

GENERAL

FI 2

FG 999

January 7, 1970

Dear John:

I took very close note of that editorial and assure you that I have put in more work on this than you can quite imagine. I will keep you closely in touch as things develop.

Sincerely,

Daniel P. Moynihan
Counsellor to the President

Mr. John G. Heimann
E. M. Warburg & Co., Inc.
60 Broad Street
New York, N. Y. 10004

Encl - Cy memo to Sec'y Shultz, Jan 7, w/encl (cy New York Times editorial, 28 Dec 69 "Next Steps in Banking")

DPM/crm

RECEIVED
JAN 8 1970
CENTRAL FILES

2
From the desk of John G. Heimann

January 5, 1970

Dear Pat:

Enclosed please find a copy of an editorial which appeared in the New York Times on one of my favorite subjects -- the need for reform in banking. As you will recall, this was the subject of my recent speech to the U.S. Savings & Loan League.

I really think the President should create the proposed Presidential Commission. Frankly, I would like to be a member of that Commission. What should I do now?

Sincerely yours,

JGH:mr
Enc.

Next Steps in Banking

The American people have long had a basic mistrust of great concentrations of economic power. The term "antitrust" has been in the language since the latter part of the nineteenth century, and the active use by Government of its power to keep a tight rein on agglomerations of corporate wealth has been accepted as a matter of course for many years.

It is essential to maintain this diffusion of power, especially in banking, where the emergence in the last few years of the one-bank holding company has threatened to lead to giant financial-industrial conglomerates, similar to the old *zaibatsu* combines in Japan.

The one-bank holding company bill reported last summer by the House Banking Committee—and accepted in principle by the Administration—would generally have maintained the separation between commerce and banking that has been traditional in the United States. However, the full House amended that bill to circumscribe bank holding companies far more rigidly than had been initially contemplated. Bank holding companies would be specifically prohibited from engaging in a number of activities—among them, certain types of leasing—that long have been accepted as necessary and proper adjuncts to the business of banking.

This attempt by Congress arbitrarily to carve up the financial markets between competing financial institutions would be too severe a limitation on banking. The Senate should ease it. A general injunction that bank holding companies should be confined to businesses "functionally related to banking"—combined with vigorous enforcement of the existing antitrust laws—certainly would prevent any undue concentration of power in the hands of the bankers.

In the decade ahead, the nation will be confronted with massive financial needs for housing, public facilities of all kinds and urban transportation, as well as for business investment. Once it has completed action on the bank holding bill, Congress will have to give attention to other measures designed to keep the banks creative and competitive in filling these requirements.

As New York's Superintendent of Banks Frank Wille noted recently, what is needed before more legislation is pushed through is a comprehensive look at the total subject of financial regulation and structure. We agree with Mr. Wille that "we have had enough legislative patchwork on banking matters at the Federal level."

The Administration, whose senior echelon is loaded with ex-bankers, is poorly equipped to sort out the conflicting claims of competing companies for broadened franchises in finance. Mr. Wille, a Republican, as well as Senator Proxmire and Representative Reuss, both Wisconsin Democrats, have proposed a Presidential commission on the financial structure.

Over the next two or three years such a group could undertake a bipartisan and professional examination of the conflicting and overlapping interests of the public, the businesses involved and the regulators.

This is a constructive suggestion. It is more than a half-century since the Aldrich Commission drew up the blueprint that resulted in the Federal Reserve. The time has come for a new look at the proper course for the future.

January 13, 1970

GENERAL

F04-3

FI11-4

FI2

TREASURY DEPARTMENT

Dear Peter:

Many thanks for your December 24 inquiry.

I am enclosing Assistant Treasury Secretary Rossides' comments on the foreign bank accounts bill. These were made in response to the AP story you enclosed.

With best wishes for the new year, Assistant Secretary for International and Operations Eugene S. Rossides today issued the following statement:

Sincerely,

The Treasury Department fully supports the objectives of H.R. 13072 aimed at the prevention of tax evasion, the smuggling of narcotics in *Herb* **Herbert G. Klein** cases and other illegal purposes by **Director of Communications** *Herb*. We so testified before the **for the Executive Branch** on December 10.

Mr. Peter ^xO'Donnell, Jr.
4275 First National Bank Building
Dallas Texas 75202

HGK:MW:ccm

"To summarize our position, the objective of H.R. 13072 is to close foreign accounts which aid tax evasion and other violations of United States law. However, the bill goes too far and that additional work is required to determine the best way to achieve this objective without hampering the flow of international commerce, without creating cost and administrative burdens on both the private sector and government, while preserving the traditional freedoms of American life, and the status of the dollar as the major transactions currency and reserve currency of the world. We believe that measures can be developed which would not create these problems and which could be effective in helping us fight tax evasion and other criminal activities of both our citizens and residents."

We did supply the Banking Committee's request with some information on the bill it is considering. It has been the custom of Treasury to supply technical assistance to any member of Congress or any committee of Congress which is preparing a bill which involves Treasury. Such assistance in itself does not constitute

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JAN 15 1970
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January 14, 1970 **GENERAL**

FI 2

FB 14

FB 6-11-1/Price, John R.

Dear Mr. Becker:

Paul McCracken has referred to me your proposal for an
+ Urban Development Bank. I read it with interest, particularly
in light of how many of the proposals you make have already
been looked at with interest by us and some of them, to a
greater or lesser degree, acted upon.

Some years ago, when Senator ^{JACO B.} Javits introduced a Domestic
Development Bank bill, I headed a group of lawyers in New
York who went over it, and I have maintained an interest in
the area.

I would be happy at some point to meet with you and discuss
the bank proposal.

Sincerely,

John R. Price
Executive Secretary
Council for Urban Affairs

Honorable Eugene M. ⁺ Becker
Assistant Secretary of the Army
Room 2E67
The Pentagon
Washington, D. C.

JRP:slj
Copy to Mr. S. Jones (Blind copy)
Central Files

Sent
1/15

RECEIVED
JAN 15 1970
CENTRAL FILES

GENERAL

BES-3

PII

PII-4

FI 2

①

January 17, 1970

Congress of the United States

House of Representatives

Washington, D.C.

Jan. 12, 1970

Dear Wendell: Honorable Richard M. Nixon

The White House

Thank you for forwarding the copy of your letter from Mr. R. M. Schramm, of Portland, Oregon, presenting suggestions for various measures to control inflation.

The President is always interested in receiving the views of citizens throughout the country and you may be assured that Mr. Schramm's have been carefully noted.

With warm regard,

Sincerely,

Bill

William E. Timmons
Deputy Assistant to the President

Honorable Wendell Wyatt
House of Representatives
Washington, D.C. 20515

WET:EF:VO:cmf

RECEIVED
JAN 21 1970
CENTRAL FILES

12/17

THE WHITE HOUSE OFFICE

3
GENERAL

REFERRAL

FID
BE5-3

To: The Chairman of the Federal Home
Loan Bank Board

Date: January 19, 1970

ACTION REQUESTED

- _____ Draft reply for:
_____ President's signature.
_____ Undersigned's signature.
- _____ Memorandum for use as enclosure to
reply.
- _____ Direct reply.
_____ Furnish information copy.
- ☒ Suitable acknowledgment or other
appropriate handling.
- _____ Furnish copy of reply, if any.
- _____ For your information.
- _____ For comment.

NOTE

Prompt action is essential.

If more than 48 hours' delay is encountered,
please telephone the undersigned immediately,
Code 1450.

Basic correspondence should be returned when
draft reply, memorandum, or comment is re-
quested.

REMARKS:

Description:

_____ Letter: ☒ Telegram: Other: _____

To: The President ☒

From: Mr. Cornell R. Kirkland, Pres., Enterprise Savings and Loan Assn., Compton, Calif. ☒

Date: 1/15/70

Subject: Asks assistance for Savings and Loan Association that is failing due to the monetary crisis facing nation.

By direction of the President:

RECEIVED
JAN 20 1970
CENTRAL FILES

Noble M. Melencamp
Staff Assistant
to the President

pb - ✓

The White House
Washington

1970 JAN 18 AM 10-35

WA413 (L LLS067) EB NL PDF

TDL COMPTON CALIF JAN 15

THE PRESIDENT

THE WHITE HOUSE

MR PRESIDENT THE MONETARY CRISIS FACING THE NATION THREATENS
THE SURVIVAL OF ENTERPRISE SAVINGS AND LOAN ASSOCIATION A BLACK
FINANCIAL INSTITUTION. WE ASK YOUR PERSONAL ASSISTANCE TO ASSURE
CONTINUANCE OF THE ONLY BLACK INSTITUTION SERVING CENTRAL AND
SOUTH CENTRAL LOS ANGELES AND THE COMPTON COMMUNITY PLEASE
ADVISE OF THE ASSISTANCE YOU CAN GIVE

CORNELL R KIRKLAND PRESIDENT ENTERPRISE SAVINGS AND LOAN
ASSN.

GENERAL

⑤

January 23, 1970

FI 8
ST 5
BE 4-1
F6124
FI 21
BE 4/Advertising

Dear Miss Oreck:

I'm sorry but I will be unable to be of assistance regarding the restriction on advertising the 5.25% certificate accounts outside the state of California.

You've been totally correct in addressing this matter to Dr. Preston Martin and should pursue the matter directly with the Federal Home Loan Bank Board.

Dear Dr. Martin:

Cordially,

The Western States Advertising Agencies Association, many of whose members serve savings and loan associations throughout California, strongly protests the recent restriction placed on advertising the new 5.25% six-month certificate accounts outside of this state (as set forth in FHLBB Supplement H.R. Haldeman dated 11/26/69).

Assistant to the President

We feel that the most important role of an advertising agency is to convey information about products or services to people who may benefit from them. In this particular case there are certain people throughout the country who would benefit from the advertising account. Restrictions on the advertising account must be considered a blow to the basic to our entire system of free enterprise. The Western States Advertising Agencies Association, Inc., 435 South La Cienega Boulevard, Los Angeles, California 90048

On behalf of the seventy Western advertising agencies that make up our membership, we urge you to reconsider this restriction and to permit us to serve the interest of the entire U. S. public.

Sincerely yours,

Dufism

Richard Nixon, President of the United States
N. Mitchell, Attorney General
Fays, American Advertising Federation

RECEIVED
JAN 28 1970
CENTRAL FILES

GENERAL

FI 3

FI 2

January 26, 1970

Dear Mr. Gwillim:

John Ehrlichman has asked me to express his appreciation for your letter of January 23rd and the enclosed article by Edson Smith.

Mr. Ehrlichman most appreciates having your views and has forwarded your letter and the enclosures to the appropriate staff members for their consideration.

Sincerely yours,

Tod R. Hullin
Administrative Assistant to
John D. Ehrlichman

Mr. E. P. Gwillim
59 Brookside
Newtonville, Massachusetts
02160

BROUGHT FORWARD

GENERAL

FI2

Previously filed

1/27/70

Date

NAME *Mr. Robert W. Barker*

ORGANIZATION _____

GENERAL

FI2

New File Symbol

2/4/70

Date

FINAL ACTION *incoming lt. of Mr.*
Robert W. Barker.

FEB 17 1970

GENERAL
FEB

ARMOND D. KING, Inc. *Insurance Counselors Since 1922*

5120 OAKTON ST., SKOKIE, ILLINOIS 60076 PHONES OR 3-1234 - JU 3-4040

January 29, 1970

The President
The White House
Washington, D. C.

Dear Mr. President:

It has been rumored that you are preparing a recommendation to Congress that they delay for at least one year any further consideration of our critical bank holding company legislation.

We, as independent agents and brokers, are again asking for your vigorous support of prompt and final legislative action on the bank holding company regulatory problem, as recommended by you at the beginning of the 91st Congress.

Yours' truly,

Armond D. King, Inc.

R. L. Ryan
Frank E. Carolan
Paul C. Baelling
Edward J. Gzys
Neil J. King

INSURANCE COMPANY OF NORTH AMERICA

Life Insurance Company of North America • Pacific Employers Group

GENERAL (3)
FB 999
F12
FB 12

January 29, 1970

Dear Charlie:

William^X Earthman, a top flight
Republican from Nashville whose
resume is attached, would be an
excellent appointee for our new
X commission to study the banking
industry.

Sincerely,

Lamar Alexander
Staff Assistant
to the President

Honorable Charls E.^X Walker
Under Secretary of the Treasury
Department of the Treasury
15th Street and Pennsylvania
Avenue, N.W.
Washington, D. C. 20220

LA:sr

handwritten note: "This is a personal,
not official, endorsement."

RECEIVED
JAN 30 1970
CENTRAL FILE

cc [initials]
FERNANDO GALLO-ZELAYA
INTERNATIONAL ECONOMIC COUNSELLOR
37 EAST 64TH STREET
NEW YORK, N. Y. 10021

GENERAL
F12

January 31, 1970

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

An opinion which is subject to possible controversy is more constructive than silence.

During the past months, I have studied the various publications issued by banks, Federal Reserve Board, Department of Labor Statistics, etc. etc. and, the conclusion to which I have arrived is that the woes of the inflationary trend of our present society are being attacked by actions based on theories which may have worked successfully in a society as it existed thirty and even ten years ago. The fact is that our present society is a totally different being.

Recent reports from commercial banks throughout the country show that their earnings and profits are at an all-time high. It is obvious that the banking community has taken advantage of an old anti-inflationary theory based on high interest rates. This has increased the profitability of their operations, notwithstanding the fact that their costs undoubtedly have also gone up.

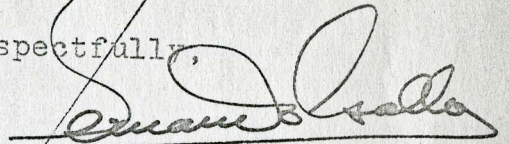
Inflation has not and cannot be checked with high interest rates if banks lend larger amounts of money than before and make larger numbers of loans than before. In today's society it has only worked in favor of the lending institutions and not in controlling inflation.

Our society invests its income in higher percentages in non-durable goods, non-capitalizable services, leisure time, useless ornaments and gadgets. There doesn't seem to be enough surplus for savings, since these are small for meaningful investments. Therefore, immediate superfluous needs are satisfied, surpluses squandered and cancelled in non-essentials.

If the Federal Reserve Authorities wish to contribute to reduce the present inflationary conditions, a ceiling should be placed on a lower prime rate of interest charged by commercial banks and a reduction of interest-rates of at least 3% is urgent. Some large banks are showing profits of 40% over the previous year. This is unheard of and should not be premitted; it is definitely not due to more efficient operations. They force the producers of goods and services to pass on down the line, the higher costs of money which find haven in the credit ability of the consumer or in its surplus income, or over extended credit, when consumption habits cannot be changed fast.

By forcing the banking community to lend money at a lesser profit, they will see to it that more selective lending is exercised since their margin of profit is reduced to a more rational level for the interest of the National Economy as a whole. The banking community must face its responsibility.

Respectfully,



Fernando Gallo-Zelaya

BROUGHT FORWARD

GENERAL

FI 2

Previously filed

2/2/70
Date

NAME Hon. Charles Raper Jones.

ORGANIZATION M.C.

GENERAL

FI 2

New File Symbol

3/20/70
Date

FINAL ACTION St f. Mr. Flanigan to
Mr. Reese

BROUGHT FORWARD

GENERAL

412
Previously filed

2/2/70
Date

NAME

James B. Utt

ORGANIZATION

U.S. Congress

EXECUTIVE

412-12
New File Symbol

3/27/70
Date

FINAL ACTION

Rose's memo to

Rep. Beach

GENERAL

FI 2

PR 13/ST 12

White House
Washington

SENT
Treasury Dept.
FEB 4 1970
BY MEMO

1970 JAN 31 PM 3 28

WE444 (PR LLF371) GC NL PD 13 EXTRA

TWIN FALLS IDA JAN 29

THE PRESIDENT

THE WHITE HOUSE

OUR CONTINUED SUPPORT OF YOU AND YOUR POLICIES DEMAND IMMEDIATE
CONSIDERATION AND PASSAGE OF CRITICAL ONE BANK HOLDING COMPANY

LEGISLATION (HR-6778) IN PUBLICS INTEREST, MUST PASS THIS SESSION.
APPRECIATE YOUR APPROACH TO POLLUTION AND POVERTY PROBLEMS

MAGIC CARPET TRAVELS, JOE SALISBURY AGENCY, RONALD SHOCKLEY, JOE

SALISBURY, L K CHILD, CARMEN BOHRN, DORRIS MILLER, MARY SALISBURY.

GENERAL

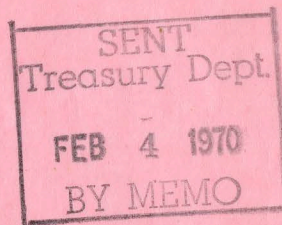
FI2
PR13/ST9

The White House
Washington

1970 JAN 31 AM 10 41

WE064 (A NAA020) EF PD

NAPLES FLO JAN 27 1009A EST



THE PRESIDENT

THE WHITE HOUSE

AS MEMBERS OF THE "SILENT MAJORITY", WE PROTEST ANY PROPOSED
DELAY IN THE SENATE'S CONSIDERATION OF THE ONE BANK HOLDING
COMPANY BILL, PASSED BY THE HOUSE AS HR 6778. A BANK IN THE
INSURANCE BUSINESS WITH COERCIVE POWERS ASSOCIATED WITH LENDING
MONEY IS NOT IN THE PUBLIC INTEREST. THE INSURANCE ACTIVITIES
OF ANY BANK SHOULD BE LIMITED TO PROVIDING ONLY CREDIT LIFE

AND CREDIT ACCIDENT AND HEALTH, AND PROPER TESTS SHOULD BE PROVIDED
FOR DEFINING BANK-RELATED ACTIVITIES. HR 6778 ACCOMPLISHED
THIS. THE SENATE SHOULD BE PERMITTED TO PROCEED WITH DISPATCH
TO CONSIDER THIS BILL FAVORABLY

X COLLIER COUNTY ASSOC OF INSURANCE AGENTS NAPLES FLORIDA

33940 LEONARD H KING S D KOLIOPULOS VERN DUNCKLEE N P SLOAN

ROBERT T BENSON THOMAS V PORTER RICHARD W ROBINSON JAMES L

MARTIN ROY R FULLER HARRY W CLOUSER JR JOHN A SMITH HENRY

L CABALLERO JESS HOLBROOK RAE E HENDRIS WESLEY R ROSIER

BURTON C WALWORTH ROBERT T VEARLIS DANIEL J SHANNARDO RONALD

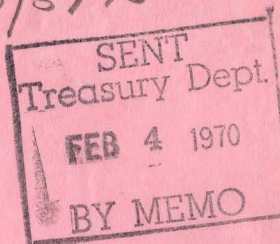
C MAY RICHARD J CLEMMER SR.

GENERAL

FI 2

PR 13/ST 15

The White House
Washington



1970 FEB 2 PM 4 38

WA401 AE (M SMA044) PDF

SIOUX CITY IOWA 2 1038A CST

THE PRESIDENT

THE WHITE HOUSE

DEAR SIR

REQUEST THAT YOU NOT HAVE ANY DELAY ON GETTING THE ONE-BANK

HOLDING COMPANY LEGISLATION ACTED UPON IN THE UNITED STATES

SENATE

VINCE MURRAY

PHIL FETT

RICHARD WATT

KARROLL KARSON

RALPH WATSON

MARGE MURRAY

LEONARD MOREY.

BROUGHT FORWARD

GENERAL

FI 2

Previously filed

2/4/70

Date

NAME *Robert W. Barker*

ORGANIZATION *One Bank Holding Co.*

EXECUTIVE

FI 2

New File Symbol

10/12/70

Date

FINAL ACTION *Referral to Treasury*

GENERAL

FI2

PR13/ST9

The White House
Washington

1970 JAN 31 PM 2 37

WC112 (A MZD004 GH) CB NL PDF

MIAMI FLO 29

SENT
Treasury Dept.
FEB 4 1970
BY MEMO

THE PRESIDENT

THE WHITE HOUSE

PERSONNEL OUR AGENCY VERY ALARMED AT NEWS PRESIDENCY PREPARING
RECOMMENDATION TO CONGRESS FOR DELAY ON CRITICAL BANK. HOLDING
COMPANY LEGISLATION ALREADY ACTED ON BY THE HOUSE. STOP ALL
OF US URGE YOUR STRONG SUPPORT OF PROMPT AND FINAL LEGISLATIVE
ACTION AS ORIGINALLY RECOMMENDED BY YOU AND BY THE FEDERAL
RESERVE CHAIRMAN, AUTHOR BURNS TO CLOSE MONOPOLISTIC ONE BANK

HOLDING COMPANIES LOOPHOLE EFFECTING INSURANCE AGENCIES

X PANTIN INSURANCE AGENCY MIAMI FLO MICAELA MARTINEZ LESLIE
V PANTIN VICTOR K PANTIN LESLIE PETER PANTIN ENRIQUE GALLARDO
MARIA LOPEZ REIMUNDO M DE CASERO OLGA GUERRA ILEANA SARDINAS
SYLVIA PEREZ ANA MARIA RODRIGUEZ NEIDH SLEITES EDITH DE VILLIAR
ILEANA RODRIGUEZ.

GENERAL

FI 2
PR 10

2

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The White House
Washington

1970 FEB 1 PM 4 45

SENT
Treasury Dept
FEB 4 1970
BY MEMO

WA308 (B MCA069) EE PDF

MANCHESTER NHAMP JAN 30 1226P EST

THE PRESIDENT

THE WHITE HOUSE

ON BEHALF OF THE MANCHESTER INDEPENDENT INSURANCE AGENTS ASSN
WE ARE AGAINST DELAYING ACTION ON HR-6778 PERMITTING ONE-BANK
HOLDING COMPANIES TO CONTINUE THEIR ACTIVITIES INTO NON-BANKING
ACTIVITIES. A CAREFUL STUDY OF THIS SITUATION BY MEMBERS OF
OUR ASSOCIATION WOULD LEAD US TO BELIEVE THAT OUR POSITION AS
LOCAL SMALL BUSINESSMEN WOULD BE SERIOUSLY IMPAIRED IF ACTION

ON THIS BILL IS NOT CONTINUED

R L ANDREWS AGENCY, R J BELANGER AGENCY, BURPEE GRIFFIN & PERKINS
INC, ROBERT D CAMPBELL AGENCY, JAMES S CAVANAUGH AGENCY,
ROGER F COTE AGENCY, FERDINANDO AGENCY, JOSEPH O FREMEAU
AGENCY, WILLIAM GAY AGENCY, GEORGE INS AGENCY, CHAS GORDON AGENCY,
GEO H GRIFFIN AGENCY, EARLE M JENKINS AGENCY, HERBERT
AGENCY, JOHN A KELL AGENCY, LANDREGAN & STONE INC, G J LANGLOIS
AGENCY, LOCKWOOD BODWELL & COVILL INC, MARCOTTE & PLOURDE AGENCIES
INC, MCCOWN AGENCY, L J MESSIER INC, NICHOLSON AGENCY, PARADIS
AGENCY, WM G PARKER CO, MRS JEANNE L PURRELL, ROUILLIER-NOVOSAD

41102
↑
AGENCY, JOHN A SHEEHAN, 2 GRIFFIN & BURNS INC, R G TESSIER AGENCY,
L CHANCE AGENCY.

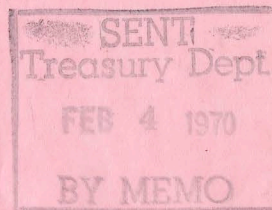
GENERAL

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PR 10

The White House
Washington

1970 JAN 31 PM 6 51



WA456 (A FJA455) AW NL PDB

FORT LAUDERDALE FLO 29

THE PRESIDENT

X
MUTUAL INSURANCE AGENTS ASSN

THE WHITE HOUSE

THE FUTURE LIVELIHOOD OF HUNDREDS OF THOUSANDS OF INDEPENDENT
INSURANCE AGENTS THROUGHOUT THE COUNTRY DEPEND UPON FINAL
ACTION TAKEN ON THE BANK HOLDING COMPANY BILL. WE RESPECTFULLY
ASK THAT ACTION BE NOT DELAYED BY CONGRESS. WE NOTE THAT THE HOUSE
PASSED IT WITH AN OVERWHELMING PLURALITY. BANKS OF ALL TYPES,
THROUGH ONE MEANS OR ANOTHER HAVE ALREADY EATEN INTO THE

PROFESSIONAL INSURANCE AGENTS' COMPENSATION. OUR ENTIRE INDUSTRY
HOPES YOU WILL NOT DELAY ACTION AS NEXT YEAR WILL PROBABLY BE
TOO LATE

MUTUAL INSURANCE AGENTS ASSOCIATION OF BROWARD COUNTY, FLORIDA
INC 533 NORTHEAST 3 AVE FORT LAUDERDALE FLA., JACK E BEERS,
JACK BERMAN, ROBERT T BERSELL, LOUIS A CHARNOW, WILLIAM E
PARKER, BYRON PATTON, GERALD TARDIFF, CHARLES W WATSON, SIDNEY
STENGEL, PHYLLIS STENGEL, SELWYN G WEINTRAUB, EARLE W PETERSON,
COMPASS SAVAGE INC., JOSEPH T DAVEY JR., KEN FOLEY, WILLIAM E
KING, JOHN G STEPHENSON, BILL BUSBY, JOHN W HOFER, JOSEPH KENIRY,

FRANK HAMMOND, J F GASSIE, JOHN H PATTON, CARL PETRIE,
IRVING LINDEN, WALTER WILCOX JR., TIM DAWKINS, RICHARD F HULL,
DAVE CARROLL, JACK BURNS, RALPH A BURNSTINE, MR GREYSTONE,
JERRY ROBERTS, DON KOVACS, ROBERT BOOKMAN, JIM BOYLE AND
JAMES SEUSS.

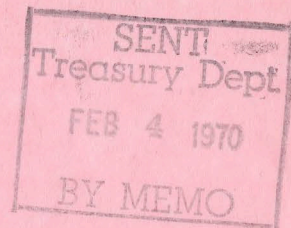
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PR 10

own

The White House
Washington

1970 JAN 31 PM 6 24



WA453 (PR LTA030) AW NL PD

LEWISTON IDA 29

THE PRESIDENT

^x
LEWISTON IDAHO ASSOCIATION OF INDEPENDENT INS. AGENTS

THE WHITE HOUSE

MR PRESIDENT: WE ARE ALL ALARMED OVER ANY DELAY IN CLOSING ONE BANK
HOLDING COMPANY LOOPHOLE. WE ASK YOUR VIGOROUS SUPPORT OF PROMPT
AND FINAL LEGISLATIVE RESOLUTION THIS YEAR OF THE BANK HOLDING
COMPANY REGULATORY PROBLEM, HR 6778, AS RECOMMENDED AT THE
BEGINNING OF THE 91ST CONGRESS AND BY FEDERAL RESERVE CHAIRMAN
BURNS. YOUR SUPPORT WOULD BE VERY MUCH APPRECIATED

LEWISTON IDAHO ASSOCIATION OF INDEPENDENT INSURANCE AGENTS
108 9 ST LEWISTON, IDA., FRANK W SULLIVAN, BETTY STODDARD, DEE
SULLIVAN, PAT JOHNSON, JACKIE PETERSON, ARLENE LEFEBRE, ARLENE
LEFEBRE, EDWARD TURNER, HARRY SULLIVAN, LEE MARTIN, PAT BACON,
MAC LIPPS, AMELIA JACKS, MEREL STONEBRAKER, KEITH STONEBRAKER
PHILLIP STONEBRAKER, WILLIAM TOTTEN, DELPHINE ELGEE, MARION
HAMILTON, VERN ROGNSTAD, ROSE ROGNSTAD, WALT DURLAND, CHERRIE
HILDRETH, HAROLD VAUGHN, QUENTIN VAUGHN, NORA RAE LANCE, DONALD
ADAMS, EDDIE SAXTON, IMOGENE WARREN, MILDRED HALL, BILL
BLACKBURN, MARY REMER, DAVE TROY, DOROTHY MARTIN, RALPH NASER,

41042

↑

FRANCES NASER, CARL HUNDRUP, JEAN SAMSEL, LESTER SAMSEL,
RICHARD LAW, ANN LAW, BRYAN BUNDY, EDWARD KELLER, LESTER
VONBARGEN, DOROTHY BECK, ESTHER PELTON, ROBERT WHITE, JOHN
WHITE, GLENN MCKAY, ORA RAWLEY, NANCY BLASKO, HARVEY BOESEN,
WILLIAM BIEGERT, HAROLD OUGHNEY, NAOMI STEVENS, JACK WOODS, RICHARD
WOODS, CHARLES WOODS AND EARL WOODS.

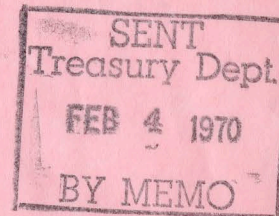
GENERAL

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PR 10

The White House
Washington

1970 JAN 31 PM 4 43



WA431 (K CGA212) AW NL PDF

COLORADO SPRINGS COLO 28

THE PRESIDENT

THE WHITE HOUSE

WE THE MEMBERS OF THE COLORADO SPRINGS INSURORS ASC ARE IN
UNANIMOUS ACCORD WITH YOUR PRE-SESSION RECOMMENDATION AND THAT
OF FEDERAL RESERVE CHAIRMAN BURNS TO CLOSE THE LOOPHOLE ENJOYED
BY ONE BANK HOLDING COMPANIES. EACH OF US VIEW WITH DIRE APPREHENSION
THE POSSIBILITIES THAT YOUR RECOMMENDED LEGISLATION WILL NOT
REACH FINAL RESOLUTION DURING THE CURRENT SESSION STOP WE NOW

URGE YOUR IMMEDIATE AND ENERGETIC INFLUENCE TO RESOLVE BANK
HOLDING COMPANY LEGISLATION DURING THIS CONGRESSIONAL SESSION
IN ACCORDANCE WITH YOUR PRIOR RECOMMENDATION

BAKER REALTY, SAM JONES AGENCY, JOHN BRINK INSURORS, CALDWELL-
THATCHER, GEORGE CLAMP INS., COLORADO INVESTMENT CO., FIRST
FEDERAL SAVINGS AND LOAN, FOSTER FRITCHIE INS., WALT HILLIS INS.,
CHARLES HOPKINS INS., IVES INS., LARSON AGENCY, MAY INS.,
MORTGAGE INVESTMENT, PADGETT AGENCY, PRICE AND MCDONALD INS., SECURITY
SAVINGS AND LOAN, CLYDE SIRLES INS., SMARTT-INGALS INS., MERLYN
SMITH INS., CHET STEWART INS., SHEPHERD REALTY, SUN REALTY,

TOLLEY INS., DON BREEN AGENCY, WALKER INS., WILLIS AGENCY,
NEIL ERL AGENCY, R L DOSTAL INS., MAX GRINDLE INS., SECURITIES
INS., ALPHA INS AGENCY, MOUNTAIN VALLEY INS AND HOWARD C
WILSON AGENCY.



