

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11.05 a. m. on Friday, May 21,

PRESENT:

Mr. Hamlin, presiding,	Mr. Warburg
Mr. Delano	Mr. Miller
Mr. Williams	Mr. Willis, Secretary.

The minutes of the morning and afternoon meetings of Thursday, May 20, were read and approved.

On motion it was voted that the counsel of the Board be asked merely for an expression of his opinion with reference to the proper action to be taken in the case of the request of the First National Bank of San Diego, California, for aid in a proposed test case with the State Bank Commissioner.

A letter addressed to Mr. H. V. Whipple, relative to the attitude of the Board on the petition for transfer of certain Connecticut banks from Federal Reserve District No. 1 to District No. 2, was approved in a slightly amended form and ordered transmitted.

Mr. Warburg for the special committee appointed May 20, reported in favor of the release of opinions of counsel on the following subjects:

Discount of acceptances based on importation or exportation of goods.

Forward discount rates.

Discount of acceptances endorsed by member banks located in another district.

Purchase of U. S. bonds by Federal reserve banks.

Exchange of 2% bonds for one-year gold notes and 3% bonds.

Rights of member banks in northern New Jersey

Qualifications of Federal reserve bank directors

Federal reserve banks as collecting agents

Interpretation of Regulation F. Series 1915.

Waiver of demand, notice and protest.

Interpretation of Section 18.

Mr. Warburg reported with reference to the question of short term rates of discount for maturities of ten to fifteen days. He had analyzed the replies of the various Federal reserve banks and found the preponderance of opinion in favor of not taking steps at this time. He suggested that a letter indicating that the Board would take no such action at present be prepared and transmitted to Mr. Perrin. On motion this action was authorized.

On motion the application of the First National Bank, of Hawkins, Texas, for stock in the Federal Reserve Bank of Dallas was approved.

On motion the opinion of the Counsel of the Board, relating to the interpretation of Section 5200 Revised Statutes (rendered apropos of communication received from the American Exchange National Bank) was ordered transmitted, through counsel, to Mr. Joseph P. Cotton for his interpretation.

A letter prepared by Counsel for transmission to Federal Reserve Agent Ingle, relative to granting of trust powers in States where there was no absolute prohibition was discussed, but no action taken. The question was referred to Mr. Cotton, for opinion.

A letter from Messrs. Carson, Pirie, Scott & Company relative to the clearing of checks was referred to the Committee on Clearings.

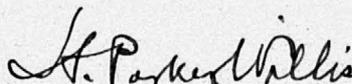
The Board informally discussed apropos of a letter from Federal Reserve Agent Jay the question of changing the date of the regular monthly report of Federal reserve agents so as to reach Washington approximately in time to permit the immediate use of the material in the Federal Reserve Bulletin, such material, if necessary, to be supplemented with a later telegraphic dispatch. No definite action was taken.

Mr. Miller presented to the Board a letter from

Mr. Jay transmitting a resolution of the Board of Directors of the Federal Reserve Bank of New York, expressing the sense of that Board that a total stock of \$300,000,000 Federal reserve notes should be printed for the Federal Reserve Bank of New York and held subject to its order.

On motion it was voted to approved the establishment of the \$300,000,000 allotment for the Federal Reserve Bank of New York. The matter was referred to the Committee on Issue and Redemption to determine how the distribution of time at the Bureau of Engraving and Printing between the Federal Reserve Bank of New York and other Federal reserve banks should be made.

On motion the Board adjourned to meet at 11.00 a. m., Saturday, May 22.


Secretary.

APPROVED:



Chairman.