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April 9, 1935.

Hon. Franklin D. Roosevelt
The White House
Washington, D. C.

My dear Mr. President:

Governor Marrinar S. Eccles had a five-hour discussion with Mr. Frank A. Vanderlip, Mr. Earl Harding and myself regarding the proposed Banking Act of 1935.

Governor Eccles convinced us that it should be possible to work out certain amendments to the bill that will bring to it the whole-hearted support of farm organizations and a great body of support from business leaders and others informed on the monetary question.

As the bill now stands, it does not make possible the execution of the monetary policies that you have announced. Attached hereto is a prepared statement which was not used before the Banking and Currency Committee as written. We decided, after the discussion with Governor Eccles, to modify our presentation. Instead of asking for a separate Federal Monetary Authority, we asked for amendments to the pending Administration bill.

If an agreement as to these amendments can be arrived at and the bill is so amended by the Banking and Currency Committee before being reported out, we are convinced that a great body of enthusiastic support can be released for it. If the amendments are included, the legislation will have prompt beneficial effects on basis commodity prices, business activity and employment. The cost of living and hourly wage rates should increase but slightly, while the weekly hours and the number of employed gain substantially.

The enactment of this bill should solidify such public support for your Administration as came during the first four months after your inauguration when you substituted your monetary policies for the deflationary program of the previous four years. The enactment of this bill, so amended, would cut off future opposition by taking the wind out of the sails of monetary extremists and critics.

We are calling a conference between farm organization leaders and members of our group and have asked Chariman Steagall for a chance to make our recommendations more specific during the next two weeks. As these conferences proceed, we shall keep Governor Eccles, Secretary Morgenthau and yourself informed.

Faithfully yours,

J.H.RAND, Jr., Chairman

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