GRAYSON

COUNTY

State Bank

SHERMAN, TEXAS

February 5, 1970

FEB 9 1970

GENERAL

FI 9

FI 2

Mr. Darryl Francis, President
Federal Reserve Bank
St. Louis, Missouri

Charles A. Spears

Dear Mr. Francis:

Not since the necromancers and the alchemists of the 16th century--has there been a greater madness than our archaic 1914 system of Federal Reserve--in a time which is otherwise a satellite-computer age. For God's sake why can't you now at this late date conceive of increasing the supply as a solution rather than continuation of a 56-year negativism of trying to beat down the demand.

Science has given us at long last (since 1950) the opportunity of surplus economics--but you great "new-new" monetarists still insist on the old economics. The present money panic is renewing a philosophy (or a conspiracy) that makes each generation of inheritors more wealthy by bankrupting the little people. The wage earners now have less purchasing power than they had four years ago.

Dear Darryl, lets now read six cases by the numbers against you:

1. Japanese banks can make more loans for production than they have deposits by discounting at a central government owned bank started in 1870. They exceeded West Germany last year in Gross National Product and will exceed the U.S.A. in per capita product by 1978. Our growth is zero, their real growth is 10%.
2. The science of production has brought down agricultural prices 300% since 1918 while everything else soared because of production for non-use--i.e. militarism.

cc/

February 6, 1970

Dear Mr. Singbush:

The President has asked me to reply to your recent letter regarding one bank holding companies.

I can assure you that President Nixon shares your concern regarding the proper function of one bank holding companies and, indeed, legislation has been submitted to Congress and is presently pending before the Senate. In this process, I can assure you that your recommendations will be carefully considered as the bill moves toward enactment.

With President Nixon's best wishes, I am

Sincerely,

Harry S. Dent
Special Counsel to the President

x
Mr. Ralph Singbush, Jr.
State Committeeman, Marion County
Fourth District Vice Chairman
Republican State Executive Committee
of Florida
Post Office Box 1000
Ocala, Florida 32670
6

x Fla.

JAGLeason:cd

RECEIVED
FEB 9 1970
CENTRAL FILES



Republican State
Executive Committee
of Florida

Duke Crittenden, Chairman

Ralph Singbush, Jr.
State Committeeman, Marion County
Fourth District Vice Chairman

President Richard M. Nixon
The Whitehouse
Pennsylvania Avenue
Washington, D. C. 20004

Dear Mr. President:

HD
It is well known throughout my Congressional District that I was your floor leader of the Florida Delegation at the convention in Miami in addition to my co-ordinating roll in my district for your election and because of this, I have recently been contacted by a large proportion of the insurance community relative to their conviction that it would not be in the people's best interest to permit one-bank holding companies to enter the insurance agency business.

I agree with their convictions and respectfully request your support of prompt and final legislative resolution this year of the bank holding regulatory problem in accordance with your recommendation to the 91st Congress. Thank you.

Very truly yours,

Ralph Singbush, Jr.
State Committeeman, Marion County
Fourth District Vice Chairman

January 29, 1970

RS:fm

cc George F. Mangan, President
G. S. Scott & Son

③
↑
GENERAL

FI2

BE4-3

PR13/ST9

ff
The White House
Washington
1970 FEB 5 AM 2 25

SENT
Treasury Dept.
FEB 6 1970
BY MEMO
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WA032 (A MZM211) MS PD

MIAMI FLO 4 211P EST

THE PRESIDENT

THE WHITE HOUSE

WE EARNESTLY PETITION THE PRESIDENT'S VIGOROUS SUPPORT OF PROMPT
AND FINAL LEGISLATIVE ACTION DESIGNED TO CLOSE REGULATORY LOOPHOLES
3 WHICH PERMIT BIG BANKS TO CONTINUE THEIR RELENTLESS AND ECONOMICALLY
DANGEROUS INTRUSION INTO THE FIELD OF SMALL BUSINESS.

X ATLAS GENERAL AGENCY

2 D CARNENENTE

RECEIVED
FEB 6 1970
CENTRAL FILE

JOHN T DAWKINS

PAUL T JENSEN

LEONARD RICARDS

CLIFFORD SNART

V GROS00

CAROL CHILDERS

M FIENSTEIN

M LOPEZ

Z DECHARD

RITA VAZQUEZ

KAREN MOREE

P RUGGIERO

C WICHBORDT.

100110

GENERAL
FI 2

8



The White House
Washington

1970 FEB 5 PM 9 00

SENT
Treasury, Dept
FEB 7 1970
BY MEMO

WA534 (CT KVA114) MS PD

KNOXVILLE TENN 5 NPT

THE PRESIDENT

THE WHITE HOUSE

DEAR MR PRESIDENT WE URGE YOU TO PROMPTLY RESOLVE THE PENDING
QUESTION REGARDING THE BANK HOLDING COMPANY REGULATIONS ANY DELAY
WOULD CERTAINLY FURTHER COMPLICATE THE PROBLEM VERY TRULY YOURS
M F^XLENNIKEN AND CO R R^XSCOTT J D^XCLEMENTS R L^XOAKS JOE BEN^XTURNER
JERRY^XPRESSLEY D M^XSMITH J H^XHAMNER.

February 7, 1970

Dear Nelson:

Thank you very much for your letter of January 15. It was good to hear from you.

The restriction placed on out-of-state advertising of certificate accounts was a temporary expedient related to a rate change made to reduce savings losses in three states. The Federal Home Loan Bank Board carefully pondered the desirability of such a restriction and concluded that the undesirable consequences of failing to insulate the higher rate structure in Massachusetts, California, and Nevada from other states would exacerbate an already stringent capital shortage in those other states. Since the authority to issue such certificates has now been modified via a nationwide rate increase, and the advertising restriction lifted, there is no longer any problem along these lines.

Thanks for writing. With best wishes,

Sincerely,

Herbert G. Klein
Director of Communications
for the Executive Branch

x
Mr. Nelson Roberts, Jr.
Nelson Roberts *Division*
4311 Wilshire Boulevard
Los Angeles, California 90005

HGK:RCO:jj

RECEIVED
FEB 10 1970
CENTRAL FILES

THE WHITE HOUSE OFFICE

REFERRAL

To: Dr. Preston Martin, Chairman
Federal Home Loan Bank Board

Date: 1/28/70

ACTION REQUESTED

- ☒ Draft reply for: Mr. Klein
☐ President's signature.
☐ Undersigned's signature.

☐ Memorandum for use as enclosure to reply.

☐ Direct reply.
☐ Furnish information copy.

☐ Suitable acknowledgment or other appropriate handling.
☐ Furnish copy of reply, if any.

☐ For your information.

☐ For comment.

NOTE

Prompt action is essential.

If more than 48 hours' delay is encountered, please telephone the undersigned immediately, Code 1450.

Basic correspondence should be returned when draft reply, memorandum, or comment is requested.

REMARKS:

Would you give us some guidance in answering this letter and perhaps suggest a response?

Thank you.

Description:

☒ Letter: ☐ Telegram: ☐ Other:
To: Mr. Herbert G. Klein
From: Nelson Roberts, Jr.
Date: 1/14/70
Subject: Worried over government's ban on loan associations advertising.

By direction of the President:

ROBERT C. ODLE, JR.
Staff Assistant to the Director
of Communications for the
Executive Branch

RECEIVED
JAN 30 1970
CENTRAL FILES

nr
NELSON ROBERTS

JAN 16 1970

Director of Communications

HGK.-----

PWC.-----

HLT.-----

DIVISION OF MOLONEY, REGAN & SCHMITT • NEWSPAPER REPRESENTATIVES
4311 Wilshire Blvd., Los Angeles, California 90005

January 14, 1970

Mr. Herbert Klein
Director of Communications
The White House
Washington, D. C.

Dear Herb:

It has been some time since we have had the opportunity to talk, and I will say that your presence in California has been missed.

I don't believe in all my years in the newspaper business I have ever written a "Letter to the Editor", but I am going to impose myself on you and write a letter to an ex-editor on a matter on which I have strong feelings.

Attached to this letter are some clippings from the December 29, 1969 and January 5, 1970 Advertising Age magazine which I feel probably present the story much better than I can regarding what I feel is a very serious restraint on the freedom of advertising and advertisers.

I would appreciate it if you would take some time to review these clippings and familiarize yourself with the subject under discussion. I am not going to ask you to do anything, other than just to be aware of the alarm with which I view this, as do many others in my profession; the end result of what I consider an arbitrary ruling.

I know you are busy, so I won't take much of your time, as I hope that sometime in the near future our paths will cross again.

Sincerely, though, we are behind you and I know you can count on us at any time.

Sincerely
NELSON ROBERTS DIVISION
Los Angeles Office

Nelson Roberts, Jr.
NELSON ROBERTS, JR.

NR:lgH

LOS ANGELES SAN FRANCISCO PORTLAND SEATTLE DENVER OMAHA KANSAS CITY
DALLAS ATLANTA CHICAGO DETROIT NEW YORK MINNEAPOLIS ST. LOUIS

⑤
GENERAL

FI 2

F&112

February 11, 1970

F&6-11-1/Krogh, Egil

ffcl
Mr. Clayton D. Ford, Director
School of Government
Principia College
Elsah, Illinois 62028

Dear Clayton,

Sorry I missed you at Christmas time, but hope we can connect in March.

We have now set up a 1 1/2 hour or so briefing session for the Principia group for 2 o'clock, March 20, 1970 in the Board Room on the 11th floor (Room 1141) of the Eximbank at 811 Vermont Avenue in Washington.

I will be in Europe during the early March period, but hope to be back by that time. In any case, Mr. Gil Lochrie of the Bank will be your contact man and will be in direct charge of setting up the meeting.

Meantime, under separate cover, we are sending to you 10 copies of the Bank's annual report, plus some other data which will be helpful in your preparations for the conference at the Bank.

Kindest Regards,

George J. Dietz
Vice President

GJD:cb

bcc: Mr. E. Krogh, White House
Mr. G. Lochrie, Eximbank
Files

RECEIVED

FEB 17 1970

CENTRAL FILES

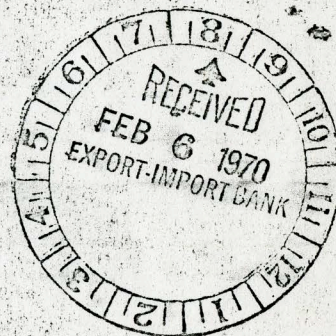
PRINCIPIA COLLEGE

ELSAH, ILLINOIS
62028

A unit of
The PRINCIPIA
Saint Louis
Missouri

Mr. Lochrie
*Bill can we discuss
this*
Office of
School of Government

February 4, 1970



MM
Mr. George J. Dietz
Vice President for Project Development
Export-Import Bank of the United States
811 Vermont Avenue, N. W.
Washington, D. C. 20571

Dear George:

When I was in Washington just before Christmas, I was so busy arranging interviews that I neglected to call you. I wish you would, if you could, set up as you did once before when you were with the Farm Bureau, a session for our Washington Seminar. This year we are bringing a group of about fifteen students and four faculty. We hope to have a group from the Bank who would not just tell us about the structure and function of the Bank, but would be willing to answer intelligent questions by a group of young political scientists who are knowledgeable about your institution and its functions.

We will be in Washington between the 15th to the 22nd of March. If you could let me know as soon as possible, if such an event could be scheduled and the time it would be great. We hope to have these events in the mornings and afternoons and in some instances in the evening.

Anything you can do will be very greatly appreciated.

Sincerely,

Clayton D. Ford, Director
School of Government

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①
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SENT
Treasury Dept

FEB 12 1970

BY MEMO

THE PRESIDENT

THE WHITE HOUSE

WE EARNESTLY ASK FOR YOUR VIGOROUS SUPPORT OF PROMPT AND FINAL
LEGISLATIVE RESOLUTION OF THE BANK HOLDING COMPANY REGULATORY
PROBLEM... OTHERWISE IT WILL BE OPEN SEASON FOR BIG BANK HOLDING
COMPANIES ON INSURANCE AGENCIES

JAMES D COLLIER JR, JOHN S COLLIER, W S KINZEL, FRED M

BENNETT, JULIA BAKER, JANICE BOHANNON, LOIS C FOLKS, FRANCES

HILL, FAYE B MORRIS, SYLVIA SNIDER, BARBARA SNOW,
1492 MADISON AVE MEMPHIS TENNESSEE.

cf/mb

The White House
Washington

SENT
Treasury Dept.

FEB 12 1970

BY MEMO

GENERAL

F12
PA13/ST31

1970 FEB 10 AM 11-45

WA759 (K COA038) EB NL PD

CLOVIS NMEX FEB 9

THE PRESIDENT

THE WHITE HOUSE

MR PRESIDENT: WE THE UNDERSIGNED MEMBERS OF THE CLOVIS, NEW
MEXICO ASSOCIATION OF INDEPENDENT INSURANCE AGENTS URGE YOU
TO SPEED INTO LAW HR6778 SO AS TO PRESERVE OUR LOCAL BUSINESS
AND BE ABLE TO SERVE OUR LOCAL CUSTOMERS. BANKS AND BANK HOLDING
COMPANIES DO NOT BELONG IN THE INSURANCE BUSINESS

JACK VAUGHN AGENCY BURNS AGENCY FITZHUGH MALLOW AND ORMON

LEON WOMACK AGENCY CAL BLOCHBERGER AGENCY GILMER INSURANCE
AGENCY HUDNALL AND SIEREN AGENCY SMITH DURHAM AGENCY
FRED MCGINNIS CO.

THE WHITE HOUSE OFFICE

REFERRAL

GENERAL
FL 8
FL 2

To: Chairman
Council of Economic Advisers

Date: February 26, 1970

ACTION REQUESTED

- ☐ Draft reply for:
☐ President's signature.
☐ Undersigned's signature.
- ☐ Memorandum for use as enclosure to reply.
- ☐ Direct reply.
☐ Furnish information copy.
- ☒ Suitable acknowledgment or other appropriate handling.
☐ Furnish copy of reply, if any.
- ☐ For your information.
- ☐ For comment.

NOTE

Prompt action is essential.

If more than 48 hours' delay is encountered, please telephone the undersigned immediately, Code 1450.

Basic correspondence should be returned when draft reply, memorandum, or comment is requested.

REMARKS:

Description:

Letter: ☒ Telegram: Other:

To: The President

From: Norman D. ^xDenny, President, Lincoln National Bank, Philadelphia, Penna.

Date: 2/25/70

Subject: Informs will lower interest rate to 8% effective March 1st for prime customers in effort stabilize confidence of business community.

By direction of the President:

RECEIVED
FEB 27 1970
CENTRAL FILES

Noble M. Melencamp
Staff Assistant
to the President

rah

(White House File Copy)

28

GENERAL

FT 2
3720

(5)

THE WHITE HOUSE OFFICE

REFERRAL

To: The Chairman
Federal Home Loan Bank Board
Attn: Federal Savings & Loan Insurance Corp.

Date: February 26, 1970

ACTION REQUESTED

- ☐ Draft reply for:
☐ President's signature.
☐ Undersigned's signature.
- ☐ Memorandum for use as enclosure to reply.
- ☐ Direct reply.
☐ Furnish information copy.
- ☒ Suitable acknowledgment or other appropriate handling.
☐ Furnish copy of reply, if any.
- ☐ For your information.
- ☐ For comment.

NOTE

Prompt action is essential.

If more than 48 hours' delay is encountered, please telephone the undersigned immediately, Code 1450.

Basic correspondence should be returned when draft reply, memorandum, or comment is requested.

REMARKS:

Description:

☒ Letter: ☐ Telegram; Other: ☐

To: Mrs. Nixon X

From: Mr. Stephen Teleki, 2446 Fillmore Street, Hollywood, Florida 33020

Date: PM 1/27/70

Subject: The failure of two Savings and Loan Associations chartered by the State of Maryland.

2

By direction of the President:

Noble M. Melencamp
Staff Assistant
to the President

RECEIVED
FEB 28 1970
CENTRAL FILES



FEDERAL DEPOSIT INSURANCE CORPORATION, Washington, D.C. 20429

OFFICE OF CHIEF • DIVISION OF LIQUIDATION

February 24, 1970

Mr. Noble M. Melencamp
Staff Assistant to the President
The White House
Washington, D. C. 20500

Dear Mr. Melencamp:

Subject: Correspondence From
Mr. Stephen Teleki
2446 Fillmore Street
Hollywood, Florida 33020

We are in receipt of a letter, with attachments, from Mr. Stephen Teleki addressed to Mrs. Nixon which has been transmitted from your office to the Federal Deposit Insurance Corporation for our attention.

It is our understanding that the institutions which Mr. Teleki refers to as "banks" were actually Savings and Loan Associations chartered by the State of Maryland whose accounts were not insured by any Federal Agency. The Savings and Loan Associations were located in Baltimore and Elkton, Maryland, and were closed in 1962.

We believe that the Federal Savings and Loan Insurance Corporation may have information concerning the two institutions and could advise Mr. Teleki as to the proper department in the State of Maryland that he can contact. Accordingly, we are returning the letter and attachments to you.

Sincerely,

A handwritten signature in blue ink, reading "John J. Slocum", is written over the typed name and title.

John J. Slocum, Chief
Division of Liquidation

Enclosures (4)

Dear ~~MR.~~ MRS. NIXON. TIS WHAT I SENT OUT TO WELL KNOWN CITIZENS.

As you read this letter that I sent to the President you will know what kind of a law we have concerning this matter in this country. Through the years a good many millions of dollars are enjoyed by the crooked law makers and crooked lawyers and the President will do nothing about it.

Because these banks were not insured by the Government they claim that this is a State affair. This is not a State affair when millions of people throughout the country lose their life savings through crooked laws. I read years ago, that each year in this country on an average of ten to fifteen banks go under that were not insured by the Government, so you can imagine how many unfortunate people's life savings are enjoyed by the crooked lawyers and politicians.

These past years I have tried to do something about this law but no one will discuss this matter. The only laws they make as you know are full of loopholes. I went to the newspapers such as the New York Times and others, they do not want to put this in the papers.

I can not fight this crooked law alone and am doing it in this way so as to let a good many citizens know what kind of justice we have. In turn I hope you will show this letter to as many people as you can so they know what unjust laws we have in this country and to let the President know.

I would appreciate hearing from you.

Sincerely yours,

Stephen Teleki

PARADE'S SPECIAL

INTELL

EDITED

by LLOYD SHEARER

BECAUSE OF VOLUME

CHARITY BEGINS AT HOME

takes good care of itself. This year its members raised their own salaries from \$30,000 a year to \$42,500. In addition, they voted an extremely generous retirement plan for federal employees, themselves included.

A typical federal employee with 32 years of service can now retire with 80 percent of his top salary. For Congressmen this means \$34,000 per year.

The
U.S.
Con-
gress

tire at age 50 with half pay after 20 years of service. If the consumer price index rises 3 percent and stays that way three months in a row, they and other federal retirees receive a 3 percent increase in retirement benefits, plus an additional 1 percent to take care of the time lag.

Working for members of Congress is also a good thing. A Senator may pay his number-one aide \$31,317 per year and two other assistants \$30,000 each. A Representative's chief aide

2446 Fillmore Street
Hollywood, Florida 33020

November 21, 1969

The White House
Washington, D.C.

Dear Mr. President:

I wrote you a letter a while back, but I know you never saw my letter. Whoever reads this letter had better give it to the President. He shall be responsible as to what I am going to do if I do not get Justice.

I am not going to let rotten crooked lawyer and politicians enjoy half of my life's savings. I am retired and I need the money. In 1962, two banks went into receivership in the State of Maryland, one in Elkton and the other in Baltimore. Both banks had the same receiver- Mr. Wolf, Jr., Baltimore, Maryland. I want to take this crooked lawyer to Justice- and I can prove it; but I can not get a lawyer because I am after this rotten crooked law.

In the Elkton Bank the Government closed it because business was done through the mail. The man went to jail because of mail fraud. The Bank deposit was \$1,450,000.00- it was all good. I received a letter saying they were looking for banks to take it over. About two weeks later I received a letter saying that they decided that best for all around was to liquidate- from this bank I received \$3,247.83 out of my deposit of \$7,186.00. From the bank in Baltimore I received \$2,544.00 out of my deposit of \$7,482.21. You see Mr. President, this rotten crooked law just gives it to the lawyer. I was told by a honest lawyer that most of this money is eaten up by the politicians at election time.

My Congressman the Honorable Mr. Burke refused to see me on this matter. I also went to see others and got the same treatment- telling me that this is a State Affair. This is not a State Affair when unfortunate people's life savings is eaten up by the crooked lawyer and politicians. I also wrote a letter to the Attorney General Mitchell and stated my case, he is not even man enough to answer my letter. He sent it to the F.D.C. to answer it. Also, I wrote to the Supreme Court Justice Burger, he did not answer, but his Clerk answered my letter. Only thing he is good for is to uphold rotten crooked laws.

If I do not get Justice inside of two weeks- I am going to send a copy of this letter to every well known citizen, every well known college and commentators- I have a few dollars left before the Government takes it in taxes- I shall put it in good use. I want my money from this crooked Receiver.

The Law should read- When a Bank fails and not insured by the Government- the person that is head of the Bank and one man appointed by the State- should liquidate the assests. It took seven years to liquidate and the lawyer gets 10% of the amount. I want a honest law and I want my money.

Very truly yours,

Stephen Teliker

The President is grateful for your thoughts on liquidations and has directed that they be brought to the attention of the Federal Home Loan Bank Borad, which directs the operations of FSLIC.

With the President's best wishes,

Sincerely,

Noble M. Melencamp
Noble M. Melencamp
Staff Assistant
to the President

Mr. Stephen Teleki
2446 Fillmore Street
Hollywood, Florida 33020

December 24, 1969

Dear Mr. Melencamp:

You think only politicians have brains because they make these rotten crooked laws and through these laws enjoy the fruits with crooked lawyers. I am going to fight for a honest law in regards to this matter until I only have a dollar left in my pocket. This is the United States and not the free states of rotten crooked politicians and lawyers. (Or is it?) The answer to my letter was written to a dummy but not to me, for all the information that was in the letter I know about. It does not take years to liquidate money in a bank; it takes less then a year. I read where other banks failed, the depositors got half of their money and then went into receivership.

I just cannot emphasize strongly enough my story to the President that half of my life's savings is not going to be enjoyed by these lawyers and politicians who are protected by the unjust State laws. Again I write, that I want my money returned and this crooked law to come to an end.

Very truly yours,
Stephen Teleki

P.S. Show this reply to the President....

February 26, 1970

Dear Mr. Costiglio:

The President has asked me to thank you for your letter of February seventeenth transmitting the report of the New York State Savings Banks Association.

The Association's achievements are indeed impressive and I am keeping your report on hand for reference on relevant questions before the Council for Urban Affairs.

Sincerely,

John R. Price
Executive Secretary
Council for Urban Affairs

X
Mr. Lawrence U. Costiglio
Vice President
Savings Banks Association of
New York State
200 Park Avenue,
New York, New York 10017

JRP: cm
cc: central files

/

RECEIVED
FEB 27 1970
CENTRAL FILES

15

SAVINGS BANKS ASSOCIATION
OF NEW YORK STATE

200 PARK AVENUE · NEW YORK, N.Y. 10017

LAWRENCE U. COSTIGLIO
VICE PRESIDENT

February 17, 1970

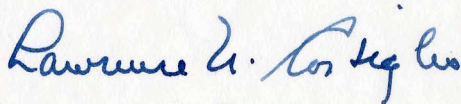
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Dear Mr. President:

Members of the New York State Legislature have been expressing strong interest in the urban affairs program of the savings banks, along with other government officials. In response we have prepared this report illustrating what savings banks are doing in cooperation with community leaders, government officials, and interested civic groups.

These accomplishments are a beginning, and we are confident that we shall be able to do even more with the support of government and the community.

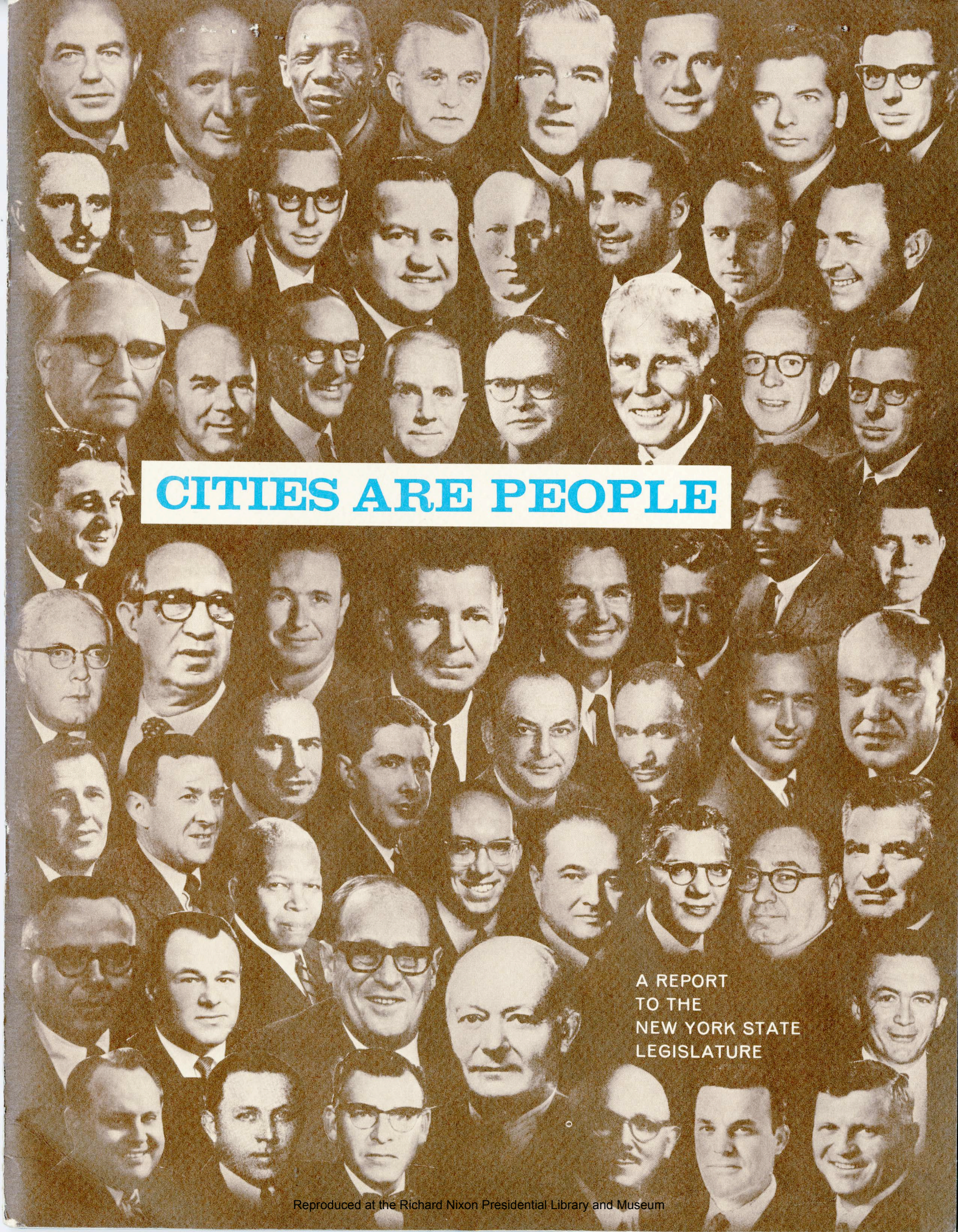
Sincerely,



Lawrence U. Costiglio

LUC:erm

The Honorable Richard M. Nixon
President of the United States
The White House
Washington, D.C.



CITIES ARE PEOPLE

A REPORT
TO THE
NEW YORK STATE
LEGISLATURE

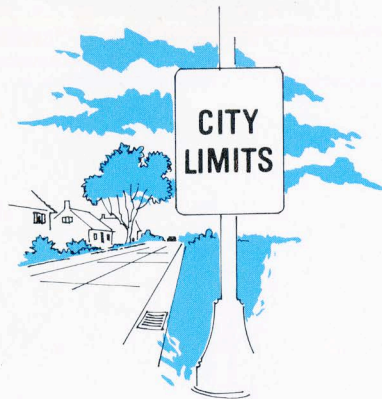


CITIES ARE PEOPLE
AND
SAVINGS BANKS
ARE
PEOPLE BANKS



SAVINGS BANKS ASSOCIATION
OF NEW YORK STATE

FEBRUARY 1970



This report highlights what savings banks have done in New York State, in just two years, to help rebuild and revitalize our cities.

The savings banks have zeroed in on housing — comfortable, modern housing for low and moderate income families — because that's what we know most about. So there's a lot in this report about housing.

But people, and cities, need more. Community facilities, for example. And so they're here too.

And everything you see in this report is real. Every building has been built, is being built, or is about to get started.

The savings bank money is on the line.

There are no idle dreams or empty promises pictured here.

Dreams, yes. But dreams that have come true.
Promises fulfilled.

In 1967, the New York State savings banks were the first banking group anywhere to set up an urban affairs program.

Since then, we've invested or committed over \$180,000,000 in low and moderate income housing in the state.

We had to find out how to do it.

We put money and people to work.

We set up an urban affairs committee of savings bankers. We appointed a staff director of urban affairs.

We used our statewide savings bank system, figuring there were things that one savings bank perhaps couldn't handle by itself — but that two or more could, and would.

And that's how it began to work.

You'll see here projects financed by savings banks in different ways. Usually with government help, sometimes without it.

We don't have all the answers. But we have some — and we're going to find all we can.

