

FROM STATEMENT ON THE BANKING BILL OF 1935 BY MARRINER S. ECCLES
BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON BANKING AND CURRENCY
OF THE UNITED STATES SENATE, May 10 and 13, 1935

I wish to recommend that the bill be modified so as to limit the power of the Board to change reserve requirements to two groups of banks, central reserve and reserve city banks and all other banks, and not to permit changes for individual Federal Reserve districts. There is urgent need for the authority to change reserve requirements, in view of the large amount of excess reserves now available to member banks and the possibilities of further additions to these reserves.