

The following is a copy of a memo which Mr. Millard wrote to Mr. C layton on April 14, 1949:

"In our telephone conversation this afternoon you informed me that in reiterating his experiences with the Executive Committee of the National Association of Supervisors of State Banks at the Willard Hotel on Thursday, April 7, Chairman McCabe stated he informed the group that at the time he was interviewed by the Task Force for the Hoover Commission, Task Force representatives had indicated they were in favor of consolidating Federal bank supervision under Federal Reserve. Also, that Mr. McCabe had indicated he was not in favor of such consolidation.

"As I recall the Chairman's conversation on this subject at the Willard meeting, he informed those present that, although the Task Force was of the opinion that Federal bank supervision should be merged under the Federal Reserve's aegis, he was not in accord with that view; it being his feeling that the three Federal agencies should be contined and that to merge them under Federal Reserve would be only but "to inherit another headache."

"E. R. M.
4-14-49."