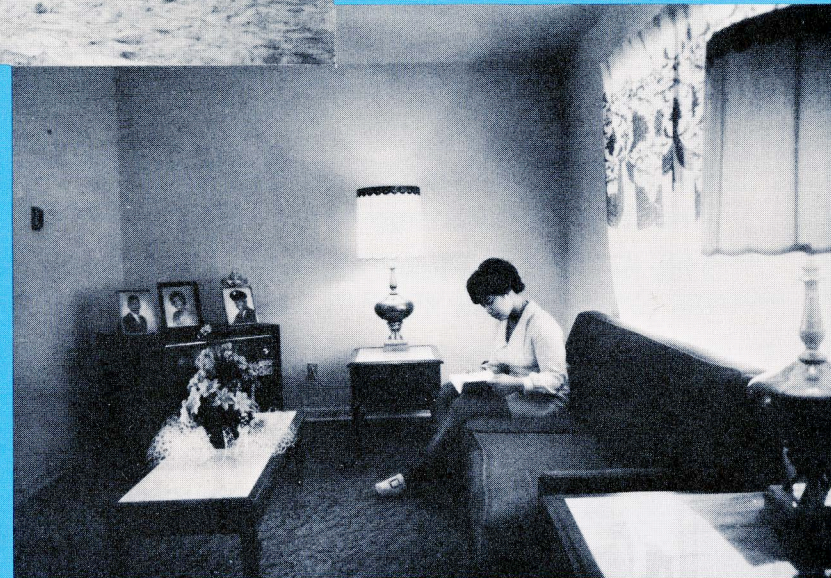
We don't pretend that the job is done. But jobs don't get done unless somebody starts them. And the New York State savings banks have started.

This report shows how. And where. And for whom — the people of New York State.

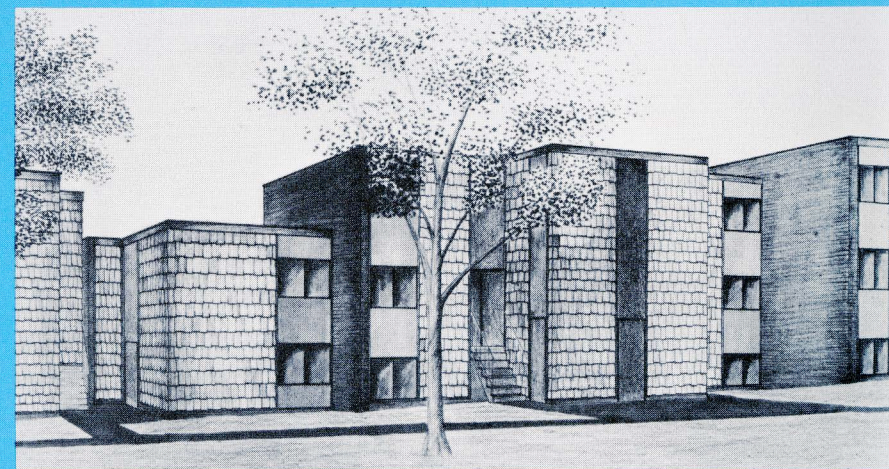




757 South Pearl Street



38-40 State Street



Penn Central right of way, North Pearl Street, Livingston Avenue and Lark Street

FAITH, HOPE AND CONSTRUCTION MONEY

Christmas was brightened for families from Albany's run-down South End who moved into the first new homes in the Inter-Faith housing project. Churches, working with community leaders, are providing homes at modest cost.

The Academy of the Sacred Heart donated a site. The five Albany savings banks provided construction money. Soon, 164 families will enjoy new homes, modern kitchens and appliances, landscaped gardens, low carrying costs . . . and ownership for as little as \$200 down.

Savings banks also joined to finance rebuilding of the old Hampton Hotel into 101 modern apartments for older people, to be offered at low rentals by the municipal housing authority. And the property stays on the tax rolls.

On a larger scale, a \$4.75 million non-profit housing project has begun in Albany. 263 moderate-income apartments are being built by All Saints Episcopal Cathedral and Morning Star Baptist Church. Local savings banks joined with other institutions in the construction financing.

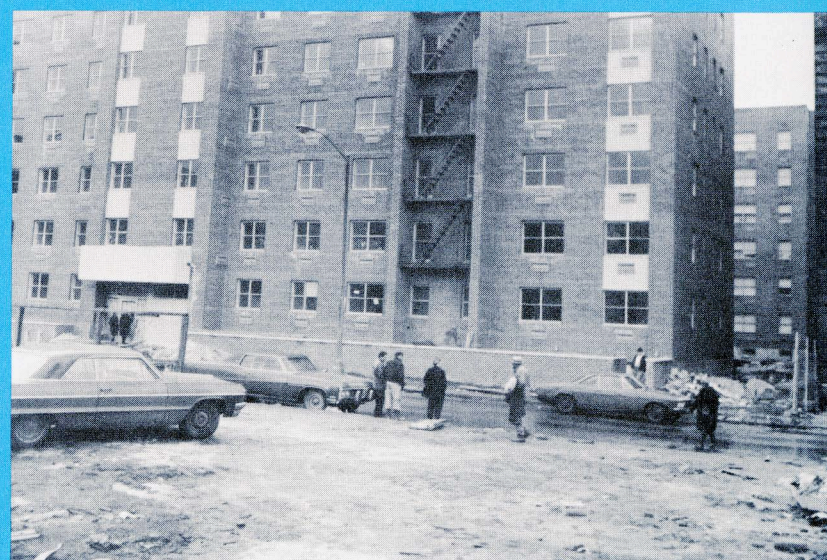
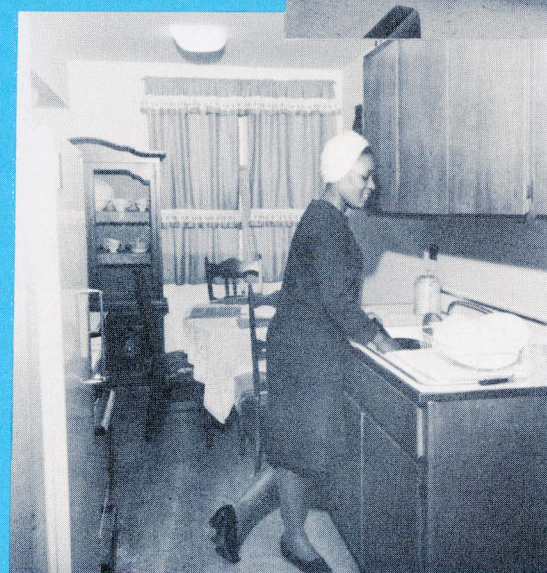
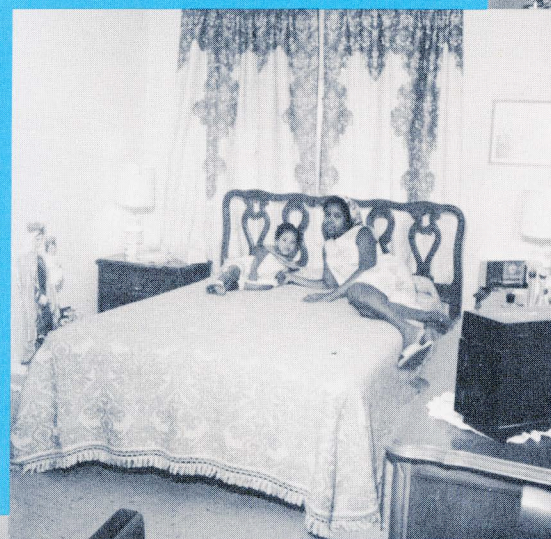
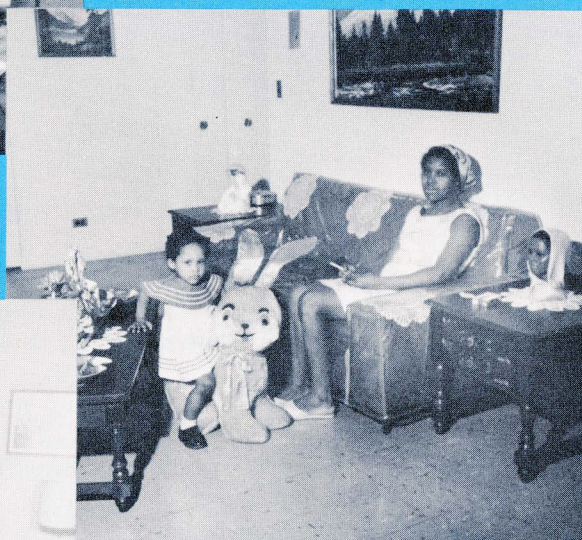


FINANCED BY THE SAVINGS BANKS OF THE ALBANY AREA





130 East 123rd Street, New York City



115 East 122nd Street, New York City

HARLEM

TWO HOUSEWIVES IN HARLEM

Mrs. Mary Iemma and Mrs. Margaret Jenkins are the founders and guiding spirits of UPACA, the Upper Park Avenue Community Association. They're working to transform their own neighborhood — 116th to 125th Street, between Park and Lexington Avenues, in Harlem — into a new community for their neighbors. Working with them are two New York City savings banks.

UPACA Gardens, on 122nd and 123rd Streets, is public housing with a difference. The two 6-story buildings, with 48 apartments each, were built by a development corporation formed by the two banks, then sold to the City Housing Authority. People are already living in one building. The other will be finished soon.

Best of all, the two Harlem housewives have helped with the planning from the start. They're making sure that UPACA Gardens — and the other UPACA projects the savings banks are financing — are what the people of the community need, want and will enjoy.



FINANCED BY TWO NEW YORK CITY SAVINGS BANKS



FOR 100 FAMILIES ST. LUCY'S MEANS HOME

To the people along 104th Street in East Harlem, "St. Lucy's" has for many years meant their local Roman Catholic church.

But soon, to 100 families with low to moderate incomes, St. Lucy's will mean home. Because the church, joining with community leaders, formed a non-profit corporation, to sponsor St. Lucy's Apartments.

These are two six-story buildings, extending from 104th through to 103rd Street, between First and Second Avenues, with a courtyard between. The apartments will range from efficiencies to two-bedroom units.

The builder is a housing development corporation formed by two savings banks, which were able to enter the housing construction field as a result of New York State legislation authorizing savings banks to invest in housing.

When St. Lucy's Apartments are finished this year, the sponsor will assume ownership and operation, with a 40-year mortgage at below-market interest rates, under provisions of the National Housing Act.

330 East 104th Street, New York City



FINANCED BY TWO NEW YORK CITY SAVINGS BANKS



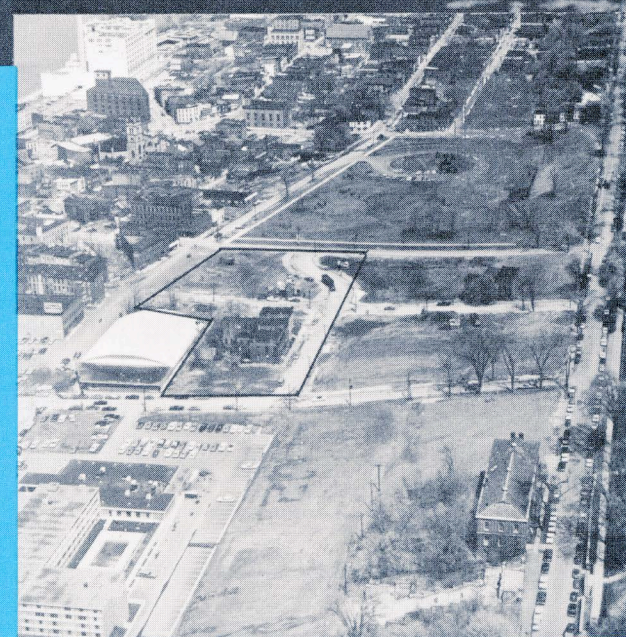
TROY

TWIN TOWERS IN A GARDEN SETTING

Two eight-story buildings, each with 67 new, modern apartments, on landscaped, garden-like grounds . . . that's Troy Towers. Modern apartment homes for 134 families with moderate incomes — above the income limits for public housing, but below those needed for the ordinary rental market.

Nobody here will pay more than 25% of his income in rent . . . and up to 20% of the apartments may qualify for rent supplements so that people with low incomes can live in Troy Towers too. In all-electric comfort — with individually controlled electric heat, and range, refrigerator, exhaust fan and disposal unit.

Savings banks in the Troy-Schenectady-Albany area are financing 90% of the estimated \$2,700,000 cost of Troy Towers. The sponsor is a major upstate utility company. The U.S. Housing and Development Act of 1968 makes it all possible.



Sixth Avenue bet. Fulton and Federal Streets

FINANCED BY THE AREA SAVINGS BANKS



POUGHKEEPSIE

A VIEW FROM EVERY WINDOW

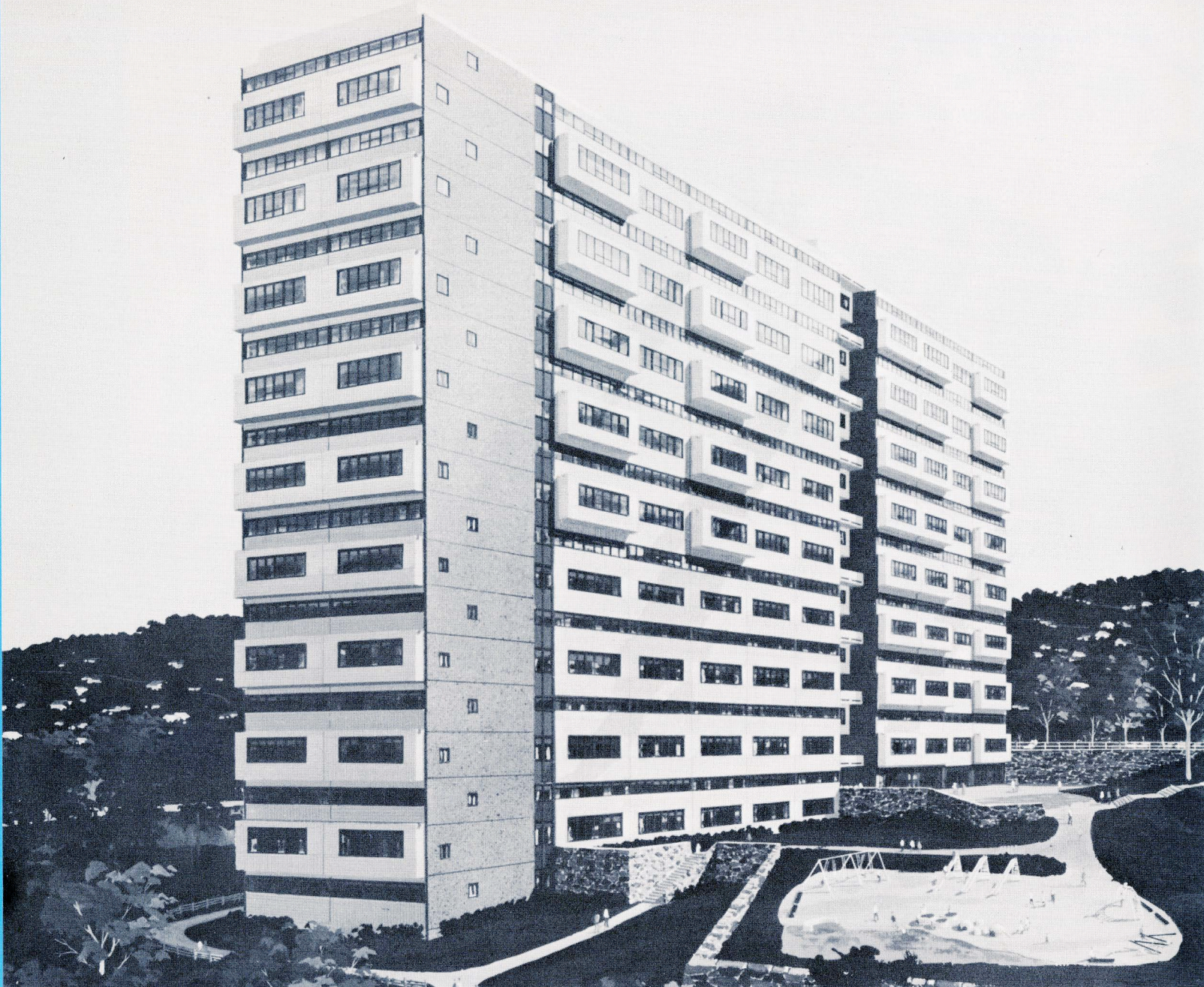
This spring, 179 families with moderate incomes — as low as \$6,850 a year — move into Rip Van Winkle House in Poughkeepsie. Their new, duplex apartments with every modern convenience, look out over the Hudson River.

The 18-story apartment building, as its developer says, marks “the re-awakening of this proud river city.”

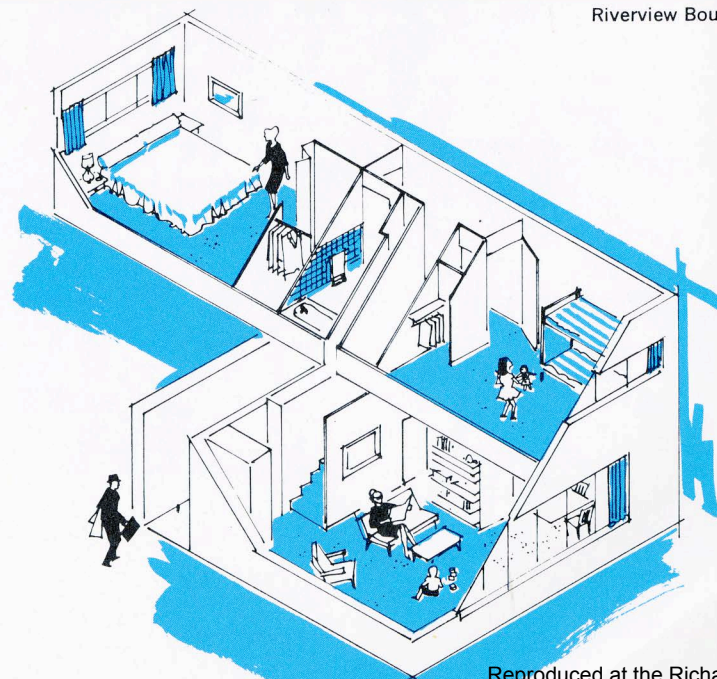
For Rip Van Winkle House is the first phase of a \$25 million redevelopment program along the riverfront, flanking the Mid-Hudson Bridge.

Apartments will have two, three and four bedrooms. All of the three and four bedroom apartments, and 73 of the two-bedroom ones, are duplexes, with living-dining room and kitchen on the lower floor and all bedrooms and baths on the upper level, reached by a private staircase. Each bedroom floor extends across the building — so that everyone has a river view.

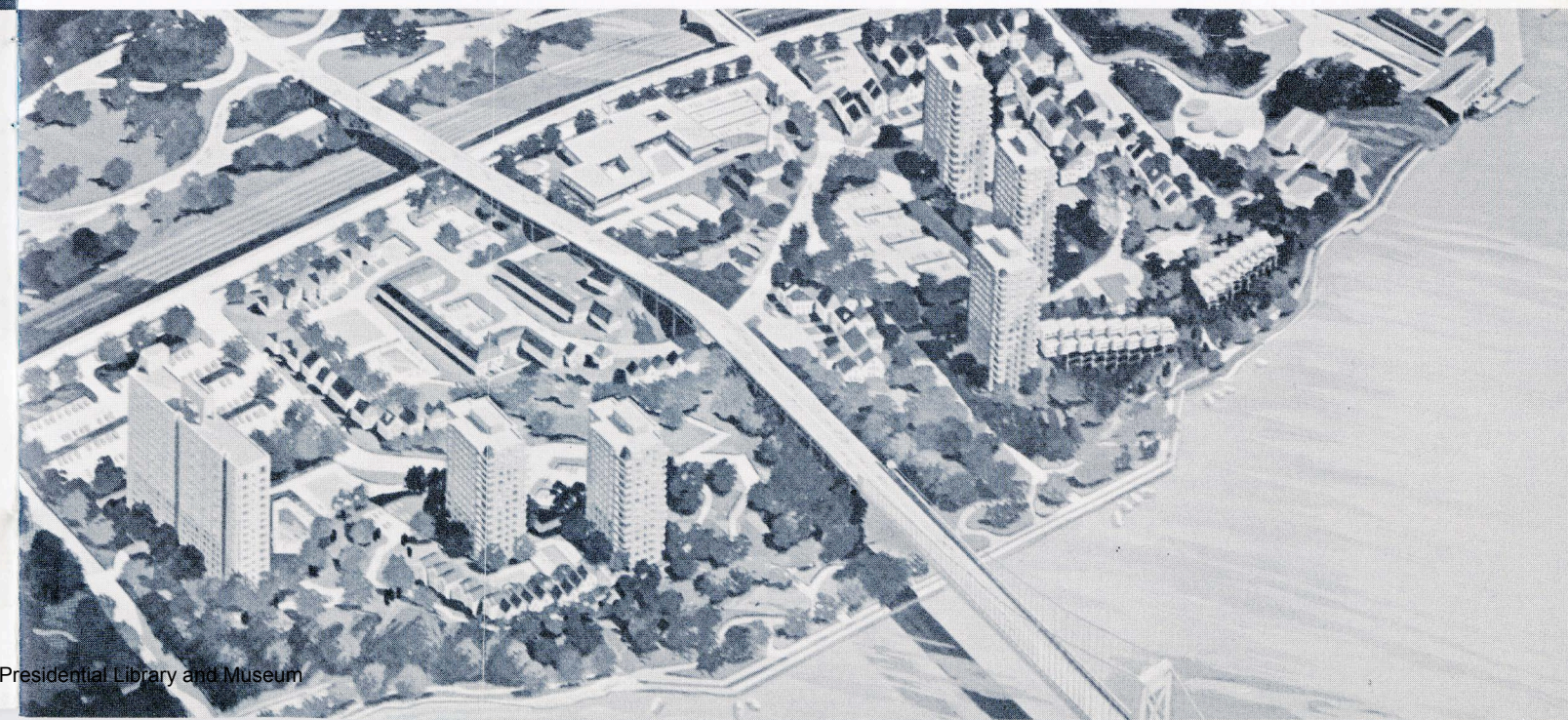
FINANCED BY THE LOCAL SAVINGS BANK
with other financial institutions



Riverview Boulevard

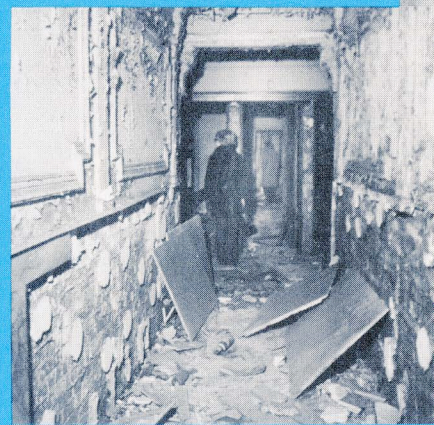


Reproduced at the Richard Nixon Presidential Library and Museum





565 Saratoga Avenue, Brooklyn



BROWNSVILLE

TO REBUILD A LIFE

Salvaging of young men and women is what Phoenix House is about.

The building at 565 Saratoga Avenue — within a year — will be as attractive outside and as comfortable inside as the refurbished house on the right, itself an abandoned wreck some months ago.

The Prospect Place Phoenix House was donated by a charity. Savings bank financing is now making possible a number of others, like the one on Saratoga Avenue.

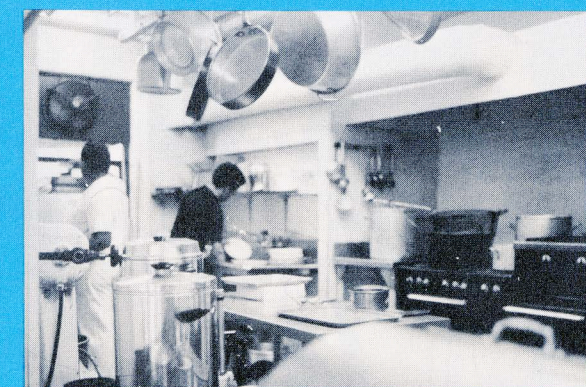
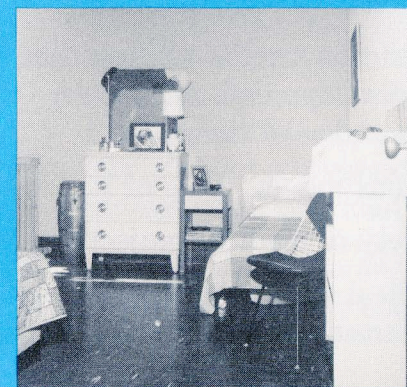
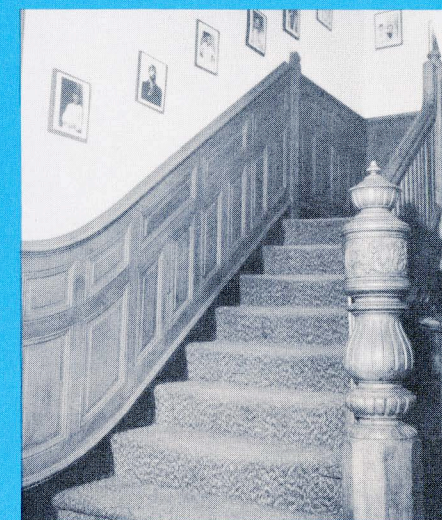
A savings bank mortgage loan, and the spirit of self-help among recovering narcotics addicts, will restore this dead building.

With the savings-bank loan the Phoenix House program of the Addiction Services Agency of the City of New York will provide the structural and functional rehabilitation of the building. Refinishing and decorating of the interior and maintenance of the building will be handled by the 100 or more residents, all former users of narcotics, who will live here as a community while rebuilding their lives.

Phoenix House Foundation, a private nonprofit corporation, facilitates the purchase of the properties to be rebuilt.



174 Prospect Place, Brooklyn



FINANCED BY A LOCAL SAVINGS BANK



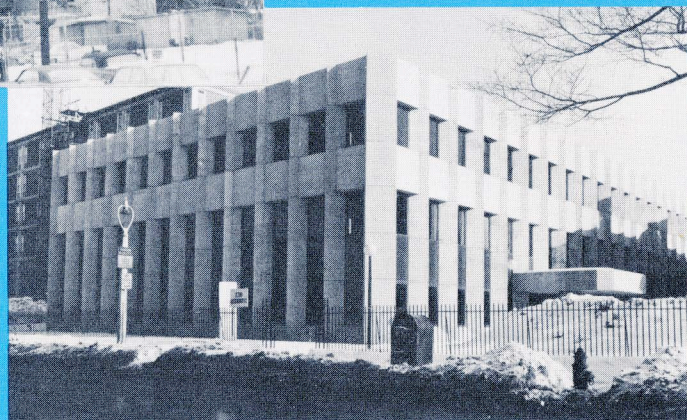
FLUSHING, FLATBUSH, SUFFERN, PLATTSBURGH,
JOHNSON CITY, ROCHESTER, NEWFANE...



Champlain Valley Physicians Hospital,
Plattsburgh



Brookdale Hospital, Flatbush, Brooklyn



Genesee Hospital, Rochester



Flushing Hospital and Medical Center,
Flushing, Queens



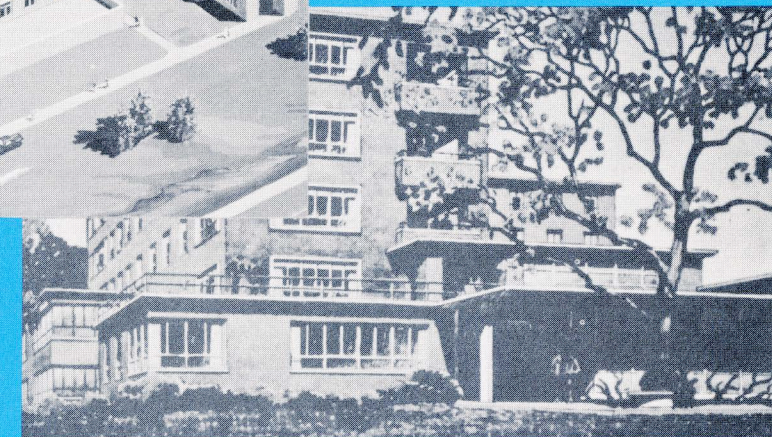
Newfane Inter Community Hospital,
Newfane



Wilson Memorial Hospital, Johnson City

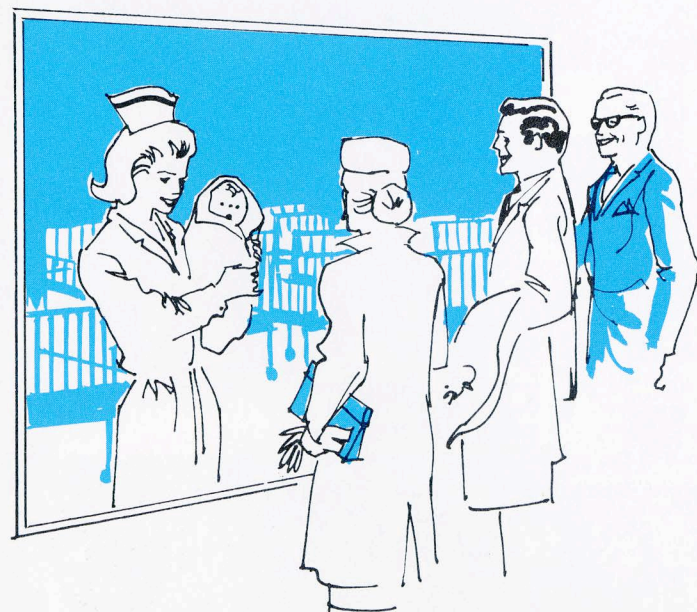


The Good Samaritan Hospital, Suffern



Jewish Home and Infirmary, Rochester

COMMUNITY MEDICAL CARE ALL OVER THE STATE



A city has no more critical need than providing adequate hospital facilities for its citizens.

More than ever before, Americans are demanding that hospitals provide the latest developments of modern science to guard their health and save their lives.

Providing these facilities means money. Lots of it.

Savings banks finance a variety of medical projects.

Typically, they include a medical office facility, a home and infirmary for the elderly, expansion and modernization of

hospitals and comprehensive medical centers, all over the state.

For Plattsburgh, for instance, hospital financing was provided by savings banks in Albany, 170 miles away. Plattsburgh has no savings bank. And for Suffern, another city without a savings bank of its own, a New York City savings bank provided the needed funds.

All over the state, savings bank financing is helping to fill the need for community medical care.

FINANCED BY LOCAL SAVINGS BANKS
and other financial institutions



MODERN NURSING CARE WHERE NONE EXISTED

In the cities of New York State, large and small, savings banks are concentrating their efforts on the creation of much-needed housing to meet urban needs.

