

At a regular meeting of the Federal Reserve Board held in the office of the Board on Friday, April 20, at 11.30 a.m.,

PRESENT:

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

The minutes of the meeting of the Board held on April 19 were read and, on motion, approved.

A telegram from the Spokane Clearing House Association urging that the proposed branch of the Pacific Northwest be located at that place, was referred to the Committee on Operation of the Federal Reserve Bank of San Francisco.

Mr. Hamlin reported informally on the question of sealing packages of certificates in the Gold Settlement Fund, favoring the proposal, and, on motion, it was voted that the plan be adopted, provided it is satisfactory to the Federal reserve Agents. The matter was referred to the Executive Committee with power to act.

Governor Harding reported informally that the Sec-

retary of the Treasury had authorized a statement to the press covering the facts as to the pending \$200,000,000 certificate loan, due July 1. The Secretary had agreed that the certificates bear 3% interest, and had informed Governor Harding that important matters involving loan questions and their relations to the banks, would be brought to the attention of the Board in advance of action.

Governor Harding then read the press statement about to be given out by the Secretary of the Treasury with reference to the pending issue of short time certificates.

Mr. Delano presented a letter from Federal Reserve Agent Martin with reference to the proposed entry of State banks in St. Louis into the Federal reserve system.

On motion the Assistant Secretary of the Board was granted leave of absence for such time as was needed during the week beginning April 22, the management of the combination of the safe containing gold certificates to be turned over to the Secretary of the Board.

Governor Harding read a telegram from Mr. J. H. Paelicher quoting a resolution adopted by the board of directors of the Marshall and Ilsley Bank, in which they made

438

application for membership to be effective when pending amendments to the Federal Reserve Act relating to membership of State banks are adopted by Congress, provided also that no guarantee of deposits plan is adopted. In the same telegram it was also stated that the German American Bank of Milwaukee, Wisconsin, had signified a willingness to join the system on the same terms, and there was further quoted an expression of opinion from the Bank Commissioner of Wisconsin favorable to the membership of State banks in the system. On motion it was voted that the Governor should at his discretion write a suitable letter to the Congressional committee with reference to the situation thus indicated.

On motion it was voted that the Committee of two appointed to attend the meeting of the Executive Council of the American Bankers' Association at Briarcliff Lodge, should travel at the expense of the Board.

It was informally agreed that a meeting of the Law Committee be held at three p. m. this day, and that at that meeting the Owen Bill relating to the guarantee of bank deposits, be considered. The Secretary was directed to notify Counsel to this effect.

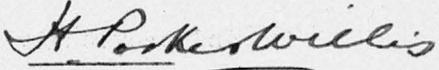
Mr. Miller reported informally as to a plan of holding notes in trust at branches of Federal reserve banks. No action was taken.

Mr. Hamlin reported informally that he had received a letter from Federal Reserve Agent Rich as to the homestead situation in the Minnesota District as affecting the distribution of labor. It was agreed that he transmit suitable letters on the subject to the proper authorities.

On motion at 12.20 p. m. the Board adjourned to meet on Monday, April 23, at eleven a.m.

APPROVED:


Chairman.


Secretary.