

At a regular meeting of the Federal Reserve Board held in the office of the Governor on Wednesday, February 6, at eleven A. M.,

PRESENT:

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

The minutes of the meeting of the Board held on February 4 were read and, on motion, approved.

The minutes of the meetings of the Gold Exports Committee held on February 5 and 6, were presented and, on motion, approved and the action therein set forth ratified.

The minutes of the meeting of the Capital Issues Committee held on February 1, were presented and, on motion, approved and the action therein set forth, ratified.

It was informally agreed that "out-of-pocket expenses" of the Capital Issues Committee and those affiliated with or appointed by it, may be paid by the Board.

Mr. Harding stated the facts as to checks placed for collection with the Atlanta Reserve Bank for the Internal Revenue Bureau, giving the substance of conferences with the Treasury authorities and of correspondence with

Governor McCord, and reading a letter of instruction written to the latter.

The bill "to conserve the gold supply of the United States, to permit the settlement in silver of trade balances", etc., submitted to the Board on January 28 by Mr. Albert Strauss, made the special order of the day, was presented and Mr. Hamlin read a draft of a letter to Mr. Strauss intended to give the Board's view on the subject. The matter was laid on the table until Friday, February 8.

A letter from Federal Reserve Agent Ramsey of Kansas City, re the designation of special examiners, was presented and, on motion, Messrs. Thompson and Phillips of that Bank were approved in that capacity when named by the directors, Governor Harding to write accordingly.

A letter from Federal Reserve Agent Ramsey of Dallas re the designation of the First National Bank of Amarillo, Texas, as agent for non member banks in discounting, was read and it was, on motion, voted to ask for a list of the State banks thus to be represented, before taking any action.

A letter from Federal Reserve Agent Perrin re-

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porting on a deficiency of \$2,400 in the Fiscal Agent's Department, was presented and referred to Mr. Harding.

Governor Harding presented a letter from Senator R. L. Owen regarding the establishment of branches of national banks under certain conditions. It was voted that he reply, approving on behalf of the Board the Calder Bill, S. 3214, on that subject.

Reports of Committee No. 1 were presented and approved as follows:

- Dated Feb. 1, fixing salaries for the staff of the Capital Issues Committee.
- " " 6, " salary of \$1,440 for P. C. Ramsdell.
- " " 5, " " " \$2,500 " R. E. Chambers (Dallas)
- " " 5, recommending approval of Ass't Federal Reserve Agent Hall Assis't. in bank examinations at Dallas.
- " " 6, accepting resignation of C. A. Russell.

Reports of Committee No. 2 were approved as follows:

- Dated Feb. 5, recommending acceptance powers of 100% for Merchants Loan & Trust Co., Chicago.
- " " 4, " acceptance powers of 100% for National Bank of New Jersey.
- " " 6, " the admission of applying State institutions upon terms named by the report in each case, as follows:

Tradesmens State Bank, Oklahoma City, Okla.,

126 shares in the Federal Reserve Bank of Kansas City.

Farmers & Merchants State Bank, Shamrock, Texas.
30 shares in the Federal Reserve Bank of Dallas.

Mr. Hamlin presented a report from the Attorney General's office regarding an inquiry made by it into the source of certain rumors as to the Federal Reserve Bank of Philadelphia.

A draft of a letter to Governor Strong regarding the Board's policy as to renewal of acceptance credits in New York, was read, discussed and, on motion, approved for transmission.

Governor Harding presented business which was acted upon as follows:

A letter from Federal Reserve Agent Perrin re re-discount of notes of member banks secured by Government bonds, - discussed and reply informally agreed on.

A letter from Governor Strong re the status of the trust gold funds held by the Treasury for gold settlement account, and opinion of Counsel thereon as to a proposed amendment to the Act, - read, discussed and referred to Committee No. 3.

A letter from Federal Reserve Agent Perrin recommending an amendment to the Federal Reserve Act per-

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mitting States, cities, counties, etc., to be depositors at Federal Reserve banks, - read and referred to the Executive Committee.

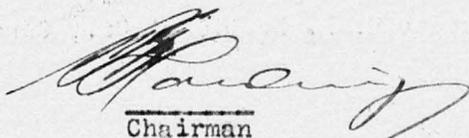
Correspondence with the Citizens Bank & Trust Company of Athens, Georgia, regarding the proposed membership of that bank in the Federal Reserve system, - read and a letter of reply to be signed by the Governor approved for transmission.

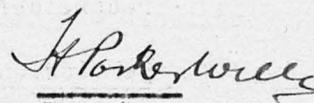
A memorandum of Mr. W. M. Imlay re the application of the Guaranty State Bank of Hansford, Texas, noting an impairment of Capital, - read and referred back to Committee No. 2, which thereupon reported favorably to admission of the bank in question. On motion the bank was accordingly ordered admitted.

Mr. Warburg reported the substance of a conversation with representatives of the sugar producers regarding the financing of their current crop on an acceptance basis, stating his view that the matter was a problem of Government finance.

At 12:30 P. M. the Board adjourned to meet on Friday, February 8, at 11:00 A. M.

APPROVED:


Chairman


Secretary