

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

The Federal Credit Union is not controlled or governed by either the Federal Reserve Board or the Federal Reserve Banks. In fact the Union here is a mere branch or member through having applied for membership and paid the dues; and the Federal Reserve Banks are not members -- any credit union they have is what each bank may have organized for its own employees.

The Federal Credit Union was passed on by Congress and chartered under the Farm Credit, where the headquarters are and whose auditors make periodic examinations of the membership unions. I understand there are about 6,000 member unions comprised of government agencies, churches, civic and other groups. No doubt the Rev. Augustus Cook mentioned in Sen. Tydings' letter represents a church group member union.

This letter, therefore, should have gone to the Farm Credit for comment, instead of to the Federal Reserve. Do you wish it returned to Senator Tydings with the suggestion he take the matter up with the Farm Credit?

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United States Senate

COMMITTEE ON
TERRITORIES AND INSULAR AFFAIRS

August 5, 1943

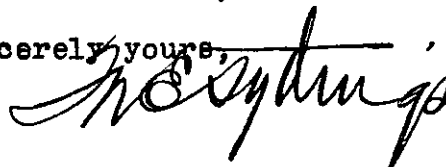
Mr. Marriner S. Eccles, Chairman
Federal Reserve Board
Federal Reserve Building
Washington, D. C.

Dear Mr. Chairman:

The enclosed letter from the Rev. Augustus
P. Cook, 1850 Frederick Place S. E., Washington 20,
D. C., is being forwarded for the attention of your
office, and with the request that it be returned to
me with your comments.

Thanking you, and with best wishes, I am

Sincerely yours,



Enclosure

August 7, 1943.

Honorable Millard E. Tydings,
United States Senate,
Washington, D. C.

My dear Senator:

On behalf of Chairman Eccles I wish to acknowledge your letter of August 5, enclosing one dated July 30 from The Reverend Augustus P. Cook, which I am returning herewith since The Reverend Mr. Cook is in error in stating that credit unions are governed by the Reserve Banks or by this Board.

This Board and System has nothing whatever to do with the Federal Credit Union to which he refers. It is my understanding that the Federal Credit Union is by Act of Congress chartered under the Farm Credit Administration, to which, I presume, The Reverend Mr. Cook's letter should be referred.

Sincerely yours,

Elliott Thurston,
Special Assistant
to the Chairman.

Enclosure

ET:jh