

UNITED STATES GOVERNMENTEXECUTIVE OFFICERS

President

- Herbert Clark Hoover (elected Nov. 1928,  
inaugurated March 4, 1929)

Secretary of Treasury

- Andrew W. Mellon (appointed March 4, 1921, served  
until Feb. 12, 1932)

Ogden L. Mills (appointed Feb. 13, 1932, served  
until March 3, 1933)

Comptroller of Currency

- J. W. Pole (date of appointment Nov. 21, 1928,  
resigned Sept. 20, 1932)

Secretary of State

- Henry L. Stimson

Secretary of War

- Patrick J. Hurley

Secretary of Navy

- Charles F. Adams

Secretary of Interior

- Ray L. Wilbur

Secretary of Agriculture

- Arthur M. Hyde, ~~Secretary~~

Secretary of Commerce

- Robert P. Lamont

Secretary of Labor

- William N. Doak

Postmaster General

- Walter F. Brown

Attorney General

- William D. Mitchell

1932  
December

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

S E N A T E

Banking and Currency Committee

72nd Congress

Republicans

NORBECK, Peter  
BROOKHART, Smith W.  
GOLDSBOROUGH, Phillips Lee  
TOWNSEND Jr. John G.  
WALCOTT, Frederic C.  
BLAINE, John J.  
CAREY, Robert D.  
WATSON, James E.  
COUZENS, James  
STEIWER, Frederick

South Dakota  
Iowa  
Maryland  
Delaware  
Connecticut  
Wisconsin  
Wyoming  
Indiana  
Michigan  
Oregon

Democrats

FLETCHER, Duncan U.  
GLASS, Carter  
WAGNER, Robert F.  
BARKLEY, Alben W.  
BULKLEY, Robert J.  
MORRISON, Cameron  
GORE, Thomas P.  
COSTIGAN, Edward P.  
HULL, Cordell

Florida  
Virginia  
New York  
Kentucky  
Ohio  
N. Carolina  
Oklahoma  
Colorado  
Tennessee

1932  
December

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

HOUSE OF REPRESENTATIVES

Banking and Currency Committee

72nd Congress

Democrats

STEAGALL, Henry B.  
BRAND, Charles H.  
STEVENSON, William F.  
GOLDSBOROUGH, T. Alan  
PRALL, Anning S.  
BUSBY, Jeff  
REILLY, Michael K.  
HANCOCK, Frank  
WILLIAMS, Clyde  
STEWART, Percey H.  
DISNEY, Wesley E.  
TIERNEY, William L.

Alabama  
Georgia  
South Carolina  
Maryland  
New York  
Mississippi  
Wisconsin  
North Carolina  
Missouri  
New Jersey  
Oklahoma  
Connecticut

Republicans

McFADDEN, Louis T.  
STRONG, James G.  
LUCE, Robert  
CAMPBELL, Guy E.  
BEEDY, Carroll L.  
HOOPER, Joseph L.  
GOODWIN, Godfrey G.  
GOLDER, Benjamin M.  
SEIBERLING, Francis

Philadelphia  
Kansas  
Massachusetts  
Pennsylvania  
Maine  
Michigan  
Minnesota  
Pennsylvania  
Ohio

FEDERAL RESERVE BOARDEx Officio Members

\* A. W. Mellon (resigned Feb. 12)  
Secretary of the Treasury  
Chairman  
J. W. Pole, (resigned Sept. 20)  
Comptroller of the Currency

Eugene Meyer, Governor  
Vice Governor  
Floyd R. Harrison, Asst. to Governor  
Charles S. Hamlin,  
Adolph C. Miller  
George R. James  
Wayland W. Magee

Secretary's Office

Chester Morrill, Secretary  
E. M. Mc Clelland, Asst. Secretary  
J. C. Noell, Asst. Secretary

Counsel's Office

Walter Wyatt, General Counsel

Fiscal Agent

W. M. Imlay, Fiscal Agent

Division of Research and Statistics

E. A. Goldenweiser, Director  
Carl E. Parry, Asst. Director

Division of Examinations

Leo H. Paulger, Chief

Division of Bank Operations

E. L. Smead, Chief

\*Mellon was succeeded by Ogden Mills

1932

FEDERAL RESERVE SYSTEM  
FEDERAL ADVISORY COUNCIL

District No. 1 (Boston)	Thomas M. Steele
District No. 2 (New York)	Robert H. Treman
District No. 3 (Philadelphia)	Howard A. Loeb
District No. 4 (Cleveland)	J. A. House
District No. 5 (Richmond)	Howard Bruce
District No. 6 (Atlanta)	John K. Ottley
District No. 7 (Chicago)	Melvin A. Traylor, Vice President
District No. 8 (St. Louis)	Walter W. Smith, President
District No. 9 (Minneapolis)	Theodore Wold
District No. 10 (Kansas City)	Walter S. McLucas
District No. 11 (Dallas)	J. H. Frost
District No. 12 (San Francisco)	Henry M. Robinson