But cities, and people, need more than housing. Facilities, for example, to care for the sick, the aged, the very young.

In some areas, a modern nursing home may be a genuine lack. That's been the case in the Oswego-Fulton area, for nowhere in all of Oswego County was there a nursing home that met Medicare and Medicaid standards.

Now there will be one.

On a hill that provides a view overlooking the Oswego River, the Pontiac Nursing Home will have 80 beds, a therapy room, a chapel, barber and beauty shops, recreation and dining rooms. And there'll be space, heating and utilities for an expansion to 120 beds as needed.

Savings banks in Oswego, Fulton and Rochester are providing mortgage money amounting to two-thirds of the total estimated cost of \$1,200,000.



Reproduced at the Richard Nixon Presidential Library and Museum

MacFarland Heights, East River Road, Oswego



FINANCED BY THREE AREA SAVINGS BANKS



\$18,500,000 TO BUILD A NEW COMMUNITY

At West Farms, in the Bronx Park South area, \$18.5 million dollars is being invested to build a whole new community.

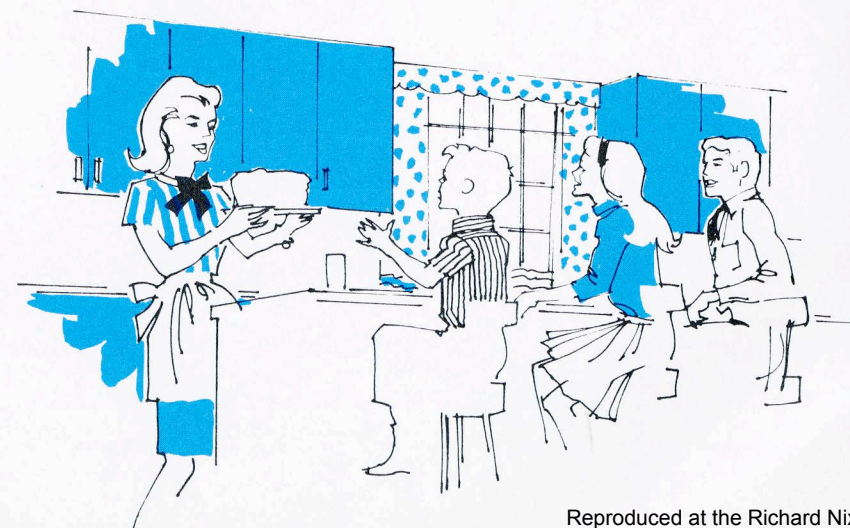
No one bank could make a construction loan of that size, even if money weren't tight. So the savings banks of New York City are participating in the loan.

Today, the West Farms site is vacant land, surrounded by overcrowded buildings. Children play in the streets. There's nowhere else.

Tomorrow, West Farms will be a community of 526 families, housed in six new buildings. There'll also be an elementary school, a day-care center, laundry rooms, community rooms, office space, parking facilities . . . and places for children to play.

Rents will be at the lowest non-public housing rate in The Bronx for new construction.

A local community group is the non-profit sponsor. The Roman Catholic Archdiocese of New York is coordinating. And the savings banks are ready with the biggest single loan in their urban affairs program.



Reproduced at the Richard Nixon Presidential Library and Museum



Boston Road, Bryant Avenue and East 179th Street, New York City

FINANCED BY THE SAVINGS BANKS OF NEW YORK CITY



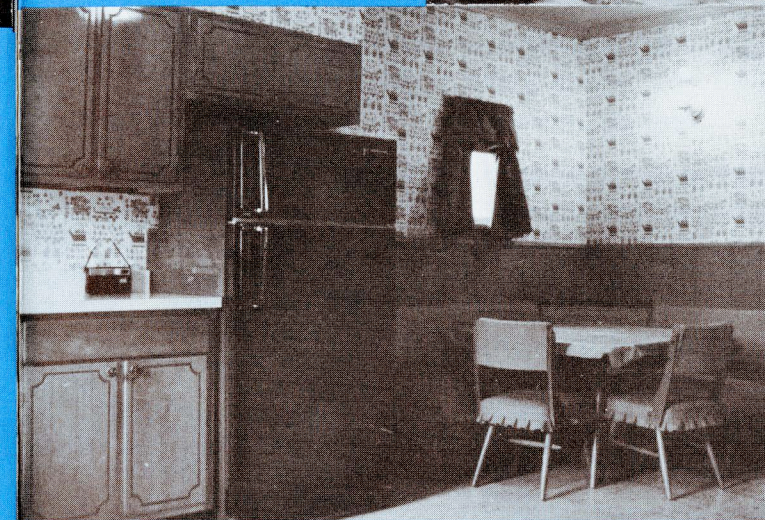
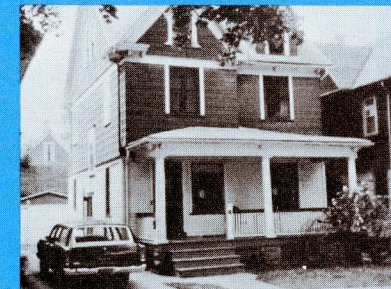
SCHENECTADY, UTICA,
ROCHESTER,
CHEEKTOWAGA...



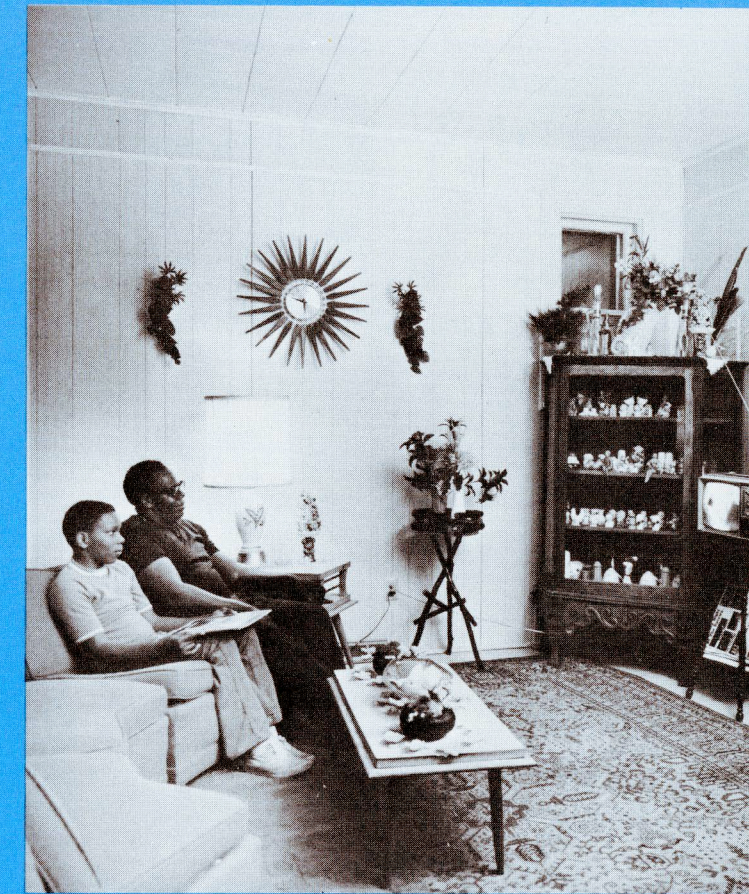
1117 Seymour Avenue, Utica



8 Rondelay Court, Cheektowaga



11 Lenox Street, Rochester



547 Hulett Street, Schenectady



NEW HOMES OUT OF OLD

New York State's cities have many sound but deteriorating homes. Across the state, savings banks are financing rehabilitation of older one and two-family houses, and making them available for low-cost home ownership.

In Schenectady, Better Neighborhoods, Inc., has the whole community behind it, including the local savings bank. It is rehabilitating 250 two-family homes at a cost of \$2.5 million — the funds supplied by local financial institutions without government help.

Utica's local savings bank has financed many rehabilitation projects, chiefly in the inner-city Cornhill section, close to downtown.

Better Rochester Living, Inc., has allocated \$2 million to acquire and rehabilitate homes that low and moderate-income families can buy at low cost. The city's three savings banks are participating.

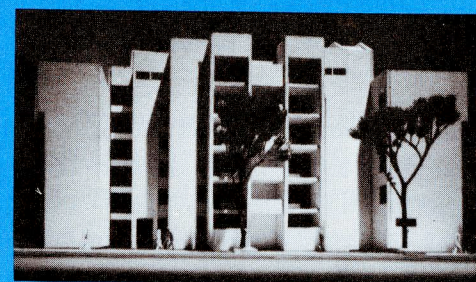
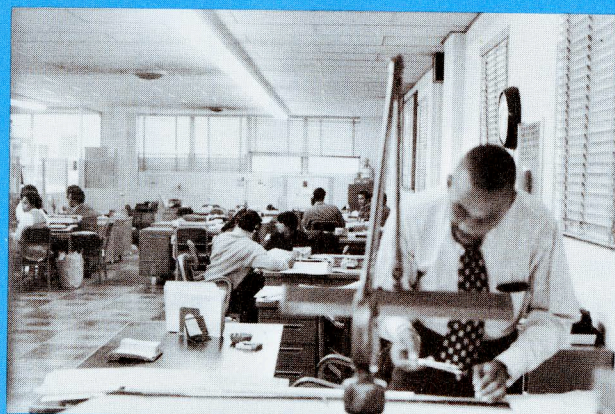
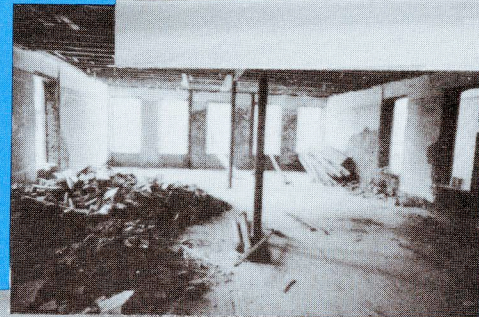
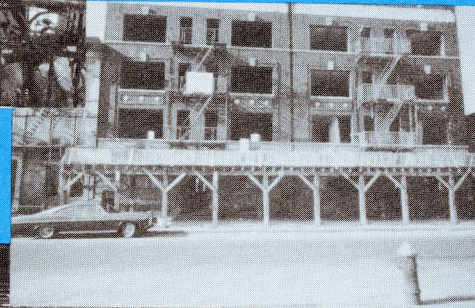
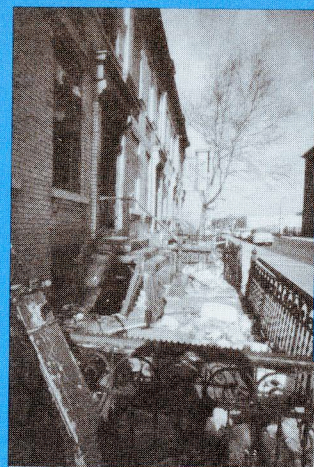
And in Buffalo, a single savings bank has invested \$1.8 million and committed \$1.5 million more to rehabilitate homes in its area.

In these cities and many more, new, modern homes are being created out of older ones. Less spectacular, perhaps, but faster and less expensive than new construction.

FINANCED BY LOCAL SAVINGS BANKS



EAST NEW YORK



Reproduced at the Richard Nixon Presidential Library and Museum

REBIRTH OF A NEIGHBORHOOD

East New York is a community that is home to thousands of New Yorkers. Few of them, however, would call it an attractive neighborhood today. For East New York knows what urban decay is all about.

But there's a new spirit at work in East New York, and a new hope dawning.

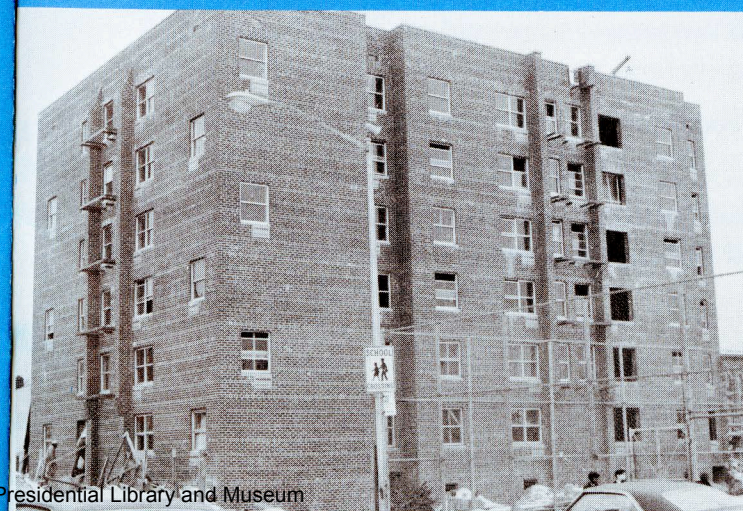
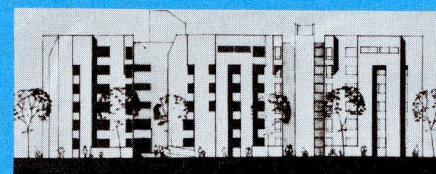
Because new homes are being built, and sound older ones are being made over into modern apartments . . . all for low-income people.

One of the biggest projects, sponsored by the Baptist Church Extension Societies of Brooklyn and Queens, is a complex of four six-story elevator buildings with a total of 232 apartments, 179 of them with two bedrooms or more.

A local savings bank is providing the non-profit sponsor with a \$5.5 million construction loan.

Best of all, this project, and others in the area, grew out of plans and programs developed in the community itself by its own grass-roots organizations.

FINANCED BY A LOCAL SAVINGS BANK



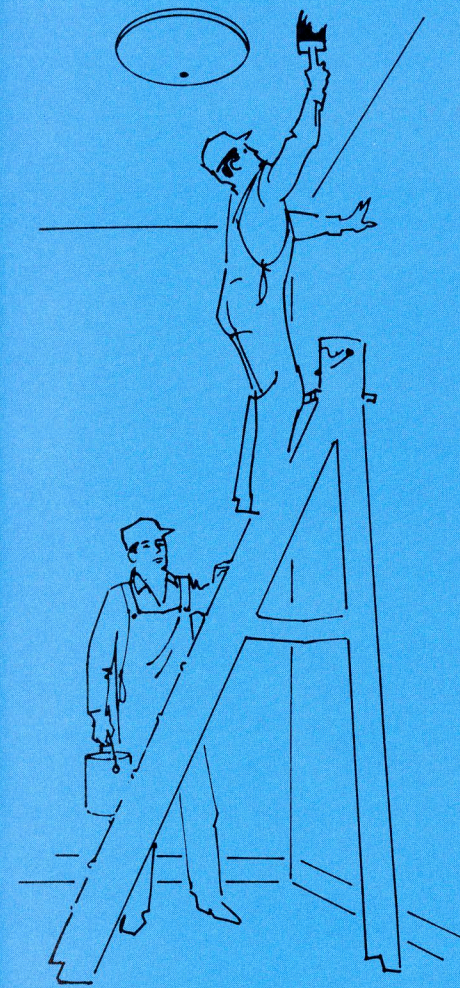
Sutter, Dumont, Williams and Sheffield Avenues



245 West Castle Street



2929 South Salina Street



301 Columbus Avenue

MODERN CONVENIENCE AT MODEST RENT

Like many another New York State city, Syracuse has many apartment buildings that are aging and deteriorating. Today, they can be renovated to provide modern homes at low to moderate-income rentals.

Tomorrow may be too late.

That's why the two savings banks in Syracuse are moving now to finance rehabilitation of six aging apartment buildings, scattered through the downtown area.

With a community-based non-profit corporation as sponsor, the savings banks are providing the needed financing of \$1,870,000. The financing will produce 126 up-to-date, newly equipped apartments.

Families who will be moving in when the houses are ready will pay from \$97 to about \$125 a month in rent.

Like others in this report, this project marks a beginning. It's the first in Syracuse under the U.S. Housing and Development Act of 1968.

FINANCED BY THE LOCAL SAVINGS BANKS



SOMETHING WORTH FIGHTING FOR

Freedom . . . Independence . . . God . . . Honor . . . Today — words with special meaning for the black people of Rochester. FIGHT is their army in the crusade for better schools, jobs and housing.

To build FIGHT Square, one of the first new housing projects in Rochester's Third Ward Urban Renewal Area, FIGHT is allied with the city government and the local banks. The city provided the land. The banks provided over \$3,000,000 for construction.

FIGHT Square will provide low-income families with 148 two, three, and four bedroom garden-type apartments and a cultural center containing medical facilities, a day-care center, drug store and beauty salon. Monthly rents range from \$113 to \$150.

FIGHT Square — to the black people of Rochester, the city government, and the local banks — is something worth fighting for.



Main, Reynolds, Troup and Prospect Streets

FINANCED BY THE THREE LOCAL SAVINGS BANKS
with other local financial institutions



MANHATTAN WEST



A NEW WEST SIDE STORY

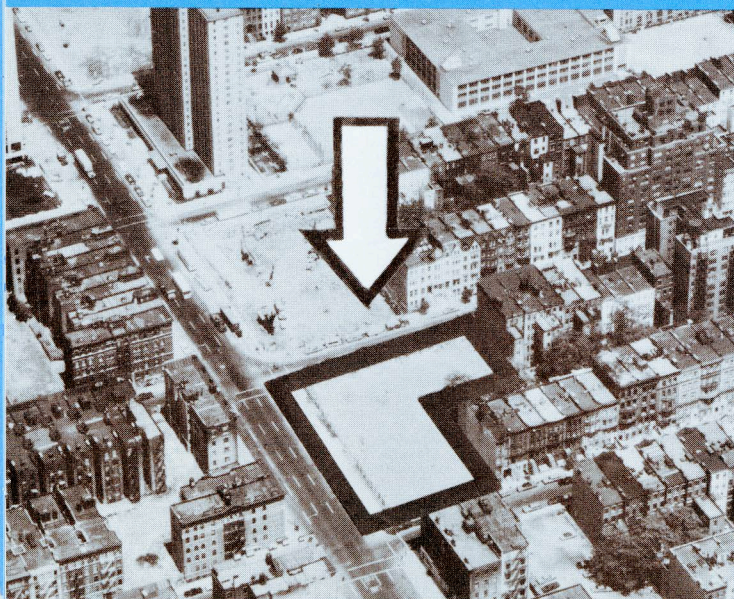
A public school guidance counselor, a housewife and a Roman Catholic priest saw the increasing lack of adequate housing for the people of Manhattan's Upper West Side as a challenge . . . to provide a new and better style of living for families with low or moderate incomes.

From their awareness of the community's needs grew plans for Turin House . . . a high-rise, cooperative building with duplex-style apartments.

The plans grew into reality when the city's savings banks agreed to provide \$5,000,000 for construction.



Columbus Avenue and 89th Street, New York City



Residents will enjoy duplex apartments with large rooms, modern utilities, plenty of closets, outdoor recreation areas on alternate levels, all cooperatively owned by 189 families with incomes as low as \$5,000. And this is just one of the housing projects that savings banks are financing in the West Side urban renewal area.

That's the new West Side story.

FINANCED BY THE SAVINGS BANKS OF NEW YORK CITY



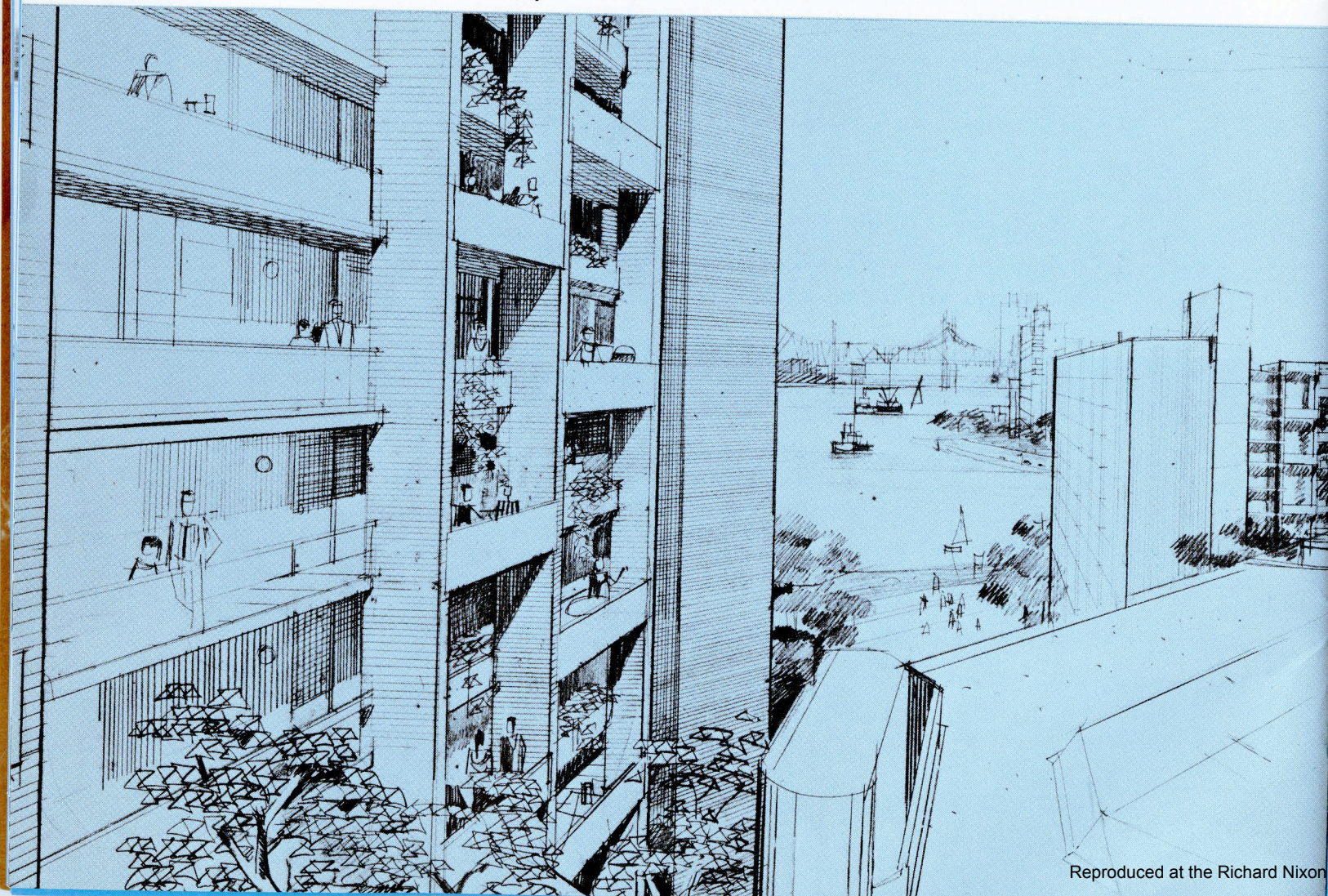
NEW HOUSING...WITH A SCHOOL AS A BONUS

New, modern schools are among New York City's urgent needs. But the money to finance them . . . ?

The city can turn to the State-created Educational Construction Fund for a combined school and housing development. Once it's completed, the city's income from the housing helps pay the cost of the school.

This way, people get needed new housing. And a new school as a bonus.

FDR Drive from 100th Street to 102nd Street, New York City



Such a combination project is being developed by two savings banks. The \$13,000,000 undertaking will provide a new Public School 50 to replace several existing schools. It will accommodate 1,800 pupils.

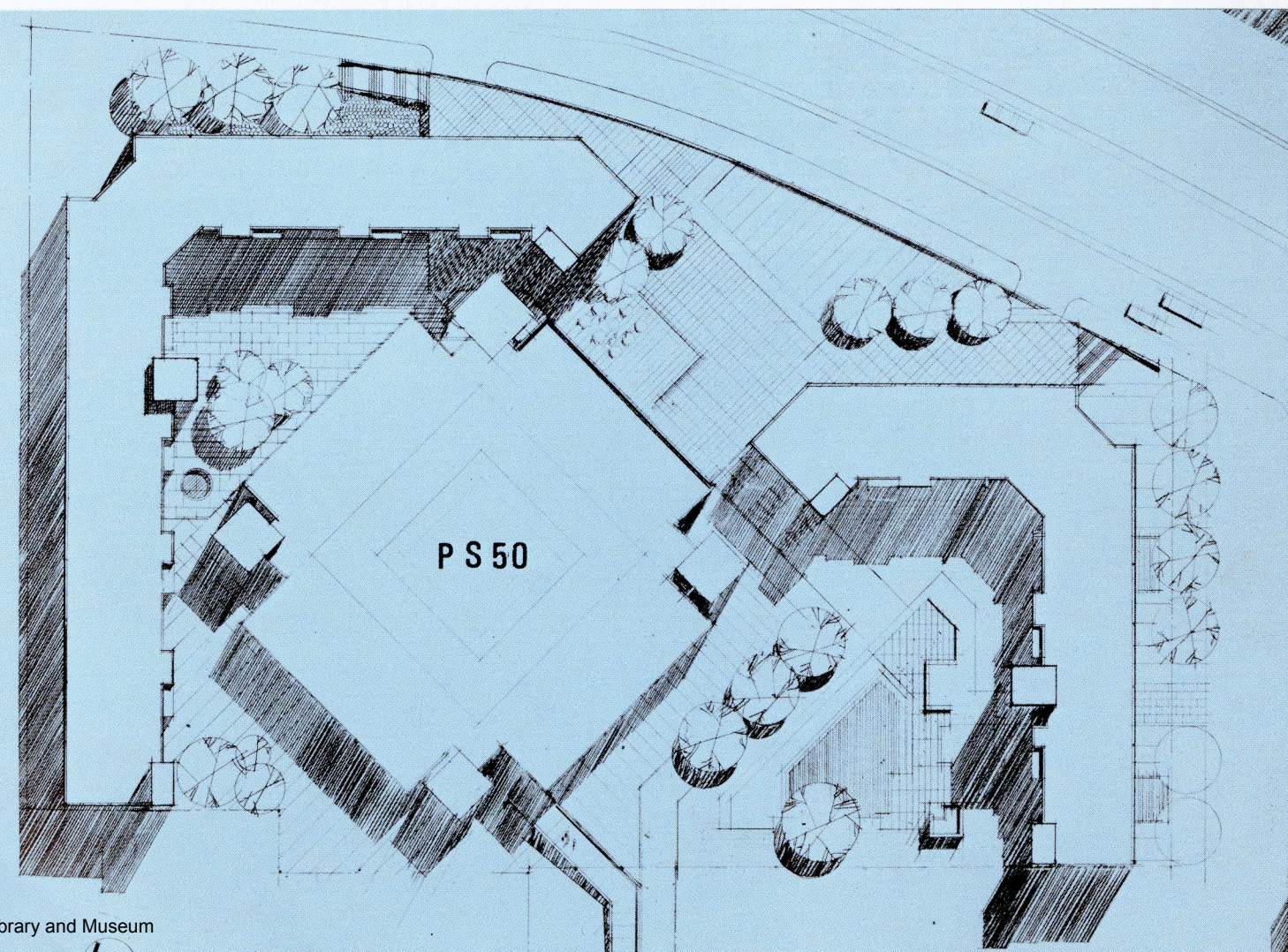
Nearby, there'll be 291 new apartments.

With the cooperation of State and federal housing agencies, the savings banks will build both the school and the housing. And a local community organization, the Metro-North Community Association, will operate the housing for the benefit of neighborhood people.

Housing rentals will be moderate, with about 20% of the apartments for low-income families.



FINANCED BY TWO NEW YORK CITY SAVINGS BANKS



A GOOD START FOR THE ILL-HOUSED

"First step in a very long journey."

That's what the Yonkers *Herald Statesman* called Jefferson Terrace in an editorial on November 1, 1969. "In a year or so," the paper said, "63 Yonkers families will move out of cramped or deteriorated quarters and into shiny new apartments at Jefferson Terrace, the new rental development in the heart of one of the city's poverty pockets. . . .

"It is a beginning. As the Chinese said long ago, the longest journey begins with a single step.

"And thanks for this single step must go to St. Peter's Church and the Yonkers Economic Development Corp., who joined in the federally sponsored program to establish decent, comfortable housing for those who have never had it. . . .

"We think the banking establishments should be enthusiastically commended by those who realize the need for future 'instant housing' such as this."



Jefferson Street and Highland Avenue

FINANCED BY THE TWO LOCAL SAVINGS BANKS
in participation with a commercial bank





**LAKEFRONT HOMES
FOR 240 FAMILIES**

In many areas of New York State and the nation, waterfront living means luxury living.

But when Maryland Towers rises on Buffalo's Lake Erie waterfront, its 240 apartments will be for families with low to moderate incomes.

What's now an abandoned area, marked for renewal, will soon blossom with new life. Maryland Towers families will enjoy modern, comfortable, fully equipped apartments. Children's voices will ring through the new playgrounds.

Maryland, Hudson, Efner and Fourth Streets

And it's all made possible by a \$6.4 million loan provided by the three savings banks of Buffalo.

Transforming abandoned land into a place where people can find new homes and better surroundings is one of the ways of tackling New York State's urban problems.

At Maryland Towers, in the state's second largest city, it's being done.

FINANCED BY THE LOCAL SAVINGS BANKS



SAVINGS BANKS ASSOCIATION OF NEW YORK STATE

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President

WALTER R. WILLIAMS, JR.
First Vice President

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Chairman, Urban Affairs Committee

EUGENE RUBIN
Director of Urban Affairs



SAVINGS BANKS ASSOCIATION OF NEW YORK STATE

200 Park Avenue, New York, N. Y. 10017 • (212) 697-0255
Savings Banks of New York State, Chartered by New York State
Members Federal Deposit Insurance Corporation





GENERAL

FD 8

FD 2

March 3, 1970

Dear Mr. Kilgore:

John Ehrlichman has asked me to express his appreciation for your letter of February 28th regarding high interest rates.

Mr. Ehrlichman most appreciates having your views and has forwarded your letter to Dr. Paul McCracken, Chairman of the Council of Economic Advisors, for his consideration.

Thank you for sharing your concern with us.

Sincerely yours,

Tod R. Hullin
Administrative Assistant to
John D. Ehrlichman

Mr. E. J. Kilgore
50 Wroe Avenue
Dayton, Ohio 45406

TRH:jlh

fyel

2

GENERAL

United States Senate

FY 267

FI 2

March 3, 1970

February 25, 1970

S.P.2-3-36/PRO

Dear Gordon:

The President has asked me to thank you for your February 25 letter commending him on his Economic Report to the Congress.

We have noted with particular interest your comments on the Presidential commission on financial structure and regulations, the members of which the President hopes to announce at an early date. He has been pleased at the widespread expression of approval of his decision to name such a commission, and appreciates learning that you are in accord with this objective.

