

UNITED STATES GOVERNMENTEXECUTIVE OFFICERS

- President - Warren Gamaliel Harding, (elected Nov. 1920, inaugurated March 4, 1921)
- Secretary of Treasury - David F. Houston (appointed Feb. 2, 1920, served until March 3, 1921)
- Andrew W. Mellon (appointed March 4, 1921, served until Feb. 12, 1932)
- Comptroller of Currency - John Skelton Williams (date of appointment Feb. 2, 1914, resigned March 2, 1921)
- D. R. Crissinger (date of appointment March 17, 1921, resigned April 30, 1923)
- Secretary of State - Bainbridge Colby, Charles E. Hughes
- Secretary of War - Newton Baker, John W. Weeks
- Secretary of Navy - Josephus Daniels, Edwin Denby
- Secretary of Interior - John B. Payne, Albert B. Fall
- Secretary of Agriculture - Edward T. Meredith, Henry C. Wallace
- Secretary of Commerce - Joshua W. Alexander, Herbert C. Hoover
- Secretary of Labor - William B. Wilson, ~~James J. Davis~~ Attorney General -
- Postmaster General - Albert S. Burluson, ~~James J. Davis~~ (A. Mitchell Palmer
Will H. Hays (Harry M. Daugherty)

1921

December

U. S. G O V E R N M E N T

S E N A T E

Banking and Currency Committee

67th Congress

Republicans

McLEAN, George P.
PAGE, Carroll S.
FRELINGHUYSEN, Joseph S.
PENROSE, Boies
CALDER, William M.
NEWBERRY, Truman H.
WELLER, O. E.
NORBECK, Peter
SHORTRIDGE, Samuel M.

Connecticut
Vermont
New Jersey
Pennsylvania
New York
Michigan
Maryland
South Dakota
California

Democrats

OWEN, Robert L.
HITCHCOCK, Gilbert M.
POMERENE, Atlee
FLETCHER, Duncan U.
KENDRICK, John B.
GLASS, Carter

Oklahoma
Nebraska
Ohio
Florida
Wyoming
Virginia

1921
December

U. S. G O V E R N M E N T

HOUSE OF REPRESENTATIVES

Banking and Currency Committee

67th Congress

Republicans

McFADDEN, Louis T.
DALE, Porter H.
KING, Edward J.
SCOTT, Frank D.
NELSON, Adolphus P.
STRONG, James G.
ECHOLS, Leonard S.
BROOKS, Edward S.
LUCE, Robert
MacGREGOR, Clarence
DUNBAR, James W.
VOLK, Lester D.
APPLEBY, T. Frank
LAWRENCE, Henry F.
FENN, E. Hart

Pennsylvania
Vermont
Illinois
Michigan
Wisconsin
Kansas
West Virginia
Pennsylvania
Massachusetts
New York
Indiana
New York
New Jersey
Missouri
Connecticut

Democrats

WINGO, Otis
STEAGALL, Henry B.
BRAND, Charles H.
STEVENSON, William F.
BLACK, Eugene
GOLDSBOROUGH, T. Alan

Arkansas
Alabama
Georgia
South Carolina
Texas
Maryland

FEDERAL RESERVE BOARDEx Officio Members

David F. Houston, (up to March 4)
 Secretary of the Treasury
 Chairman

Hon. Andrew W. Mellon (March 4)
 Secretary of the Treasury
 Chairman

John Skelton Williams, (up to March 10)
 Comptroller of the Currency

D. R. Crissinger (appointed March 10)
 Comptroller of the Currency

W. P. G. Harding, Governor
 Edmund Platt, Vice Governor

Adolph C. Miller
 Charles S. Hamlin
 D. C. Wills (retired March 4)
 John R. Mitchell (office on May 12)

