

At a regular meeting of the Federal Reserve Board, held in the office of the Board, on Wednesday, April 25, at 11 a.m.,

PRESENT:

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

The minutes of the meeting of the Board held on April 23 were read and approved.

The minutes of a meeting of the Executive Committee held on April 23 were read and approved, and the action therein set forth ratified.

The question of the establishment of a branch of the Federal Reserve Bank of San Francisco for the Pacific Northwest, made a special order for this meeting, was taken up and a telegram from Federal Reserve Agent Ferrin, dated April 24, read as follows:

"At special directors meeting today by vote six ayes one nay it was voted subject to approval of Federal Reserve Board to proceed to establish three full fledged branches at Seattle, Portland and Spokane. Dohrmann and McGregor were absent in subsequent informal discussion. It was decided to make no record of instructions as to which should be first opened or how long time should elapse before opening others but the view was expressed that that phase was administrative

and should be left to discretion of Governor who indicated that first would be opened at Spokane and the others as quickly as equally favorable conditions were offered. President of Spokane Clearing House wired that all state banks of that city have agreed to apply for membership in branch located at Spokane. On May second Walton Moore reaches New York. Address Walton N. Moore Dry Goods Company, 72 Leonard Street, if you desire to discuss this or other matters with him. He would willingly run down to Washington on your request.

After discussion, Mr. Miller moved to approve the action of the Federal Reserve Bank of San Francisco as set forth in the above telegram, the Secretary to notify the bank accordingly. The motion prevailed.

A letter from Federal Reserve Agent Rich addressed to Deputy Comptroller of the Currency Kane with reference to an order for Federal reserve notes and a letter of the Governor of the Board to Mr. Rich on the same subject were read, and noted.

A letter from the Bank of Commerce of Jackson, Tenn., with reference to the limit of capital required for state member banks in the smaller cities was read, and ordered referred to the Law Committee to consider a possible amendment to the Reserve Act designed to cover the subject.

A letter from Honorable John Burke with reference

to loans on grain stored in elevators was read and referred to the Governor of the Board for reply.

A letter from the Macon Ridge National Bank of Delhi, La., with reference to notifications as to the amount which it might be considered safe to loan on cotton, and it was agreed that no further action need be taken.

A report from Mr. Warburg as Chairman of the Committee on Investments with reference to a plan proposed by Bernhard, Scholle & Co. regarding domestic acceptances drawn against bills of lading was read and ordered circulated, eventually to go to the Governor of the Board, and to be by him answered along the lines of the report offered by Mr. Warburg.

Changes in capital stock in Federal reserve banks, duly recommended by the Committee on Member and State Banks, were approved as follows:

Applications for Surrender of Stock.

<u>District No. 11.</u>	<u>Shares.</u>
Citizens National Bank, Petty, Texas,	9
First National Bank, Winnsboro, Texas	30
Total	39

Applications for Original Stock.

<u>District No. 5.</u>		<u>Shares.</u>
First National Bank	Louisa, Va.	<u>36</u> 36
<u>District No. 10.</u>		
First National Bank	Kusa, Okla.	<u>9</u> 9
<u>District No. 12.</u>		
American National Bank	San Bernardina	<u>60</u> <u>60</u>
	Total	105

Applications for Additional Stock.

