

June 26, 1937.

To Board of Governors Subject: Request for report
on Robinson Reor-
From Mr. Wyatt, General Counsel ganization Bill.

URGENT

There is attached a copy of a letter from Senator Robinson requesting that there be submitted, not later than July 3, 1937, a report containing the Board's views on such provisions of S. 2700 as affect the Federal Reserve System.

This is the Administration bill providing for the reorganization of the Executive Department of the Government, and it would seem that the Board should give prompt consideration to the question whether it desires to make a report on this bill, and, if so, what position it wishes to take.

From a rather hasty preliminary study of the bill, it appears that the following are the principal provisions which would be of interest to the Board:

(1) Section 2(b), which expressly provides that the Board shall not be abolished and that none of its functions shall be transferred to any other agency;

(2) Sections 204 and 208, which are not entirely clear but which might be construed as placing under the classified Civil Service and under the Classification Act all employees of the Board whose duties are not of a policy determining character; and

(3) Section 203 of the bill, which is quite ambiguous but which might be construed as meaning that the President, with the advice and consent of the Senate, shall make appointments to fill any vacancies in the position of the head of any division of the Board's staff or any other office or position on the Board's staff which the President finds is policy determining in character.

This office is making a further study of the bill and is preparing to confer with the other divisions of the Board's staff regarding the problem; but it would seem advisable for the Board to give prompt consideration to the question whether it wishes to make any report on this bill and, if so, what position it wishes to take with respect to the above questions.

Respectfully,

(Signed) Walter Wyatt

Walter Wyatt,
General Counsel.

Attachment.

COPY

THE COMMITTEES ON GOVERNMENT ORGANIZATION

THE JOINT COMMITTEE

June 24, 1937.

Chairman,
Board of Governors Federal Reserve System,
Washington Building,
Washington, D. C.

My dear Sir:

There is transmitted herewith a copy of Senate Bill 2700, to provide for reorganizing agencies of the Government, extending the classified civil service, establishing a General Auditing Office and a Department of Welfare, and for other purposes. The Senate Select Committee on Government Organization will be glad to have your views on such provisions of the Bill as affect the Federal Reserve System.

Your comments with reference to this Bill should be addressed to the Chairman of the Senate Select Committee on Government Organization, Room 201, Senate Office Building, and should be submitted not later than July 3, 1937. It will be appreciated if you will furnish ten copies of any comments submitted by you.

Very truly yours,

(Signed) Joe T. Robinson

Chairman