Walter Lichtenstein, Secretary

## FEDERAL RESERVE SYSTEM

## OPEN MARKET POLICY CONFERENCE

Composed of 12 Governors of Federal Reserve Banks:

1. Boston -	Roy A. Young	7. Chicago -	J. B. McDougal
2. New York -	G. L. Harrison	8. St. Louis -	William Mc. Martin
3. Philadelphia -	George W. Norris	9. Minneapolis -	W. B. Geery
4. Cleveland -	E. R. Fancher	10. Kansas City -	George H. Hamilton
5. Richmond -	George J. Seay	11. Dallas -	B. A. McKinney
6. Atlanta -	Eugene R. Black	12. San Francisco -	John U. Calkins

## Federal Reserve Bank of Boston (Dist. 1)

OFFICERS

Governor	-	Roy A. Young
Deputy Governor	-	W. W. Paddock
Chairman and Federal Reserve Agent	-	F. H. Curtiss
Deputy Chairman	-	Allen Hollis

DIRECTORSClass ATerm Expires  
Dec. 31

RIPLEY, A. L. (Boston, Mass.)  
 KENNARD, E. S. (Rumford, Maine)  
 CHAMBERLAIN, F. S. (New Britain, Conn.)

1932  
 1933  
 1934 (re-elected)

Class B

ALLEN, P. R. (East Walpole, Mass.)  
 BEMIS, A. F. (Boston, Mass.)  
 FRENCH, E. S. (Boston, Mass.)

1932  
 1933  
 1934 (elected)

Class C

CURTISS, F. H. (Boston, Mass.) Chairman and FR Agent  
 HOLLIS, Allen (Concord, N.H.) Deputy Chairman  
 MERRIMAN, C. H. (Providence, R.I.)

1932  
 1933  
 1934 (re-appointed)



## Federal Reserve Bank of New York (Dist. 2)

OFFICERS

Governor	-	George L. Harrison	
Deputy Governors	-	W. R. Burgess	E. R. Kenzel
		J. E. Crane	Walter S. Logan
		A. W. Gilbert	L. R. Rounds
		L. F. Sailer	
Chairman and Federal Reserve Agent	-	J. Herbert Case	
Deputy Chairman	-	Owen D. Young	

1932

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

<u>CLASS A</u>	<u>Term Began</u>	<u>Dec. 31</u> <u>Term Ended</u>
STEPHENS, Thomas W. (Montclair)	1/1/30	1932
WARNER, David C. (Endicott)	1/1/31	1933
WIGGIN, Albert H. (New York)	1/1/32	1934 (elected)
 <u>CLASS B</u>		
WHITMARSH, Theodore F. (New York)	1/1/30	1932
REYBURN, Samuel W. (New York)	1/1/31	1933
WOODIN, William H. (New York)	1/1/32	1934 (re-elected)
 <u>CLASS C</u>		
YOUNG, Owen D. (New York)	1/1/30	1932 (Deputy Chairman)
WOOLLEY, Clarence M. (Greenwich)	1/1/31	1933
CASE, J. Herbert (Plainfield)	1/1/32	1934 (reappointed) (Chairman)

## Federal Reserve Bank of Philadelphia (Dist. 3)

OFFICERS

Governor	-	George W. Norris
Deputy Governor	-	William H. Hutt
Chairman and Federal Reserve Agent	-	R. L. Austin
Deputy Chairman	-	A. B. Johnson

1932

## Federal Reserve Bank of Philadelphia (Dist. 3)

DIRECTORSClass A

Term Expires
<u>Dec. 31</u>

WAYNE, Joseph (Jr.) (Philadelphia, Pa.)	1932
REILEY, G. W. (Harrisburg, Pa.)	1933
COSGROVE, J. C. (Johnstown, Pa.)	1934 (re-elected)

Class B

SEWALL, A. W. (Philadelphia, Pa.)	1932
De La COUR, J. C. (Camden, N.J.)	1933
STOUT, C.F.C. (Philadelphia, Pa.)	1934 (re-elected)

Class C

AUSTIN, R. L. (Philadelphia, Pa.) Chairman and FR Agent	1932
JOHNSON, A. B. (Philadelphia, Pa.) Deputy Chairman	1933
CANNON, H. L. (Bridgeville, Del.)	1934 (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	-	George De Camp
Deputy Chairman	-	Williams, L. B.

## Federal Reserve Bank of Cleveland (Dist. 4)

DIRECTORSClass ATerm Expires  
Dec. 31

WARDROP, R. A. (Pittsburgh, Pa.)  
 CONNER, B. R. (Ada, Ohio)  
 LAMBERTON, Chess (Franklin, Pa.)