Secretary's Office

W. W. Hoxton, Secretary
 W. L. Eddy, Asst. Secretary

Fiscal Agent

W. M. Imlay, Fiscal Agent

Division of Examination

J. F. Herson, Chief
 and Chief Federal Reserve Agt.

Division of Foreign Exchange

J. E. Crane, Acting Director

Counsel's Office

Walter S. Logan, Gen. Counsel

Division of Analysis and Research

H. Parker Willis, Director

M. Jacobson, StatisticianDivision of Reports and Statistics

E. L. Smead, Chief

FEDERAL ADVISORY COUNCIL

District No. 1 (Boston)	Philip Stockton
District No. 2 (New York)	Paul M. Warburg, Vice President
District No. 3 (Philadelphia)	L. L. Rue, President
District No. 4 (Cleveland)	Corliss E. Sullivan
District No. 5 (Richmond)	Joseph G. Brown
District No. 6 (Atlanta)	Edward W. Lane
District No. 7 (Chicago)	John J. Mitchell
District No. 8 (St. Louis)	F. O. Watts
District No. 9 (Minneapolis)	C. T. Jaffray
District No. 10 (Kansas City)	E. F. Swinney
District No. 11 (Dallas)	R. L. Ball
District No. 12 (San Francisco)	D. W. Twohy

Harry L. Hilyard, Secretary

OFFICERS

Governor	-	Chas. A. Morss
Deputy Governors	-	C. C. Bullen W. W. Paddock
Chairman and Federal Reserve Agent	-	Frederic H. Curtiss
Deputy Chairman	-	Allen Hollis
Asst. Federal Reserve Agent	-	Russell B. Spear

Federal Reserve Bank of Boston (Dist. 1)

DIRECTORS

<u>Class A</u>	<u>Term Expires</u> <u>Dec. 31</u>
KENNARD, Edward S. (Rumford, Me.)	1921
CHAMBERLAIN, F. S. (New Britain, Conn.)	1922
BEAL, Thomas P. (Boston, Mass.)	1923 (Re-elected)
 <u>Class B</u>	
WASHBURN, Chas. G. (Worcester, Mass.)	1921
MORSE, Edmund R. (Proctor, Vt.)	1922
ALLEN, Philip R. (East Walpole, Mass.)	1923 (re-elected)
 <u>Class C</u>	
HOLLIS, Allen (Concord, N. H.) Deputy Chairman	1921
METCALF, Jesse H. (Providence, R. I.)	1922
CURTISS Frederic H. (Boston, Mass.) Chairman and FR Agent	1923 (re-appointed)

OFFICERS

Governor	-	Benjamin Strong
Deputy Governors	-	J. H. Case L. F. Sailer E. R. Kenzel G. L. Harrison
Chairman and Federal Reserve Agent	-	Pierre Jay
Deputy Chairman	-	George F. Peabody
Asst. Federal Reserve Agent	-	Shepard Morgan

1921

Federal Reserve Bank of NEW YORK (Dist. 2)DIRECTORS

<u>CLASS A</u>	<u>Term Began</u>	<u>Dec. 31 Term Ended</u>
ALEXANDER, James S. (New York)	1/1/20	1922
TREMAN, Robert H. (Ithaca)	1/1/21	1923 (reelected)
SMITH, Charles, (Oneonta)	1/1/19	1921
<u>CLASS B</u>		
STONE, Charles A. (New York)	1/1/20	1922
WILLIAMS, Richard H. (Madison)	1/1/21	1923 (reelected)
PALMER, Leslie R. (Croton-on Hudson)	1/1/19	1921
<u>CLASS C</u>		
JAY, Pierre (New York)	1/1/20	1922 (Chairman)
SAUNDERS, William L. (Plainfield)	1/1/21	1923 (reappointed)
PEABODY, George F. (Lake George)	1/1/19	1921 (Deputy Chairman)

Federal Reserve Bank of Philadelphia (Dist. 3)

OFFICERS

Governor	-	George W. Norris
Deputy Governor	-	Wm. H. Hutt, Jr.
Chairman and FR Agt.	-	Richard L. Austin
Deputy Chairman	-	H. B. Thompson
Asst. Federal Reserve Agent	-	Arthur E. Post

Federal Reserve Bank of Philadelphia (Dist. 3)

DIRECTORSClass ATerm Expires
Dec.31

DOUGLAS, Francis, (Wilkes-Barre, Pa.)

1921

MURPHY, M. J. (Clarks Green, Pa.)

1922

WAYNE, Joseph (Jr.) (Philadelphia, Pa.)

1923 (re-elected)

Class B

HADDON, Chas. K. (Camden, N. J.)

