

August 30, 1945.

Memorandum to Mr. Eccles:

In accordance with a conversation with Mr. Thurston today, I tried to reach Mr. Reeve of the Budget Bureau on the 'phone and, finding that he was away and would not be back for the next ten days, I called Mr. Seideman. You will recall that these two men are the ones with whom you talked last winter about the reorganization problem, and that they subsequently talked to me.

Mr. Seideman said that he and Mr. Reeve had completed their studies but that they were still the subject of discussion within the Budget Bureau and there had been no meeting of the minds as yet. He did not feel free, he said, to tell me what conclusions he and Mr. Reeve had reached.

In connection with the House and Senate Bills, I mentioned the fact that the House Bill contained exemptions while the Senate Bill did not, and that I assumed that the Budget Bureau would prefer that there would be no exemptions. He said that that was right, but that Manasco, in introducing his Bill, had evidently simply incorporated the exemptions which had been proposed previously. As to the status of the legislation, he said that it was understood that hearings would begin in the House next week. He added that hearings in the Senate had been scheduled for this week with the expectation that Director Smith would testify, but that the Senate Committee Hearings had been postponed.



Special Adviser.

