

At a regular meeting of the Federal Reserve Board held in the office of the Governor, on Friday, March 15, at 11:20 A. M.,

PRESENT:

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

The minutes of the meeting of the Board held on March 13 were read and, on motion, approved.

The minutes of the meeting of the Executive Committee held on March 12 were read and, on motion, approved, and the action therein set forth ratified.

The minutes of the meetings of the Gold Export Committee held on March 14 and 15 were presented and, on motion, approved, and the action therein set forth ratified.

A memorandum of agreement between the Norges Bank of Christiania, Norway and the Federal Reserve Bank of New York offered by Mr. F. I. Kent, and favorably reported by the Gold Export Committee, re the establishment of an exchange and deposit agreement similar to that arranged with Argentina, was presented and, on motion, approved as a basis of ne-

gotiation.

Discount rate sheets submitted by Federal Reserve Banks (no changes requested) were presented and noted.

A letter from Federal Reserve Agent Jay re the extension of the par list at Federal Reserve banks, was read and referred to Committee No. 1.

A telegram from Governor Strong re arrangements for the forthcoming conference of Governors, was read and noted.

Mr. Harding reported a telephone communication from Federal Reserve Agent Jay re the policy planned by New York banks as to the payment of interest on deposits, and stated that he had suggested the sending of a clearing house committee to Washington for conference.

Mr. Harding read telegrams from The Callaway County Bankers Association (Pulton, Missouri) opposing the disposition of reserve city banks to bid unreasonably for bank balances.

Discussion of the interest situation ensued.

A letter from Counsel, transmitting a letter from Commissioner of Internal Revenue Roper, re the

absorption of stamp tax on 15-day notes by Federal Reserve Banks, was read and discussed, but no action was taken.

A memorandum from Counsel, further discussing the question of legislation to increase membership in the Federal Reserve System with special reference to savings departments in national banks, was read and ordered docketed for March 18, meanwhile to be distributed to Board members.

A draft of a letter addressed to Mr. William Carpenter, President of the Citizens Bank of Portland, Oregon, re amendment of the Federal Reserve Act to admit small state banks, was read.

Telegrams from Federal Reserve Agent Ramsay^e, re the personnel of the El Paso directorate, were referred to the Dallas Committee with power to act.

A memorandum of Chief of Division Jacobson, re methods of reporting national bank notes as float and accompanying correspondence, was read and referred to Committee No. 4 for inquiry.

A letter from H. M. Batchelder, President Merchants National Bank, Salem, Mass., re rates of interest on deposits, was read and referred to Gover-

nor Harding with power to reply as deemed best.

A proposed letter and questionnaire for transmission re the establishment of an Oklahoma branch of the Federal Reserve Bank of Kansas City, was read, discussed, and modified, and referred to the Kansas City Committee with power to transmit and to make a later recommendation to the Board.

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

Dated March 14, recommending a salary of \$3,000 per annum for H. W. Beebe, effective March 18th.

" " 14, recommending a salary for Lewis Livingstone at \$220 per month from March 15th to April 1, and at \$1,500 per annum thereafter.

A report of Committee No. 1, dated March 15, defining the status of Federal Reserve Agents and transmitting an organization chart for Federal Reserve banks, was presented and ordered distributed to members and to be docketed on March 18.

A report of Committee No. 2, recommending the admission upon terms fixed by the committee of the following institution:

Illinois State Bank, East St. Louis, Ill.
240 shares in the Federal Reserve Bank of Dallas.

Reports of Committee No. 3 were presented and approved as follows:

Dated March 13, recommending the approval of the applications of Messrs., David Keith and F. W. Armstrong under the Clayton Act.

" " 4, re bond of acting fiscal agent.

The Board confirmed the appointment of Mr. Collins Mason as Assistant Secretary to Mr. Warburg at \$1,440 per annum effective March 15th.

Mr. Delano gave notice that he would at the proper time move to amend the by-laws of the Board in the way suggested in the report of Committee No. 3, as to bond of fiscal agent.

A letter from Senator R. L. Owen, re matter appearing in the March number of the Federal Reserve Bulletin and a draft of a letter written by the Secretary of the Board to the Governor, were read, and the Secretary's letter modified.

A letter from Senator R. L. Owen, re the classification of oil as security for commodity paper, was read and referred to the Governor and Counsel for reply.

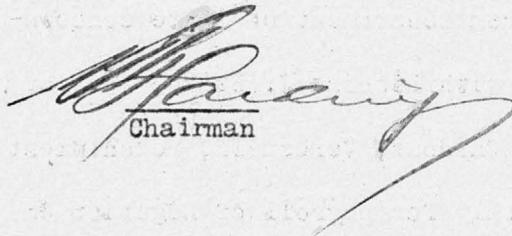
A letter from L. C. Adelson of the Division

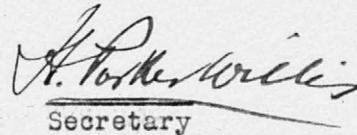
of Foreign Exchange (New York office) was read and accordingly the division authorized to name daily office hours from 8:30 to 5:30 with half holiday on Saturday.

A memorandum of Colonel Van Demon, re withdrawals of gold by Germans in Philadelphia, was read and referred to the Governor for transmission to the Federal Reserve Bank of Philadelphia.

On motion, at 1:30 P. M., the Board adjourned.

APPROVED:


Chairman


Secretary