<u>District No. 1.</u>	Boston, Mass.	<u>Shares.</u>
Second National Bank	Boston, Mass.	<u>300</u> 300
<u>District No. 2.</u>		
Merchants National Bank	Asbury Park, N.J.	37
Irvington National Bank	Irvington, N.J.	3
Keansburg National Bank	Keansburg, N.J.	1
First National Bank	Millburn, N.J.	1
First National Bank	Milltown, N.J.	4
Second National Bank	Phillipsburg, N.J.	18
Natl Bk of North Hudson	W. Hoboken, N.J.	21
First National Bank	Westwood, N.J.	2
Somerset National Bank	Barker, N.Y.	1
National Exchange Bank	Boonville, N.Y.	3
Gramatan National Bank	Bronxville, N.Y.	6
Canajoharie National Bank	Canajoharie, N.Y.	1
First National Bank	Cato, N.Y.	3
First National Bank	Central Square, N.Y.	1
Central Valley National Bank	Central Valley, N.Y.	3
Cherry Creek National Bank	Cherry Creek, N.Y.	1
Ontario National Bank	Clifton Springs, N.Y.	1
Copenhagen National Bank	Copenhagen, N.Y.	8
Farmers National Bank	Deposit, N.Y.	1

First National Bank	East Islip, N.Y.	1
First National Bank	Genoa, N.Y.	2
First National Bank	Heuvelton, N.Y.	2
National Bank of	Hobart, N.Y.	6
First National Bank	Islip, N.Y.	3
First National Bank	Ithaca, N.Y.	9
Natl Chautauqua County Bank	Jamestown, N.Y.	30
First National Bank	Iacona, N.Y.	3
First National Bank	Marlboro, N.Y.	9
Coal and Iron National Bank of City of New York	New York, N.Y.	180
First National Bank	New York, N.Y.	3000
Gotham National Bank	New York, N.Y.	30
Harriman National Bank	New York, N.Y.	300
First National Bank	Norfolk, N.Y.	1
First National Bank	do	2
North Creek National Bank	North Creek, N.Y.	3
National Bank of	Port Jervis, N.Y.	1
First National Bank	Sodus, N.Y.	2
First National Bank	Southampton, N.Y.	7
Tottenville National Bank	Tottenville, N.Y.	1
First National Bank	Utica, N.Y.	150
Wallkill National Bank	Wallkill, N.Y.	1
Glen National Bank	Watkins, N.Y.	6 3,865

District No. 5.

Merchants National Bank	Richmond, Va.	120	120
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District No. 6.

First National Bank	Brookhaven, Miss.	1
First National Bank	Canton, Miss.	3
Louisiana National Bank	Baton Rouge, La.	9
First National Bank of Acadia Parish at	Crowley, La.	3
City National Bank	Decatur, Ala.	4
Houston National Bank	Dothan, Ala.	18
Farmers & Merchants Natl Bank	Enterprise, Ala.	3
Citizens National Bank	Lineville, Ala.	1
Central National Bank	New Decatur, Ala.	1
Farmers National Bank	Opelika, Ala.	6
First National Bank	Scottsboro, Ala.	1

District No. 6. (Con.)

First National Bank	Stevenson, Ala.	1
City National Bank	Tuscaloosa, Ala.	9
First National Bank	Lakeland, Fla.	7
First National Bank	Panama City, Fla.	3
First National Bank	Punta Gorda, Fla.	1
First National Bank	Perry, Fla.	3
First National Bank	Fitzgerald, Ga.	3
Bibb National Bank	Macon, Ga.	4
Bibb National Bank	do	7
Fourth National Bank	Macon, Ga.	60
First National Bank	Monticello, Ga.	3
First National Bank	Reynolds, Ga.	1
First National Bank	Statesboro, Ga.	2
First National Bank	West Point, Ga.	15
Citizens National Bank	Washington, Ga.	1
Farmers & Merchants Natl Bank	Rockmart, Ga.	8
Citizens National Bank	Athens, Tenn.	1
Maury National Bank	Columbia, Tenn.	3
City National Bank	Johnson City, Tenn.	3
Third National Bank	Knoxville, Tenn.	60

District No. 7.

