

November 26, 1945.

Mr. Chester C. Davis,
The Carlton Hotel,
Washington, D. C.

Dear Chester:

The Chairman phoned me a few minutes ago about his conversation with you on the Wagner-Spence Bill. I find nothing in our files to indicate that we have taken the matter up directly with Mr. Snyder, but on June 11 a letter was sent to Fred Vinson, then Director of OWMR, a copy of which I enclose. I am enclosing also the material referred to in this letter, although I do not have at hand copies of the page proof of hearings to which this letter refers. Nevertheless, if you want them, they can be dug up.

I enclose in addition to the letter to Vinson:

1. A copy of the bill, together with a copy of a letter to Wagner.
2. Exchange of letters between Chairman Gardner of the Advisory Board of OWMR and the Chairman.
3. Excerpt from FDR's message to Congress.
4. Copy of the Chairman's statement before Patman's Small Business Committee on June 1.
5. Copy of Treasury letter to the House Committee.

Finally, at the Chairman's request I enclose a suggestion for a letter that Mr. Snyder might possibly care to send either to the Chairmen of the respective Banking and Currency Committees or, if he prefers, directly to him with authorization to use it. I notice that Mr. Stimson's letter was sent to Senator Wagner, while those from Mr. Baruch and Bob Hinckley were addressed to Mr. Eccles. Likewise, the letter from Dan Bell was addressed to Chairman Spence of the House Committee.

If this is too great a deluge of material, I apologize.

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Needless to say, your deft editorial help would be much in order in any presentation of this, especially the draft of a letter for Mr. Snyder if he is willing to sign one.

With kind regards,

Sincerely yours,

Enclosures

ET:b

(Suggested letter for Mr. Snyder's signature)

Dear _____:

As you know, the Wagner-Spence Bill to amend section 13b of the Federal Reserve Act by authorizing Federal Reserve Banks to guarantee up to 90 per cent certain loans by commercial banks and lending institutions has been pending for a considerable time.

The measure has been endorsed by the Advisory Board of the Office of War Mobilization and Reconversion. In his report to Congress on January 1, 1945, James F. Byrnes, then Director of War Mobilization and Reconversion, strongly recommended enactment of this legislation. It was also endorsed in the Baruch-Hancock Report and by former Secretary of War Stimson, among others.

It is my hope that the Banking and Currency Committees of the Senate and the House will see their way clear to report this legislation favorably.

Sincerely yours,