1932  
 1933 (elected)  
 1934 (re-elected)

Class B

CRABBS, G. D. (Cincinnati, Ohio)  
 GALVIN, J. E. (Lima, Ohio)  
 WRIGHT, R. P. (Erie Pa.)

1932  
 1933  
 1934 (re-elected)

Class C

DeCAMP, George (Cleveland, Ohio) Chairman and FR Agent  
 KNIGHT, W. W. (Toldeo, Ohio)  
 WILLIAMS, L. B. (Cleveland Ohio) Deputy Chairman

1932  
 1933  
 1934 (re-elected)

## Federal Reserve Bank of Richmond (Dist. 5)

OFFICERS

Governor	-	George J. Seay
Deputy Governors	-	R. H. Broadus C. A. Peple
Chairman and Federal Reserve Agent	-	W. W. Hoxton
Deputy Chairman	-	F. A. Delano

DIRECTORSClass A

Term Expires  
Dec. 31

JOHNSON, L. E. (Alderson W. Va.)  
RIEMAN, C. E. (Baltimore, Md.)  
BRASWELL, J. C. (Rocky Mount, N.C.)

1932  
1933  
1934 (re-elected)

Class B

COKER, D. R. (Hartsville, S.C.)  
REED, C. C. (Richmond, Va.)  
GRAHAM, E.C. (Washington, D.C.)

1932  
1933  
1934 (re-elected)

Class C

HOXTON, W.W. (Richmond, Va.) Chairman and FR Agent  
DELANO, F. A. (Washington, D.C.) Deputy Chairman  
LASSITER, Robert (Charlotte, N.C.)

1932  
1933  
1934 (re-appointed)



## Federal Reserve Bank of Atlanta (Dist. 6)

OFFICERS

Governor	-	Eugene R. Black
Deputy Governors	-	W. S. Johns H. F. Conniff
Chairman and Federal Reserve Agent	-	Oscar Newton
Deputy Chairman	-	W. H. Kettig

1932

## Federal Reserve Bank of Atlanta (Dist. 6)

DIRECTORSClass ATerm Expires  
Dec. 31

WARE, G. G. (Leesburg, Fla.)

1932

YOUNG, H. L. (Atlanta, Ga.)

1933

MELVIN, E. C. (Selma, Ala.)

1934 (re-elected)

Class B

SIMON, L. C. (New Orleans, La.)

1932

McCRARY, J. A. (Decatur, Ga.)

1933

HILL, J. B. (Nashville, Tenn.)

1934 (re-elected)

Class C

NEWTON, Oscar (Atlanta, Ga.) Chairman and FR Agent

1932

HARRIS, G. S. (Atlanta, Ga.)

1933

KETTIG, W. H. (Birmingham, Ala.) Deputy Chairman

1934 (re-appointed )

## Federal Reserve Bank of Chicago (Dist. 7)

OFFICERS

Governor	-	J. B. Mc Dougal
Deputy Governors	-	C. R. McKay John H. Blair J. H. Dillard
Chairman and Federal Reserve Agent	-	E. M. Stevens
Deputy Chairman	-	James Simpson

## Federal Reserve Bank of Chicago (Dist. 7)

DIRECTORSClass ATerm Expires  
Dec. 31

SCHALLER, G. J. (Storm Lake, Iowa)

1932

REYNOLDS, G. M. (Chicago, Ill.)

1933

ESTBERG, E. R. (Waukesha, Wis.)

1934 (re-elected)

Class B

vacancy

BABB, M.W. (Milwaukee, Wis.)

1933

CRAPO, S. T. (Detroit, Mich.)

1934 (re-elected)

Class C

SIMPSON, James (Chicago, Ill.) Deputy Chairman

1932

STEVENS, E.M. (Chicago, Ill.) Chairman and FR Agent

1933

BALL, F. C. (Muncie, Ind.)

1934 (re-elected)

OFFICERS

Governor	-	Wm. Mc C. Martin
Deputy Governors	-	O. M. Attebery
Chairman and Federal Reserve Agent	-	J. S. Wood
Deputy Chairman	-	J. W. Boehne

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

DIRECTORSClass ATerm Expires  
Dec. 31

LONSDALE, J. G. (St. Louis, Mo.)

1932

NAHM, M. B. (Bowling Green, Ky.)

1933

HITT, F. G. (Ziegler, Ill.)

1934 (elected)

Class B

STURDIVANT, M. P. (Glendora, Miss.)

1932

HARRIS, J.W. (St. Louis, Mo.)

1933

PLUNKETT, W. B. (Little Rock, Ark.)

1934 (re-elected)

Class C

BOEHNE, J. W. (Evansville, Ind.) Deputy Chairman

1932

WOOD, J. S. (St. Louis, Mo.) Chairman and FR Agent

1933

DILLARD, Paul (Memphis, Tenn.)

