

At a meeting of the Federal Reserve Board held in the office of the Board on Wednesday, March 24, 1920, at 11 A.M.,

PRESENT: The Governor
Mr. Miller
Mr. Hamlin
Mr. Moehlenpah
Mr. Chapman, Secretary.

PRESENT ALSO:
Mr. Harrison, General Counsel.

Minutes of the meeting of the Board held March 23d were read, and on motion approved as amended.

Business was presented and disposed of as follows:

Memorandum by Mr. Emerson dated March 24th in re effect of the New York State daylight saving law on inter-Federal Reserve bank transactions.

Voted that the Governor be authorized to inform the Federal Reserve Bank of New York that the Board sees no objection to its observing the working hours prescribed in the New York State daylight saving law, with the understanding that arrangements will be made to have the necessary officers and employees of the Bank remain on duty each day until the close of the inter-Federal Reserve bank transactions.

The Governor read a letter addressed to the Secretary of the Treasury, dated March 22d, by Mr. George Foster Peabody, a director of the Federal Reserve Bank of New York, suggesting the addition of two deputy governors to the staff of that Bank, and increases in salaries of the present deputy governors. The Governor stated that the Secretary of the Treasury desired an expression of the Board's views upon Mr. Peabody's suggestion.

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The Governor was authorized to say to the Secretary of the Treasury that it is the Board's view that there should be one or two additional Deputy Governors of the Federal Reserve Bank of New York, but that the Board does not believe it is necessary in order to secure the services of suitable men to go into the ranks of bank presidents, believing that younger men could be obtained at moderate salaries, even though it might be necessary to secure such men outside of New York City, and to inform the Secretary of the Treasury that it is the view of the Board that no adjustment should be made in the salary of Acting Governor Case pending a permanent settlement of the governorship of the Bank.

Letter dated March 16th from Deputy Governor Talley of the Federal Reserve Bank of Dallas, advising that that Bank had arranged for the establishment on its premises of a branch post office, upon the agreement of the Bank to provide space and equipment therefor at a cost of \$1,466.35; together with memorandum by Mr. Emerson dated March 23d recommending approval of such expenditure.

Approved.

Letter dated March 19th from the Acting Director of the Division of Foreign Exchange, advising that he has received settlement from the three foreign banking corporations exporting silver to the Orient under agreement with the Board, covering the first shipment of three million standard silver dollars, such settlement being in the sum of \$15,304.18.

Voted that the Federal Reserve Bank of New York be instructed to make no distribution of these profits until a larger sum shall have been accumulated and until all expenses chargeable to such transaction shall have been ascertained and liquidated.

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The Governor reported the reserve positions of the several Federal Reserve banks as at close of business March 22nd, and the status of rediscounts between Federal Reserve banks as of the same date.

Letter dated March 22nd from the Chairman of the Federal Reserve Bank of Richmond requesting approval of the following salaries of employees of that bank;

Frank E. Broyles,	\$2,500
E. A. Leake,	2,500
D. M. Hale,	3,000.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated March 24th, recommending admission of State institutions as set forth in the auxiliary minute book as of this date, subject to the conditions stated in the individual reports attached to each application.

Approved.

Dated March 23rd, recommending approval of application of T. A. Chancellor for authority to serve at the same time as officer of the First National Bank, St. Petersburg, Fla. and director of the Citizens-American Bank & Trust Co., Tampa, Fla.

Approved.

Dated March 23d, recommending approval of application of E. K. Thurmond for authority to serve at the same time as a director of the American National Bank, Oklahoma City, Oklahoma, the First National Bank, Sayre, Oklahoma, and the First National Bank, Erick, Oklahoma.

Approved.

Dated March 23d, recommending approval of application of J. M. Berry for authority to serve at the

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same time as a director of the Central National Bank of Tulsa, Oklahoma, and the Citizens National Bank, Broken Arrow, Oklahoma.

Approved.

Dated March 23d, recommending approval of application of J. E. Crosbie for authority to serve at the same time as a director of the Central National Bank, Tulsa, Oklahoma, and the Citizens National Bank of Broken Arrow, Oklahoma.

Approved.

Other business was presented and disposed of as

follows:

The Governor stated that he was in receipt of a telegram from the Governor, Federal Reserve Bank of Kansas City, requesting that the Board receive a committee of that Bank on April 3d for the purpose of considering the bid of the George A. Fuller Company for the construction of the new bank building of that Bank.

The Governor was authorized to advise Governor Miller that the date mentioned was agreeable to the Board.

The Governor stated that Congressman Evans of Nebraska had advised him that a delegation of Nebraska bankers desires to come to Washington on April 28th for further discussion of the par clearing question, and that the discussion would probably take two days; that he had advised Congressman Evans that the Board would be agreeable to setting aside April 28th and 29th

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for the purpose of hearing the Nebraska bankers.

The Governor read a memorandum by Deputy Governor Peple of the Federal Reserve Bank of Richmond, suggesting certain changes in a letter proposed to be sent by the Board to Chairman Platt of the House Banking and Currency Committee in regard to the par collection system.

Voted that the Governor be authorized to revise the proposed letter to Mr. Platt in such way as he may deem proper to incorporate certain of the suggestions made by Mr. Peple.

(At this point Mr. Harrison joined the meeting)

Mr. Harrison stated that he had discussed with the General Counsel of the American Telephone & Telegraph Company in New York on Monday last, the question of a renewal of the contract for the leased telegraph wire system, and that he was assured by that officer that if the renewal contract were made in the name of the Federal Reserve Board, rather than in the name of the Federal Reserve Bank of Chicago as at present, the telephone and telegraph company would make the renewal on the basis of the present rates.

The Chairman of the Law Committee submitted for approval, draft of regulations governing the organization and operation of corporations under Section 25(a) of the Federal Reserve Act, known as the "Edge Act", the proposed regulations having hereto-

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fore been submitted to the members of the Board individually for study.

Approved and ordered printed with forms proposed by General Counsel.

Memorandum by Mr. Paddock of March 23d, analyzing report of examination of the Federal Reserve Bank of Cleveland as of the close of business February 14, 1920.

Ordered circulated with the report of examination.

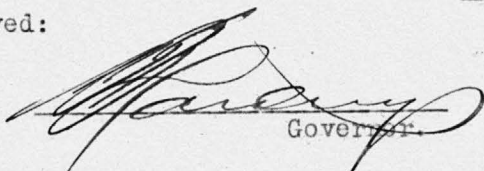
On motion duly seconded, it was voted that the Law Committee be requested to submit to the Board for its consideration, regulations of the Federal Reserve Board to supersede the regulations of 1917 now in force.

The Governor stated that he had a conference with Director Scott of the Federal Reserve Bank of Dallas, and requested authority of the Board to write a letter to the Chairman of that Bank, instructing him to appoint a committee of three directors of the Bank to consider and recommend to the Board, changes in the organization of the Bank upon the understanding that neither the Chairman nor the Governor of the Bank shall be appointed to such committee.


Approved.

At 12-30 P.M., the meeting adjourned.

Approved:



Governor



Secretary.