

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11.10 a. m. Tuesday, March 30th.

## PRESENT:

Mr. Delano, presiding, Mr. Warburg

Mr. Williams Mr. Harding

Mr. Willis, Secretary.

The minutes of the meeting of 11.15 a. m. Monday, March 29th were read and approved.

Applications for 787 shares of stock in Federal Reserve banks, duly recommended, were approved by the Board, as follows:

For Additional Stock.

<u>DISTRICT No. 1.</u>		Shares.
Windham County Nat'l Bank	Danielson, Conn.	9
<u>DISTRICT No. 2.</u>		
First National Bank	Morris, N. Y.	1
First National Bank	Heuvelton, N. Y.	3
North Creek Nat'l. Bank	North Creek, N. Y.	2
Farmers National Bank	Deposit, N. Y.	2
Somerset National Bank	Barker, N. Y.	3
National Bank	Liberty, N. Y.	5
<u>DISTRICT No. 3.</u>		
First National Bank	Cresson, Pa.	3
<u>DISTRICT No. 4.</u>		
First National Bank	Harlem, Ky.	8
Clay City National Bank	Clay City, Ky.	1

Shares.

DISTRICT No. 4 (Cont'd.)

Pikeville National Bank	Pikeville, Ky.	6
First National Bank	Conneaut Lake, Pa.	1
National Bank	Girard, Pa.	3
Sligo National Bank	Sligo, Pa.	2
Home National Bank	Union City, Pa.	2
Bank of Athens, N. B. Assn.	Athens, Ohio	12
First National Bank	Bradford, Ohio	1
First National Bank	Bowerston, Ohio	1
First National Bank	Baltimore, Ohio	3
Warren National Bank	Franklin, Ohio	1
Citizens National Bank	Ironton, Ohio	1
Malta National Bank	Malta, Ohio	2
Citizens National Bank	Middleport, Ohio	1
Somerville National Bank	Somerville, Ohio	1

DISTRICT No. 5.

The National Bank	Charlottesville, Va.	72
National Exchange Bank	Roanoke, Va.	240
First National Bank	Clendenin, W. Va.	2
Union National Bank	Clarksburg, W. Va.	171
First National Bank	Florence, S. C.	9

DISTRICT No. 6.

First National Bank	Prattville, Ala.	3
De Sota National Bank	Arcadia, Fla.	3
First National Bank	Valdosta, Ga.	3
First National Bank	Pikeville, Tenn.	1
First National Bank	Dickson, Tenn.	9
First National Bank	Russellville, Tenn.	1

DISTRICT No. 7.

Citizens National Bank	Winamac, Ind.	1
Merchants National Bank	La Fayette, Ind.	12
Citizens National Bank	Mulberry, Ind.	1
Farmers & Merchants Nat'l. Bk.	Wabash, Ind.	3
First National Bank	Dillsboro, Ind.	1
Albion National Bank	Albion, Ind.	1
First National Bank	Cambridge, Iowa	1
Peoples National Bank	Waukon, Iowa	2

Shares.

DISTRICT No. 9.

First National Bank	Hallock, Minn.	3
Minnehaha National Bank	Sioux Falls, S. Dak.	15
First National Bank	Parkston, S. Dak.	2
Lake County National Bank	Madison, S. Dak.	1
First National Bank	Alma, Wis.	1

DISTRICT No. 10.

First National Bank	Canon City, Colo.	1
Mankato National Bank	Mankato, Kans.	3
First National Bank	Plainville, Nebr.	1
Central National Bank	Tulsa, Okla.	60
American National Bank	Oklahoma City, Okla.	3

DISTRICT No. 11.

First National Bank	Clifton, Ariz.	1
First National Bank	Douglas, Ariz.	18
First National Bank	DeRidder, La.	1
First National Bank	Alex, Okla.	3
First National Bank	Bokchita, Okla.	2
First National Bank	Valliant, Okla.	4
First National Bank	Ballinger, Tex.	1
First National Bank	Crawford, Tex.	2
Allen National Bank	Edna, Tex.	1
First National Bank	Electra, Tex.	3
La Coste National Bank	La Coste, Tex.	3
Farmers National Bank	Sealy, Tex.	1
First National Bank	Sonora, Tex.	6
First National Bank	Avery, Tex.	3

DISTRICT No. 12.

