

A meeting of the Federal Reserve Board was held in the office of the Board on Monday, May 23, 1921, at 11:30 a.m.

PRESENT: Vice Governor Platt
 Mr. Hamlin
 Mr. Miller
 Mr. Mitchell
 Mr. Crissinger
 Mr. Hoxton, Secretary.

Minutes of the meeting of the Board held May 20th were read and on motion approved.

The Vice Governor reported the reserve positions of the several Federal reserve banks as at close of business May 19th and the status of rediscounts between the Federal reserve banks as of the same date.

The Vice Governor reported rediscount transactions, member bank promissory notes secured by Government obligations, rate $6\frac{1}{2}\%$, as follows:

<u>Date</u>	<u>Bank redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
May 20	Minneapolis	New York	\$3,000,000	11-15 days
May 20	Dallas	Boston	1,000,000	do

The Vice Governor stated that the special order business was consideration of the draft of the bill prepared by Mr. J. F. Curtis for presentation to Congress, granting authority for the establishment of a Pension Corporation by the Federal Reserve System.

After discussion, the Vice Governor was requested to write to Mr. Curtis and secure a brief written statement covering the scope of the plan, the amount of initial payments to be made by the Federal reserve banks

and the estimated annual payments to be made by the Federal reserve banks and the beneficiaries respectively, said statement to be drawn in a manner which will render it available to be used in presenting the bill to a committee of Congress.

Memorandum dated May 20th, from the Division of Examination, submitting the application of the Farmers & Merchants State Bank, Hutchinson, Minnesota, to make a change in one of its conditions of membership.

Approved.

Letter dated May 20th, from the Comptroller of the Currency, announcing the promotion of Mr. Thomas C. Thomas to the position of Chief National Bank Examiner in the Fourth Federal Reserve District, and requesting approval of a salary for Mr. Thomas of \$8,000 per annum.

Approved.

Letter dated May 18th, from the Chairman of the Federal Reserve Bank of Boston, transmitting for the approval of the Board, a recommendation of the Board of Directors of that Bank to the effect that a bonus be paid to employes upon a reduced scale as of June 30, 1921.

Approved. Referred to the Vice Governor for reply.

Draft of letter dated May 20th, prepared for the signature of the Vice Governor, addressed to the Chairman of the Senate Committee on Banking & Currency, and setting forth the Board's views upon Senate Bill No. 1094, said bill providing for the extending

of cattle credits through the use for that purpose of the moneys paid into the Treasury Department as a franchise tax by the several Federal reserve banks.

Upon motion, the Vice Governor was requested to consult with the Secretary of the Treasury in regard to the above bill and to report to the Board.

Letter dated May 20th, from Mr. Kenzel, Deputy Governor of the Federal Reserve Bank of New York, enclosing a memorandum with reference to a recent conversation held with Mr. J. E. Allen, President of the American Foreign Banking Corporation.

Noted. Ordered circulated.

Letter dated May 18th, from the President of the First National Bank of Haxtun, Colorado, requesting information regarding a movement to organize a wheat growers association for the purpose of securing credit upon warehouse receipts.

Referred to General Counsel, with instructions to draft reply.

Letter dated May 20th, from the Chairman of the Federal Reserve Bank of New York, with reference to a speech recently made by Senator La Follette with regard to inter-locking directorates between banks and railroads.

Referred to the Clayton Act Committee.

Letter dated May 16th, from the Chairman of the Federal Reserve Bank of San Francisco, regarding the proposed amendment to Section 19 of the Federal Reserve Act relative to the reserves of departmental member banks.

Referred to Mr. Hamlin.

REPORTS OF COMMITTEE NO. 1:

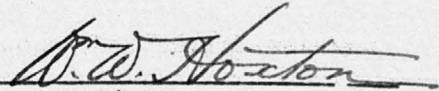
Dated May 20th, Recommending changes in stock at Federal reserve banks as set forth in the auxiliary minute book as of this date.

Approved.

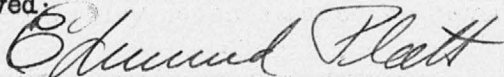
Dated May 23d, Recommending that authority be given to certain national banks to purchase stock in corporations organized under the Edge Act, as set forth in the auxiliary minute book as of this date.

Approved.

The meeting adjourned at one o'clock.


Secretary.

Approved:


Vice Governor.