1921

JOHNSON, Alba B. (Philadelphia, Pa.)

1922

STUART, Edwin S. (Philadelphia, Pa.)

1923 (re-elected)

Class C

HARRISON, Charles C. (Philadelphia, Pa.)

1921

THOMPSON, H. B. (Wilmington, Del.) Deputy Chairman

1922

AUSTIN, Richard L. (Philadelphia, Pa.) Chairman and FR Agent

1923 (re-appointed)

Federal Reserve Bank of Cleveland (Dist. 4)

OFFICERS

Governor	-	E. R. Fancher
Deputy Governors	-	M. J. Fleming Frank J. Zurlinden
Chairman and Federal Reserve Agent	-	D. C. Wills (Appointed March 5)
Deputy Chairman	-	Lewis B. Williams
Asst. Federal Reserve Agent	-	J. C. Nevin

Federal Reserve Bank of Cleveland (Dist. 4)

DIRECTORS

<u>Class A</u>	<u>Term Expires</u> <u>Dec. 31</u>
SAMS, O. N. (Hillsboro, Ohio)	1921
LAMBERTON, Chess, (Franklin, Pa.)	1922
WARDROP, Robert (Pittsburgh, Pa.)	1923 (re-elected)
 <u>Class B</u>	
STAMBAUGH, John (Youngstown, Ohio)	1921
WRIGHT, R. P. (Erie, Pa.)	1922
COMBS, T. A. (Lexington, Ky.)	1923 (re-elected)
 <u>Class C</u>	
WOLFE, H. P. (Columbus, Ohio)	1921
WILLIAMS, Lewis B. (Cleveland, Ohio) Deputy Chairman	1922
WILLS, D. C. (Cleveland, Ohio) Chairman and FR Agent	1923 (started March 5 re-appointed)

Federal Reserve Bank of Richmond (Dist. 5)

OFFICERS

Governor	-	George J. Seay
Deputy Governors	-	C. A. Peple R. H. Broaddus
Assistants to Governor-		A. S. Johnstone John S. Walden
Chairman and Federal Reserve Agent	-	Caldwell Hardy
Deputy Chairman	-	James A. Moncure
Assistant Federal Reserve Agent	-	J. G. Fry

Federal Reserve Bank of Richmond (Dist.5)

DIRECTORS

<u>Class A</u>	<u>Term Expires</u> <u>Dec. 31</u>
RIEMAN, Chas. E. (Baltimore, Md.)	1921
BRUTON, J. F. (Wilson, N.C.)	1922
JOHNSON, L. E. (Alderson, W. Va.)	1923 (elected)
<u>Class B</u>	
STRUDWICK, Edmund (Richmond, Va.)	1921
OYSTER, James F. (Washington, D. C.)	1922
COKER, D. R. (Hartsville, S.C.)	1923 (re-elected)
<u>Class C</u>	
BRUCE, Howard (Baltimore, Md.)	1921
MONCURE, James A. (Richmond, Va.) Deputy Chairman	1922
HARDY, Caldwell (Richmond, Va.) Chairman and FR Agent	1923 (re-appointed)

Federal Reserve Bank of Atlanta (Dist. 6)

OFFICERS

Governor	-	M. B. Wellborn
Deputy Governor	-	L. C. Adelson
Chairman and Federal Reserve Agent	-	Joseph A. McCord
Deputy Chairman	-	Edward T. Brown
Assistant Federal Reserve Agent	-	Ward Albertson

Federal Reserve Bank of Atlanta (Dist. 6)

DIRECTORS

<u>Class A</u>	<u>Term Expires</u> <u>Dec. 31</u>
OTTLEY, John K. (Atlanta, Ga.)	1921
NEWTON, Oscar (Jackson, Mississippi)	1922
KITTLES, P. R. (Sylvania, Ga.)	1923 (re-elected)
 <u>Class B</u>	
McCRAHY, J.A. (Decatur, Ga.)	1921
HARTFORD, W. H. (Nashville, Tenn.)	1922
SIMON, Leon C. (New Orleans, La.)	1923 (re-elected)
 <u>Class C</u>	
BROWN, Edw. T. (Atlanta, Ga.) Deputy Chairman	1921
KETTIG, W. H. (Birmingham, Ala.)	1922
McCORD, Jos. A. (Atlanta, Ga.) Chairman and FR Agent	1923 (re-appointed)

