



BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM  
WASHINGTON 25, D. C.

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

April 2, 1947

Dear Sir:

For your information there is enclosed a copy of the resolution adopted by the Federal Advisory Council with respect to Senate Bill 408. Copies of Chairman Eccles' letters to the Senate and House Banking and Currency Committees transmitting the resolution are also enclosed.

Very truly yours,

A handwritten signature in cursive script, appearing to read "S. R. Carpenter".

S. R. Carpenter,  
Secretary.

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TO THE PRESIDENTS OF ALL FEDERAL RESERVE BANKS

FEDERAL ADVISORY COUNCIL

R E S O L U T I O N

RESOLVED that the Federal Advisory Council of the Federal Reserve System approves Bill S. 408, subject to its being changed in two respects: (1) it should be restricted in its application not to "any financing institution" but to "chartered banking institutions"; and, (2) in line 21, page 2 of the bill, the period after the word "years" should be replaced by a comma, and the following words should be added to complete the sentence: "when it appears to the satisfaction of such Federal Reserve bank that the business enterprise is unable to obtain requisite financial assistance on a reasonable basis from the usual sources".

March 11, 1947

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

March 20, 1947.

The Honorable Charles W. Tobey,  
Chairman, Committee on Banking and Currency,  
United States Senate,  
Washington 25, D. C.

Dear Senator Tobey:

Enclosed is a copy of a resolution adopted by the Federal Advisory Council at a recent meeting in Washington approving S. 408, which, as you know, provides for the repeal of the direct-lending authority of Federal Reserve Banks and the substitution therefor of authority to guarantee in part loans by financing institutions, principally to small business.

It is significant and gratifying, I think, that the Council gives its endorsement to this measure which you introduced. Support of this representative group of twelve prominent bankers, one from each Federal Reserve district, should carry weight with the Congress as well as with the banking community generally. I have not made this resolution public here, but see no reason why you should not do so if you think it appropriate.

Sincerely yours,

(Signed) M. S. Eccles

M. S. Eccles,  
Chairman.

Enclosure

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

March 20, 1947.

The Honorable Jesse P. Wolcott,  
Chairman, Committee on Banking and Currency,  
House of Representatives,  
Washington 25, D. C.

Dear Mr. Wolcott:

For your information I enclose a copy of a resolution adopted by the Federal Advisory Council in support of S. 408 and also copy of a letter I have sent to Senator Tobey who introduced this bill in the Senate.

It occurred to me you might be interested in noting the favorable attitude of this representative group of bankers from the twelve Federal Reserve districts.

With best regards,

Sincerely yours,

(Signed) M. S. Eccles

M. S. Eccles,  
Chairman.

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