Also, the President shares your feeling that the members of the Commission should consult with the appropriate Congressional committees in the formulation of their recommendations.

With warm regard,

Sincerely,

Bill

In light of the complexities of Fed William E. Timmons, Assistant to the President, have been grappling with the holding companies, it would be my hope that the Commission might address itself to this specific issue on a priority basis. I have found that the general question of holding companies is a potentially damaging question of the bank holding company question. The deferral of this inquiry and provide more complex issue than have yet been.

Honorable Gordon Allott
United States Senate
Washington, D. C.

bcc: w/inc to Peter Flanigan -FYI
bcc: Ken Belieu -FYI

WET:EF:jas

9

RECEIVED
MAR 10 1970
CENTRAL FILE

14-
GENERAL

FIS-4

FI 11-4

FI 2



THE UNDER SECRETARY OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

March 4, 1970

Mr. Richard B. Thomson
Ridge Road, Christmas Lake
Box 132, Route 4
Excelsior, Minnesota

Dear Mr. Thomson:

Tod Hullin has referred to our department your thoughtful suggestion for generating additional funds for housing. We have in hand both your original suggestion forwarded to Mr. Ehrlichman and your letter of February 16.

We will be happy to give further attention to your proposals. Fred Deming, who is Secretary Romney's Special Assistant for Financial Matters, is out of the city this week, but will be available to review your proposal next week and you may expect to hear directly from him.

Sincerely,

Richard C. Van Dusen

Richard C. Van Dusen

cc: Tod Hullin

WILLIAM C. CRAMER
8TH DISTRICT, FLORIDA

SUITE 2370, RAYBURN BUILDING 20515
PHONE 225-5961

COMMITTEE ON PUBLIC WORKS

Congress of the United States

House of Representatives

Washington, D.C. 20515

RICHARD M. HABER
ADMINISTRATIVE ASSISTANT

JACK P. INSCO
DISTRICT ASSISTANT

WILMA M. WILEY
DISTRICT SECRETARY

DISTRICT OFFICE:
627 FEDERAL BUILDING
144 1ST AVE. SO.
ST. PETERSBURG 33701
PHONE 893-3191

GENERAL

FI3

FI2

FG12

March 5, 1970

Mrs. Earlene U. Wheeler
Vice President

X First Federal Savings and Loan Association
Dixie-Taylor Building
Perry, Florida 32347

Dear Mrs. Wheeler:

This will acknowledge receipt of your February 13th letter requesting my assistance in urging the Treasury Department to reduce its competition with the savings industry.

I certainly share your concern in this matter and will take it up with the Secretary of the Treasury. You offered some interesting suggestions which I think have sufficient merit to forward to the White House as well as the Treasury Department. I therefore am taking the liberty of forwarding it to their attention.

With kindest regards, I am

Sincerely,

William C. Cramer, M. C.
X

WCC:seh

RECEIVED

MAR 13 1970

CENTRAL FILES

cc mem
MAR 11 1970

GENERAL

F12

PR12/ST46

President
White House
Washington, D. C.

Dear Mr. President:

X
The Board of Trustees of the Northern Virginia Life Underwriters Association has by unanimous approval adopted the following resolution:

PR-1
"Be it moved that the One-Bank Holding Company Bill (HR 6778) be acted on favorably by the Senate Banking and Currency Committee."

The feeling of our board is that the permitting of banks to sell individual life insurance contracts would:

- (a) encourage a conflict of interest between bank personnel and their depositors,
- (b) involve situations where bank customers would get more favorable treatment on loan applications when applying for insurance with their bank,
- (c) permit banks to engage in discriminatory practices in favor of certain bank customers pledging life insurance policies as collateral for loans, e.g. the allowance of a lower interest rate than the bank would normally permit if the insurance policy had been purchased from the bank granting the loan,
- (d) bring about the possible misuse of depositors' names available to bank personnel for the sale of life insurance,
- (e) encourage the possibility of tie-in sales of life insurance, e.g. the conditioning of a loan on the purchase of a minimum amount of life insurance.

It would appear that there are various situations in which a bank could take advantage of its prestigious position in the community to compel a member of the public to purchase his life insurance from the bank.

We, as members of the life insurance industry, are dedicated underwriters exclusively devoted towards providing the security and safety to the individual American families. We are trained and skilled in this endeavor and we feel that employees engaged in other industries will not be as competent as an employee of a life insurance company whose sole and exclusive occupation is the sale of life insurance.

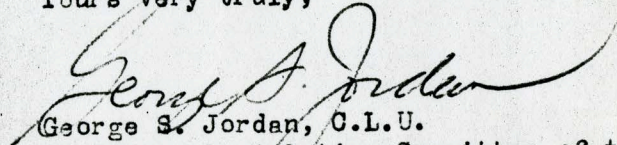
-continued-

President

Page Two

We sincerely hope the the life insurance industry will be kept clear of any intervention so that it may continue to provide the public with the highest of professional and ethical standards of conduct, and it is with these reasons that the Northern Virginia Life Underwriters Association respectfully urge that you, Mr. President, request that the Senate Banking and Currency Committee report favorably the One-Bank Holding Company Bill (HR 6778).

Yours very truly,



George S. Jordan, C.L.U.
Chairman, Legislative Committee of the
Northern Virginia Life Underwriters Assoc.
Member of the National Association of Life
Underwriters

George S. Jordan, C.L.U.
6522 Ivy Hill Drive
McLean, Virginia, 22101

John D. Henry

David C. Holt

John J. Watson

Lawrence Johnson

Charles E. Case

John P. Bennett

James A. Hartley

Alfred C. Howard

Wm. H. E. Lusk

Edmund W. Carroll

James T. Condict

Sam. Loomis

Robert L. Safford

Frederic Webb

Wm. B. Smith

Charles J. Seligman

Frederick A. Smith

George M. French

Wayne H. Coffey

Ben. M. P.

Lytle F. Hopper

Frederic J. Henner

Alfred J. Heston

John C. Hedgcock

Frank H. Heston

Edith R. Heston

John H. Heston

Butt Heston

John Heston

John Heston

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John Heston

John Heston

John Heston

John Heston

John Heston

John Heston

172

PRESIDENT
B. Meyer Harris, President
The Yellowstone Bank
Laurel, Montana 59044

FIRST VICE PRESIDENT
Rod L. Parsch, President
Lapeer County Bank & Trust Company
Lapeer, Michigan 48446

SECOND VICE PRESIDENT
Donald M. Carlson, President
Elmhurst National Bank
Elmhurst, Illinois 60126

TREASURER
Marshall Barnes, President
Beaver Dam Deposit Bank
Beaver Dam, Kentucky 42320



BANKERS ASSOCIATION OF AMERICA

EXECUTIVE DIRECTOR: HOWARD BELL • SECRETARY: GENE MOORE

C. HERSCHEL SCHOOLEY, MANAGER — PHONE: 393-5617 AREA CODE: 202
SUITE 530, BOWEN BUILDING, 815 - 15th ST., N. W., WASHINGTON, D.C. 20005

March 12, 1970

GENERAL

FI 2

President Richard Nixon
The White House
1600 Pennsylvania Avenue, N. W.
Washington, D. C. 20500

Dear Mr. President:

Some unsolicited, but necessary summarized background for your information and continued consideration of the one-bank holding company problem. Observations are eyes only, if attainable. For that reason, sometimes send by way of Rose Mary, Hopefully.

From your Inauguration Day, your top men at Treasury, Messrs. Kennedy and Walker, began banking industry conferences under hush-hush circumstances at the Department, on the need to regulate and control this concentration threat, newly developed within the economy, by use of a corporate device whereby banks could engage in indirect nonbanking activities, not directly permitted by law and regulation.

It was represented that this was so high among your priorities that it was second only to crime. Subsequently, your March 24 statement, and an Administration bill introduced on the same date, spelled out the urgency and the particulars.

Most of the banking industry supported your objective to control and regulate the one-bank holding company device. Most bankers, by the nature and stripe of the breed, are Republicans, and support for your new programs came easily and wholeheartedly, and especially among our membership, of several thousand community banks, nationwide. These readily recognized this new threat from bigness, intent on overcoming the lesser, the small and the weak, via the holding company and merger route.

In the fall, after organized bigness began to show its opposition to any legislation to controlling this free wheeling device, the House passed what is known as a strong bill, and with some overkill, most of it resulting from Republican member floor amendments. Bill

Nothing else sent to 6-17-70
Central Files as of L.B.

SERVING AMERICA'S MAIN STREET BANKERS FROM AMERICA'S ORIGINAL 'MAIN STREET'

Reproduced at the Richard Nixon Presidential Library and Museum

March 12, 1970

Widnall efforts to recommit failed, one to two, and final passage came, 351 to a mere 24.

At this point organized bigness turned to a second tack, delay, stall and ultimately kill the bill in the Senate, by wearing it out. As of now, five of the biggest eight banks, or eight of the biggest 13, have invoked this device, and understandably, want no legislation, and no control, at no time. This plan was developed at more closed industry meetings, dominated by the big, affected bank representatives therein.

At that time there began to emerge, from carefully screened Treasury sources, trade journal references to your then upcoming budget and economic messages to Congress, that would announce a financial study commission, and would urge delay of pending OBHC legislation, pending the findings, at some unsure and distant date.

Unfortunately for the conspiracy of delay, too much advance crowing, about how this was to be, caused the "request for delay" language in early drafts to come out in the final language, which became a mere factual announcement in your economic message.

At subsequent Joint Economic Committee hearings, two of your close advisers-Dr. Paul McCracken of CEA and Dr. Arthur Burns of the Fed-sincere economists with no axes to grind except those for the common good, testified directly on the continued need to go ahead with the legislation. Dr. Burns spoke most emphatically, in degree only, with an "unambiguous yes." They are correct. The OBHC was, and still is, an unregulated threat to the economy.

Your third appointee, the Treasury Secretary, equivocating voluminously as though he were the incumbent head of Continental Illinois, instead of the immediate past head, at the same hearing, almost asked the Senate to wait the findings of a commission not yet named. Almost, but not quite, he urged delay.

This placed his public language about in line with his successor at Continental Illinois (Don Graham), who was speaking out in closed bank sessions on behalf of delay and stall, wear out and kill, and immobilize the Senate committee.

That our members are particularly allergic to ContIll's special pleadings on behalf of bigness is understandable from the record of special pleadings at Springfield, Ill.'s statehouse throughout the Kennedy regime, and the 1966 "forgiveness" fight in Congress to be

ex

March 12, 1970

exempt from court actions by Justice in challenging ContIll's merger activities. Graham, for Kennedy, headed an entire staff, summer long on the Hill, in lobbying this forgiveness, along with Jeff McNeill and Gabe Hauge for MfrsHanover, as they banded together to seek, and obtain relief bill legislative forgiveness that freed them from the Justice suits. John Mitchell and Richard McClaren can tell you all about that in person, should you wish verse and chapter. Gabe was very sensitive that summer about his eye surgery, but hung on like mad. The present circumstance is another chapter on special pleading for exempting big-ness from regulation and control.

These facts on a specific merely illustrate that it is only a substantial handful-maybe 30 or 35, in all, based on definition--of big banks that do not want this legislation at any time, and are covering by use of any device that's handy. That they are all big Republican campaign contributors makes it tougher when they cry or seek to influence your staffers at 1600.

The latest patently rigged delay maneuver is the newly publicized exchange of letters, Senators Sparkman and Bennett to you, and your reply. The Kennedy-Bennett religious axis is clear, and the distinguished Utah solon usually speaks clearly with the voice of WesBanCorp. In this instance it has been open trade knowledge that Charls Walker, your Treasury No. 2, rather enjoys the distinction of receiving credit for writing the letter to you for the Senators, or causing it to be written, and then having the incoming letter referred to him for reply. Thus, in effect, he answers his own letter. And, whether this is fact or legend, it is in character. Senator Bennett, you may not be aware, said in a trade paper interview weeks ago ther would be no hearings and no bill. Sparkman, on the other hand, despite OBHC pressure on him, and they supported him generously in '66, when it was realized among big banks that defeats of Robertson and Paul Douglas would make Bill Proxmire chairman, has supposedly assured Patman there will be hearings and a bill, though those to whom Patman has confided this consider it Sparkman "sweet talk", at this juncture. No published reference to this, at this time.

Clipping enclosed from the American Banker, the only trade daily, for last Thursday, for ready reference. The AP's Sterling Green enclosed piece from last Sunday's Star, on the report of a commission not yet named as the basis for wearing out legislation earnestly sought by the Administration only a short time ago, is another Treasury plant. Sterling Green haunts the Treasury press room and seldom leaves it, and his sources, 99 of 100 times, on the economic beat, are Treasury sources.

It is not my business or purpose to complain about your appointees,

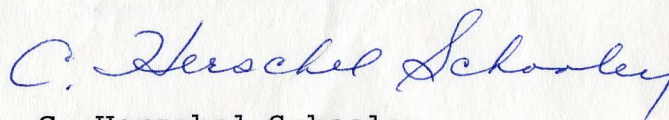
President Richard Nixon

- 4 -

March 12, 1970

except that their shortsighted calculating or selfish use of appointive power too often impinges on the general welfare of your Administration. That I resent and deplore, and having seen so much selfserving machination in my long public service, I have always been fearless in bringing such matters to those in real authority, and know no other course. My sincere wish is that this observation could be eyes only, to add to the breadth and depth of your understanding. There are no distributed copies of my letters to you, on such subjects as this, as you know.

Sincerely and respectfully,



C. Herschel Schooley

Encl.

THE WHITE HOUSE
WASHINGTON

March 23, 1970

PETER FLANIGAN --

Mr. Harlow asks if you can give
a suggested response to Rose on
the attached letter from Herschel
Schooley.

Sally

Sally Studebaker

Enclosure

cc: Rose Mary Woods

*nickler - who
answered Patman -
have same person
answer.*

JON: Shouldn't I forward this to Charls
Walker for draft reply?

yes _____ no _____

If no, what?

File

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JUN 2 1970
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THE WHITE HOUSE MAR 16 1970
WASHINGTON

Date 3/16/70

To Bryce Harlow

From Rose Mary Woods

FYI _____

Please Handle _____

*I don't know what to
do about this letter.
Do you have any
suggestions?
Thanks. Rosemary*

Commission Finance Study May Kill Bank Bill Chances

By STERLING F. GREEN
Associated Press Writer

President Nixon will appoint shortly a National Commission on the Financial Structure with a broad assignment to recommend changes and reforms in the country's banking system.

There are reports in the financial community that Nixon will name Arjay Miller, dean of the Stanford Graduate School of Business, to be chairman. Miller formerly was president of Ford Motor Co.

Creation of the commission is believed almost sure to kill and chance for enactment this year of the House-passed bill by Rep. Wright Patman, D-Tex., to curb one-bank holding companies.

Action Anticipated

The Senate Banking Committee is unlikely to push ahead with this measure, congressional sources said, while a presidential commission is studying the holding-company problem and other major questions of bank regulation and financial policy.

Neither Patman nor Sen. John J. Sparkman, D-Ala., chairman of the House and Senate Banking Committees respectively, will have a voice in the commission's deliberations. The White House, it was learned, has decided against any representation from Congress.

There is speculation on whether this exclusion was adopted deliberately to avoid dissent. Patman, avowed foe of big bankers and friend of easy money, would be likely to challenge the more conservative views of the industrial, academic and financial leaders who will dominate the commission numerically.

Wide Probe Urged

Besides the one-bank holding-company issue, the commission will be asked to explore financial problems which have become acute during the recent months of inflation and soaring interest rates.

Among these are the drying up of funds for mortgage lending, which has depressed homebuilding; the outflow of funds from savings-loan companies and banks into higher-yielding investments; the government ceilings on interest rates paid on savings deposits; and the multiple federal regulation of the banking system.

Nixon signaled in January his plan to name the commission. A sentence tucked into his annual Economic Report to Congress said an expanding economy needs "strong and innovative financial institutions . . . I shall appoint a commission to study our financial structure and make

recommendations to me for needed change."

Congress in 1956 curbed holding companies which owned two or more banks but exempted from the Federal Reserve's supervision and holding company which limited its banking interests to one bank.

There were relatively few such

cases until about 1967. Then, at the height of the conglomerate merger movement, hundreds of banks began setting up holding companies that opened the door for the entry into the insurance, manufacturing, transportation, retailing and other businesses.

Patman's original bill to block the trend was countered by a more moderate measure that had administration backing. The House Banking Committee settled for a weakened version of Patman's bill, but Patman got most of the teeth restored by amendment before the measure was passed and sent to the Senate.

LOOMIS, SAYLES & COMPANY

INVESTMENT COUNSEL

TAKES PLEASURE IN ANNOUNCING THAT

WILLIAM R. RAIFORD

HAS JOINED OUR STAFF

AS A MEMBER OF

THE COUNSELING DEPARTMENT

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• FIRST
FLOOR
PARKING
TAXI

PRESERVATION COPY

Treasury Bill Yields Suggests Short-Run Will Remain Firm

By BEN WEBERMAN

million of orders or more from now on.

Consequently, the downward move in bill yields which has brought the rate from a high of close to 8% on the three-month maturity in late January to a low of 6.75% on Feb. 17 is now expected to turn into a slight rise.

This change could well dampen the market clamor for a prime rate reduction — an expectation that does not fit into the economic fundamentals of banking.

Monetary officials are being guided by a consensus of the top executives of a group of major banks who have not felt or sensed any easing of credit.

Loan demand is expected to be as strong as ever right through the end

of the current quarter, with conditions remaining tight through the end of March and into mid-April.

Since there has been only a slight easing in some money costs such as a drop in Eurodollars to 9½% from 11½% and in Federal funds to 8¾% from 9½%, while the interest expense on savings accounts and CDs has been increased by the new, higher Regulation Q ceilings, bankers do not feel justified in reducing their prime lending rate.

Furthermore, they point out, the heaviest loan demand of the period is still ahead with the scheduled March 15 and April 15 tax payments.

Consequently, bankers insist, there is

(Continued on page 15)

Plan for Delaying 1-BHC Bill Action Is Set in Motion

By JOSEPH D. HUTNYAN

WASHINGTON. — The plan to delay action this year on legislation to regulate one bank holding companies has been set in motion by key members of the Senate Banking and Currency Committee.

Committee Chairman John Sparkman, D., Ala., and ranking Republican Sen. Wallace F. Bennett, of Utah, have released an exchange of letters with President Nixon.

One letter signed by Mr. Sparkman and Mr. Bennett strongly endorses President Nixon's plan to name a commission to launch a broad-scale study of financial institutions.

It also suggests that the study's findings on holding company developments would be important to the committee in resolving this issue.

Implicit is the suggestion that the committee should hold up conclusive action on bank holding company legislation until the commission completes its work.

"We do not prejudge this issue," the Sparkman-Bennett letter stated. "But clearly, the systematic studies which your commission would carry out could be of inestimable help in our deliberations on this important matter."

In his reply, the President thanked the two Senators for their support of the study.

"I hope to announce the members of the commission soon," Mr. Nixon added, "and at that time I shall request the chairman to meet with you to discuss the commission and its work."

The House late last year approved a tough bill to regulate one-bank holding companies. The legislation is opposed by the companies who favor postponement of Senate action, pending the Presidential study commission report.

The House bill is supported by critics of the banking industry who are fearful that the one-bank holding company format is being used to build up a dangerous concentration of economic power.

Months Ahead; Prime Cut Seen at Mid-Year

By M. S. MENDELSON

points to 6½% by midyear. But this is regarded as very much one man's view. A recent meeting of bankers from various parts of the country, held in New York, and a series of interviews with bankers in New York and Washington produced an informal majority opinion that prime rate probably would be down by ½ point by midyear and by a further ½ point toward the end of the year.

Reductions of that size would not reflect fully the drop in market rates that are widely anticipated but would be a compromise between the banks' needs to conserve earnings during the present profits squeeze and their anxiety

to retreat as soon as they can from the politically unpopular 8½% prime rate posted last June.

One major New York bank has produced for its own use some fairly detailed projections of what it expects interest rates to be by midyear, basing its forecasts on its assumption that monetary restraints will be eased soon to produce an annual 3%-4% growth of the money supply, with banks' net borrowed reserves down to an average \$400 million-\$500 million from the recent level of around \$800 million.

Although these assumptions are not universally held, and have still to be

(Continued on page 14)

Wary in Assessing Fees; Urge Careful Study

S. BYRNE

calls for substantially lower fees for the large block trades in which banks and other institutional investors typically deal, the effects are certain to be more complex than a simple lowering of commission fees, the banks said.

For one thing, research costs probably will go up. Most outside research is paid for by commissions. The broker-dealers give substantial amounts of research to investors which generate large amounts of commission fees. If the commissions are reduced, broker-dealers would be motivated to charge separately for research. The smaller banks, which generate less in commissions and depend more on outside research, would be squeezed.

MM PLAN REJECTED ON WILLE'S CONCLUSION

By STANLEY STRACHAN

NEW YORK.—The New York State Banking Board Wednesday rejected a proposal to add an \$8.3 million-deposit bank to the statewide Marine Midland Banks, Inc. system.

The Board's action came on the recommendation of Superintendent of Banks Frank Wille, who, for the first time, turned down a merger application despite a finding that there was no existing competition between the banks involved nor the possibility for de novo branch expansion to create that competition.

The Board denied the application of the \$5.1 billion-deposit holding company to vote its stock in the \$11.1 million

STATE RANKINGS

The American Banker continues publishing a compilation of the state-by-state preliminary Dec. 31, 1969, deposit-size ranking for the commercial banks. Deposit rankings for banks in

GENERAL

FI 8

FI 2

BEV/Burling

Congress of the United States

March 17, 1970

CHAIRMAN, HOUSE

VICE CHAIRMAN, HOUSE

CHAIRMAN, HOUSE

VICE CHAIRMAN, HOUSE

WASHINGTON, D.C.

OFFICE

TELEPHONE

EXTENSION

House of Representatives

Dear Mr. Chairman:

Thank you for your March 13 letter to the President, with the enclosed letter from Mr. Willis Gregory, concerning the effect of interest rates on building contractors and financial institutions. I shall call your letter to the President's early attention, and get back to you shortly.

With cordial regard,

I am enclosing a letter from Mr. Willis Gregory, one of the leading businessmen in my Congressional District, and a copy of a letter addressed to Mr. Harry Dent, Mr. Gregory, President of the Security Savings and Loan Association located in my home town of Florence, South Carolina. The financial institutions are facing critical times. Assistant to the President from contractors and builders located in my district who advise me that hundreds of brick layers, carpenters, electricians, and other skilled laborers in the building industry have been out of work during the past six months. Many building contracts available, the number of employees increases since the owners of the property request that the cost of construction and other related items can be reduced.

House of Representatives

Washington, D.C.

If you will have the proper person in your organization advise me if the building contractors and financial institutions can expect

bcc: w/inc to Sec Kenaedy (Attn: Mr. James Smith) for further

DRAFT REPLY SOONEST

With kindest personal regards, I am,

WET:EF:jas

Sincerely yours,

JOHN L. McMILLAN, M.C.

Encl

ILM:ams

GENERAL

FI2

FI 33-4

March 18, 1970

Dear Mr. Chairman:

Thank you for your March 16 letter to the President concerning H. R. 16330, and suggesting that the Administration reiterate its desire that Congress complete action on bank holding company legislation before the end of the 91st Congress.

I will be pleased to bring your suggestion to the President's early attention.

With warm regard,

Sincerely,

William E. Timmons
Assistant to the President

Honorable Wright Patman^x
Chairman
Committee on Banking and Currency
House of Representatives
Washington, D. C. 20515

serh / bcc w/incoming to Peter Flanigan for Draft Reply.
Secretary Kennedy (Att'n. James Smith for Draft Reply)
~~Secretary Romney~~

WET:EF:kh

3

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March 18, 1970

Check into

Niederer
okay?

Dear Mr. Chairman:

Thank you for your March 16 letter to the President concerning H. R. 16330, and suggesting that the Administration reiterate its desire that Congress complete action on bank holding company legislation before the end of the 91st Congress.

I will be pleased to bring your suggestion to the President's early attention.

With warm regard,

Sincerely,

William E. Timmons
Assistant to the President

Elaine Fayer
to call back -
further reply
needed?

NO

Honorable Wright Patman
Chairman
Committee on Banking and Currency
House of Representatives
Washington, D. C. 20515

✓ bcc w/incoming to Peter Flanigan for Draft Reply.
Secretary Kennedy

WET:EF:kh

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7
WRIGHT PATMAN, TEX., CHAIRMAN
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HENRY S. REUSS, WIS.
THOMAS L. ASHLEY, OHIO
WILLIAM S. MOORHEAD, PA.
ROBERT G. STEPHENS, JR., GA.
FERNAND J. ST GERMAIN, R.I.
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HOUSE OF REPRESENTATIVES
COMMITTEE ON BANKING AND CURRENCY

NINETY-FIRST CONGRESS

2129 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, D.C. 20515

March 16, 1970

3-18
WILLIAM B. WIDNALL, N.J.
FLORENCE P. DWYER, N.J.
SEYMOUR HALPERN, N.Y.
W. E. (BILL) BROCK, TENN.
ALBERT W. JOHNSON, PA.
J. WILLIAM STANTON, OHIO
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WILLIAM O. COWGER, KY.
PHILIP M. CRANE, ILL.
CLARK MACGREGOR, MINN.

PAUL NELSON,
CLERK AND STAFF DIRECTOR
225-4247

The President
The White House
Washington, D. C.

My dear Mr. President:

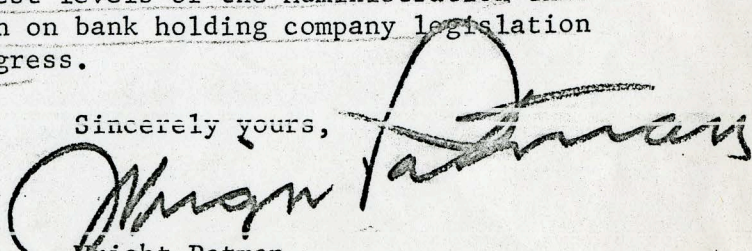
BT
Thank you for your letter of March 13, 1970, informing me of your written communication to the President of the Senate and the Speaker of the House concerning H.R. 16330, introduced by me on March 5, to provide the Federal Home Loan Bank System with \$250 million to subsidize advances to savings and loan associations.

While I am more than happy to expedite legislation which will assist in financing desperately needed housing construction for our citizens, it is also important that the Congress act immediately on other vital pieces of legislation. That is why, partly on the basis of your recommendation of March 24, 1969, asking for prompt legislative action, the House Banking and Currency Committee and the full House of Representatives acted on bank holding company legislation during the last session of Congress.

While I was pleased to see that the Administration has publicly reiterated its desire to have legislation in this area passed before the end of the 91st Congress, there is a widespread feeling on Capitol Hill, fostered apparently by the activities of certain Administration officials, that the Administration, in fact, does not desire legislative action in this field this year.

It would certainly be helpful to the achievement of legislative objectives which all of us seek if consideration would be given to a strong reiteration at the highest levels of the Administration that Congress should complete action on bank holding company legislation before the end of the 91st Congress.

Sincerely yours,


Wright Patman
Chairman

GENERAL

FI 2

PR10

FG6-12

FI 5-4

March 18, 1970

Mr. Eugene^X Rubin
Director of Urban Affairs
X Savings Bank Association
of New York State
200 Park Avenue
New York, New York 10017

Dear Mr. Rubin:

Thank you for sending me the copy of your report to the New York State Legislature. I found it most interesting and applaud the Association's involvement in construction financing.

In response to your request to be put on our mailing list for news releases and publications, I regret to say that the Council does not publish releases or send out serial reports of its activities. As a Cabinet level policy group, any written papers are considered to be working papers for the President and are consequently not for general distribution. However, I appreciate your interest and would ask that you continue to keep me informed of the Association's work in urban affairs.

Sincerely,

John R. Price
Executive Secretary
Council for Urban Affairs

JRP: cm
cc: central files

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CENTRAL FILES

SAVINGS BANKS ASSOCIATION
OF NEW YORK STATE

200 PARK AVENUE · NEW YORK, N.Y. 10017

EUGENE RUBIN
DIRECTOR OF URBAN AFFAIRS

March 6, 1970

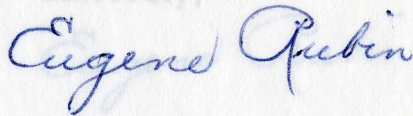
Mr. John R. Price, Jr.
Executive Secretary
Council for Urban Affairs
1600 Pennsylvania Avenue
Washington, D. C. 20500

Dear Mr. Price:

Would you please put me on your mailing
list for news releases and announcements of
publications by your office.

The courtesy is certainly appreciated.

