

At an adjourned meeting of the Federal Reserve Board held in the office of the Board at 3:15 p. m., Friday, January 28,

PRESENT:

Mr. McAdoo, presiding Mr. Williams

Mr. Hamlin Mr. Warburg

Mr. Delano Mr. Harding

Mr. Willis, Secretary.

On motion it was voted that the Secretary should reply to the banks in Pennsylvania which had made inquiry as to the effect of the act of that State of June 15, 1915, stating that provision for escheat to the State of certain unclaimed deposits held by the banks, was in its opinion not intended to apply to national banks.

The annual report was taken up for consideration.

Mr. Harding offered a revised draft of the text relating to a proposed amendment providing for short time loans on eligible paper as

collateral. After discussion the amendment was carried and ordered incorporated.

Mr. Hamlin moved to substitute for the language relating to an amendment for direct purchase of paper protected by warehouse certificates, the following:

Amend Section 14 so as to read:

"Cable transfers and bankers' acceptances and bills of exchange and notes bearing the signature of two or more responsible parties, said bills and notes to be of the kinds and maturities by this Act made eligible for rediscount, with or without the indorsement of a member bank".

The proposed amendment was lost.

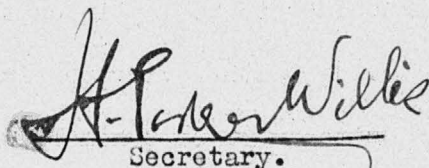
On motion it was voted to lay on the table the question of this proposed amendment to the report. Secretary McAdoo stated that while he was in sympathy with the amendment, he would vote to lay it on the table for the time being, with a view to first ascertaining what action will be taken by Congress on the proposed National Warehousing Bill now pending before that

body. //

Mr. Miller offered a substitute for the paragraph of the report relating to the reduction of interest or discount rates during the past year. The proposed paragraph was carried and ordered inserted in the report.

Mr. Hamlin offered an amendment relating to the policy of the Board with respect to earnings at reserve banks. The amendment was discussed and referred to the Committee on Report for consideration.

On motion at 5:05 p. m. the Board adjourned to meet on Monday, January 31, at 11:00 a. m., with the understanding that a special meeting would be held at 3:00 p. m., on Monday for the purpose of completing the Annual Report.


Secretary.

APPROVED:

Chairman.