Fort Dearborn National Bank	Chicago, Ill.	900
Washington Park National Bank	Chicago, Ill.	3
First National Bank	Dolton, Ill.	3
First National Bank	Le Roy, Ill.	6
First National Bank	Morrisonville, Ill.	9
City National Bank	Ridgefarm, Ill.	1
Rockford National Bank	Rockford, Ill.	60
First National Bank	Momence, Ill.	1
First National Bank	Cayuga, Ind.	1
German American National Bank	Arlington, Iowa.	2
Farmers National Bank	Crystal Lake, Iowa	1
Valley National Bank	Des Moines, Iowa	30
First National Bank	Farragut, Iowa	6
First National Bank	Fort Dodge, Iowa	60
Monroe National Bank	Monroe, Iowa	3
Perry National Bank	Perry, Iowa	17
First National Bank	Remsen, Iowa	3

District No. 7. (Con.)

First National Bank	Sioux Rapids, Ia.	6
Black Hawk National Bank	Waterloo, Iowa	1
First National Bank	Buchanan, Mich.	15
Commercial National Bank	St. Joseph, Mich.	1
First National Bank	Darlington, Wis.	6
American National Bank	Racine, Wis.	<u>13</u> 1148

District No. 11.

First National Bank	Carlsbad, N.Mex.	54
National Bank of	Carlsbad, N.Mex.	12
First National Bank	Melrose, N.Mex.	3
First National Bank	Allen, Tex.	1
First National Bank	Ballinger, Tex.	2
Bartlett National Bank	Bartlett, Tex.	2
First National Bank	Brownsville, Tex.	30
Citizens National Bank	Brownwood, Tex.	6
First National Bank	Bynum, Tex.	3
City National Bank	Clarksville, Tex.	6
Farmers National Bank	Cooper, Tex.	2
Citizens National Bank	Crandall, Tex.	15
First State Bank	Dallas, Tex.	4
First National Bank	Floydada, Tex.	9
American National Bank	Ft. Worth, Tex.	60
Houston Natl Exchange Bank	Houston, Tex.	120
First National Bank	Fort Worth, Texas	120
First National Bank-	Ganado, Texas	1
Gatesville National Bank	Gatesville, Tex.	6
Farmers National Bank	Gonzales, Tex.	15
First National Bank	Navasota, Tex.	30
Plano National Bank	Plano, Tex.	6
First National Bank	Royse, Tex.	6
First National Bank	Santa Anna, Tex.	3
Spur National Bank	Spur, Tex.	3
First National Bank	Tahoka, Tex.	1
First National Bank	Thornton, Tex.	15
First National Bank	Wichita Falls, Tex.	15
First National Bank	Winfield, Tex.	<u>1</u> 6229

A letter from Federal Reserve Agent Jay with reference to membership of New York trust companies in the

Federal Reserve System, was read, and after discussion it was agreed that the Governor of the Board write to the Chairman of the Trust Company Section of the A.B.A. asking for the views of the trust companies with reference to the best course of action.

On motion it was voted that the article or circular relating to accounting printed in the Federal Reserve Bulletin for April be reprinted, and sent out as a separate pamphlet to those who apply for it.

Mr. Warburg presented a report on the recent examiners report as to the condition of the New York Reserve Bank, in the form of a letter addressed to Federal Reserve Agent Jay asking what action had been taken by the bank with reference to the criticisms expressed by the examiner. The report was noted and ordered passed to file.

On motion, it was agreed that in the future it should be the practice of the Chairman of each Committee on Operation to write a general letter of comment on examination reports addressed to the bank of which he is in charge.

A telegram from Mr. Edward Elliott accepting his appointment as a Class C Director in the Federal Reserve Bank

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of San Francisco was read to the Board.

After discussion the status of the proposed amendments to the Federal Reserve Act now pending in Congress, it was agreed to suggest to the Governor that he get into touch with the Chairman of the Banking and Currency Committees of both Houses and see whether anything could be done to call the amendments more strongly to the attention of the generality of the members.

On motion at 11.50 a.m. the Board adjourned, to meet on Friday April 27, at 11 a.m.

APPROVED:

A. P. Porter
Secretary.

Chairman
Chairman.