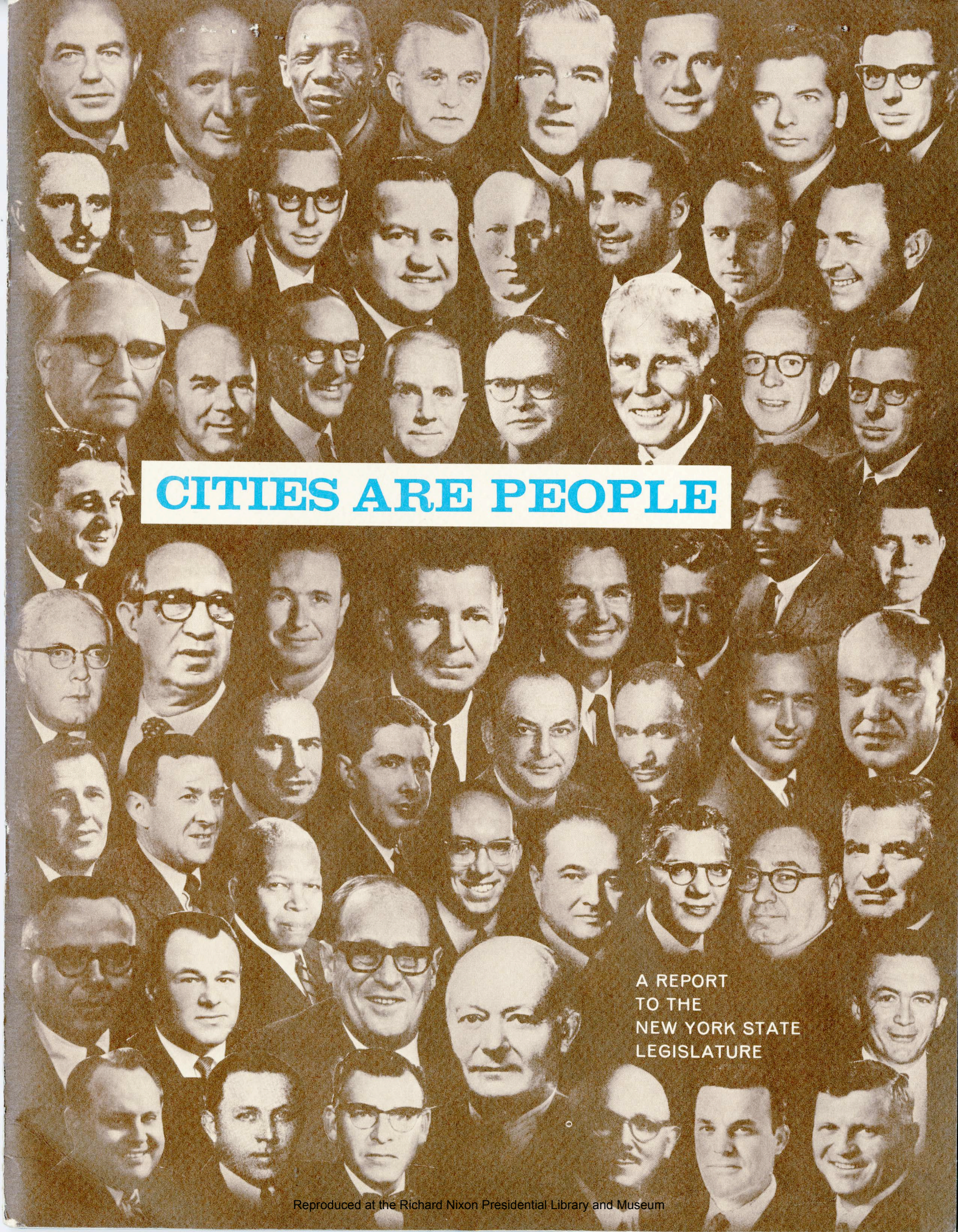
Sincerely,



ER:erm

Eugene Rubin

Mr. John R. Price, Jr.
Executive Secretary
Council for Urban Affairs
1600 Pennsylvania Avenue
Washington, D. C. 20500



CITIES ARE PEOPLE

A REPORT
TO THE
NEW YORK STATE
LEGISLATURE



CITIES ARE PEOPLE
AND
SAVINGS BANKS
ARE
PEOPLE BANKS



SAVINGS BANKS ASSOCIATION
OF NEW YORK STATE

FEBRUARY 1970



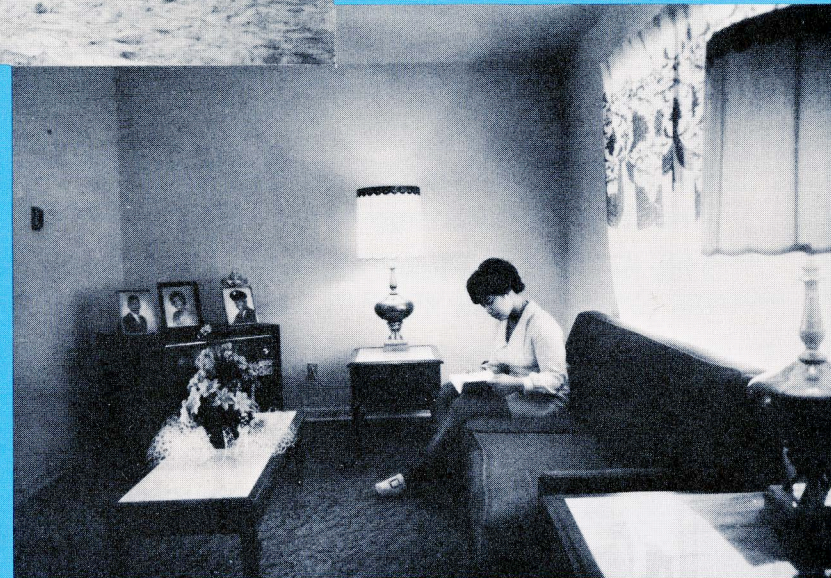
Since then, we've invested or committed over \$180,000,000 in low and moderate income housing in the state.

This report shows how. And where. And for whom – the people of New York State.

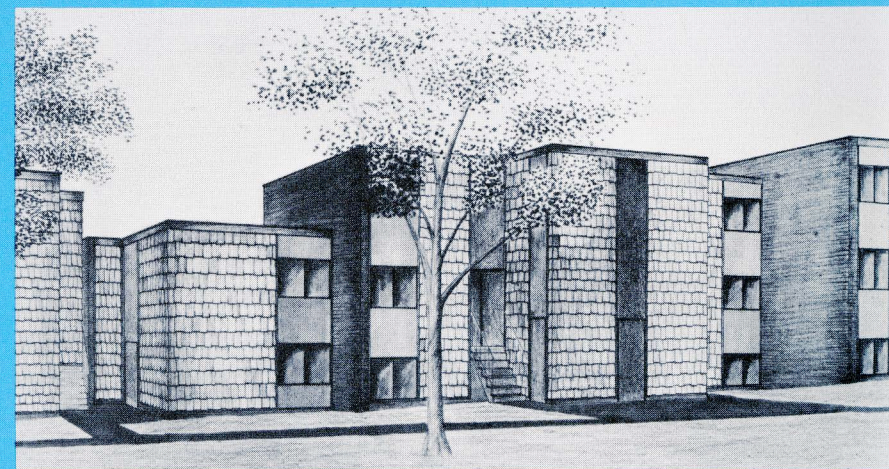




757 South Pearl Street



38-40 State Street



Penn Central right of way, North Pearl Street, Livingston Avenue and Lark Street

FAITH, HOPE AND CONSTRUCTION MONEY

Christmas was brightened for families from Albany's run-down South End who moved into the first new homes in the Inter-Faith housing project. Churches, working with community leaders, are providing homes at modest cost.

The Academy of the Sacred Heart donated a site. The five Albany savings banks provided construction money. Soon, 164 families will enjoy new homes, modern kitchens and appliances, landscaped gardens, low carrying costs . . . and ownership for as little as \$200 down.

Savings banks also joined to finance rebuilding of the old Hampton Hotel into 101 modern apartments for older people, to be offered at low rentals by the municipal housing authority. And the property stays on the tax rolls.

On a larger scale, a \$4.75 million non-profit housing project has begun in Albany. 263 moderate-income apartments are being built by All Saints Episcopal Cathedral and Morning Star Baptist Church. Local savings banks joined with other institutions in the construction financing.

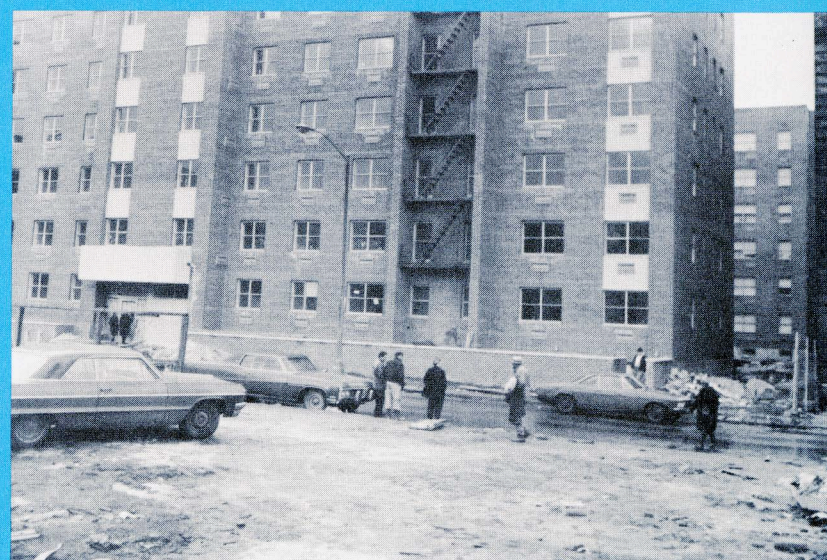
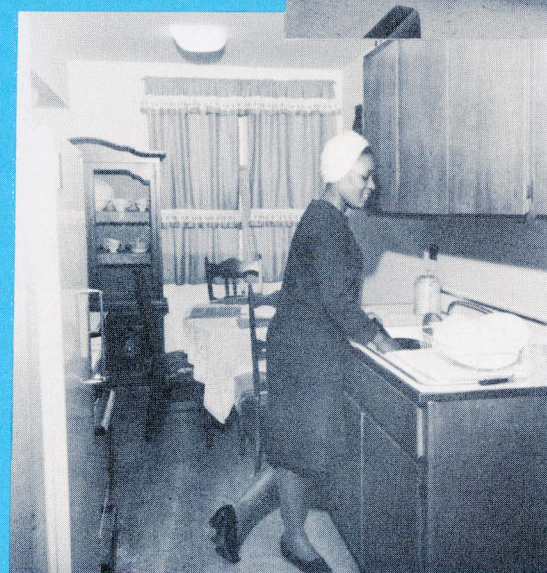
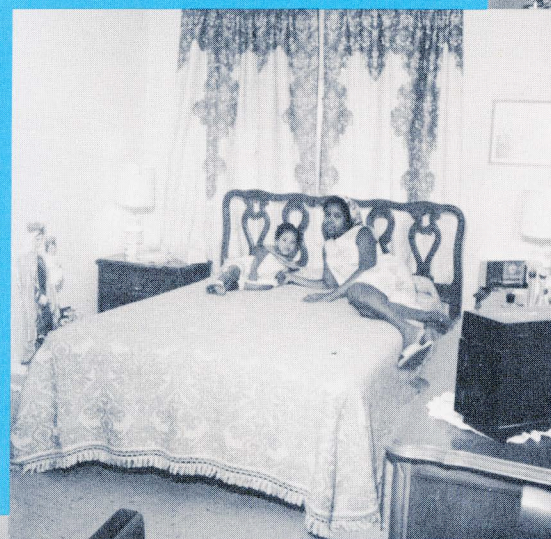
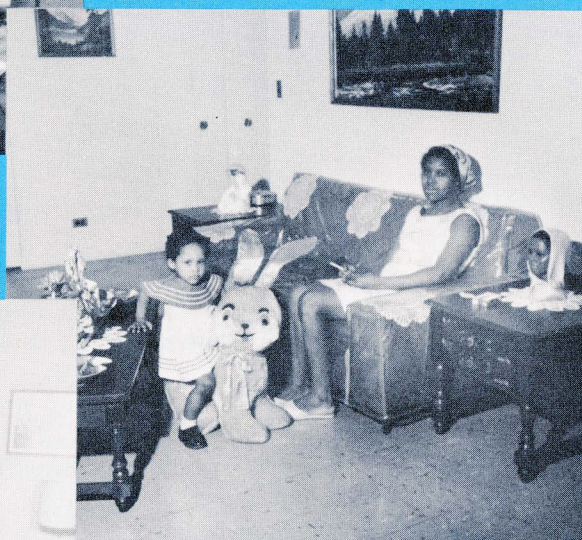


FINANCED BY THE SAVINGS BANKS OF THE ALBANY AREA





130 East 123rd Street, New York City



115 East 122nd Street, New York City

HARLEM

TWO HOUSEWIVES IN HARLEM

Mrs. Mary Iemma and Mrs. Margaret Jenkins are the founders and guiding spirits of UPACA, the Upper Park Avenue Community Association. They're working to transform their own neighborhood — 116th to 125th Street, between Park and Lexington Avenues, in Harlem — into a new community for their neighbors. Working with them are two New York City savings banks.

UPACA Gardens, on 122nd and 123rd Streets, is public housing with a difference. The two 6-story buildings, with 48 apartments each, were built by a development corporation formed by the two banks, then sold to the City Housing Authority. People are already living in one building. The other will be finished soon.

Best of all, the two Harlem housewives have helped with the planning from the start. They're making sure that UPACA Gardens — and the other UPACA projects the savings banks are financing — are what the people of the community need, want and will enjoy.



FINANCED BY TWO NEW YORK CITY SAVINGS BANKS



FOR 100 FAMILIES ST. LUCY'S MEANS HOME

To the people along 104th Street in East Harlem, "St. Lucy's" has for many years meant their local Roman Catholic church.

But soon, to 100 families with low to moderate incomes, St. Lucy's will mean home. Because the church, joining with community leaders, formed a non-profit corporation, to sponsor St. Lucy's Apartments.

These are two six-story buildings, extending from 104th through to 103rd Street, between First and Second Avenues, with a courtyard between. The apartments will range from efficiencies to two-bedroom units.

The builder is a housing development corporation formed by two savings banks, which were able to enter the housing construction field as a result of New York State legislation authorizing savings banks to invest in housing.

When St. Lucy's Apartments are finished this year, the sponsor will assume ownership and operation, with a 40-year mortgage at below-market interest rates, under provisions of the National Housing Act.

330 East 104th Street, New York City



FINANCED BY TWO NEW YORK CITY SAVINGS BANKS



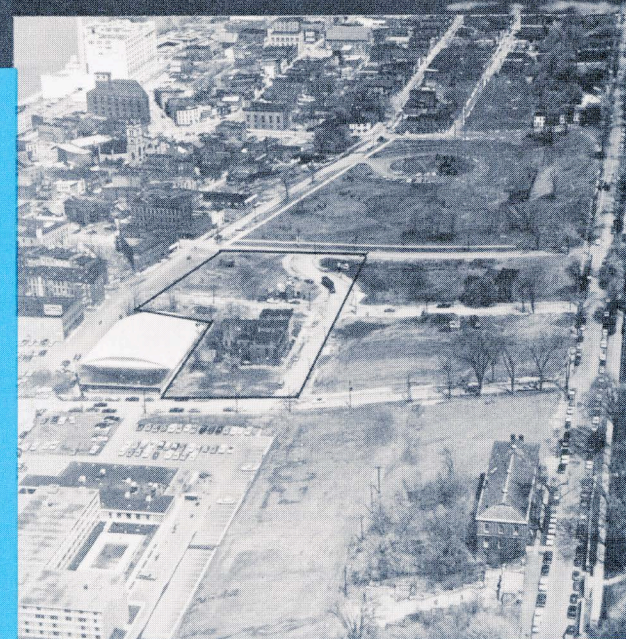
TROY

TWIN TOWERS IN A GARDEN SETTING

Two eight-story buildings, each with 67 new, modern apartments, on landscaped, garden-like grounds . . . that's Troy Towers. Modern apartment homes for 134 families with moderate incomes — above the income limits for public housing, but below those needed for the ordinary rental market.

Nobody here will pay more than 25% of his income in rent . . . and up to 20% of the apartments may qualify for rent supplements so that people with low incomes can live in Troy Towers too. In all-electric comfort — with individually controlled electric heat, and range, refrigerator, exhaust fan and disposal unit.

Savings banks in the Troy-Schenectady-Albany area are financing 90% of the estimated \$2,700,000 cost of Troy Towers. The sponsor is a major upstate utility company. The U.S. Housing and Development Act of 1968 makes it all possible.



Sixth Avenue bet. Fulton and Federal Streets

FINANCED BY THE AREA SAVINGS BANKS



POUGHKEEPSIE

A VIEW FROM EVERY WINDOW

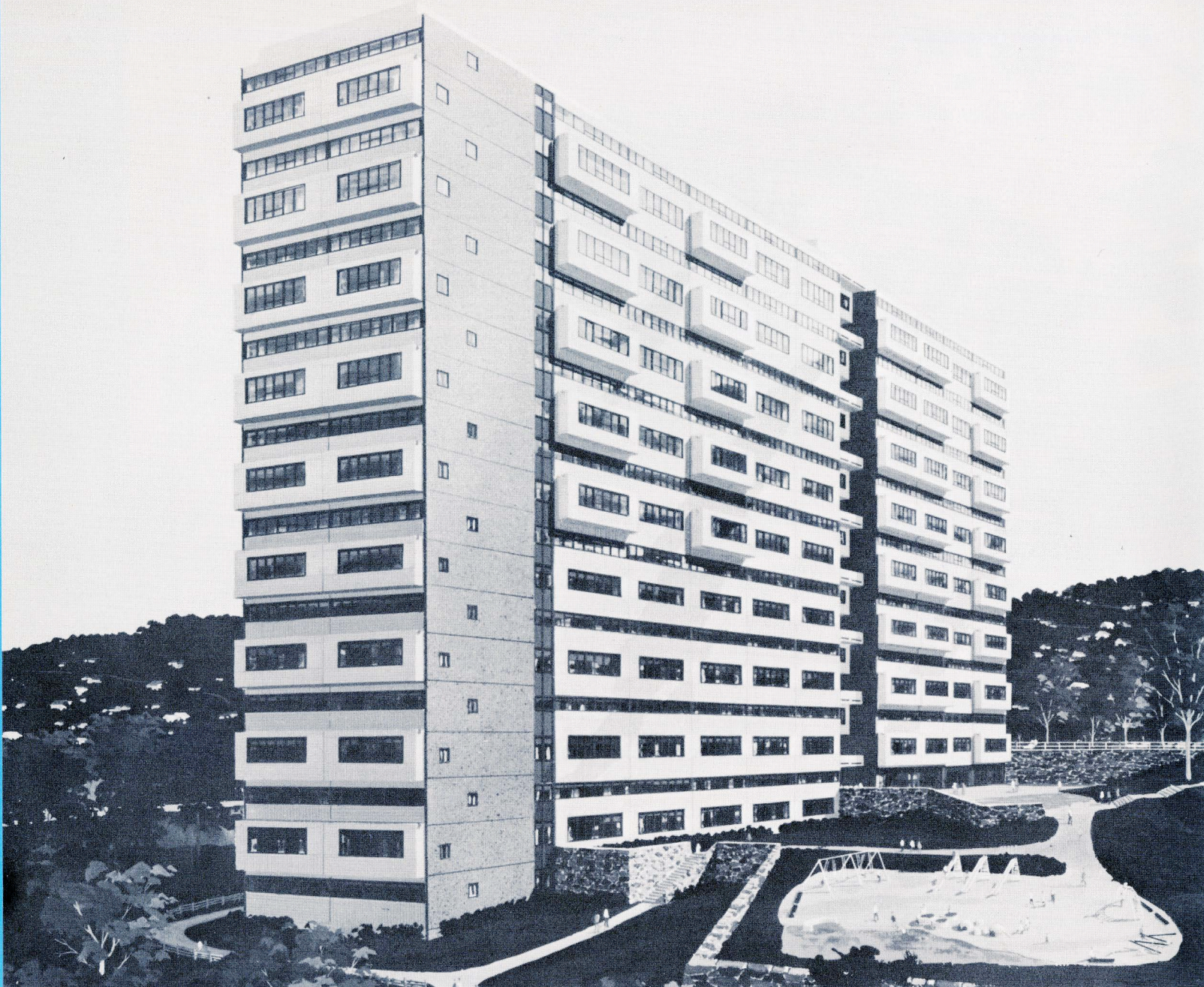
This spring, 179 families with moderate incomes — as low as \$6,850 a year — move into Rip Van Winkle House in Poughkeepsie. Their new, duplex apartments with every modern convenience, look out over the Hudson River.

The 18-story apartment building, as its developer says, marks “the re-awakening of this proud river city.”

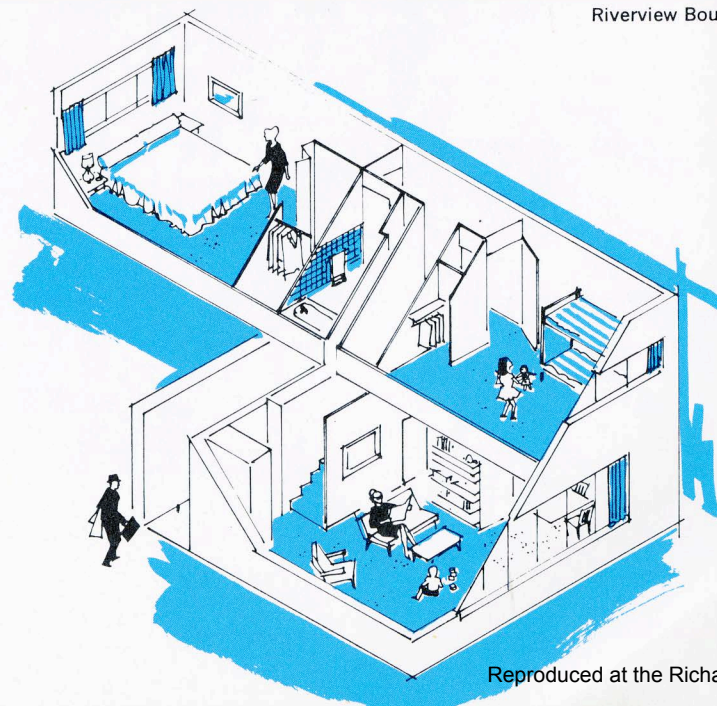
For Rip Van Winkle House is the first phase of a \$25 million redevelopment program along the riverfront, flanking the Mid-Hudson Bridge.

Apartments will have two, three and four bedrooms. All of the three and four bedroom apartments, and 73 of the two-bedroom ones, are duplexes, with living-dining room and kitchen on the lower floor and all bedrooms and baths on the upper level, reached by a private staircase. Each bedroom floor extends across the building — so that everyone has a river view.

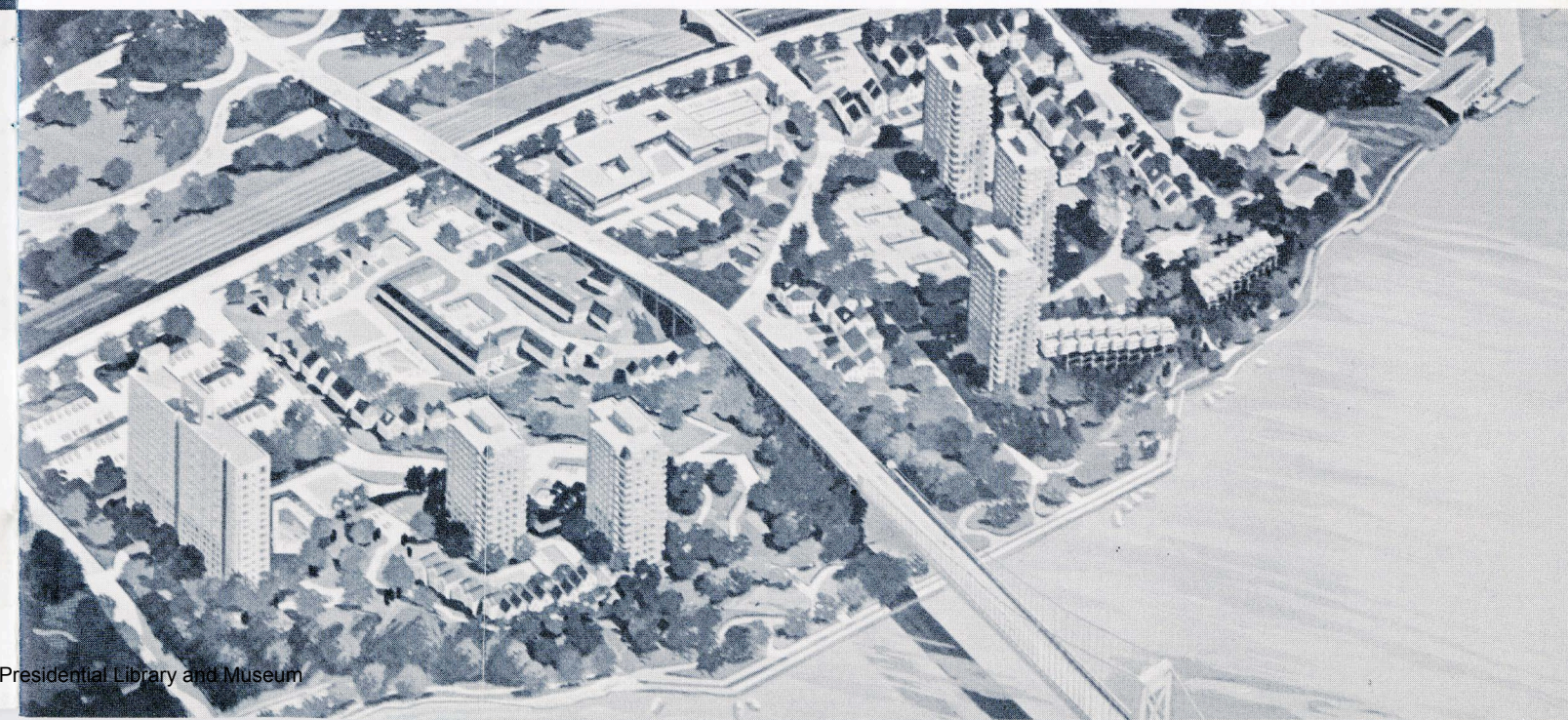
FINANCED BY THE LOCAL SAVINGS BANK
with other financial institutions



Riverview Boulevard

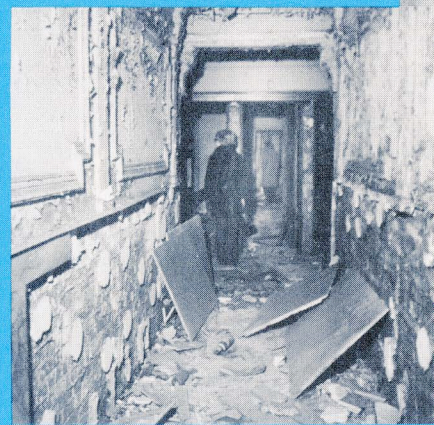


Reproduced at the Richard Nixon Presidential Library and Museum





565 Saratoga Avenue, Brooklyn



BROWNSVILLE

TO REBUILD A LIFE

Salvaging of young men and women is what Phoenix House is about.

The building at 565 Saratoga Avenue — within a year — will be as attractive outside and as comfortable inside as the refurbished house on the right, itself an abandoned wreck some months ago.

The Prospect Place Phoenix House was donated by a charity. Savings bank financing is now making possible a number of others, like the one on Saratoga Avenue.

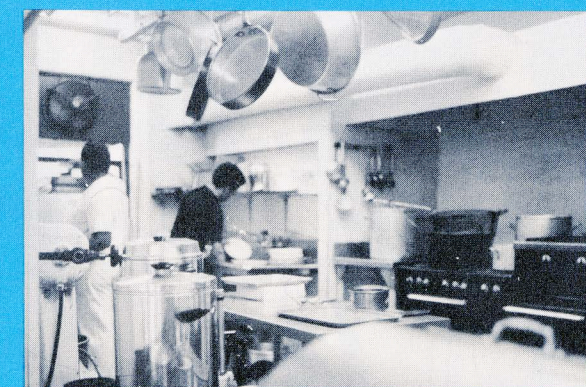
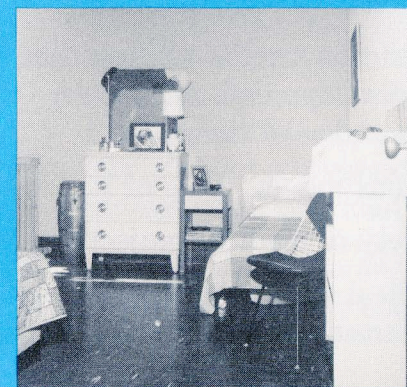
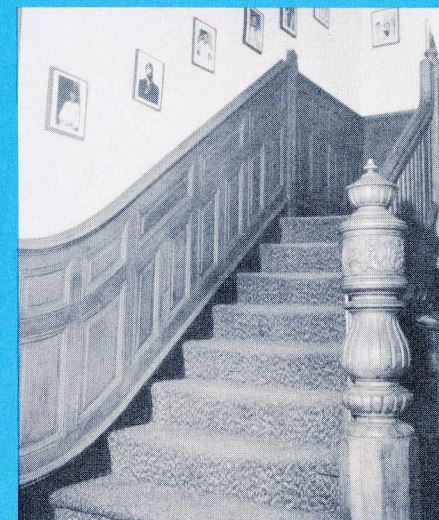
A savings bank mortgage loan, and the spirit of self-help among recovering narcotics addicts, will restore this dead building.

With the savings-bank loan the Phoenix House program of the Addiction Services Agency of the City of New York will provide the structural and functional rehabilitation of the building. Refinishing and decorating of the interior and maintenance of the building will be handled by the 100 or more residents, all former users of narcotics, who will live here as a community while rebuilding their lives.

Phoenix House Foundation, a private nonprofit corporation, facilitates the purchase of the properties to be rebuilt.



174 Prospect Place, Brooklyn



FINANCED BY A LOCAL SAVINGS BANK



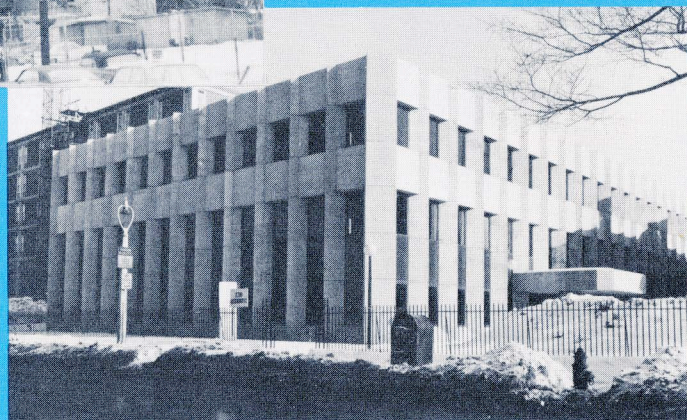
FLUSHING, FLATBUSH, SUFFERN, PLATTSBURGH,
JOHNSON CITY, ROCHESTER, NEWFANE...



