

STATEMENT OF MICHAEL B. WELLS, PRESIDENT HOME SAVINGS BANK, MILWAUKEE, WIS.

Mr. WELLS. Mr. Chairman, I would like, if I may, to confine my remarks to the last clause of section 4 (section 5138 of the Revised Statutes of the United States). The last sentence reads:

No associations shall be organized in a city the population of which exceeds fifty thousand persons with a capital of less than \$200,000, except that in the outlying district of such a city banks now organized or hereafter organized may, with the approval of the Comptroller of the Currency, have a capital of not less than \$100,000.

Mr. Rathje and Mr. Powell have both covered the point as to why that might work an injustice, and I would suggest that there be added, immediately after the words "a capital of not less than \$100,000" this language:

But this exception shall not apply in any city where the laws of the State wherein such national banking association is proposed to be organized, require a capital greater than \$100,000.

It would seem to me that that would be perfectly fair. Of course I can not say that all the things we are trying to accomplish can be accomplished without possibly working a leverage on State legislatures to pull the requirements down as to the State banks, and I think the privilege would be availed of largely in the larger cities rather than in the smaller cities, and it would seem that if there were any criticism of the capital requirements of the national banks it would be that no discrimination is made in a city of a population of more than 50,000. It would seem that in the larger city the capital requirement ought to be larger, and all we would like is that exception to the provision found here.

Mr. Chairman, that is all I care to say. What I have said represents the view of the associated banks in Milwaukee comprising the outlying banks of that city for whom we were commissioned to appear here.

The CHAIRMAN. The committee thanks you very much for your statement.

STATEMENT OF G. G. FISHER, MERCHANTS & FARMERS STATE BANK, MILWAUKEE, WIS.

Mr. FISHER. Mr. Chairman and gentlemen, we passed legislation in Wisconsin in 1921 raising the capitalization of the State banks to be organized in the city of Milwaukee from \$50,000 to \$200,000. Since that time not one State bank has been organized in the city of Milwaukee, but three national banks have been organized in the city of Milwaukee with a capital of \$200,000, which would indicate that there is no partiality as against the national banks at all in our city. Our citizens feel perfectly at ease with regard to the McFadden bill and as well do the bankers of the entire State. There are certain other provisions that we are not concerned with.

Senator GLASS. How well satisfied with it would you think the national banks would be if Wisconsin should change its mind and permit State banks to have branches?

Mr. FISHER. I feel that if Wisconsin should change its mind and establish a law for the creation of branches of the State banks, the