1934 (re-appointed)

## Federal Reserve Bank of Minneapolis (Dist. 9)

OFFICERS

Governor	-	W. B. Geery
Deputy Governors	-	Harry Yaeger H. I. Ziemer
Chairman and Federal Reserve Agent	-	J. R. Mitchell
Deputy Chairman	-	H. P. Clark

## Federal Reserve Bank of Minneapolis (Dist. 9)

DIRECTORSClass A

Term Expires

Dec. 31

KIBBEE, H. R. (Mitchell, S. Dak.)  
HANSEN, H. C. (Churchs Ferry, N. Dak.)  
LEEMAN, P. J. (Minneapolis, Minn.)

1932  
1933  
1934 (re-elected)

Class B

O'CONNELL, J. E. (Helena, Mont.)  
OWEN, J. S. (Eau Claire, Wis.)  
WASHBURN, W. O. (St. Paul, Minn.)

1932  
1933  
1934 (re-elected)

Class C

MITCHELL, J. R. (Minneapolis, Minn.) Chairman and FR Agent  
CLARK, H. P. (St. Paul, Minn.) Deputy Chairman  
McCORMICK, G. W. (Menominee, Mich.)

1932  
1933  
1934 (re-appointed)



## Federal Reserve Bank of Kansas City (Dist. 10)

OFFICERS

Governor	-	George H. Hamilton
Deputy Governors	-	C. A. Worthington J. W. Helm
Chairman and Federal Reserve Agent	-	M. L. Mc Clure
Deputy Chairman	-	H. M. Langworthy

## Federal Reserve Bank of Kansas City (Dist. 10)

DIRECTORSClass A

Term Expires  
Dec. 31

MULLANEY, E. E. (Hill City, Kans.)

1932

PARKS, C. C. (Denver, Colo.)

1933

SPONABLE, R. W. (Paola, Kans.)

1934 (re-elected)

Class B

PHILLIPS, L. E. (Bartlesville, Okla.)

1932

HOSFORD, W. D. (Omaha, Nebr.)

1933

BERNARDIN, J. M. (Kansas City, Mo.)

1934 (re-elected)

Class C

McCLURE, M. L. (Kansas City, Mo.) Chairman and FR Agent

1932

BROWN, E. P. (Davey, Nebr.)

1933

LANGWORTHY, H.M. (Kansas City, Mo.) Deputy Chairman

1934 (appointed)

OFFICERS

Governor	-	B. A. Mc Kinney
Deputy Governors	-	R. B. Coleman R. R. Gilbert
Chairman and Federal Reserve Agent	-	C. C. Walsh
Deputy Chairman	-	S. B. Perkins

## Federal Reserve Bank of Dallas (Dist. 11)

DIRECTORS

<u>Class A</u>	<u>Term Expires</u> <u>Dec. 31</u>
WILLIAMS, J. P. (Perrin, Tex.)	1932
HARDING, R. E. (Fort Worth, Tex.)	1933
PARTRICK, W. H. (Clarendon, Tex.)	1934 (re-elected)
<u>Class B</u>	
Vacancy	
MILAM, J.R. (Waco, Tex.)	1933
CLEVELAND, A. S. (Houston, Tex.)	1934 (re-elected)
<u>Class C</u>	
BROWN, E. R. (Dallas, Tex.)	1932
PERKINS, S. B. (Dallas, Tex.) Deputy Chairman	1933
WALSH, C. C. (Dallas, Tex.) Chairman and FR Agent	1934 (re-appointed)

## Federal Reserve Bank of San Francisco (Dist. 12)

OFFICERS

Governor	-	Jno. U. Calkins
Deputy Governors	-	William A. Day
Chairman and Federal Reserve Agent	-	Isaac B. Newton
Deputy Chairman	-	W. N. Moore

## Federal Reserve Bank of San Francisco (Dist. 12)

DIRECTORS

<u>Class A</u>	<u>Term Expires</u> <u>Dec. 31</u>
RAMSAY, T. H. (San Francisco, Calif.)	1932
POWELL, Keith, Woodburn, Oreg.)	1933
McINTOSH, C. K. (San Francisco, Calif.)	1934 (re-elected)
<u>Class B</u>	
DOHRMANN, A.B.C. (San Francisco, Calif.)	1932
McNAGTHEN, Malcolm (Los Angeles, Calif.)	1933
COX, E. H. (Madera, Calif.)	1934 (re-elected)
<u>Class C</u>	
NEWTON, Isaac B. (San Francisco, Calif.) Chairman and FR Agent	1932
MOORE, W. N. (San Francisco, Calif.) Deputy Chairman	1933
SPROULE, Wm. (San Francisco, Calif.)	1934 (re-appointed)

1932

HEARINGS

Feb. 12

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

HG  
2562  
.D6A2  
1932

Liberalizing the credit facilities of the  
Federal reserve system: hearings ...72d.cong.,  
1st sess. on H.R.9203, a bill to liberalize the  
credit facilities of the Federal reserve system,  
Feb.12,1932. Wash.,Govt.ptg.off.,1932.

