

At a regular meeting of the Federal Reserve Board held in the office of the Board Tuesday, December 1, 1914 at 3:00 p. m.

PRESENT:

Mr. Hamlin, Mr. Warburg
Mr. Delano Mr. Harding

Mr. Miller.

The Governor of the Board presided and Mr. H. P. Willis acted as secretary to the meeting.

The minutes of the three preceding meetings were read and approved.

A letter from Federal Reserve Agent Ingle regarding the best method of judging cotton mill paper was read by Mr. Harding. On motion it was voted to authorize Mr. Harding to prepare and send a suitable reply to Mr. Ingle and to transmit a copy of the same to the Federal Reserve Bank of Atlanta.

On motion it was voted in answer to an application from the Federal Reserve Agent at Kansas City that a flat rate of discount of six per cent for paper of all maturities be approved for the Federal Reserve Bank of Kansas City. It was directed that this fact be given to the press.

The application of the City Bank and Trust Company of Mobile, Alabama, was referred to Standing Committee No. 6.

The report from the Counsel's office with reference to the admission of State banks was ordered deferred until after the meeting of bankers on December 8 in Washington.

Discussion of the question of clearings at Federal reserve banks was taken up and the Secretary of the Board presented a communication from Federal Reserve Agent Bosworth and Federal Reserve Agent Miller with reference to the existing situation. After consideration it was voted to grant the application of Federal Reserve Agent Miller, made on behalf of the Federal Reserve Bank of Kansas City, authorizing him to announce to his member banks that Kansas City would receive checks drawn by member banks on member banks in the district; the same to be authorized by vote of his Board of Directors; Mr. Miller also to be informed that a meeting of Governors of Reserve Banks would occur in Washington on December 8-10 and that he might prefer to defer action until after that meeting.

On motion it was voted to notify Chicago of the action taken with regard to Kansas City and to inform Federal Reserve Agent Bosworth that the Federal Reserve Bank of Chicago might enlarge its receipt of checks in like manner.

On motion it was voted to inform Federal Reserve Agent Bosworth additionally that with respect to the receipt of checks drawn on Federal Reserve Banks in other districts a difference in practice had arisen due to a difference in interpretation of the action of the Convention of Directors held on October 20-22 and that it was deemed best that in each case the present status be adopted by Federal reserve banks.

On motion other items on the calendar were passed over and the report from the committee appointed to consider the question of municipal and State warrants was taken up. Two minority reports were presented and a report prepared by Mr. Warburg was read to the Board and discussed. No action was taken.

On motion the salary of Mr. John V. Shea, jr., was advanced from \$50 to \$60 and that of Mr. W. W. Jemison from \$90 to \$100 per month.

On motion the Board adjourned at 5:00 p. m.

A. H. ...

Secretary.

APPROVED:

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Chairman.