Federal Reserve Bank of Chicago (Dist. 7)

OFFICERS

Governor - J. B. Mc Dougal

Deputy Governors - C. R. Mc Kay
S. B. Cramer

Chairman and Federal
Reserve Agt.- William A. Heath

Deputy Chairman - James Simpson

Federal Reserve Bank of Chicago (Dist. 7)

DIRECTORS

<u>Class A</u>	<u>Term Expires</u> <u>Dec. 31</u>
REYNOLDS, George M. (Chicago, Ill.)	1921
McNIDER, Charles H. (Mason City, Iowa)	1922
JOHNSON, E. L. (Waterloo, Iowa)	1923 (re-elected)
 <u>Class B</u>	
VOGEL, A. H. (Milwaukee, Wis.)	1921
BLODGETT, John W. (Grand Rapids, Mich.)	1922
ERSKINE, Albert R. (South Bend, Ind.)	1923 (re-elected)
 <u>Class C</u>	
HEATH, William A. (Evanston, Ill.) Chairman and FR Agent	1921
BALL, Frank C. (Muncie, Ind.)	1922 (appointed)
SIMPSON, James (Chicago, Ill.) Deputy Chairman	1923 (re-appointed)

Federal Reserve Bank of St. Louis (Dist. 8)

OFFICERS

Governor	-	D. C. Biggs
Deputy Governor	-	O. M. Atteberry
Chairman and Federal Reserve Agent	-	William McC. Martin
Deputy Chairman	-	John W. Boehne

Federal Reserve Bank of St. Louis (Dist. 8)

DIRECTORS

<u>Class A</u>	<u>Term Expires</u> <u>Dec. 31</u>
UTTERBACK, J. C. (Paducah, Ky.)	1921
ZIEGLER, Sam A. (Albion, Ill.)	1922
LONSDALE, John G. (St. Louis, Mo.)	1923 (elected)
 <u>Class B</u>	
WELLS, Rolla (St. Louis, Mo.)	1921
PLUNKETT, W. B. (Little Rock, Ark.)	1922
PERCY, Le Roy (Greenville, Miss.)	1923 (re-elected)
 <u>Class C</u>	
McC.MARTIN, Wm. (St. Louis, Mo.) Chairman and Federal R.Agent	1921
MOONEY, C.P.J. (Memphis, Tenn.)	1922
BOEHNE, John W. (Evansville, Ind.) Deputy Chairman	1923 (re-appointed)

Federal Reserve Bank of Minneapolis (Dist. 9)

OFFICERS

Governor	-	R. A. Young
Deputy Governors	-	W. B. Geery S. S. Cook
Chairman and Federal Reserve Agent-		John H. Rich
Deputy Chairman	-	W. H. Lightner
Asst. Federal Reserve Agent	-	Curtis L. Mosher

Federal Reserve Bank of Minneapolis (Dist. 9)

DIRECTORS

<u>Class A</u>	<u>Term Expires</u> <u>Dec. 31</u>
MCDOWELL, W.C. (Marion, N.Dak.)	1921
WOLD, Theodore (Minneapolis, Minn.)	1922
BASSETT, J. C. (Aberdeen, S. Dak.)	1923 (elected)
 <u>Class B</u>	
HIXON, F. P. (La Crosse, Wis.)	1921
BIGELOW, F. R. (St. Paul, Minn.)	1922
HOLTER, N.B. (Helena, Mont.)	1923 (re-elected)
 <u>Class C</u>	
LIGHTNER, W. H. (St. Paul, Minn.) Deputy Chairman	1921
BENEDICT, C. H. (Lake Linden, Mich.)	1922
RICH, John H. (Minneapolis, Minn.) Chairman and FR Agent	1923 (re-appointed)

Federal Reserve Bank of Kansas City (Dist. 10)

OFFICERS

Governor	-	J. Z. Miller Jr.
Deputy Governor	-	C. A. Worthington
Chairman and Federal Reserve Agent	-	Asa E. Ramsay
Deputy Chairman	-	Deputy Chairman
Assistant Federal Res. Agent	-	C. K. Boardman