37 p.

Testi- Meyer, Eugene(Gov.) Feb.12 pp.2-20  
mony: Mills,Ogden(Sec.Treas.) pp.20-34 See 2-20

F.R.Bd.L.

a

1932

HEARINGS

Mar 23-25, 28-30

(GLASS BILL)

(BANKING ACT  
OF 1933)

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

HG  
2565

Operation of the National and Federal reserve  
banking system: hearings ... 72d cong., 1st sess.  
on S. 4115, a bill to provide for the safer and  
more effective use of the assets of Federal reserve  
banks and of national banking associations, to regu-  
late interbank control, to prevent the undue di-  
version of funds into speculative operations and  
for other purposes, March 23-25, 28-30, 1932.  
Wash., Govt. ptg. off., 1932.

Bank. U21  
1932

2 pts.

Testimony: Burgess, W. Randolph March 30, '32, pp. 497-508  
F.R.Bd.L. Meyer, Eugene (Gov.) Mar. 29 pp. 357-422  
F.R.Bd.L. Platt, E. (bkr.) pp. 310-314  
Pole, J.W. (Compt. Curr.) pp. 422-437

a



1932

Mar., Apr

HEARINGS

(GOLDSBOROUGH  
BILL)

U.S.Congress. House.Committee on banking and  
currency. (Goldsborough bill)

HB

236

.U5

1932

Stabilization of commodity prices: hearings  
before the subcommittee...72d cong., 1st sess on  
H.R.10517, For inc̄easing and stabilizing the  
price level of commodities and for other purposes,  
March 16-18, 21, 22, 28, 29, April 1932. Wash.  
Govt.ptg.off., 1932

2 v. 571 p

Testi- Meyer, Eugene(Gov) Apr. 14 pp. 521-562  
mony: Goldenweiser,E.A.(FRBd) " pp. 562-571  
Harrison, G. (NYFRBk) Apr.13 pp. 459-519  
King, Wilford (N.Y.U.) Mar 21 pp. 179-203  
Fisher, Irving (Yale)Mar 28-29 pp. 333-415

F.R.Bd.L.

a

1932

HEARINGS

Apr. 11-29,  
May 2,3

U.S.Congress. House. Committee on ways and means. HJ  
Payment of adjusted compensation certificates; 1910  
hearings...72d cong., 1st sess. on House bills .U5A3  
nos. 1,27,94,4493,4535,4539,5461,7180,6584,6693, 1932  
7726,8016,9593,9694,9929,10096,10367,11117,11300,  
11674, Apr. 11-29, May 2,3,1932. Wash.Govt.ptg.off 1932  
841 p.

Testi=	Meyer, Eugene Jr.(Gov)	Apr. 27,28	p.630-668
mony:	Goldenweiser,E.A.(FRBd)	May 2	p.737-754
	Mills, Ogden (SecTreas)		p.605-629
	Kemmerer, E.W.		p.397-438
	King, Willford I.		p.150-170

F.R.Bd.L.

a

1932

HEARINGS

Mar. 14, 23-26, 29, 30  
Apr 1, 2, 6, 8

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

HG  
1782

To provide a guaranty fund for depositors in  
banks: hearings before the subcommittee ...  
72d cong., 1st sess. on H.R. (10241) 11362, a  
bill to amend the national banking act and the  
Federal reserve act, and to provide a guaranty  
fund for depositors in banks and for other pur-  
poses, Mar. 14, 23-26, 29, 30, Apr. 1, 2, 6, 8, 1932.  
Wash., Govt. ptg. off., 1932.

.A2  
(1932)

284 p.  
Testi- Pote, J.W. (Compt. curr.) Mar. 14 pp. 6-56  
mony: Ransom, R. (bkr.) Apr. 2, pp. 169-177

F.R. Bd. L.

a

1932  
April

HEARINGS

Stock Exchange Practices Hearings...on S. Res. 84 & S. Res. 239 before  
Senate Banking and Currency Committee. (72nd Cong. 1st Sess. 1932)  
pt. 1. 375p. (Continued in Feb. 1933)

1932

May 12,13,18

HEARINGS

U.S.Congress. Senate. Committee on banking  
and currency. (Goldsborough bill) HB  
Restoring and maintaining the average pur- 236  
chasing power of the dollar: hearings...72d .U51  
cong., 1st sess. on H.R.11499, an act for restoring 1932  
and maintaining the purchasing power of the dollar  
and S.4429, a bill to restore and maintain the aver-  
age purchasing power of the dollar by the expansion  
and contraction of credits and currency and for other  
purposes, May 12,13,18,1932. Wash., Govt.ptg.off.,1932  
312 p.

