

COPY

Apr 23, 1946

Honorable Robert F. Wagner, Chairman,  
Committee on Banking and Currency,  
United States Senate,  
Washington, D. C.

Dear Senator Wagner:

On March 26, 1945, and at the request of the Board, you introduced a bill (S. 792) to strengthen and to make effective the powers which the Congress vested in the Board in 1933 dealing with bank holding companies. Since this bill was introduced, the Board has received numerous expressions of opinion concerning it from representatives of banks and bank holding companies as well as from Government officials engaged in other bank supervisory activities. In the light of these many expressions of opinion, the Board has concluded that, in order to deal effectively with the problem, it is not necessary for the proposed legislation to be as sweeping in its terms as is S. 792, nor is it necessary to "freeze" existing bank holding companies at their present size or prevent the creation of new ones.

Accordingly, the Board has prepared a revised and much more simplified draft of a bill with the intention that it be substituted for that previously introduced by you. The Board has asked that I deliver a copy of this draft to you for your consideration with the hope that you will offer it as a substitute for S. 792. It is enclosed herewith. The Board will be glad to respond to any request for further information and to assist you and your Committee in any appropriate way.

There is also enclosed a statement concerning the revised bill which may be helpful to you if and when you offer it in substitution for S. 792.

Sincerely yours,

(Signed) Marriner S. Eccles

M. S. Eccles,  
Chairman.

Enclosures 2  
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Apr 23, 1946

Honorable Brent Spence, Chairman,  
Committee on Banking and Currency,  
House of Representatives,  
Washington, D. C.

Dear Mr. Spence:

On March 26, 1945, and at the request of the Board, you introduced a bill (H. R. 2776) to strengthen and to make effective the powers which the Congress vested in the Board in 1933 dealing with bank holding companies. Since this bill was introduced, the Board has received numerous expressions of opinion concerning it from representatives of banks and bank holding companies as well as from Government officials engaged in other bank supervisory activities. In the light of these many expressions of opinion, the Board has concluded that, in order to deal effectively with the problem, it is not necessary for the proposed legislation to be as sweeping in its terms as is H. R. 2776, nor is it necessary to "freeze" existing bank holding companies at their present size or prevent the creation of new ones.

Accordingly, the Board has prepared a revised and much more simplified draft of a bill with the intention that it be substituted for that previously introduced by you. The Board has asked that I deliver a copy of this draft to you for your consideration with the hope that you will offer it as a substitute for H. R. 2776. It is enclosed herewith. The Board will be glad to respond to any request for further information and to assist you and your Committee in any appropriate way.

There is also enclosed a statement concerning the revised bill which may be helpful to you if and when you offer it in substitution for H. R. 2776.

Sincerely yours,

(Signed) Marriner S. Eccles

M. S. Eccles,  
Chairman.

Enclosures 2  
JLT:fcc  
4/19/46