Federal Reserve Bank of Kansas City (Dist. 10)

DIRECTORS

<u>Class A</u>	<u>Term Expires</u> <u>Dec. 31</u>
MITCHELL, J. C. (Dencer, Colo.)	1921
BAILEY, W. J. (Atchison, Kans.)	1922
MULLANEY, E. E. (Hill City, Kans.)	1923(elected)
 <u>Class B</u>	
BYRNE, T. C. (Omaha, Nebr.)	1921
McCLURE, M. L. (Kansas City, Mo.)	1922
GIBSON, Harry W. (Muskogee, Okla.)	1923 (re-elected)
 <u>Class C</u>	
MALONE, R. H. (Denver, Colo.)	1921
FLEMING, F. W. (Kansas City, Mo.) Deputy Chairman	1922
RAMSAY, Asa E. (Kansas City, Mo.) Chairman and FR Agent	1923 (re-appointed)

Federal Reserve Bank of Dallas (Dist. 11)

OFFICERS

Governor	-	R. L. Van Zandt
Acting Deputy Governor	-	R. G. Emerson
Cashier	-	R. R. Gilbert

Chairman and Federal Reserve Agent	-	W. F. Ramsey
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Deputy Chairman	-	W. B. Newsome
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Federal Reserve Bank of Dallas (Dist. 11)

DIRECTORS

<u>Class A</u>	<u>Term Expires</u> <u>Dec. 31</u>
SCOTT, John T. (Houston, Tex.)	1921
McKINNEY, B. A. (Dallas, Tex.)	1922
HALL, Ed. (Bryan, Tex.)	1923 (elected)
 <u>Class B</u>	
KELL, Frank (Wichita Falls, Tex.)	1921
SANSOM, Marion (Fort Worth, Tex.)	1922
CULBERTSON, J. J. (Paris, Tex.)	1923 (re-elected)
 <u>Class C</u>	
NEWSOME, W. B. (Dallas, Tex.) Deputy Chairman	1921
WOOTEN, H. O. (Abilene, Tex.)	1922
RAMSEY, W. F. (Dallas, Tex.) Chairman and FR Agent	1923 (re-appointed)

Federal Reserve Bank of San Francisco (Dist. 12)

OFFICERS

Governor - John U. Calkins

Deputy Governor - William A. Day

Assistants to Governor - Ira Clerk
L. C. Pontious

Chairman and Federal
Reserve Agent - John Perrin

Deputy Chairman - Walton N. Moore

DIRECTORS

<u>Class A</u>	<u>Term Expires</u> <u>Dec. 31</u>
BUCHAN, M. A. (Palo Alto, Calif.)	1921
McINTOSH, C. K. (San Francisco, Calif.)	1922
BAER, John Willis (Pasadena, Calif.)	1923 (elected)
 <u>Class B</u>	
McGREGOR, Jno. A. (San Francisco, Calif.)	1921
COX, Elmer H. (Madera, Calif.)	1922
DOHRMANN, A. B. C. (San Francisco, Calif.)	1923 (re-elected)
 <u>Class C</u>	
MOORE, Walton N. (San Francisco, Calif.) Deputy Chairman	1921
SPROULE, Wm. (San Francisco, Calif.)	1922 (appointed)
PERRIN, John (San Francisco, Calif.) Chairman and FR Agent	1923 (reappointed)

U.S.Congress. Joint commission of agricultural inquiry

HD

1447

Agricultural inquiry. Hearings before the Joint commission of agricultural inquiry, 67th Cong., 1st sess., under Senate concur. res. 4. Wash., Govt.ptg.off., 1922.

.A32
(1921)

vol.1, 690.; vol.2, 814 p.; vol.3, 862 pp.
(also 3 indexes)

Testi-

mony: Strong, Benjamin	Aug 8,'21	pp. 447-626,	vol 2
	Aug 9,'21	pp.627-814	vol 2
Harding, W.P.G.	Aug 4,'21	pp. 269-446	vol 2

F.R.Bd.L.

a

1921

HEARINGS

June 1

U.S. Congress. House. Committee on banking and
currency.