Testi- Meyer, Eugene (Gov) May 18 pp.161-230  
mony: Miller, A.C.(Bd.mbr) May 18 pp.221-253  
Anderson,B.M.(stmt.)p301; Copeland, Morris:p 294  
Mills,F.C.:p 253-276; Fisher,I.: p 280-291  
F.R.Bd.L. a

1932

HEARINGS

July 9, 11

U.S. Congress. House. Committee on rules.

HQ

To investigate the Bureau of Internal Revenue  
and certain practices of the Federal reserve  
board: hearings ...72d cong., 1st sess. on  
H. Res. 68 and H. Res. 249, July 9 and 11, 1932.  
Wash., Govt. ptg. off., 1932.

2565

.A2

1932

119 p.

Testi- Meyer, Eugene (Gov.) July 11 pp. 106-119  
mony:

F.R. Bd. L.

a

1932

January 22

RECONSTRUCTION FINANCE CORPORATION ACT

LEGISLATION

Loans to banks, etc.

This Act created the Reconstruction Finance Corporation, the management of which was vested in a board of directors consisting, among others, of the Governor of the Federal Reserve Board. The Corporation was authorized during a limited period which later was several times extended, to make loans, in accordance with specified conditions, to any bank, building and loan association, etc., to aid the financing of agriculture, commerce, industry, etc.; but not more than \$200,000,000 could be used for the relief of closed or liquidating banks. (47 Stat. 5-8.)

Exceptions to limitation on indebtedness of a national bank.

Section 5202 of the Revised Statutes, made a part of section 13, provided that no national bank should be indebted or liable in an amount exceeding its capital stock, with certain exceptions, one of which was liabilities incurred under the provisions of the War Finance Corporation Act. This Act struck this exception from the law and in lieu thereof made an exception in favor of liabilities incurred under the provisions of the Reconstruction Finance Corporation Act. (47 Stat. 8, sec. 6.)

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

1932

February 27

"GLASS-STEAGALL ACT"

LEGISLATION

Advances to member banks on ineligible paper.

Sections 10(a) and 10(b) were added, under the provisions of which, in unusual circumstances, member banks that were without adequate amounts of eligible and acceptable assets to enable them to obtain sufficient credit accommodations from the Federal Reserve banks, through rediscounting or other methods provided by the Federal Reserve Act, could receive assistance under certain conditions on the basis of other security satisfactory to the Federal Reserve banks. Under section 10(a), which was permanent legislation, a Federal Reserve bank could make advances upon such security to a group of its member banks for distribution to such bank or banks within the group as were in need of assistance, and under section 10(b) the Federal Reserve banks were authorized, until March 3, 1933, to make advances upon such security to individual member banks having a capital stock of not more than \$5,000,000. (47 Stat. 56.)

United States obligations as collateral for Federal Reserve notes.

Section 16 was amended so as to authorize the Federal Reserve Board until March 3, 1933, to permit the use of United States Government obligations as specific collateral for Federal Reserve notes. (47 Stat. 57, sec. 3.)

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



1932

May 19     Security for 15-day advances to member banks.

LEGISLATION

Section 13 of Federal Reserve Act was amended so as to enlarge the classes of security which could be used as collateral for advances to member banks for periods not exceeding 15 days, to include debentures or other such obligations of Federal intermediate credit banks which were eligible for purchase by Federal Reserve banks. (47 Stat. 160, Ch. 191, sec. 6.)

Discount for Federal intermediate credit banks.

Section 13a of Federal Reserve Act was amended so as to authorize Federal Reserve banks to discount notes payable to and bearing the indorsement of any Federal intermediate credit bank, covering loans or advances made by such bank direct to any national or State bank, trust company, agricultural credit corporation, incorporated livestock loan company, savings institution, cooperative bank or cooperative credit or marketing association of agricultural producers, or to any other Federal intermediate credit bank, when such notes had maturities at the time of discount of not more than 9 months and were secured by paper eligible for rediscount by Federal Reserve banks. (47 Stat. 160, Ch. 191, sec. 5.)

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

1932  
May 19

LEGISLATION

[PUBLIC—No. 138—72D CONGRESS]

[S. 2409]

AN ACT

To amend Title II of the Federal Farm Loan Act in regard to Federal intermediate credit banks, and for other purposes.

SEC. 5. The second paragraph of section 13 (a) of the Federal Reserve Act, as amended (U. S. C., title 12, ch. 3, sec. 349), is hereby amended by adding thereto a new sentence as follows: "Any Federal reserve bank may also, subject to regulations and limitations to be prescribed by the Federal Reserve Board, discount notes payable to and bearing the indorsement of any Federal intermediate credit bank covering loans or advances made by such bank pursuant to the provisions of section 202 (a) of Title II of the Federal Farm Loan Act, as amended (U. S. C., title 12, ch. 8, sec. 1031), which have maturities at the time of discount of not more than nine months, exclusive of days of grace, and which are secured by notes, drafts, or bills of exchange eligible for rediscount by Federal Reserve banks."