Champlain Valley Physicians Hospital,
Plattsburgh



Brookdale Hospital, Flatbush, Brooklyn



Genesee Hospital, Rochester



Flushing Hospital and Medical Center,
Flushing, Queens



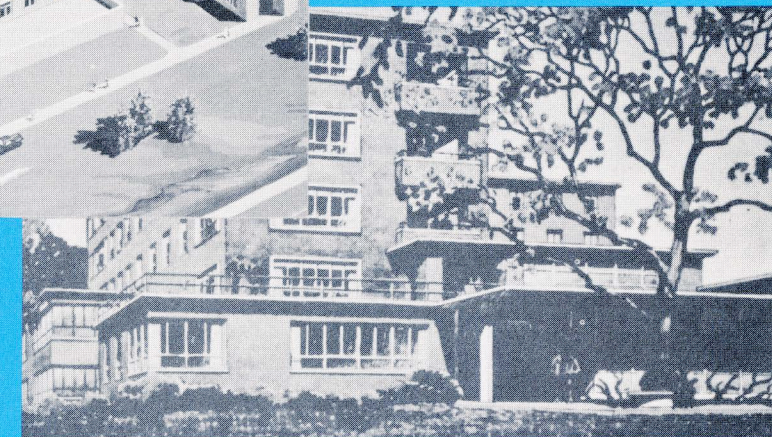
Newfane Inter Community Hospital,
Newfane



Wilson Memorial Hospital, Johnson City

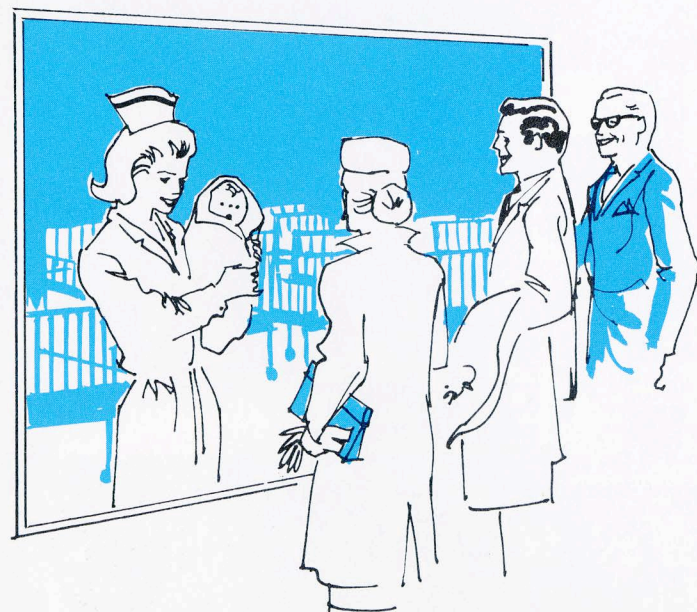


The Good Samaritan Hospital, Suffern



Jewish Home and Infirmary, Rochester

COMMUNITY MEDICAL CARE ALL OVER THE STATE



A city has no more critical need than providing adequate hospital facilities for its citizens.

More than ever before, Americans are demanding that hospitals provide the latest developments of modern science to guard their health and save their lives.

Providing these facilities means money. Lots of it.

Savings banks finance a variety of medical projects.

Typically, they include a medical office facility, a home and infirmary for the elderly, expansion and modernization of

hospitals and comprehensive medical centers, all over the state.

For Plattsburgh, for instance, hospital financing was provided by savings banks in Albany, 170 miles away. Plattsburgh has no savings bank. And for Suffern, another city without a savings bank of its own, a New York City savings bank provided the needed funds.

All over the state, savings bank financing is helping to fill the need for community medical care.

FINANCED BY LOCAL SAVINGS BANKS
and other financial institutions



MODERN NURSING CARE WHERE NONE EXISTED

In the cities of New York State, large and small, savings banks are concentrating their efforts on the creation of much-needed housing to meet urban needs.

But cities, and people, need more than housing. Facilities, for example, to care for the sick, the aged, the very young.

In some areas, a modern nursing home may be a genuine lack. That's been the case in the Oswego-Fulton area, for nowhere in all of Oswego County was there a nursing home that met Medicare and Medicaid standards.

Now there will be one.

On a hill that provides a view overlooking the Oswego River, the Pontiac Nursing Home will have 80 beds, a therapy room, a chapel, barber and beauty shops, recreation and dining rooms. And there'll be space, heating and utilities for an expansion to 120 beds as needed.

Savings banks in Oswego, Fulton and Rochester are providing mortgage money amounting to two-thirds of the total estimated cost of \$1,200,000.



Reproduced at the Richard Nixon Presidential Library and Museum

MacFarland Heights, East River Road, Oswego



FINANCED BY THREE AREA SAVINGS BANKS



\$18,500,000 TO BUILD A NEW COMMUNITY

At West Farms, in the Bronx Park South area, \$18.5 million dollars is being invested to build a whole new community.

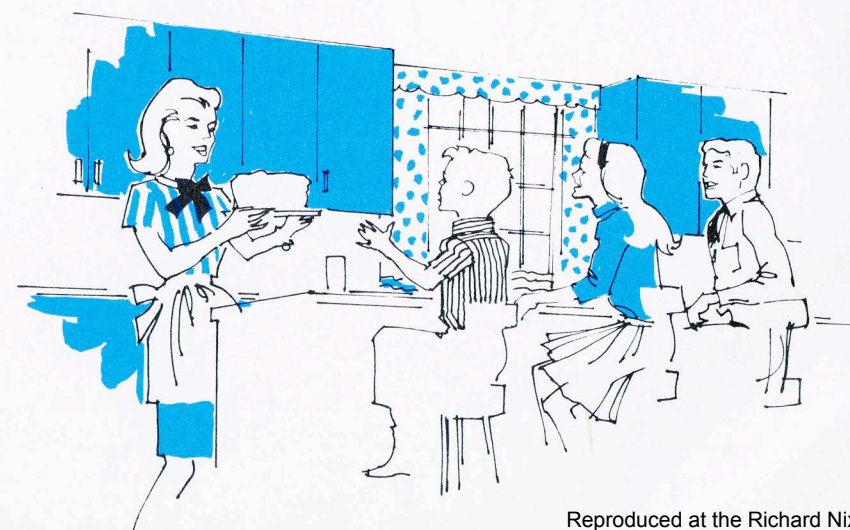
No one bank could make a construction loan of that size, even if money weren't tight. So the savings banks of New York City are participating in the loan.

Today, the West Farms site is vacant land, surrounded by overcrowded buildings. Children play in the streets. There's nowhere else.

Tomorrow, West Farms will be a community of 526 families, housed in six new buildings. There'll also be an elementary school, a day-care center, laundry rooms, community rooms, office space, parking facilities . . . and places for children to play.

Rents will be at the lowest non-public housing rate in The Bronx for new construction.

A local community group is the non-profit sponsor. The Roman Catholic Archdiocese of New York is coordinating. And the savings banks are ready with the biggest single loan in their urban affairs program.



Reproduced at the Richard Nixon Presidential Library and Museum



Boston Road, Bryant Avenue and East 179th Street, New York City

FINANCED BY THE SAVINGS BANKS OF NEW YORK CITY



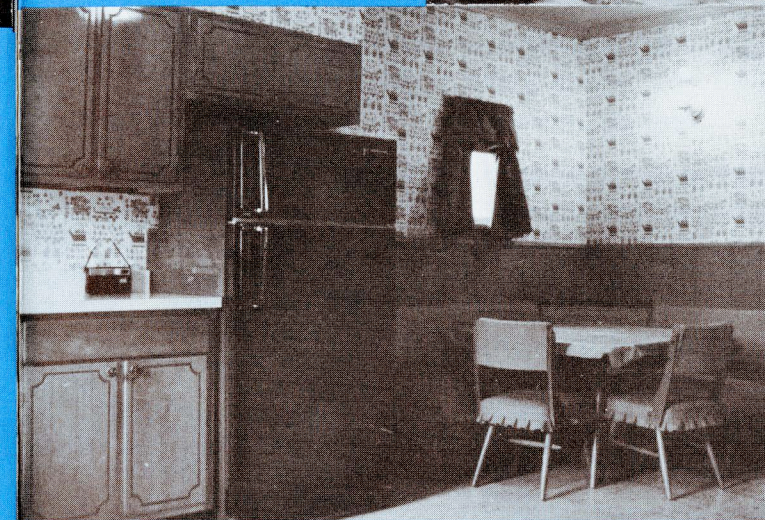
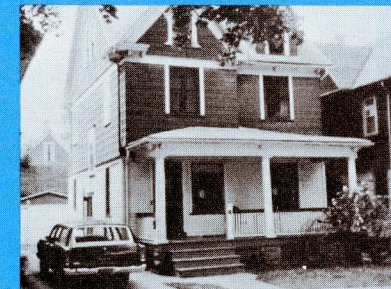
SCHENECTADY, UTICA,
ROCHESTER,
CHEEKTOWAGA...



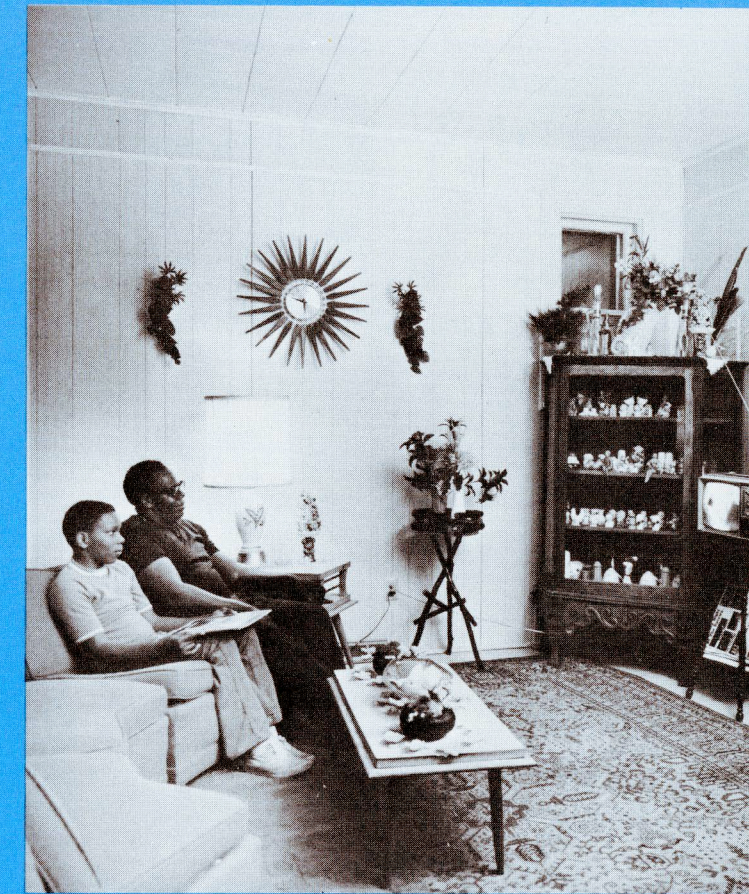
1117 Seymour Avenue, Utica



8 Rondelay Court, Cheektowaga



11 Lenox Street, Rochester



547 Hulett Street, Schenectady



NEW HOMES OUT OF OLD

New York State's cities have many sound but deteriorating homes. Across the state, savings banks are financing rehabilitation of older one and two-family houses, and making them available for low-cost home ownership.

In Schenectady, Better Neighborhoods, Inc., has the whole community behind it, including the local savings bank. It is rehabilitating 250 two-family homes at a cost of \$2.5 million — the funds supplied by local financial institutions without government help.

Utica's local savings bank has financed many rehabilitation projects, chiefly in the inner-city Cornhill section, close to downtown.

Better Rochester Living, Inc., has allocated \$2 million to acquire and rehabilitate homes that low and moderate-income families can buy at low cost. The city's three savings banks are participating.

And in Buffalo, a single savings bank has invested \$1.8 million and committed \$1.5 million more to rehabilitate homes in its area.

In these cities and many more, new, modern homes are being created out of older ones. Less spectacular, perhaps, but faster and less expensive than new construction.

FINANCED BY LOCAL SAVINGS BANKS



EAST NEW YORK



REBIRTH OF A NEIGHBORHOOD

East New York is a community that is home to thousands of New Yorkers. Few of them, however, would call it an attractive neighborhood today. For East New York knows what urban decay is all about.

But there's a new spirit at work in East New York, and a new hope dawning.

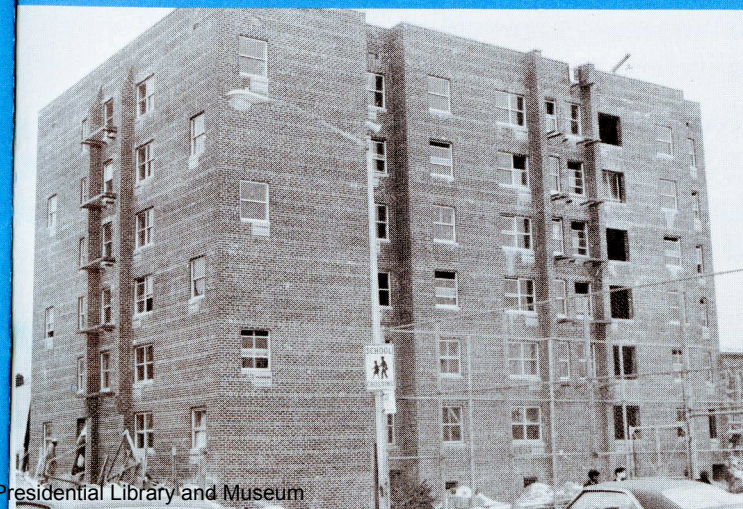
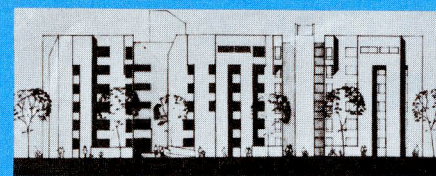
Because new homes are being built, and sound older ones are being made over into modern apartments . . . all for low-income people.

One of the biggest projects, sponsored by the Baptist Church Extension Societies of Brooklyn and Queens, is a complex of four six-story elevator buildings with a total of 232 apartments, 179 of them with two bedrooms or more.

A local savings bank is providing the non-profit sponsor with a \$5.5 million construction loan.

Best of all, this project, and others in the area, grew out of plans and programs developed in the community itself by its own grass-roots organizations.

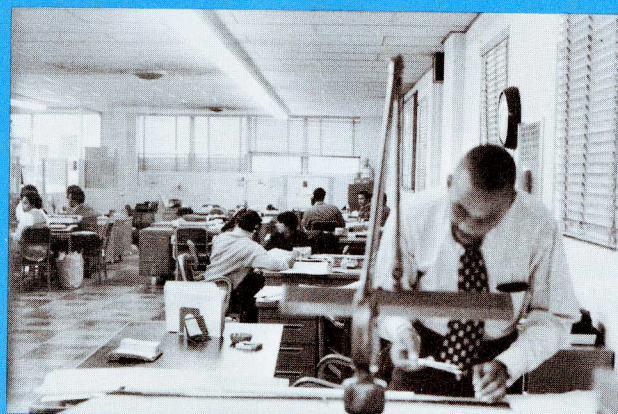
FINANCED BY A LOCAL SAVINGS BANK



Sutter, Dumont, Williams
and Sheffield Avenues



Reproduced at the Richard Nixon Presidential Library and Museum

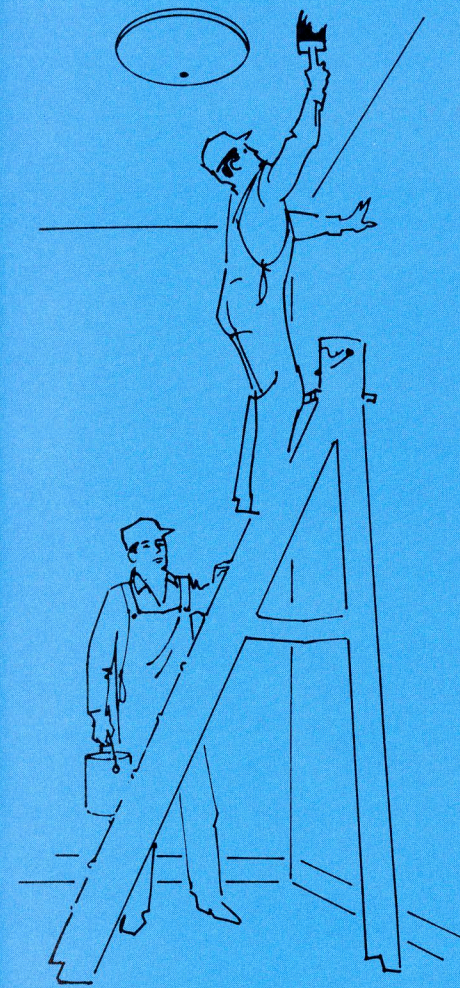




245 West Castle Street



2929 South Salina Street



301 Columbus Avenue

MODERN CONVENIENCE AT MODEST RENT

Like many another New York State city, Syracuse has many apartment buildings that are aging and deteriorating. Today, they can be renovated to provide modern homes at low to moderate-income rentals.

Tomorrow may be too late.

That's why the two savings banks in Syracuse are moving now to finance rehabilitation of six aging apartment buildings, scattered through the downtown area.

With a community-based non-profit corporation as sponsor, the savings banks are providing the needed financing of \$1,870,000. The financing will produce 126 up-to-date, newly equipped apartments.

Families who will be moving in when the houses are ready will pay from \$97 to about \$125 a month in rent.

Like others in this report, this project marks a beginning. It's the first in Syracuse under the U.S. Housing and Development Act of 1968.

FINANCED BY THE LOCAL SAVINGS BANKS



SOMETHING WORTH FIGHTING FOR

Freedom . . . Independence . . . God . . . Honor . . . Today — words with special meaning for the black people of Rochester. FIGHT is their army in the crusade for better schools, jobs and housing.

To build FIGHT Square, one of the first new housing projects in Rochester's Third Ward Urban Renewal Area, FIGHT is allied with the city government and the local banks. The city provided the land. The banks provided over \$3,000,000 for construction.

FIGHT Square will provide low-income families with 148 two, three, and four bedroom garden-type apartments and a cultural center containing medical facilities, a day-care center, drug store and beauty salon. Monthly rents range from \$113 to \$150.

FIGHT Square — to the black people of Rochester, the city government, and the local banks — is something worth fighting for.



Main, Reynolds, Troup and Prospect Streets

FINANCED BY THE THREE LOCAL SAVINGS BANKS
with other local financial institutions



MANHATTAN WEST



A NEW WEST SIDE STORY

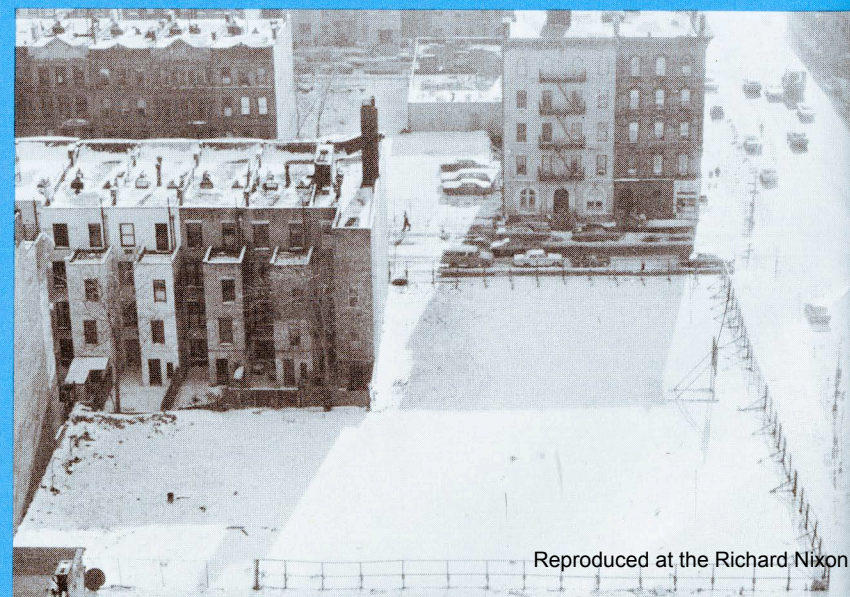
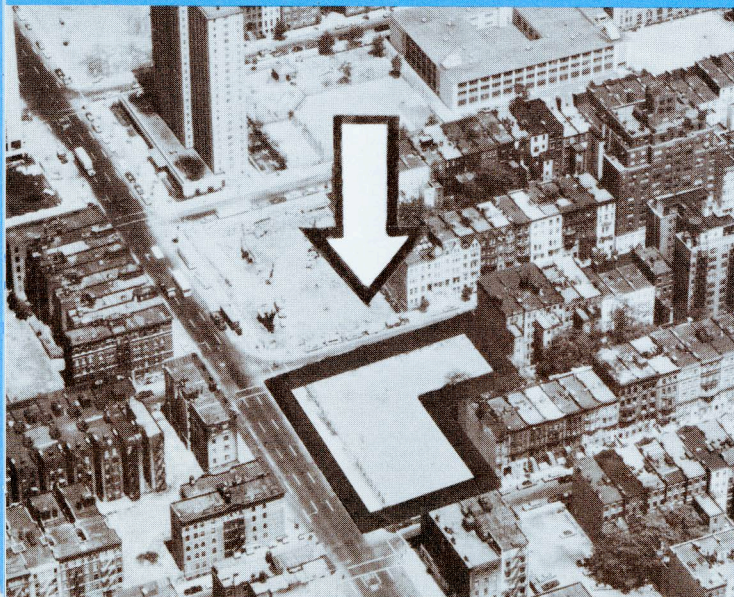
A public school guidance counselor, a housewife and a Roman Catholic priest saw the increasing lack of adequate housing for the people of Manhattan's Upper West Side as a challenge . . . to provide a new and better style of living for families with low or moderate incomes.

From their awareness of the community's needs grew plans for Turin House . . . a high-rise, cooperative building with duplex-style apartments.

The plans grew into reality when the city's savings banks agreed to provide \$5,000,000 for construction.



Columbus Avenue and 89th Street, New York City



Residents will enjoy duplex apartments with large rooms, modern utilities, plenty of closets, outdoor recreation areas on alternate levels, all cooperatively owned by 189 families with incomes as low as \$5,000. And this is just one of the housing projects that savings banks are financing in the West Side urban renewal area.

That's the new West Side story.

FINANCED BY THE SAVINGS BANKS OF NEW YORK CITY



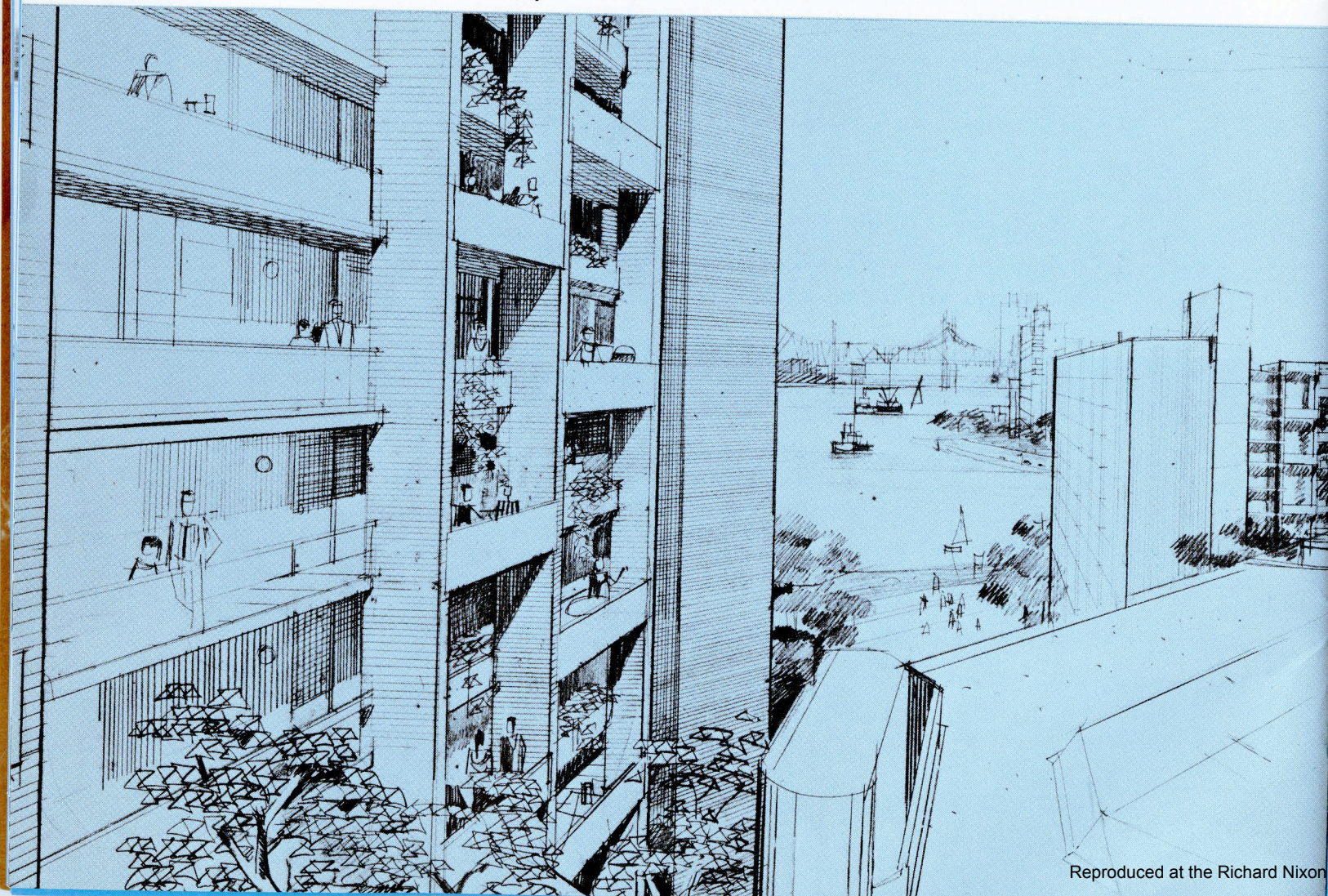
NEW HOUSING...WITH A SCHOOL AS A BONUS

New, modern schools are among New York City's urgent needs. But the money to finance them . . . ?

The city can turn to the State-created Educational Construction Fund for a combined school and housing development. Once it's completed, the city's income from the housing helps pay the cost of the school.

This way, people get needed new housing. And a new school as a bonus.

FDR Drive from 100th Street to 102nd Street, New York City



Such a combination project is being developed by two savings banks. The \$13,000,000 undertaking will provide a new Public School 50 to replace several existing schools. It will accommodate 1,800 pupils.

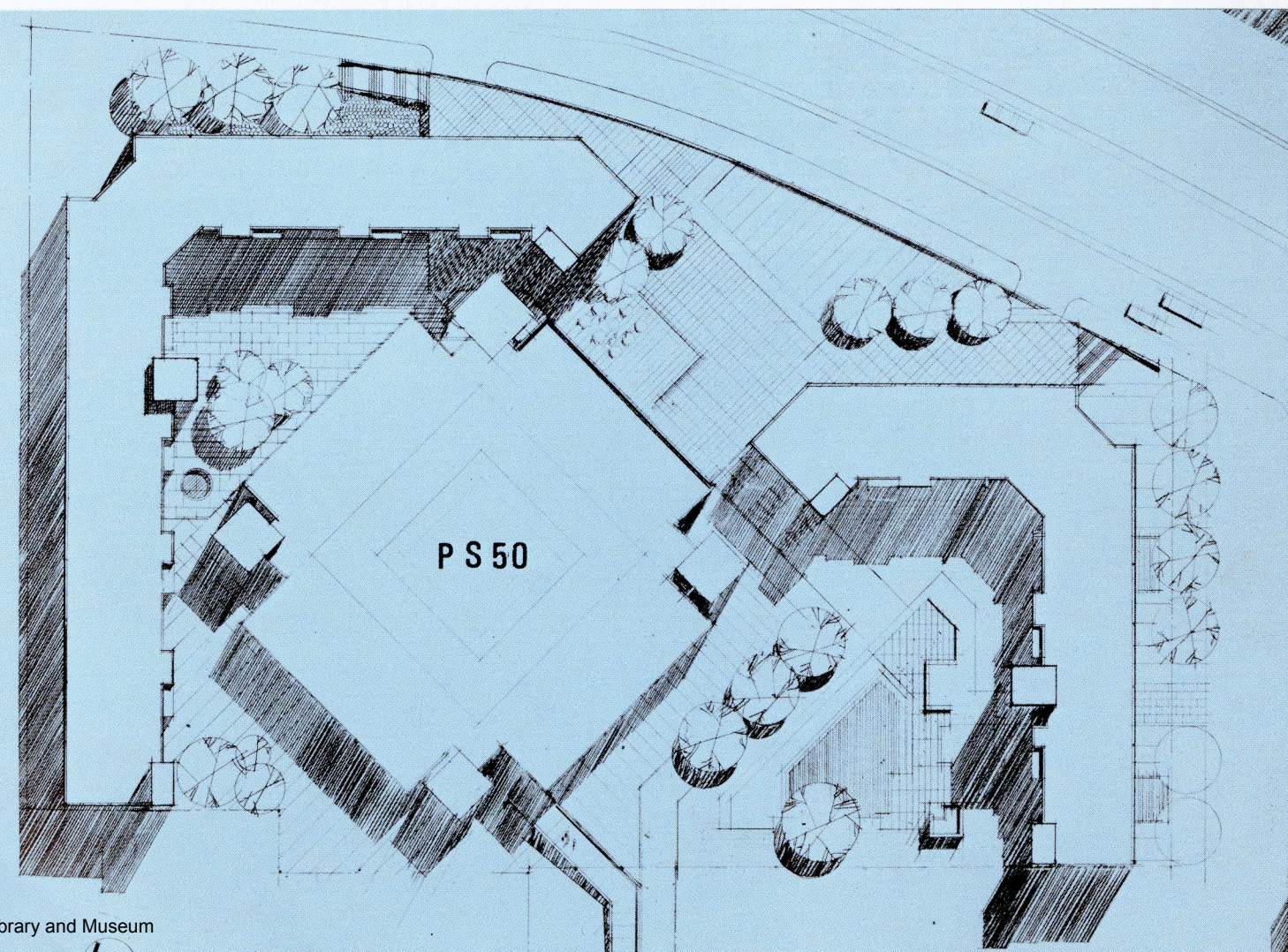
Nearby, there'll be 291 new apartments.

With the cooperation of State and federal housing agencies, the savings banks will build both the school and the housing. And a local community organization, the Metro-North Community Association, will operate the housing for the benefit of neighborhood people.

Housing rentals will be moderate, with about 20% of the apartments for low-income families.



FINANCED BY TWO NEW YORK CITY SAVINGS BANKS



A GOOD START FOR THE ILL-HOUSED

"First step in a very long journey."

That's what the Yonkers *Herald Statesman* called Jefferson Terrace in an editorial on November 1, 1969. "In a year or so," the paper said, "63 Yonkers families will move out of cramped or deteriorated quarters and into shiny new apartments at Jefferson Terrace, the new rental development in the heart of one of the city's poverty pockets. . . .

