

At a regular meeting of the Federal Reserve Board held in the office of the Governor on Friday, March 16, at 11 a. m.

PRESENT:

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

The minutes of the meetings of the Board held on March 12 and March 14 were read and approved and the action therein set forth ratified.

Governor Harding stated the situation with reference to relations between Governor Miller of Kansas City and the and the First National Bank of York, Nebraska, saying that the Comptroller of the Currency was now considering the inclusion in his next call for bank condition of a modification in item "Due from approved reserve agents and Federal reserve banks," providing for a deduction representing "Less any amount in dispute."

The special orders for the day being taken up, Mr. Miller made a progress report with reference to the question of the establishment of a branch Federal reserve bank in the

Pacific northwest. The matter was laid on the table.

Mr. Delano made a progress report with respect to the appointment of a Louisville director of the Federal Reserve Bank of St. Louis, and the question of the establishment of a branch Federal reserve bank at Louisville. The matter was laid on the table.

On motion the Board approved the conversion of \$823,300 U. S. 2 $\frac{1}{2}$ % bonds into \$412,300 3%, 30 year bonds, and \$411,000 3 $\frac{1}{2}$ %, one-year Treasury notes, upon recommendation of the Chief of the Division of Loans and Currency.

Letters relating to the revision of existing schedules of discount rates were ordered referred to the Committee on Discount.

The Secretary of the Board read a letter from Solicitor General Davis with reference to an appearance in the forthcoming suit before the Supreme Court relative to fiduciary powers. The letter was noted and ordered passed to file.

Action taken by the Governor and the Executive Committee with reference to issues of Federal reserve notes,

was approved as follows:

Federal Reserve Bank of Chicago:

Released from Subtreasury:

\$960,000 Order of March 15
 880,000 " " " 15

Shipped:

\$5,000,000 Order of March 16

Federal Reserve Bank of San Francisco:

Cancellation of shipment:

\$200,000 Order of March 14

Printing of new notes:

\$22,000,000 Order of March 14

Federal Reserve Bank of New York:

Shipment:

\$12,000,000 Order of March 15

Federal Reserve Bank of Kansas City:

Shipment:

\$4,000,000 Order of March 14

The application of the Banco di Napoli for designation as a representative of the Federal Reserve System in Italy was read and, on motion, it was voted to transmit the same to the Federal Reserve Bank of New York, the Secre-

tary to acknowledge receipt of it.

A form of statement to be proposed by the Board as a suggestion to merchants, manufacturers and others, was presented by Mr. Delano and, on motion the same was ordered circulated and referred to the Committee on Bulletin.

A letter from Federal Reserve Agent Hardy expressing regret at a misunderstanding of the Board's instruction as to the date of release of his report, was read and noted.

The question of making payments on behalf of Federal reserve banks to banks or individuals through the Gold Settlement Fund, was considered and, on motion, it was voted that no such payments should be made until further ordered.

A report of the Committee on Staff approving the salary of \$2400 for Examiner L. L. Gellerstedt was read and, on motion, approved.

An inquiry from Governor Van Zandt with reference to bond conversion powers, and accompanying documents, was

presented and referred to the Executive Committee with power to act.

Mr. Hamlin read a letter from Federal Reserve Agent Ramsey relative to the scarcity of coin in Texas. The matter was noted and ordered filed, the Secretary being directed to send to Mr. Ramsey a copy of a letter written by Secretary Meadoo to Governor Van Zandt.

Mr. Hamlin read correspondence with reference to the transfer of Taylor County, Wisconsin, to the Chicago District. On motion it was voted that the Governor reply that no action is contemplated at the present time.

Mr. Hamlin reported that he had obtained from President Wing of the First National Bank of Boston a copy of his code. It was agreed that the Secretary hold the same in vault unopened until needed, after receiving it from Mr. Hamlin.

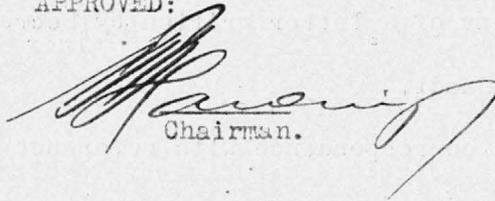
Mr. Hamlin moved that it be suggested to the Governor that he ask each Federal reserve agent to forward an estimate of the note issuing capacity of his bank. The motion prevailed.

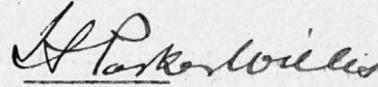
Mr. Williams made a statement to the Board with reference to certain banking conditions in Buffalo, New York, referring to the Marine Bank and stating he had suggested to Messrs.

Treman and Jay that the institution should be observed with care.

On motion at 12.15 p.m. the Board adjourned to meet on Monday, March 19, at 11 a.m.

APPROVED:


Chairman.


Secretary.