SEC. 6. The seventh paragraph of section 13 of the Federal Reserve Act, as amended (U. S. C., title 12, ch. 3, sec. 347), is hereby amended by changing the period at the end thereof to a comma and adding thereto the words "or by the deposit or pledge of debentures or other such obligations of Federal intermediate credit banks which are eligible for purchase by Federal reserve banks under section 13 (a) of this Act."

Approved, May 19, 1932.

[PUBLIC—No. 245—72D CONGRESS]

[H. R. 8694]

AN ACT

To amend section 5240, United States Revised Statutes, as amended (U. S. C., title 12, ch. 2, sec. 82), and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 5240, United States Revised Statutes, as amended (U. S. C., title 12, ch. 3, secs. 481, 482, 483, 484, 485), be amended by adding thereto a new paragraph reading:

“In addition to the expense of examination to be assessed by the Comptroller of the Currency as heretofore provided, all national banks exercising fiduciary powers under the provisions of section 11 (k) of the Federal Reserve Act, as amended (U. S. C., title 12, ch. 3, sec. 248 (k)), and all banks or trust companies exercising fiduciary powers in the District of Columbia shall be assessed by the Comptroller of the Currency for the examinations of such fiduciary powers, a fee in proportion to the amount of individual trust assets under administration and the total bonds and/or notes outstanding under corporate bond and/or note issues for which the banks or trust companies are acting as trustees upon the dates of examination of the various banks or trust companies.”

Approved, July 2, 1932.

1932

July 21

EMERGENCY RELIEF AND CONSTRUCTION ACT

LEGISLATION

Loans to individuals, partnerships, and corporations.

Section 13 of Federal Reserve Act was amended so that the Federal Reserve Board, in unusual and exigent circumstances and by the affirmative vote of not less than five members, could authorize any Federal Reserve bank, during such periods as the Board might prescribe, to discount for any individual, partnership, or corporation, which was unable to secure adequate credit accommodations from other banking institutions, notes, drafts, and bills of exchange of the kinds and maturities eligible for discount for member banks, when such paper was indorsed and otherwise secured to the satisfaction of the Reserve banks. (47 Stat. 715, sec. 210.)

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

1932  
July 22

LEGISLATION

[PUBLIC—No. 304—72D CONGRESS]

[H. R. 12280]

AN ACT

To create Federal Home Loan Banks, to provide for the supervision thereof, and for other purposes.

SEC. 22. (a) In order to enable the board to carry out the provisions of this Act, the Treasury Department, the Comptroller of the Currency, the Federal Reserve Board, and the Federal reserve banks are hereby authorized, under such conditions as they may prescribe, to make available to the board in confidence for its use and the use of any Federal Home Loan Bank such reports, records, or other information as may be available, relating to the condition of institutions with respect to which any such Federal Home Loan Bank has had or contemplates having transactions under this Act or relating to persons whose obligations are offered to or held by any Federal Home Loan Bank, and to make through their examiners or other employees, for the confidential use of the board or any Federal Home Loan Bank, examinations of such institutions.

(b) Every institution which shall apply for advances under this Act shall, as a condition precedent thereto, consent to such examination as the bank or the board may require for the purposes of this Act and/or that reports of examinations by constituted authorities may be furnished by such authorities to the bank or the board upon request therefor.

Approved, July 22, 1932.

1932

FEDERAL RESERVE SYSTEM

POLICY ACTION

January 1932 to August 1932

Apparent Intent - Expansionary

- Open Market Operations - Bought \$1,110 million of Government securities (mainly in March-June, smaller amounts in July and August).  
Buying rate on bankers' acceptances reduced (February-June)
- Discount Rate - Reduced from 4 to  $3\frac{1}{2}$  percent at Richmond and Dallas;  
from  $3\frac{1}{2}$  to  $2\frac{1}{2}$  percent at New York and Chicago (January-June).
- Selective Regulations - .....
- Surrounding Circumstances - Production and stock and bond prices reach depression lows; commodity prices still declining; renewed gold outflow; further credit liquidation and bank failures. Glass-Steagall Act permitting Federal Reserve Banks to use United States securities as collateral for notes enabled Federal Reserve Banks to buy large amounts of securities; member banks reduced indebtedness and acquired excess reserves.

Source: Joint Committee on the Economic Report  
Monetary Policy and the Management of the Public Debt (Patman Report) 1952,  
Page 219.

