

81ST CONGRESS
2^D SESSION

S. 3547

IN THE SENATE OF THE UNITED STATES

MAY 10 (legislative day, MARCH 29), 1950

Referred to the Committee on Banking and Currency and ordered to be printed

AMENDMENT

Intended to be proposed by Mr. DOUGLAS (for himself and Mr. TOBEY) to the bill (S. 3547) to define bank holding companies, control their future expansion, and to require the divestment of nonbanking assets, viz: Add a new section to the bill reading as follows:

1 SEC. (a) The Board may, in its discretion, make such
2 investigations as it deems necessary to determine whether
3 any person has violated or is about to violate any provision
4 of this Act or any rule or regulation thereunder, and may
5 require or permit any person to file with it a statement in
6 writing, under oath or otherwise as the Board shall determine,
7 as to all the facts and circumstances concerning the matter
8 to be investigated. For the purposes of this section, the word
9 “person” includes individuals and organizations.

1 (b) For the purpose of any such investigation, or any
2 other proceeding under this Act, any member of the Board
3 or any officer designated by it is empowered to administer
4 oaths and affirmations, subpoena witnesses, compel their at-
5 tendance, take evidence, and require the production of any
6 books, papers, correspondence, memoranda, or other records
7 which the Board deems relevant or material to the inquiry.
8 Such attendance of witnesses and the production of any
9 such records may be required from any place in the United
10 States of any State at any designated place of hearing:
11 *Provided, however,* That the production of a person's docu-
12 ments at any place other than his place of business shall not
13 be required in any case in which, prior to the return date
14 specified in the subpoena with respect thereto, such person
15 either has furnished as directed a copy of such documents
16 (certified by such person under oath to be a true and correct
17 copy) or has entered into a stipulation with any authorized
18 representative of the Board as to the information contained
19 in such documents. Witnesses subpoenaed under this section
20 shall be paid the same fees and mileage that are paid wit-
21 nesses in the district courts of the United States.

22 (c) In case of contumacy by, or refusal to obey a sub-
23 pena issued to, any person, the Board may invoke the aid
24 of any court of the United States within the jurisdiction of
25 which such investigation or proceeding is carried on, or

1 where such person resides or carries on business, in requiring
2 the attendance and testimony of witnesses and the production
3 of books, papers, correspondence, memoranda, and other
4 records. And such court may issue an order requiring such
5 person to appear before the Board or member or officer
6 designated by the Board, there to produce records, if so
7 ordered, or to give testimony touching the matter under
8 investigation or in question; and any failure to obey such
9 order of the court may be punished by such court as a con-
10 tempt thereof. All process in any such case may be served
11 in the judicial district whereof such person is an inhabitant
12 or wherever he may be found.

13 (d) No person shall be excused from attending and
14 testifying or from producing books, papers, contracts, agree-
15 ments, and other records and documents before the Board,
16 or in obedience to the subpoena of the Board or any member
17 thereof or any officer designated by it, or in any cause or
18 proceeding instituted by the Board, on the ground that the
19 testimony or evidence, documentary or otherwise, required
20 of him may tend to incriminate him or subject him to a
21 penalty or forfeiture; but no individual shall be prosecuted
22 or subject to any penalty or forfeiture for or on account of
23 any transaction, matter, or thing concerning which he is
24 compelled, after having claimed his privilege against self-
25 incrimination, to testify or produce evidence, documentary

1 or otherwise, except that such individual so testifying shall
2 not be exempt from prosecution and punishment for perjury
3 committed in so testifying.

4 (e) Whenever it shall appear to the Board that any
5 person is engaged or about to engage in any acts or prac-
6 tices which constitute or will constitute a violation of the
7 provisions of this Act, or of any rule or regulation there-
8 under, it may in its discretion bring an action in the proper
9 district court of the United States, the district court of the
10 United States for the District of Columbia, or the United
11 States courts of any Territory or other place subject to the
12 jurisdiction of the United States, to enjoin such acts or prac-
13 tices, and upon a proper showing a permanent or temporary
14 injunction or restraining order shall be granted without bond.
15 The Board may transmit such evidence as may be available
16 concerning such acts or practices to the Attorney General,
17 who may, in his discretion, institute the necessary criminal
18 proceedings under this Act.

19 (f) Upon application of the Board the district courts
20 of the United States, the district court of the United States
21 for the District of Columbia, and the United States courts of
22 any Territory or other place subject to the jurisdiction of the
23 United States, shall also have jurisdiction to issue writs of
24 mandamus commanding any person to comply with the pro-

1 visions of this Act or any order of the Board made in pur-
2 suance thereof.

3 (g) Any action brought under this section may be
4 brought in the District in which any act or transaction consti-
5 tuting a violation occurred or in any District wherein the de-
6 fendant is found or is an inhabitant or transacts business, and
7 process in such cases may be served in any other District of
8 which the defendant is an inhabitant or wherever the de-
9 fendant may be found.

10 (h) The Board is authorized to issue such rules, regula-
11 tions, and orders, as may be necessary to enable it to admin-
12 ister and carry out the purposes of this Act and prevent
13 evasions thereof.

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