

At a regular meeting of the Federal Reserve Board held in the office of the Board at 3 P. M., on Friday, March 1, 1918,

PRESENT:

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

The minutes of the meetings of the Board held on February 27 and 28 were read and on motion, approved.

The minutes of the meetings of the Gold Exports Committee held on February 28 and March 1 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 26 were presented and, on motion, approved, and the action therein set forth ratified.

Mr. Harding read a letter from the Secretary of the Treasury calling attention to some verbal changes in the amendment to the War Finance Corporation bill which had been agreed on at the meeting of February 27. He also read a letter to the Secretary.

of the Treasury approving a proposal to eliminate from the War Finance Corporation bill the power of Federal Reserve Banks to deal in notes and obligations of the corporation in the open market. On motion Governor Harding was authorized to express the concurrence of the Board in the elimination of the open market power.

The special order for the day, the question of discount rates at Federal Reserve Banks, was taken up for consideration and Governor Harding read a letter from Governor strong of New York regarding the general discount policy of the System. It was agreed to lay the rediscount question on the table until Monday, March 4.

A wire from the Kansas Live Stock Association asking for support for cattle loans during the coming season was read and referred to Governor Harding.

The Governor of the Board was authorized to sign a lease of a storage room in the Metropolitan Bank Building, at \$20 per month.

Notice received from Governor Seay of Richmond to the effect that the Baltimore Branch would

be opened on March 1, was laid before the Board and noted.

On motion, Governor Harding was authorized to write a general letter to Federal Reserve Banks recommending that telegrams or letters addressed to Federal Reserve Banks be copied or manifolded and given to Federal Reserve Agents and Federal Reserve Banks so that both would be advised; acknowledgment to be then made by the proper officer. A draft of a resolution on the subject was presented by Mr. Hamlin and referred to the Executive Committee.

A memorandum of Chief of Division Broderick recommending H. F. Currier and W. D. McRae as special examiners at Boston was read and, on motion, the appointments were authorized.

On motion, it was voted that the Law Committee be requested to prepare an amendment to the Federal Reserve Act, stating that in case of a loss at a Federal Reserve Bank in collateral held in joint custody to which the Federal Reserve Agent is a party, it should fall upon the Agent only to the extent of his responsibility in the matter.

Governor Harding presented the question of

Governor Harding presented the question of new quarters for the New Orleans Branch of the Federal Reserve Bank of Atlanta in connection with the proposed purchase of a building now under consideration. On motion, the purchase of the building at about \$65,000 to \$75,000 was authorized.

Reports of Committee No. 1, were approved as follows:

Dated Feb. 27, appointing J. P. Halsted at \$1400 per annum, effective March 2, Board's staff.

" " 27, increasing the salary of Beverly Carter (Board's Staff) to \$70 per month, effective March 1.

On motion, reports of Committee No. 2 were approved as follows:

Dated Feb. 28, authorizing the U. S. Mortgage & Trust Company of New York, N. Y., to accept up to 100%.

" Mar. 1, admitting state institutions upon terms named in each case as follows:

Fidelity Trust Company, Portland, Maine
480 shares in the Federal Reserve Bank of Boston.

Merrill Trust Company, Bangor, Maine, . . .
420 shares in the Federal Reserve Bank of Boston.

Peoples Trust Company, Binghamton, N. Y.
360 shares in the Federal Reserve Bank of New York.

The saline Savings Bank, Saline, Michigan
27 shares in the Federal Reserve Bank of Chicago.

Walker Brothers, Bankers, Salt Lake City, Utah
360 shares in the Federal Reserve Bank of San Francisco.

Elgin State Bank,
36 shares in the Federal Reserve Bank of Chicago.

On motion a report of Committee No. 3, with-
holding for the present fiduciary powers for the
First National Bank of Tracy City, Tennessee, was
approved.

A report of the Chicago Committee, dated
February 28, favoring a proposal of the Chicago Bank
to rent a new building at \$100,000 per annum, was
approved.

On motion, it was voted to authorize the
establishment of a branch of the Federal Reserve
Bank of San Francisco at Salt Lake City, Utah.

On motion, it was voted to authorize the
establishment of a branch of the Federal Reserve
Bank of Dallas at El Paso, Texas.

In both cases it was agreed that by-laws
shall be mutually agreed upon between the Board
and the bank; and in the case of Salt Lake City,
that all local state clearing house banks shall
either apply for membership or agree to maintain
clearing accounts, and that clearing house exam-

ination be turned over to the local branch.

A telegram from Federal Reserve Agent Ramsey of Dallas, re the question of drought relief was read and it was ordered that the Governor telegraph Deputy Governor Hoopes to do what he can in the matter locally.

Mr. Miller gave notice that Mr. J. S. Dram of San Francisco is in the City on behalf of the California State banks and that he desires the amendment of the National Bank Act so as to permit the establishment of trust departments and savings departments of national banks. On motion, it was voted that Mr. Miller consult with the Comptroller of the Currency and Counsel re such an amendment.

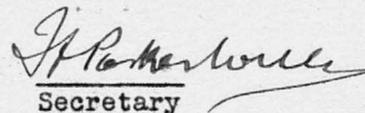
Mr. Albert Strauss having appeared before the Board and having presented application Number 1214 for permission to export gold, in which the New York and Bermudez Asphalt Company had applied for a license to ship \$10,000 gold to Venezuela, but which had been refused by the Gold Export Committee, it was, on motion, voted that in view of the representation that the Company could not sell exchange under existing conditions and that coin is not to be

had in Venezuela a permit be issued for one shipment of \$10,000 gold coin in its favor.

On motion, at 4:05 p. m., the Board adjourned.

APPROVED:


Chairman


Secretary