**13.863. Power of Reserve bank to take as collateral security paper not eligible for discount.**—A national bank took over the assets and assumed the liabilities of a State bank at the instance of the defendant Federal Reserve Bank, the officers of which promised to extend to the national bank additional accommodations to meet the additional burden. Upon the insolvency of the national bank, its stockholders and creditors brought suit against the Federal Reserve bank alleging, among other things, that, in violation of its agreement, the Federal Reserve bank had required additional security of the national bank in question; that the Federal Reserve bank had no authority to accept such additional security since it did not constitute paper eligible for discount; and that the complainants had been damaged as a result of the Reserve bank's unlawful action. It was held that the fact that the paper taken as additional security was ineligible for discount did not preclude its being taken as collateral; that Regulation A of the Federal Reserve Board expressly authorized Federal Reserve banks to take as security collateral of any nature, including paper ineligible for discount; and that, whatever the power of the Reserve bank with respect to the taking of such collateral, no one could complain of such action except the Government itself. *Lucas v. Federal Reserve Bank of Richmond*, 50 Fed. (2d) 617 (C.C.A. 4th, 1932). 1932 BULLETIN 452.

NOTE.—See also 13.833. For other points decided in the above case, see also 13.864.

See over

13.864. Requirement of additional collateral as violation of Reserve bank's agreement to furnish additional accommodations.— In 1923, the assets of a State bank were taken over by a national bank at the instance of the defendant Federal Reserve Bank of Richmond, the officers of which promised to extend to the national bank "such additional accommodation in the way of discounts as would be necessary to meet the additional burden" thus assumed by it. Notwithstanding the agreement, the Federal Reserve bank shortly thereafter required the national bank to put up additional collateral to secure its indebtedness to the Reserve bank and again required additional collateral in 1925. In 1929, a new national bank was organized to take over the assets and assume the liabilities of the first national bank, but the new bank became insolvent a few months later and was placed in the hands of a receiver. Stockholders and creditors of the failed national banks brought suit against the Federal Reserve bank, alleging that the Federal Reserve bank, in requiring additional collateral, had violated its agreement and that the complainants had suffered damages as a result. It was held, however, that the alleged agreement was not sufficiently definite to constitute a binding contract and that, even if such were the case, it did not appear that the agreement had been violated by the Reserve bank, inasmuch as it had extended to the national bank a substantial amount of credit over a period of years. Judgment for the defendant was therefore affirmed. *Lucas v. Federal Reserve Bank of Richmond*, 50 Fed. (2d) 617 (C.C.A. 4th, 1932). 1932 BULLETIN 452.

NOTE.—See also 13.863. As to requirement of additional collateral as constituting a preferential transfer, see RS-5242.200 (p. 258).



19.502. **Alleged improper imposition of penalties.**—A national bank took over the assets and assumed the liabilities of a State bank at the instance of the defendant Federal Reserve bank whose officers promised to extend to the national bank additional accommodations in the way of discount to meet the additional burden. Notwithstanding this agreement, the Reserve bank subsequently required the national bank to deposit additional collateral to secure its indebtedness to the Reserve bank. Upon the failure of the national bank, its stockholders and creditors brought suit against the Federal Reserve bank for damages, alleging, among other things, that the act of the Federal Reserve bank in wrongfully requiring additional collateral resulted in the inability of the national bank to maintain required balances with the Reserve bank and the consequent assessment of penalties against the national bank; and that under these circumstances, the penalties were improperly assessed and the Reserve bank should be required to account for them. It was held, however, that since the requirement of additional collateral was not wrongful, there was no basis for the contention that the penalties for deficient reserves were improperly assessed. *Lucas v. Federal Reserve Bank of Richmond*, 59 Fed. (2d) 617 (C.C.A. 4th, 1932).

**RS-5242.200. Requirement of additional collateral as constituting preferential transfer.**—A national bank took over the assets and assumed the liabilities of a State bank, at the instance of the defendant Federal Reserve bank, whose officers promised to extend to the national bank additional accommodations in the way of discounts to meet the additional burden. Notwithstanding this agreement, the Federal Reserve bank shortly thereafter and again in 1925 required the national bank to deposit additional collateral to secure its indebtedness to the Reserve bank. Upon the failure of the national bank, its stockholders and creditors brought suit against the Federal Reserve bank for damages, claiming, among other things, that the act of the Federal Reserve bank in requiring additional collateral constituted a preferential transfer to the Reserve bank in view of the fact that the latter bank, by reason of its access to examinations of the national bank, had a more intimate knowledge of the condition of the assets of the national bank than its own officers. It was held, however, that it had not been charged that the officers of the national bank knew it to be insolvent or that they had made the transfer in contemplation of insolvency; that the transfers were made to secure advances and not merely existing loans; and that the allegations of the bill amounted to no more than conclusions of the pleader inasmuch as they failed to allege facts from which the court could say that the transfers made in 1923 and 1925 were in contemplation of an insolvency which occurred in 1929. *Lucas v. Federal Reserve Bank of Richmond*, 59 Fed. (2d) 617 (C.C.A. 4th, 1932).