"It is a beginning. As the Chinese said long ago, the longest journey begins with a single step.

"And thanks for this single step must go to St. Peter's Church and the Yonkers Economic Development Corp., who joined in the federally sponsored program to establish decent, comfortable housing for those who have never had it. . . .

"We think the banking establishments should be enthusiastically commended by those who realize the need for future 'instant housing' such as this."



Jefferson Street and Highland Avenue

FINANCED BY THE TWO LOCAL SAVINGS BANKS
in participation with a commercial bank





**LAKEFRONT HOMES
FOR 240 FAMILIES**

In many areas of New York State and the nation, waterfront living means luxury living.

But when Maryland Towers rises on Buffalo's Lake Erie waterfront, its 240 apartments will be for families with low to moderate incomes.

What's now an abandoned area, marked for renewal, will soon blossom with new life. Maryland Towers families will enjoy modern, comfortable, fully equipped apartments. Children's voices will ring through the new playgrounds.

Maryland, Hudson, Efner and Fourth Streets

And it's all made possible by a \$6.4 million loan provided by the three savings banks of Buffalo.

Transforming abandoned land into a place where people can find new homes and better surroundings is one of the ways of tackling New York State's urban problems.

At Maryland Towers, in the state's second largest city, it's being done.

FINANCED BY THE LOCAL SAVINGS BANKS



SAVINGS BANKS ASSOCIATION OF NEW YORK STATE

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President

WALTER R. WILLIAMS, JR.
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Chairman, Urban Affairs Committee

EUGENE RUBIN
Director of Urban Affairs



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Savings Banks of New York State, Chartered by New York State
Members Federal Deposit Insurance Corporation





fpel
GENERAL

FI 2

March 20, 1970

Dear Mr. Nielsen:

The President has asked me to reply to your letter of February 19 regarding the appointment of a high level commission to study the structure of financial institutions in our country. Your suggestion of a specific time limit for such a commission is a highly useful one and is now under serious consideration.

Your thoughts and support are very much appreciated.

Sincerely yours,

Peter M. Flanigan
Assistant to the
President

Mr. Aksel Nielsen
817 17th Street, Suite 800
Denver, Colorado 80202

RECEIVED
APR 2 1970
CENTRAL FILES

AKSEL NIELSEN
817 SEVENTEENTH STREET, SUITE 800
DENVER, COLORADO 80202

Date by which
Fin. Com. will
report

February 19, 1970

PF
The Honorable Richard M. Nixon
President of the United States
The White House
Washington, D. C.

Dear Mr. President:

As you well remember, I have been for many years very active in the financial activities in Denver and Colorado. After I served my seven years as Chairman of the Federal Reserve Bank, Denver Branch, I joined the First National Bank as a Director, and still hold that position.

Eugene Adams, who is the President of our bank, is the Chairman of a special subcommittee of the American Bankers Association which has recently issued a position statement in connection with H. R. 6778, the amendments to the 1956 Bank Holding Company Act which passed the House of Representatives on November 5, 1969. I believe you can understand, therefore, that I have more than a passing interest in this proposed legislation, and I personally feel that it should not be enacted into law.

I also understand that in your Economic Report to Congress you stated that you would appoint a commission to study the structure of the financial institutions of our country and to report those recommendations back to you. I heartily endorse your proposal and I hope that Congress will take no further action on H. R. 6778 pending completion of this study.

As I am sure you know, however, there has been a lot of pressure for H. R. 6778, particularly on the House side, and, in connection with your study commission, I have a suggestion which I respectfully pass on to you at this time.

President Nixon
February 19, 1970
Page 2

It seems to me it would be expedient and highly advisable if you would advise the members of the Senate Banking and Currency Committee of a specific date by which you will have appointed the commission, and that you will direct it to report back to you by another specific date, hopefully within a year. I realize the scope of the study is extremely large and perhaps a year is not sufficient within which to complete it. Be that as it may, however, I think, from what I have heard, that some members of the Senate would feel more inclined to do nothing with H. R. 6778 if they were assured that the study commission will diligently and rapidly pursue this matter and that it will not be used as a vehicle for indefinite delay on any statutory action in connection with one-bank holding companies.

It was very nice to see you the other night. Keep up the good work and call on me whenever I can help.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Aksel', with a stylized, flowing script.

Aksel Nielsen

GENERAL

FI 2

March 20, 1970

Dear Mr. Reese:

The President has asked me to thank you for your letter of January 27. The interest which prompted you to write is appreciated and you can be sure that your views and comments will be carefully considered.

Sincerely yours,

Peter M. Flanigan
Assistant to the
President

Mr. Addison H. Reese
Chairman of the Board
North Carolina National Bank
Post Office Box 120
Charlotte, North Carolina 28201

RECEIVED
MAR 20 1970
CENTRAL FILES

1401
GENERAL

FI 2

February 2, 1970

Dear Mr. Jonas:

Thank you for your January 29 letter with which you forwarded a letter addressed to the President by Mr. Addison H.^x Reese.

At your suggestion, I have handed Mr. Reese's letter to Mr. Peter Flanigan, Assistant to the President.

Sincerely,

BILL

William E. Timmons
Deputy Assistant to the President

Honorable Charles Raper Jonas^x
House of Representatives
Washington, D. C. 20515

bcc: Peter Flanigan w/incoming for RESPONSE

3

Congress of the United States
House of Representatives
Washington, D.C. 20515

January 29, 1970

K

Mr. William Timmons
The White House
Washington, D. C.

Dear Bill:

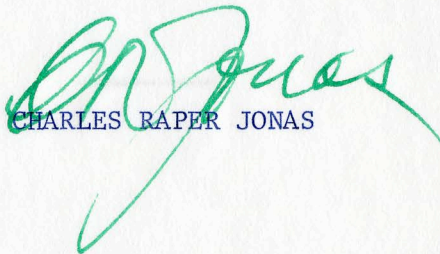
Enclosed is a letter addressed to the President by Mr. Addison H. Reese, Chairman of the Board of the North Carolina National Bank.

Mr. Reese is interested in having this letter read by one of the President's principal advisors on the One-Bank Holding legislation, and it was at my suggestion that he send the letter to me for transmittal to the White House.

You will do me a great favor if you will see that this letter is put in the hands of Mr. Peter Flanigan who I understand is advising the President in this particular field.

I will also appreciate it if receipt of the letter is acknowledged to Mr. Reese with a statement that it was hand delivered to Mr. Flanigan.

Sincerely,


CHARLES RAPER JONAS

CRJ/mca
Enclosure

**NORTH CAROLINA
NATIONAL BANK**



ADDISON H. REESE
CHAIRMAN OF THE BOARD

January 27, 1970

POST OFFICE BOX 120
CHARLOTTE, N. C. 28201

The President
The White House
1600 Pennsylvania Avenue, N. W.
Washington, D. C. 20500

Dear Mr. President:

You are undoubtedly aware of the demise of the Bill proposed by Congressman Widnall to strengthen the regulation of bank holding companies and are familiar with the disastrous events which took place after H. R. 6778 was approved by the House Committee on Banking and Currency and reported to the House.

Although this Bill has been described as an attempt to remedy some of the reputed illnesses of the nation's financial community, in its present form H. R. 6778 would cause great damage to that community. It would shackle banks in their efforts to offer a broader range of financial services to the consumer and would require the curtailment of some services which have traditionally been offered by banks. If the credit and related financial requirements of our growing economy are to be adequately met, banks must operate within a framework which enables them to render a full range of financial services.

It is my recommendation that the influence of the President's office be directed toward the creation of an environment in which the orderly development of banking activities will meet the changing needs of our society. I recognize, however, that the legal and regulatory framework for this development can be seen in its proper perspective only after relating the role of banking to the needs of a growing economy.



The President
January 27, 1970
Page Two

John M. Mayer, Jr., Chairman of the Board, Morgan Guaranty Trust Company of New York, recently released a statement proposing that a high-level study commission be appointed by the President and charged with the responsibility of conducting a broad study of the nation's financial institutions. I am sure that Messrs. Burns and McCracken and others of your advisors are familiar with the contents of this statement, and I understand that serious consideration is being given to this proposal.

The proposal is constructive and timely. Such a commission would develop the factual basis necessary for the Chief Executive and the Congress to determine the best legal and regulatory structure for the nation's financial institutions. This course offers an opportunity for you to provide the leadership necessary to marshal the financial resources of the country for economic progress in the 1970's.

With best wishes and sincere appreciation for the leadership you are providing our country, I remain

Respectfully yours,

Addison H. Reese

pah

378 a c



GENERAL

FI 2

PR13/ST46

Arlington Post No. 139, Inc.

THE AMERICAN LEGION/VIRGINIA
3445 N. WASHINGTON BOULEVARD
ARLINGTON, VIRGINIA 22201

TELEPHONE: 528-9456

LEWIS V. STARNER
Commander

ROBERT A. MCARA
Adjutant

May 27, 1970

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, that Arlington Post No. 139, Inc., Department of Virginia, The American Legion, strongly urges the passage of H.R. 17140 (91st Congress, 2d Session) which was introduced on April 21, 1970, by Congressman John J. Rarick, of Louisiana, the purpose of said Bill being "to vest in the Government of the United States the full, absolute, complete, and unconditional ownership of the twelve Federal Reserve Banks," and

BE IT FURTHER RESOLVED, that a copy of this Resolution be transmitted to each of the following persons: The Honorable John R. Rarick, U. S. House of Representatives; The Honorable John Sparkman, Chairman, Senate Banking and Currency Committee; The Honorable Wright Patman, Chairman, House Banking and Currency Committee; The Honorable Harry F. Byrd, Jr., United States Senate; The Honorable William B. Spong, Jr., United States Senate; The Honorable Joel T. Broyhill, U. S. House of Representatives; and The Honorable Richard M. Nixon, President of the United States; and

BE IT FURTHER RESOLVED, that this Resolution be forwarded to the next District Convention for consideration to recommend action by the next subsequent Department and National Conventions.

ATTEST:

SIGNED:

Robert A. Mc Ara
Robert A. Mc Ara, Adjutant

Lewis V Starnes
Lewis V. Starnes,
Commander

GENERAL

FC6-11-1/Whelihan, J. Bruce
FI8
FI2

March 27, 1970

Dear Mr. Ellis:

As an Irving alumnus, that I hope you remember, I was very pleased to see "67" be the first to lower its prime rate. I am sure that the Irving would make such a move is testimony to the success of your efforts.

Congratulations.

Sincerely,

J. Bruce Whelihan
Staff Assistant

X
Mr. Charles Ellis
X Irving Trust Company
One Wall Street
New York, New York 10005

/

JBW/skb

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APR 1 1970
CENTRAL FILES

file
March 31, 1970

0
GENERAL

FI 2

FLY 12

Mr. Eugene F. Trumble^x
Trumble, Spano & Associates
7515 Wayzata Boulevard
Minneapolis, Minnesota 55426

Dear Gene:

Many thanks for your letter of March 18 and the enclosed Annual Report of the First Bank System. I have passed this on to Dr. Charles Walker, Under Secretary of Treasury, who is working on the Commission in order that he might add this to Donald Grangaard's file.

With warm best wishes to you and
Bea,

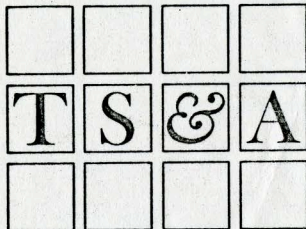
Sincerely,

Peter M. Flanigan
Assistant to the
President

bcc to:

Dr. Charles Walker *with money sent*

RECEIVED
APR 3 1970
CENTRAL FILE



TRUMBLE, SPANO & ASSOCIATES, INCORPORATED
7515 WAYZATA BLVD., MINNEAPOLIS, MINN. 55426 ☐ 612-544-4234

March 18, 1970

EUGENE F. TRUMBLE
President

Mr. Peter Flanigan
The White House
Washington, D.C.

Dear Pete:

In way of follow up to my recommendation of
Donald Grangaard for the commission to study one
bank holding companies, I am enclosing a copy of
the 1969 report of his organization -- First Bank
System.

Are there still positions to be filled on the
commission?

Best regards.

Sincerely,

Eugene F. Trumble

EFT:jc
Encl.

① Warm thank
② Rec. to
Charles Walker
③ Com. to
study financial
institutions
file

cc/

GENERAL
H/S
FI2

THE WHITE HOUSE OFFICE

REFERRAL

To: The Secretary of Housing and
Urban Development

Date: March 31, 1970

ACTION REQUESTED

- ☐ Draft reply for:
☐ President's signature.
☐ Undersigned's signature.
- ☐ Memorandum for use as enclosure to
reply.
- ☒ Direct reply.
☐ Furnish information copy.
- ☐ Suitable acknowledgment or other
appropriate handling.
- ☐ Furnish copy of reply, if any.
- ☐ For your information.
- ☐ For comment.

NOTE

Prompt action is essential.

If more than 48 hours' delay is encountered,
please telephone the undersigned immediately,
Code 1450.

Basic correspondence should be returned when
draft reply, memorandum, or comment is re-
quested.

REMARKS:

Description:

Letter: ☒ Telegram: ☐ Other: ☐

To: The President

From: Dennis W. Dunne, Vice President, Public Affairs, Northwest Bancorporation,
Date: 3/25/70 ☒ Minneapolis, Minnesota

Subject: Have pledged funds in excess of 10% of capital funds of Banco Banks beginning
7/1st to help low and moderate income families obtain better housing in 7-state area; feel
may prompt other midwest financial institutions to take look at basic housing needs in area.

By direction of the President:

Noble M. Melencamp
Staff Assistant
to the President

RECEIVED
APR 1 1970
CENTRAL FILES

rah

ac/

GENERAL

F12

April 1, 1970

Dear Rog:

Thank you for your March 26 letter with which you enclosed the letter you received from Mr. Marshall Cobleigh, Speaker of the House in New Hampshire, requesting comments on H.R. 6778 relating to bank holding company regulations. I have forwarded this letter to the Treasury Department with the request that Mr. Cobleigh receive a direct reply in response to this inquiry. I have asked that an information copy be sent to you also.

With warm regard,

Sincerely,

Bill

William E. Timmons
Assistant to the President

Honorable Rogers C. B. Morton
House of Representatives
Washington, D.C. 20515

bcc: w/inc to Treasury Dept. (James Smith) for DIRECT REPLY to Mr. Cobleigh.
Please supply Mr. Morton with a copy of this reply.

WET:EF:VO:jas

RECEIVED
APR 3 1970
CENTRAL FILES

THE WHITE HOUSE OFFICE

REFERRAL

To: **James Smith**
Special Assistant to the Secretary
Department of the Treasury

Date: **April 1, 1970**

ACTION REQUESTED

- ☐ Draft reply for:
☐ President's signature.
☐ Undersigned's signature.
- ☐ Memorandum for use as enclosure to reply.
- ☒ Direct reply **To Mr. Cobleigh**
☒ Furnish information copy.
To Congressman Morton
☐ Suitable acknowledgment or other appropriate handling.
☐ Furnish copy of reply, if any.
- ☐ For your information.
- ☐ For comment.

NOTE

Prompt action is essential.

If more than 48 hours' delay is encountered, please telephone the undersigned immediately, Code 1450.

Basic correspondence should be returned when draft reply, memorandum, or comment is requested.

REMARKS:

Description:

☒ Letter: ☐ Telegram: Other: **Encloses letter from Mr. Marshall Cobleigh**
To: **Bill Timmons**
From: **Hon. Rogers C. B. Morton**
Date: **March 26**
Subject: **Requests comment on enclosed letter (Mr. Marshall Cobleigh)**
on H. R. 6778

By direction of the President:

William F. Timmons
William E. Timmons
Assistant to the President

Republican
National
Committee.

Rogers C. B. Morton, Chairman.

3/26
ET
March 26, 1970

Mr. Bill Timmons
Congressional Liaison
The White House
Washington, D. C.

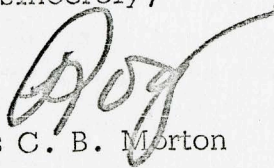
Dear Bill:

Enclosed you will find a copy of a letter to Jim Allison
from Marshall Cobleigh, Speaker of the House in New Hampshire.

I would appreciate your noting carefully Marshall's
comments relative to H. R. 6778. I would like you to reply
directly to him on this matter.

For your information, he is the Chairman of the National
Republican Association of Legislators. Will you please follow through
as soon as possible and provide Marshall with the information he
is seeking.

Yours sincerely,



Rogers C. B. Morton

RCBM:egb
Enclosure
cc: The Honorable Marshall Cobleigh



State of New Hampshire
House of Representatives
State House, Concord

*Any suggest vms
handling this?
Bill Tunison may be
JH*

MARSHALL W. COBLEIGH
SPEAKER OF THE HOUSE

TELEPHONES
STATE HOUSE 603-271-36
RESIDENCE 603-889-017

Mr. James Allison
Republican National Committee
Eye Street
Washington D.C. 20005

March 11, 1970

Dear Jim:

As the lowest paid presiding officer in America, I would have to make a living serving as General Manager of the Independent Mutual Insurance Agents of New England.

In that connection, it comes to my attention that the President, in particular, and the Republican party in general, is taking an awful lot of pounding from the insurance agents across America. Because of the President's implied decision to delay the One Bank Holding Company Bill, pending a study, the insurance agents of whom there are many, and most of them are Republicans, are insensed at what looks like a sell out to the banking industry. The background of the matter is as follows:

The One-Bank Holding Company Bill, H. R. 6778, which as you probably know passed the House of Representatives overwhelmingly last November. It is now in Senator Sparkman's Banking and Currency Committee, where hearings have not yet been scheduled.

Our state and national associations, along with a host of other interested organizations, have been doing there best to persuade Senator Sparkman to schedule hearings as soon as possible, thus far without success.

As you may also recall, President Nixon in his Economic Message to Congress earlier this year announced his intention to form a commission to study the banking and financial institutions and procedures in the country. Although the President did not specifically refer to this legislation, it is my understanding that Senator Sparkman intends to delay the scheduling of hearings until he knows more about the commission study proposed by the White House.

While this bill is far-reaching in its general impact, our principle interest is the provision that would prohibit the banks from engaging in the insurance agency business under the one-bank holding company vehicle. It would require those banks which have done so since 1956 to divest themselves of such holdings. Our primary objection to such activity, of course, is that competition from large financial institutions is grossly unfair. It is quite obvious that these banking institutions through covert coercive powers - can easily destroy their independent agent "competitors", to the ultimate detriment of the insuring public. The Administration as you may recall introduced a one-bank holding company regulatory bill of its own last year, so it is on record as favoring regulatory legislation.

Those of us who favor the bill are now caught in a time squeeze. Recognizing that the Congress has already said it will adjourn early this year, and that the Senate as well as the House will have much to do in the coming months, it is apparent that unless hearings are scheduled as soon as possible, it will be very difficult to get Senate action and ultimate approval of any one-bank holding company bill this year. That possibility could prove disastrous to thousands of small businessmen throughout the country.

The members of our association here in New England, and our counterparts in the various other states, have contacted their Senators and not infrequently they are being told that the matter is largely in the President's hands, apparently because Senator Sparkman is reluctant to move until he knows the President's intentions.

Accordingly, I would like to enlist your help in interceding with President Nixon on our behalf. We are not asking that the President support the House-passed bill, but simply that he not let himself be used as an excuse by Senator Sparkman for not scheduling hearings. We do not think we are requesting anything unreasonable. We are simply asking that hearings be held and that consideration be given to the passage of a one-bank holding company regulatory bill this year. It seems to us that when the House has spoken in such overwhelming terms, it is the obligation of the Senate to at least conduct hearings and to report out the best legislation possible from their point of view.

There are certainly several areas of possible adjustment in the House Bill. Perhaps the Senate will not see fit to approve so stringent a bill as adopted by the House. Be that as it may, it seems to me that the Senate Banking and Currency Committee, and then the full Senate, should have an opportunity to act upon the proposal. This does not seem to be asking too much of our democratic process.

My feeling is that President Nixon probably has not considered that the

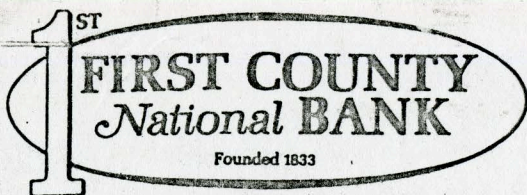
March 11, 1970
Page 3

failure to hold hearings -- on the theory that the President doesn't want the bill considered -- is to defeat the hopes of a great many people who have worked so hard for its passage. I do not believe the President will want to be in that position and particularly of having the Democratic chairman of a Senate committee attribute his failure to schedule hearings to the President.

Cordially yours,

Marshall

Marshall W. Cobleigh
Speaker of the House



BROCKTON, MASSACHUSETTS 02403

GENERAL

FI 5-4

FG 165

Fl *FE 2*

LATHAM, EARLE

April 3, 1970

Mr. Ronald Ziegler, White House Press Secretary
Washington,
D. C.

Dear Mr. Ziegler:

Enclosed are tear sheets from the Brockton Enterprise of an ad to promote the National Alliance of Businessmen in the Brockton Metro Area which was cleared through the Washington Office of N.A.B. and the picture was furnished us by the White House staff. In addition to being President of this bank, I serve as the Metro Chairman of N.A.B. and we are most hopeful that this published advertisement is going to be helpful in spreading the N.A.B. story here. In addition to the newspaper publication under date of Friday, April 3rd, I will be on radio Monday, April 6th, with a follow-up on what is probably the best local program of radio coverage in the area.

I am also enclosing a proposal which this bank has made to the Federal Reserve Bank of Boston and through them to the Federal Reserve Board for remedying a very desperate situation here in this area concerning home mortgage funds. At the reception held in the White House on March 5th, the anniversary date of the dinner in honor of the N.A.B., I spoke very briefly to President Nixon that I had a program in mind which I hoped would be accepted by the Federal Reserve System on this subject and he expressed interest in it. Our present plan is to proceed to discuss the matter further with the legal counsel of the Federal Reserve Board in Washington and hopefully with the Board itself. If this program appeals to the President's advisors on this subject we would appreciate any help that we might receive from his office in getting permission for this Bank to proceed in what we feel is a well organized and sound plan for trying to relieve the situation in this area in a type of banking that we have been the foremost leader for many years.

Sincerely yours,

Reginald T. Cole
President X

RECEIVED

MAY 25 1970

CENTRAL FILES

April 3, 1970

Dear Mr. Westerfield:

The President has asked me to reply to your letter of March 3 regarding the Administration's efforts to increase the flow of funds into the housing and home financing markets. He very much appreciates your support of his efforts in this vital area. I have taken the liberty of forwarding your League's resolution with its thoughtful program to the appropriate officials of the Treasury Department.

Many thanks for taking the time to write us on this important matter.

Sincerely,

Peter M. Flanigan
Assistant to the
President

Mr. Paul Westerfield
President
National League of Insured
Savings Associations
Suite 700 - 1200 17th Street, N.W.
Washington, D. C. 20036

bcc: Charls Walker Under Secretary Treas. w/inc.

GENERAL

FI 8

FI 2

Chicago April 4, 1970 Savings and Loan Association

3821 WEST TWENTY-SIXTH STREET

CHICAGO, ILLINOIS 60623

Phone 521-3270

Dear Mr. Koudelik:

The President has asked me to reply to your letter concerning interest rates. Please accept our deep apologies for the lateness of this reply.

We are very much engaged in an effort to bring about conditions which will lower interest rates generally. As you know, the prime rate has recently come down somewhat.

We very much appreciate your thoughtful suggestion regarding an advisory group of savings and loan officers. We shall certainly take it under the most serious consideration. There is actively under consideration the appointment of a committee on financial institutions on which the savings and loan associations will of course be represented.

Many thanks for taking the time to write us. We shall certainly do our very best to correct the conditions which your letter very appropriately raises.

Sincerely,

Peter M. Flanigan
Assistant to the
President

Mr. Jerome J. Koudelik, Secretary
Chicago Co-operative Savings and Loan Association
3821 West 26th Street
Chicago, Illinois 60623

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APR 10 1970
CENTRAL FILES

GENERAL

SP2-3-40 Pro

ED3

FI2

April 7, 1970

First National Bank OF NEW PORT RICHEY

WITH TRUST POWERS

POST OFFICE BOX 397

U.S. HWY. 19 AND 90

NEW PORT RICHEY, FLORIDA 33552

Dear Mr. McDonald:

The President has asked me to thank you for your most welcome and thoughtful letter of March 24. We are very pleased indeed that you found the President's higher education proposals worthy, and welcome your support. It is certainly our intention, if the Congress sees fit to enact these proposals, to cooperate closely with creative programs sponsored by individual banks such as yours.

You might be interested to see a copy of both the President's recent education messages, and I'm pleased to enclose one herewith.

Thank you so much for writing.

With the President's best wishes,

Sincerely,

Edward L. Morgan

Deputy Assistant to the President

Mr. William J. McDonald

Trust Officer

X First National Bank of New Port Richey

P.O. Box 397

New Port Richey, Florida 33552

Enclosure

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APR 8 1970
CENTRAL FILES

GENERAL

FC 6-11-1/Price, John³
FI2

April 13, 1970

AMERICAN SECURITY

AND TRUST COMPANY

Dear Joe:

15th STREET AND 20th ST. WASHINGTON AVENUE, N.W., WASHINGTON, D. C. 20036 - 200 5000

Thanks for your letter of April 9 letting us have the benefit of opinions from the field.

I was disturbed by the concern about the National Housing Alliance since we are genuinely trying to make it go.

April 9, 1970

I'll look forward to hearing from you the last of April.

Sincerely,

John R. Price

Special Assistant to the President

Mr. Joseph W. Barr
President

American Security and Trust Company
Washington, D. C. 20013

D.C. Development Bank

Nothing else sent to
Central Files as of 5/5/70
W.R.

RECEIVED

APR 14 1970

CENTRAL FILES

April 15, 1970

Mr. Gaylord A. Freeman, Jr.
Chairman of the Board
The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Dear Mr. Freeman:

Many thanks for your letter of April 8. You put well the problem regarding the position of both Senator Sparkman and the Administration on the one bank holding legislation. While you say that you hope hearings will not be heard this year, I am sure that your primary concern is that the legislation not be passed this year.

We are moving ahead with the President's Commission on Financial Structure and Senator Sparkman is well aware of the steps being taken and is being consulted fully. Therefore, I believe that the line of the action set forth in your letter to me is generally being followed.

As you know, it is the Administration's position that responsible legislation on one bank holding companies should be passed at the earliest practicable moment. The Administration supports the legislation that the House Committee sent to the Floor. It is our hope that this type of legislation will eventually prevail.

With best regards,

Sincerely yours,

Peter M. Flanigan
Assistant to the
President

GENERAL

ME 4-3/C

FI2

April 18, 1970

Dear Mr. Fike:

★
Thank you for your letter with which you forwarded the request for a Presidential message to commemorate the 100th anniversary of the Country County Bank, of Albany, Missouri. I will be pleased to see that this request is brought to the attention of the appropriate persons for full consideration.

With cordial regard,

Sincerely,

William E. Timmons
Assistant to the President

★
Mr. Stanley R. Fike
Administrative Assistant to
Honorable Stuart Symington
United States Senate
Washington, D.C. 20510

bcc: w/inc to Eliska Hasek for FURTHER ACTION
Kenneth BeLieu - FOR YOUR INFORMATION

WET:EF:VO:cmf

RECEIVED
APR 20 1970
CENTRAL FILES

THE WHITE HOUSE OFFICE

REFERRAL

GENERAL

BE 4-3

FI 2

To: The Secretary of the Treasury

Date: April 22, 1970

ACTION REQUESTED

- _____ Draft reply for:
- _____ President's signature.
- _____ Undersigned's signature.
- _____ Memorandum for use as enclosure to reply.
- _____ Direct reply.
- _____ Furnish information copy.
- ☒ Suitable acknowledgment or other appropriate handling.
- _____ Furnish copy of reply, if any.
- _____ For your information.
- _____ For comment.

NOTE

Prompt action is essential.

If more than 48 hours' delay is encountered, please telephone the undersigned immediately, Code 1450.

Basic correspondence should be returned when draft reply, memorandum, or comment is requested.

REMARKS:

Description:

☒ Letter: _____ Telegram: _____ Other: _____

To: The President

From: R. H. Hering, Vice Pres-Industry Relations, American Society of Travel

Date: 4/15/70 Agents, Inc, 360 Lexington Avenue, NYC 10017

Subject: Re question of banks and one-bank holding companies owning and operating travel agencies; asks assistance of President to bring legislation to the Floor of the Senate for debate and vote during this session.

By direction of the President:

Noble M. Melencamp
Staff Assistant
to the President

RECEIVED
APR 23 1970
CENTRAL FILES

(White House File Copy)

Reproduced at the Richard Nixon Presidential Library and Museum

Enc. 220 Lexington Avenue New York, N.Y. 10017

GENERAL

April 19, 1970

OFFICE OF THE SECRETARY OF THE TREASURY
WASHINGTON, D.C. 20220

FI 9

FE 6

FI 2

1970

Dear Dr. Hakanson:

President Nixon has asked me to reply to your letter of April 16, in which you requested him to issue an Executive Order directing Federal Reserve Banks to accumulate \$75,000 in \$2 bills and make them available to you.

Director, Executive Secretariat

I am sorry that the President will not be able to grant your request. The Treasury stopped issuing two-dollar bills several years ago because the public would not keep them in circulation. The cost of reissuing such currency for a special purpose is therefore not justified. Federal Reserve Banks to accumulate \$75,000 in \$2 bills and make them available to you. Although the President is unable to assist you in this matter, he appreciates your writing to him.

Sincerely,

Attachment

Peter M. Flanigan
Assistant to the
President

Dr. John W. Hakanson
President
Clackamas Community College
270 Warner - Milne Road
Oregon City, Oregon 97045

PMF:jlc

RECEIVED
MAY 2 1970
CENTRAL FILES

GENERAL

LG
FI 2

April 30, 1970

Dear Mr. Stedman:

1970

I was encouraged to read that the First Union National Bank will be establishing an Urban Affairs Program.

Unfortunately, my schedule for the next few months looks ghastly, and much as I would like to meet the people involved in your effort I just don't see how I will have the time.

Thank you for informing me of your project, and best of luck in implementing it.

Sincerely,

Daniel P. Moynihan
Counsellor to the President

Mr. John B. Stedman
Executive Vice President
First Union National Bank of
North Carolina
Charlotte, North Carolina 28201

RECEIVED
MAY 2 1970
CENTRAL FILES