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February 23, 1935.

Dear Senator King:

I am enclosing herewith a statement covering the proposed Small Loan Law for the District of Columbia which was introduced by you. The statement was sent to me by a friend of mine, Dr. William T. Foster, who has been interested for years in the Uniform Small Loan Law as sponsored by the Russell Sage Foundation.

I understand that the Uniform Small Loan Law has been adopted in twenty-six States. I had one of the members of our staff go over the enclosed statement sent to me by Dr. Foster and he feels that the objections raised are quite sound. I am, therefore, forwarding it on to you for what value it may have to you.

Sincerely yours,

M. S. Eccles,
Governor.

Hon. Wm. H. King,
United States Senator,
Washington, D. C.

Enclosure.

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United States Senate

COMMITTEE ON
THE DISTRICT OF COLUMBIA

27 February 1935.

Hon. M. S. Eccles,

Governor of the Federal Reserve Board,
Washington, D. C.

Dear Governor Eccles:

I am in receipt of yours of the twenty-third instant in which you refer to the proposed small loan law pending before the Committee on the District of Columbia of the Senate.

Last year extensive hearings were held by the Committee with a view to preparing a satisfactory small loan bill. The Commissioners of the District of Columbia also gave a great deal of attention to the matter and held hearings, as I am advised, and finally recommended a bill which is under consideration now by the Senate Committee on the District of Columbia. The corporation counsel, representing the District Government appeared and gave his views concerning the pending measure. Representatives of citizens' associations also appeared and voiced their approval of the measure. There were only two opponents -- one believed that there should be no legislation dealing with the matter. His position was that the existing law, which provided one per cent per month interest was adequate, taking into view the penalties provided for any violation of the statute.

The other opponent of the proposed measure urged that the so-called

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uniform small loan law, as sponsored by the Russell Sage Foundation, be enacted. This view was opposed by the corporation counsel and by the representatives of the citizens' associations, but they gave their approval to the pending measure.

The Committee will meet within a few days and then determine what course to pursue.

I am glad to get your views and thank you for writing me.

Cordially and sincerely yours,

William H. King

whk/s

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