Amendment to abolish office of comptroller of
the currency, etc. [to prevent the Federal reserve
board from restricting the amount or class of re-
discounts of a Federal reserve bank ...] Hearing
... Wednesday June 1, 1921. Statement of Hon. W.
P.G. Harding... Wash., Govt. ptg. off., 1921.

48 p.

Testimony: Harding, W.P.G. (Gov.) June 1, pp. 3-48

HG
2560
.A6
1921

F.R.Bd.L.

a

1921

July 18, 19

HEARINGS

(AGRICULTURAL
HEARINGS)

U.S. Congress. Senate. Committee on banking
and currency.

HG
2559

Amendments to Federal farm loan act and Federal
reserve act. Hearing ... 67th Cong., 1st sess. on (1921)
S. 2253 and S. 2263, bills to amend subdiv. 7,
sec. 12 of ... Federal farm loan act ... July
18 and 19, 1921. Wash., Govt. ptg. off., 1921.

56 p.

Harding, W.P.G. (Gov.) July 19 pp. 37-53

Testimony:

F.R. Bd. L.

a

1921

HEARINGS

Aug. 1

U.S.Congress. House. Banking and currency
committee.

HJ

258

War finance corporation: HEARINGS...67th
1st sess. on S.1915, to amend the War finance
corporation act... to provide relief for producers
of and dealers in agricultural products and for
other purposes. Aug. 1, 1921. Wash., Govt.
ptg.off., 1921.

.A2

(1921)

37 p.

Testi- Harding, W.P.G.(Gov) Aug. 9 p. 6-19
mony: Meyer, Eugene, Jr. Aug. 9 p. 20-37
(WarFin.Corp.)

F.R.Bd.L.

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1921
October

HEARINGS

Federal Reserve Board - Expenses of Federal Reserve Banks -Letter...
transmitting in response to a Senate Resolution of October 14, 1921, requesting
certain information... (67th Cong. 1st Sess. Senate Doc. No. 75)
135 p.

1921

Dec. 23
Jan 8, 12U.S.Congress. Senate. Banking and Currency
committee.Amending the Federal Reserve Act: HEARING ...
66th, 3d sess. on S. 4666, a bill to amend Sec. 13
of an act known as the Federal Reserve Act,
approved Dec. 23, 1913. Jan. 8 and 12, 1921.
Wash., Govt. ptg. off., 1921.

47 p. (photo)

HG
2560
.A2
1921

F.R.Bd.L.

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1921

February 27

Rediscount for member banks of paper of any one borrower
secured by United States bonds.

LEGISLATION

This Act reenacted, with a slight modification, the provisions of section 11(m), which had expired by limitation on December 31, 1920, and extended them to October 31, 1921. These provisions authorized the Federal Reserve Board to permit Federal Reserve banks to discount for any member bank the paper of a single borrower up to 20 per cent of the member bank's capital and surplus, provided that all such paper in excess of 10 per cent was secured by Liberty bonds, Victory notes, or United States certificates of indebtedness. This amendment further required that security consisting of Liberty bonds and Victory notes should be offered by the original subscriber thereto in order to permit rediscounts in excess of 10 per cent. (41 Stat. 1146, Ch. 75.)

Source: Supplement to statement on Evolution of Banking Legislation by
Walter Wyatt, October 26, 1939. Exhibit G

[PUBLIC—NO. 329—66TH CONGRESS.]

[S. 4436.]

An Act To amend the Act approved December 23, 1913, known as the Federal Reserve Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first paragraph of the Act approved December 24, 1919, known as the Edge Act, amending the Federal Reserve Act, be amended by adding at the end a proviso, so that the paragraph as amended will read as follows:

"SEC. 25. (a) Corporations to be organized for the purpose of engaging in international or foreign banking or other international or foreign financial operations, or in banking or other financial operations in a dependency or insular possession of the United States, either directly or through the agency, ownership, or control of local institutions in foreign countries, or in such dependencies or insular possessions as provided by this section, and to act when required by the Secretary of the Treasury as fiscal agents of the United States, may be formed by any number of natural persons, not less in any case than five: *Provided,* That nothing in this section shall be construed to deny the right of the Secretary of the Treasury to use any corporation organized under this section as depositaries in Panama and the Panama Canal Zone, or in the Philippine Islands and other insular possessions and dependencies of the United States."

