

At a regular meeting of the Federal Reserve Board held in the office of the Governor on Wednesday, July 18, at eleven a.m.,

PRESENT:

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

The minutes of the meeting of the Board held on July 17 were read and, on motion, approved.

Letters from Federal Reserve Agents stating the conditions under which the joint liability provisions of the recent amendment to the Federal Reserve Act are made operative at their banks, were reported. Upon recommendation of Governor Harding it was voted to send a general letter to Federal Reserve Banks suggesting that a uniform bond of \$100,000 for each Federal Reserve Agent and of \$50,000 for each assistant Federal Reserve Agent, be required. The letters stating the conditions under which the joint liability is today enforced were, on motion, referred to Chief Examiner Broderick for report, with reference to the technique of the plan actually in effect.

Changes in stock at Federal Reserve Banks, duly recommended by the Committee on Membership, were, on motion, approved as follows:

Applications for Surrender of Stock.

<u>District No. 5.</u>		Shares	
National Bank of Danville,	Danville, Va.	<u>135</u>	135
<u>District No. 6.</u>			
First National Bank	Philadelphia, Miss.	<u>36</u>	36
<u>District No. 7.</u>			
State National Bank	Springfield, Ill.	195	
First National Bank	Crosswell, Mich.	<u>18</u>	213
<u>District No. 8.</u>			
First National Bank	Leslie, Ark.	<u>34</u>	34
<u>District No. 11.</u>			
Merchants National Bank	Lehigh, Okla.	2	
First National Bank	Bennington, Okla.	18	
Caddo National Bank	Caddo, Okla.	<u>3</u>	23
		Total	441

The question of the establishment of a branch of the Federal Reserve Bank of Kansas City at the City of Omaha, Nebr., was taken up for discussion and, on motion, the following directors were named to represent the Board:

Mr. P. L. Hall, of Lincoln, Nebraska.

Mr. R. O. Marnell, of Nebraska City, Nebraska.

Mr. Miller stated that while, in view of the very high recommendations presented to the Board on behalf of

Messrs. Hall and Marnell, he would not vote against their designation, he nevertheless felt that it would be more in harmony with the spirit of the Federal Reserve Act should some representation be accorded to the borrowing and business public. This was now largely lacking owing to the fact that both the directors designated by the Board, and those designated by the Federal Reserve Bank of Kansas City were all primarily bankers. Where a local board included as many as five directors, Mr. Miller thought it was especially desirable it should contain some representation of the business community. Mr. Delano explained that Director McNish, one of the directors named by the Federal Reserve Bank of Kansas City, was a dealer in cattle paper.

Mr. Delano on behalf of Governor J. A. Miller of Kansas City presented the question whether Mr. Hughes, who had been named as a director on behalf of the Federal Reserve Bank of Kansas City, and as manager of the local branch at Omaha, might continue as salaried manager of the Omaha Clearing House. After discussion it was agreed to permit Mr. Hughes to continue in this connection with the understanding, however, that if the Omaha Branch takes over the functions of the clearing house, Mr. Hughes salary

shall be paid by the branch bank and then reimbursement obtained from the Clearing House if desired.

On motion, it was voted that the Board approve the recommendation of the Federal Reserve Bank of Kansas City that the State of Wyoming be included in the territory assigned to the Omaha Branch, the Governor of the Board to wire Governor Miller accordingly.

The question of a branch at Denver, Colorado, was next taken up for discussion. On motion, it was agreed to lay the matter on the table until the meeting of Wednesday, July 25.

Governor Harding presented the question of the appointment of an Assistant Deputy Governor at the Federal Reserve Bank of San Francisco, and a telegram from Federal Reserve Agent Perrin on that subject. On motion, the matter was referred back to the Governor with power to act, and a salary of \$5000 for the proposed officer, was approved.

A report of the Committee on Staff fixing the salary of Mrs. Lulu Richardson, stenographer in the office of Mr. Delano, at \$1320 per annum, effective this date, in place of Charles H. Ball, resigned to enter the Marine Corps, was approved.

A report of the Committee on Audit and Examination fixing the salary of National Bank Examiner Sherwood Crocker at ^{3200.} \$300 per annum, effective August 1, was, on motion, approved.

On motion, at 12.20 p.m. the Board adjourned to meet on Thursday, July 19, at eleven a.m.

APPROVED:

A. H. ...
Secretary.

Chairman.