal Reserve System.

3. Other functions, powers, and duties of the Comptroller of the Currency and of the Bureau of the Comptroller of the Currency are redistributed as follows:

(a) Functions, powers, and duties with respect to the examination and supervision of building and loan associations located in the District of Columbia, together with all personnel, funds, books, records and other property assigned to this function, are transferred to the National Housing Agency.

(b) Functions, powers, and duties with respect to the chartering and supervision of National Agricultural Credit Corporations, together with all personnel, funds, books, records and other property assigned to this function, are transferred to the Farm Credit Administration.

(c) Functions, powers, and duties with respect to the liquidation of national banks for which a receiver had been appointed, together with all related personnel, funds, books, records and other property of the Division of Insolvent National Banks in the Bureau of the Comptroller of the Currency, are transferred to the Federal Deposit Insurance Corporation.

(d) Functions, powers, and duties of the Comptroller of the Currency and of the Bureau of the Comptroller of the Currency with respect to the printing, engraving, custody and retiring of currency, together with all personnel, funds, books, records and other property assigned to this function, are transferred to the Secretary of the Treasury.

(e) Functions, powers, and duties of the Comptroller of the Currency under section 30 of the Banking Act of 1933 are, with respect

to each Federal Reserve district and the national banks located therein, transferred to the Federal Reserve Agent of such district.

4. The functions, powers, and duties consolidated in this order shall be exercised to avoid, in so far as possible, the duplication of similar functions or the performance of similar duties. Similar or corresponding functions of the Board of Governors of the Federal Reserve System and the Federal Deposit Insurance Corporation may be performed through the means of either agency, the expense thereof to be adjusted by reimbursement on the basis of the fair proportion of the services performed for the reimbursing agency. To that end, personnel of either agency may be transferred from one agency to the other but any personnel found to be in excess of the personnel necessary for the administration of the functions, powers, and duties as consolidated in this order shall be retransferred under existing law to other positions in the Government or separated from the services. The offices of the Comptroller of the Currency, all Deputy Comptrollers of the Currency, and the directors of the Federal Deposit Insurance Corporation are hereby vacated for the duration of this order: Provided That, for such period as the Board of Governors of the Federal Reserve System may find necessary to effectuate the consolidations herein ordered, the Comptroller of the Currency, the Deputy Comptrollers of the Currency, and the directors of the Federal Deposit Insurance Corporation may continue to function in their respective capacities.

5. All orders, rules, regulations, permits, obligations, or privileges made, issued or granted by or in respect of any agency, function, power, or duty consolidated hereunder shall continue in effect to the same extent as if such consolidation had not occurred until modified, superseded, or repealed.

6. This order shall become effective as of the date hereof and shall be in force and effect so long as Title I of the First War Powers Act, 1941, remains in force.

THE WHITE HOUSE