Approved, February 27, 1921.

1921

May 27

Values for conversion of foreign money

LEGISLATION

This Act provided that should it be necessary to convert foreign currency into United States currency in the assessment and collection of duties on imports, such conversion, in the absence of a declaration of value by the Secretary of the Treasury or if the value so declared should vary over 5 per cent from the New York market value, should be made at the "buying rate" for cable transfers as determined by the Federal Reserve Bank of New York. (42 Stat. 17, sec. 403.)

Source: Supplement to statement on Evolution of Banking Legislation by Walter Wyatt, October 26, 1939. Exhibit G

1921

June 14

"Edge Act - Amendment"

LEGISLATION

Section 25(a) of Federal Reserve Act was further amended so as to provide that a corporation organized thereunder with an authorized capital in excess of \$2,000,000 and with paid-in capital of \$2,000,000 may, with the consent of the Federal Reserve Board, have its unpaid capital paid in on call of the corporation's board of directors; but in all events 25 per cent of the total authorized capital was required to be paid in before the corporation commenced business. (42 Stat. 28, Ch. 22.)

Source: Supplement to statement on Evolution of Banking Legislation by
Walter Wyatt, October 26, 1939. Exhibit G

1921

FEDERAL RESERVE SYSTEM

POLICY ACTION

April 1921 to August 1922

(See also 1919- Nov.1919-
March 1921)

Apparent Intent - Expansionary

Open Market Operations

- Bought \$400 million of Government securities (January-March 1922).
Buying rate on bankers' acceptances reduced sharply (June 1921-August 1922).

Discount Rate

- Reduced from range of 6-7 to 4-4 1/2 percent at all Banks.

Moral Suasion

-

Surrounding Circumstances

- Commodity and agricultural values and business activity at low level; gradual contraction in credit; gold reserves strengthened.

Source: Joint Committee on the Economic Report
Monetary Policy and the Management of the Public Debt (Patman Report) 1952,
Page 216.

13.701. **Set-off against drawee's reserve account allowed.**—Where a Federal Reserve bank presented to a certain member bank for collection checks drawn on such member bank and other member banks and where the checks drawn on other member banks were collected by the first member bank and paid and a draft therefor was issued to the Federal Reserve bank, it was held that such draft was an absolute liability of the member bank to the Federal Reserve bank and that the latter bank was entitled to apply the draft against the member bank's credit in its deposit account with the Federal Reserve bank and against its credits for canceled stock. *Federal Reserve Bank of Minneapolis v. First National Bank of Eureka*, 277 Fed. 300 (D. C. S. D., 1921).

NOTE.—As to set-off against amount due on Federal Reserve bank stock, see *contra* 13.700.

13.1205. **Effect of Federal Reserve Act upon character of trade acceptances.**—In a suit upon trade acceptances, it was contended that such acceptances were to be governed by the provisions of the Federal Reserve Act and not by the State law relating to ordinary drafts or bills of exchange and that they were, therefore, not within the rule that an ordinary draft may be signed by the acceptor before the name of the drawer is filled in, or that a drawer may be anyone whom the acceptor may accept as such. It was held, however, that there is nothing in section 13 of the Federal Reserve Act or in the regulations made thereunder by the Federal Reserve Board sufficient to change the character of trade acceptances as bills of exchange or to change the obligations arising therefrom, so far as the parties are concerned. *Stafford v. Hill*, 53 Calif. App. 337, 200 Pac. 33 (1921).

13.2700. **Primary liability of discounting member bank.**—Where a member bank indorses discounted paper and deposits it with its Federal Reserve bank, the member bank by virtue of that provision of section 13 which renders the indorsement of a member bank a waiver of demand, notice and protest, becomes primarily liable to the Federal Reserve bank and the latter bank may therefore base a claim upon such paper against the receiver of the member bank without proceeding against prior indorsers or makers. *Federal Reserve Bank of Minneapolis v. First National Bank of Eureka*, 277 Fed. 300 (D.C.S.D., 1921).