

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11 a.m., Wednesday, March 7,

PRESENT:

Governor Harding, presiding, Mr. Miller,
Mr. Warburg, Mr. Hamlin,
Mr. Delano, Mr. Willis, Secretary.

The minutes of the meeting of the Board held on March 6th were read and, on motion, approved.

The question of selecting a class C director at the Federal Reserve Bank of St. Louis, previously made a special order for the day, was discussed and on motion referred back to the Committee on Operation of the Federal Reserve Bank of St. Louis.

At this point the Comptroller of the Currency entered the meeting.

The report of the Committee on Staff with reference to the general policy to be adopted in fixing the salaries of Federal Reserve Agents, made the second special order of the day, was taken up and the original report of the Committee and a discussion of the same subject by Mr. Warburg were laid before the Board. After consideration

it was agreed that the Governor should furnish copies of the documents before the Board to the Secretary of the Treasury and should arrange a date at which a full meeting of the Board could be held for the discussion and settlement of the question.

At this point the Comptroller of the Currency was excused from further attendance and left the meeting.

Mr. Hamlin reported that the Solicitor General had informed him that Counsel for the State of Michigan would appear before the Supreme Court in the pending suit as to fiduciary powers of national banks and that the Solicitor desired to be informed who would represent the Board. It was ordered that the Executive Committee take the matter in hand and reach a conclusion.

Governor Harding read a letter from Governor Aiken of Boston with reference to the question of a meeting of the Governors of reserve banks, and suggesting that a date be named for such meeting about the middle of April.

On motion it was voted that the Board has no objection to the holding of a meeting of Governors of Federal Reserve Banks in the middle of April.

Mr. Miller was recorded in the negative.

On motion it was voted that Governor Harding should, if possible, visit New York at the time of a meeting to be held by a Committee of Governors engaged in studying the question of drafts on reserve banks, to occur in New York on March 19th, and endeavor to secure a final settlement of the question relating to these drafts.

On motion it was voted that Mr. Delano should, starting about March 16th, visit Chicago, St. Louis, Kansas City, Denver, Dallas and Atlanta, returning to Washington about two weeks later; and that he be authorized to take with him Transit Expert Attebery.

On motion it was voted that Governor Harding should fix a date for the holding of a spring conference for Federal reserve agents, such conference to occur some time during the first half of June.

A letter from the Comptroller of the Currency with reference to the appointment of L. W. Hoffman as a bank examiner was referred to the Committee on Staff.

The attention of the Board was called to the fact that the House of Representatives had dismissed the so-called impeachment proceedings against the Board, and it

mittee on Discounts relative to the discounting of the paper of the Farmers Equity Exchange was referred to Mr. Hamlin as Chairman of the Committee on Operation of the Federal Reserve Bank of Minneapolis, with power.

A report of the Committee on Staff approving the appointment of Examiner W. W. Paddock as Chief Examiner of the Philadelphia District at \$3,000 per annum, effective March 7th, was approved.

Governor Harding presented a letter from Governor Wells of St. Louis fixing the salary of Mr. O. M. Attebery at \$5,000 during the period of his service with the Board. On motion the action of the Federal Reserve Bank of St. Louis was approved.

Governor Harding read a letter from Mr. J. D. Fuelicher with reference to certain questions which had been addressed to state banks on behalf of the American Bankers Association. The letter was noted and ordered passed to file.

A memorandum by Mr. Delano as to membership in the Federal Reserve System was read and discussed.

Governor Harding read a letter from Federal Reserve Agent Ramsey asking permission to send out to member banks

a statement of the result of the recent examination of the Federal Reserve Bank of Dallas. After discussion, the request was disapproved, Governor Harding to write Mr. Ramsey and explain the reasons for the action taken.

Governor Harding read a letter from Federal Reserve Agent Ramsey as to the question of rediscounting notes of member banks in cases where the data available did not show whether the total line of the maker was excessive or not. The letter was referred back to the Governor, to be answered with advice of Counsel.

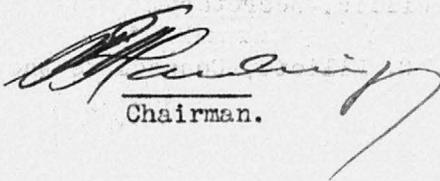
Governor Harding read a letter from Federal Reserve Agent Ramsey, enclosing a letter from Cashier Talley as to the obtaining of an adequate supply of silver and small bills. The matter was referred to the Committee on Treasury Relations.

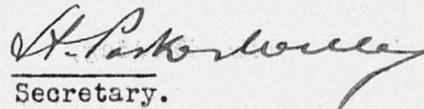
Governor Harding read a letter from the Comptroller of the Currency with reference to the First National Bank of Menominee, Wisconsin, the question at issue being whether the bank should show its contingent liability on drafts or bills rediscounted for it. The matter was re-

ferred to Counsel.

On motion, at 12.55 p.m. the Board adjourned to meet on Friday, March 9, at 11 a.m., if not sooner called.

APPROVED:


Chairman.


Secretary.