Selma National Bank	Selma, Cal.	2
First National Bank	Santa Maria, Cal.	1
The Redding National Bank	Redding, Cal.	1
Northern California Nat'l.	Redding, Cal.	2
First National Bank	Palo Alto, Cal.	1
First National Bank	Oakdale, Cal.	6
First National Bank	Huntington Beach, Cal.	1
First National Bank	Holtville, Cal.	7

<u>DISTRICT No. 12. (Cont'd.)</u>		<u>Shares</u>
Farmers & Merchants Nat'l. Bank	Fullerton, Cal.	2
First National Bank	Montpelier, Idaho	6
Nixon National Bank	Reno, Nevada	2
Hillsboro National Bank	Hillsboro, Ore.	2
First National Bank	Joseph, Ore.	2
First National Bank	Hood River, Ore.-	1
First National Bank	Logan, Utah	1
Northwestern National Bank	Bellingham, Wash.	1

A draft of the proposed revision of the acceptance regulations of the Board was presented to the Board by Mr. Warburg and changes from the old provisions were explained. After copies had been distributed to the several members present the subject was laid on the table until the meeting of Wednesday, March 31.

The question of an answer to Governor McDougal's inquiry relative to a method of settlement between Federal reserve banks, presented to the Board at the meeting of March 29th, recurring, Mr. Warburg reported the result of an interview with Assistant Secretary of the Treasury Malburn. Mr. Malburn, he stated, would present his views to the Board in writing at an early date.

Mr. Harding submitted to the Board a memorandum embodying his views regarding the report of Chief of Division Broderick resulting from the recent examination of the Federal Reserve Bank of Atlanta. It was agreed that Mr. Harding should invite Federal Reserve Agent Wellborn and Director

Kettig, of the Atlanta Bank, to Washington, for consultation.

A communication from Mr. Charles C. Huff, representing the Federal Reserve Bank of Dallas in the Oklahoma redistricting case, in which Mr. Huff asked permission to substitute a revised draft of his argument for that taken down by the official stenographer, having been received, the Secretary was instructed to say that the Board prefers to allow the revised draft to be filed as an additional document rather than to be presented as a substitute for the official report.

A letter from Mr. J. B. Forgan, giving notice of a meeting of the Advisory Council on Tuesday, April 13th, was presented to the Board and it was informally agreed that suggestions should be made by the several members with reference to subjects to be suggested to the Advisory Council for consideration at its approaching meeting, a list of such subjects to be agreed upon at the meeting of Wednesday, March 31.

Notice from the Comptroller of the Currency, stating that Federal reserve bank notes can now be supplied to applying Federal reserve banks which are prepared to make the necessary deposit of bonds and otherwise to comply with the law, was read to the Board.

In answer to a letter from the Commercial and Financial Chronicle asking for definite information as to the Board's policy regarding the issue of Federal reserve notes, the Secretary was instructed to say that current reports on that subject have no official basis, as the subject is still under advisement, but that it is hoped within a few days to be able to supply a definite statement on the subject.

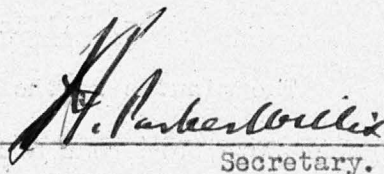
On motion it was voted that the Counsel be requested to prepare a draft of a letter to all Federal reserve agents, stating that the Board now authorizes the issue of Federal reserve bank notes, and giving notice that the Comptroller of the Currency is ready to supply such notes on application, the letter further to state the conditions under which 2% securities may be converted into threes.

The Secretary of the Board presented a resolution of the Federal Reserve Bank of Philadelphia, expressive of its sympathy with efforts to secure legislation in the several states authorizing the exercise of the powers of trustee, executor, etc., by National banks.

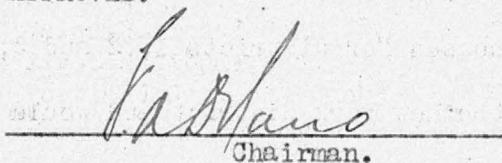
The Secretary distributed to the members present copies of a memorandum relative to the issue of a proposed

official bulletin. It was informally agreed that the subject be laid on the table until the meeting of Wednesday, March 31.

On motion, at 12.30 p. m. the Board adjourned to meet at 11.00 a. m. Wednesday, March 31.

  
Secretary.

APPROVED:

  
Chairman.