

A meeting of the Federal Reserve Board was held in the office of the Board on Wednesday, September 13th, 1922, at 10:25 a.m.

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

Minutes of the meeting of the Federal Reserve Board held on September 1st, were read and approved.

Minutes of the Executive Committee held on September 2nd, 5th, 7th and 12th, were read and on motion the action recorded therein was ratified.

The Vice Governor reported the reserve positions of the several Federal Reserve banks as at close of business September 11th.

Memorandum dated September 1st, from the Division of Examination calling attention to a certain condition, approved by the Federal Reserve Board, and required by the Federal Reserve Bank of San Francisco as a condition of membership to be applied to all state banks seeking admission to the Federal Reserve System in the Twelfth Federal Reserve District. The memorandum recited that the condition contains the words "Following an application on a form approved by said Board"; that the General Counsel of the Board had advised that no such form has been prepared, nor probably will be prepared, and recommending, therefore, that the clause in question be omitted where the condition is imposed in the future.

Approved.

Memorandum dated September 1st, from the Division of Examination, reciting the form of condition, approved by the Federal Reserve Board, and applied by the Federal Reserve Bank of San Francisco in connection with

the admission of state banks, and recommending that the Board cause a similar condition to be imposed in the future in all cases of admission of state banks into the System.

Referred to Mr. Hamlin.

Letter dated September 5th, from the Chairman of the Federal Reserve Bank of San Francisco explaining the reasons which prompted the Board of Directors of that Bank to decide that it is advisable to purchase a building for the Portland, Oregon, Branch, and expressing the hope that the Board will approve the proposed purchase if the negotiations follow a satisfactory course.

Upon motion the following telegram addressed to Mr. Perrin and signed by the Vice Governor was authorized:

"Referring your letters August 17 and September 5. The Board notes that your bank is contemplating the ultimate consolidation of the activities of your northwestern branches but believes that the fair and impartial disposition of this matter should not be prejudiced by the purchase of permanent quarters for any of the branches until the question of their future is settled. Stop The Board suggests that you advise the members of the Board of Directors of the Portland Branch as well as other interested bankers in the Portland territory of the position in which the Portland Branch may find itself because of the difficulty in renewing the existing lease on satisfactory terms and that you ascertain if they cannot help in securing the renewal of this or some other satisfactory lease on an acceptable basis."

Letter dated September 7th, from Dr. H. Parker Willis calling attention to the action of the Federal Reserve Board taken on August 7th, 1922, under the terms of which Dr. Willis' resignation as Director of the Division of Analysis and Research was accepted, effective September 15th, 1922, said date to include the usual thirty days' leave of absence, the Secretary of the Board being instructed to drop Dr. Willis'

name from the payroll as of that date, and stating that he had, on account of continuous work performed for the Board, been unable to take advantage of more than fourteen days of his thirty days' leave.

Mr. Mitchell moved that the action taken by the Board upon August 7th, 1922, with reference to the termination of Dr. Willis' employment be reconsidered.

Carried.

Upon motion of Mr. Miller it was then voted that the Secretary be instructed to drop Dr. Willis' name from the payroll on October 4, 1922, said date to include all leave of absence accruing to Dr. Willis on account of his thirty days' annual leave.

Letter dated August 9th, from the Chairman of the Federal Reserve Bank of Dallas, recommending that the Board approve for Mr. M. J. Hendricks, secretary to Deputy Governor Emerson, an increase in salary from \$2500 to \$2700 per annum, effective September 1st, 1922.

Approved.

Mr. Hamlin submitted a letter dated September 7th, from Mr. W.S. Logan tendering his resignation as General Counsel of the Federal Reserve Board to be effective September 30th, 1922.

Upon motion Mr. Logan's resignation was accepted effective September 30th, 1922, said date to include all leave allowances on account of the usual thirty days' annual leave.

Mr. Logan's letter was referred to the Vice Governor for reply.

Mr. Hamlin stated that, as one member of the Law Committee, he desired to present, with favorable recommendation, a memorandum dated September 7th from General Counsel making suggestions with reference to the selection of a new General Counsel, and recommending an increase in salary for Mr. E. W. Freeman, Assistant Counsel, and an increase in salary for Mr. Joseph C. Hurley, law clerk and file clerk of the Counsel's office.

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Mr. Miller moved that the Board fix \$8,000 as a maximum salary for the office of General Counsel of the Federal Reserve Board. +

Carried.

Mr. Mitchell moved that Mr. W. W. Wyatt be made General Counsel of the Federal Reserve Board at an annual salary of \$7,000 beginning October 1st, 1922.

Referred to the Committee on Salaries and Charge Offs and to the Law Committee for report to the Board next Tuesday, September 19th.

Mr. Mitchell moved that the salary of Mr. Hurley be increased from \$1800 to \$2000 per annum, effective October 1st, 1922.

Carried.

Mr. Hamlin moved that the salary of Mr. Freeman, Assistant Counsel, be increased from \$5,000 to \$5,500 per annum, effective October 1st, 1922,

Referred to the Committee on Salaries and Charge Offs and to the Law Committee for report to the Board next Tuesday, September 19th.

Mr. Mitchell brought before the Board, the request of the Federal Reserve Bank of Dallas that the Board authorize that bank to take from its member banks for immediate credit, subject to subsequent adjustment of interest, sight drafts with bills of lading attached covering shipments of readily marketable staples.

After discussion, the following telegram was authorized said telegram being addressed to the Governor of the Federal Reserve Bank of Dallas and signed by the Vice Governor of the Federal Reserve Board:

"Board has carefully considered the matter of giving immediate credit to sight drafts secured by bills of lading covering shipment of readily marketable staples and does not see its way clear to change its position as indicated in September 1921 bulletin stop The revenue stamp requirement appears to be chief argument against use of time drafts, and this does not appeal to the Board as important."

Letter dated September 11th, from the Chairman of the Federal Reserve Bank of Atlanta advising that the Board of Directors of that Bank on September 8th had voted to approve the recommendation of the Governor and Special Salary Committee, subject to the approval of the Federal Reserve Board, "that the salary of W. S. McLarin, Jr., Cashier of the Jacksonville branch be increased from \$3,000 to \$3,500 per annum, effective September 1st, 1922."

Approved.

Letter dated September 11th, from the Chairman of the Federal Reserve Bank of Atlanta, advising of the resignation of Mr. J. B. Tutwiler, Assistant Cashier, having charge of the Discount and Credit Department, effective September 1st, and stating that the Board of Directors of the Bank had taken no action to fill the vacancy other than approving the recommendation of Governor Wellborn that one of the other Assistant Cashiers, Mr. W. B. Roper, be temporarily placed in charge of the Discount and Credit Department in connection with his other work.

Noted without objection.

At 1:05 p.m. the meeting adjourned.

W. D. Houston
Secretary.

Approved: Edmund Platt
Vice Governor.