

At a meeting of the Federal Reserve Board held in the office of the Board on Tuesday, March 30, 1920, at 11 A.M.,

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

Minutes of meeting of the Board held March 26th were read, and on motion approved.

Minutes of meetings of the Board held on March 27th and 29th were read, and on motion approved as amended.

Business was presented and disposed of as follows:

Telegram dated March 26th from the Secretary of the Federal Reserve Bank of Chicago, submitting for approval recommended increase of rate on rediscounts of bankers' acceptances to 5-1/2%, and the rate on paper of all maturities, including member bank notes, secured by Liberty bonds and Victory notes to 5-3/4%.

Voted to approve the rate of 5-1/2% on rediscounts of bankers acceptances, and to defer action on the recommended increase in rate on paper secured by Liberty bonds and Victory notes until after the passage of the bill pending before Congress providing for a graduated rediscount rate, and until the Board shall have had an opportunity to discuss the credit situation with the Governors of Federal Reserve banks at the forthcoming conference on April 7th.

-2-

Mr. Williams having given notice at the meeting of the Board on yesterday that he intended to move that there be published in the Federal Reserve Bulletin the resolutions adopted by the Board upon the resignations of Messrs. Carter Glass and Albert Strauss, after discussion, Mr. Williams advised that in the light of the views expressed, he would not make a motion to publish the resolutions.

Mr. Miller thereupon moved that the by-laws of the Board be amended so as to include the following provision:

"That no resolutions of a personal character appear in any publication of the Federal Reserve Board, except in the event of the death of a member of the Board while serving as such".

Motion carried.

(At this point the Chairman withdrew from the meeting)

The Governor submitted for approval, draft of letter by him dated March 29th, addressed to the Chairman, Federal Reserve Bank of St. Louis, approving the published time schedule for transit items of that Bank.

-3-

Approved.

Letter dated March 25th from the Chairman, Federal Reserve Bank of St. Louis, requesting the views of the Board upon the application of the Gravois Bank of St. Louis County, Missouri, for admission to the Federal Reserve System, in view of the fact that the bank has made loans on the stock of the Farmers and Merchants Trust Company of St. Louis, which latter company owns a controlling interest in the Gravois Bank.

Voted that the Chairman, Federal Reserve Bank of St. Louis, be advised that while the Board would not impose as a condition of membership, that the applicant bank agree to dispose of such loans before its application would be approved, it does desire that the applicant bank be advised that the Board regards such loans as bad practice.

REPORTS OF COMMITTEE NO. 1:

Dated March 30th, 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 29th, recommending changes in stock at Federal Reserve banks as set forth in the auxiliary minute book as of this date.

Approved.

Dated March 25th, recommending approval of increase from \$10,000 to \$12,000 in salary of Mr. S.H.L. Cooper as Chief National Bank Examiner of the Seventh Federal Reserve District, effective April 1, 1920.

Approved.

-4-

Other business was presented and disposed of as follows:


The Governor reported rediscount transactions, pursuant to authority heretofore vested in him; member bank promissory notes secured by Government obligations: rate 5% on paper secured by certificates of indebtedness, and 5-1/2% on paper secured by Liberty bonds and Victory notes, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
March 29th	Philadelphia...	(Boston	\$12,000,000	11-15 days
		Cleveland	5,000,000	"
		Atlanta	3,000,000	"

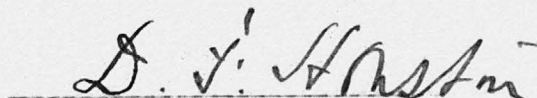
Noted.

Voted to make special order business at the meeting of the Board on Tuesday, April 6th, certain suggested modifications affecting the organization of the Federal Reserve Board.

At 1 P.M., the meeting adjourned.


Secretary.

Approved:


Chairman.