

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Tuesday, May 8, 1923, at 11:00 o'clock.

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

The minutes of the meeting of the Federal Reserve Board held on May 3rd were read and on motion approved.

The minutes of a special meeting of the Federal Reserve Board held on May 4th were read and on motion approved.

Letter dated May 4th, from the Governor of the Federal Reserve Bank of Dallas, suggesting that some arrangement be made by which Federal Reserve notes issued by the Federal Reserve Bank of Dallas may be circulated in Cuba.

Ordered laid on the table until the matter of a Cuban Agency is settled.

Matter ordered circulated on May 3rd, namely, memorandum dated May 3rd from General Counsel upon the legality of a plan of examination of state member banks, outlined by Mr. Austin in his letter of May 1st.

Ordered referred to Mr. Herson for report together with letters upon this subject which have subsequently been received from other Federal Reserve banks.

Letter from the Chairman of the Federal Reserve Bank of New York, with reference to filling a vacancy caused by the resignation of the General Auditor of that bank, Mr. Francis Oakey.

Referred to Mr. Herson for report tomorrow.

Letter dated April 30th, from the Federal Reserve Agent at San Francisco, submitting further information with reference to building materials

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and wages at Salt Lake City, Utah.

Referred to Mr. Hamlin for report.

Memorandum dated May 3rd, from the Comptroller of the Currency, transmitting with favorable recommendation the application of the First National Bank of Bridgeport, Connecticut, to reduce its capital stock from \$2,000,000 to \$1,000,000.

Approved.

Letter dated May 3rd, from the Federal Reserve Agent at Philadelphia,, transmitting with favorable recommendation, the application of the Peoples Savings and Dime Bank and Trust Company of Scranton, Pa., to broaden its powers by exercising trust functions.

Approved.

Telegram dated May 5th, from the Federal Reserve Agent at Dallas, requesting authority to appoint Mr. S. H. Leavell, as Assistant Federal Reserve Agent and Assistant Auditor at the Houston Branch of the Federal Reserve Bank of Dallas at a salary of \$3300 per annum.

Approved.

Letter dated May 4th, from S. B. Redding and Company, protesting against banks and banking institutions acting as agents for insurance companies.

Referred to Mr. Hamlin for reply.

Matter ordered circulated on April 18th, namely, letter from Mr. J. Brooks B. Parker, of the Aviation Syndicate with reference to the proposed acceleration of bank clearances by means of air service.

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The Secretary was instructed to advise Mr. Parker that the Board is satisfied with present facilities.

Matter ordered circulated on May 1st, namely, draft of letter prepared by General Counsel, for the signature of the Secretary addressed to Mr. W. R. McQuaid, Jacksonville, Florida, replying to Mr. McQuaid's inquiry as to what constitutes a farm loan under Section 24 of the Federal Reserve Act.

Approved.

Mr. Miller submitted to the Board a draft of a letter dated May 3rd, addressed by him to Mr. Ivan Wright, Department of Economics, University of Illinois, in reply to Mr. Wright's expression of a desire to make connection with the Federal Reserve Board for the summer in order to prosecute his studies of national credit policy.

Approved.

Letter dated May 4th, from Mr. Case, Deputy Governor of the Federal Reserve Bank of New York, suggesting that the Committee on Open Market Operations and the Committee on Voluntary Services of the Federal Reserve banks, hold a meeting at Cleveland, Ohio, on June 25th.

Upon motion, the Secretary was instructed to advise Mr. Case that the Board wishes the meeting referred to, to be held in Washington on June 25th, Mr. Platt voting "no".

Letter dated April 13th, from the Manager of the Minneapolis Clearing House Association, addressed to Mr. Crissinger, transmitting a resolution of the said Clearing House, protesting against the Federal Reserve banks handling Non-cash or Collection items and requesting that the Federal Reserve Board give consideration to the matter of discontinuing said service on the part of the said Federal Reserve banks.

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Upon motion, the Secretary was instructed to advise the Manager of the Minneapolis Clearing House Association that the subject matter of his letter is now under consideration of the Federal Reserve Board.

Mr. Miller stated that a request had been received from the Continental Bond and Mortgage Corporation, for permission to reprint a certain article upon finance companies which appeared in the January edition of the Federal Reserve Bulletin.

Referred to Mr. Miller for reply.

It was the sense of the meeting that there is no objection of the reprint referred to if the source of the material is clearly indicated in the reprint and under conditions to be set forth in Mr. Miller's letter.

Mr. Miller called attention to the large cost of the research, statistical, and bank relations work at the several Federal Reserve banks and expressed his opinion that there is along these lines a particular work for the Federal Reserve banks and a particular work for the Federal Reserve Board, but that a systematic survey should be made in order to secure unity and efficiency and in order to eliminate duplication and to reduce cost.

Governor Crissinger advised the Board that effective May 1st he has selected Mr. Aubrey B. Carter to serve as his Secretary with no change in present salary and Mr. Henry G. Giovanetti to serve as stenographer in his office at a salary of \$2,000 per annum and that he has attached to his office as messenger, Robert M. Simms, whose appointment has heretofore been made effective as of May 8, 1923.

REPORTS OF COMMITTEE NO. 1

Dated May 3rd, Recommending changes in stock at Federal Reserve banks, as
5th, set forth in the Auxiliary Minute book of this date.
7th, Approved.
8th,

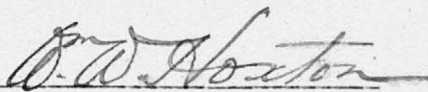
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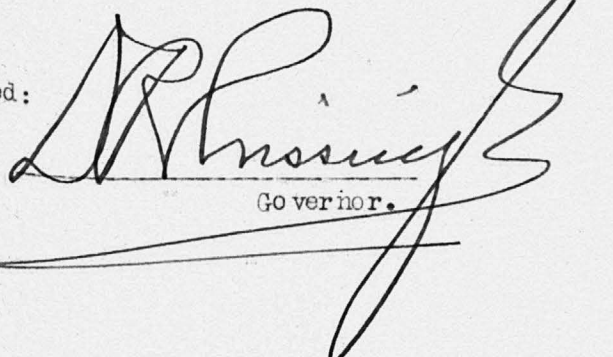
REPORTS OF COMMITTEE NO. 1 (Cont'd)

- Dated May 2nd, May 5th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.
Approved.
- Dated May 5th, Recommending action on application for fiduciary powers as set forth in the Auxiliary Minute Book of this date.
Ordered held.
- Dated May 8th, Recommending action on application for admission of state bank, subject to the conditions stated in the individual reports attached to the application, as set forth in the Auxiliary minute book of this date.
Approved.
- Dated May 5th, Recommending approval of the application of Mr. Arthur Sachs to serve at the same time as director of the Public National Bank, of the Irving Bank - Columbia Trust Company and of the Goldman-Sachs and Company, all of New York City.
Approved.
- Dated May 2nd, Recommending approval of the application of Mr. Rathburn Fuller to serve at the same time as director and Vice President of the First National Bank and of the Summit Trust Company, both of Toledo, Ohio.
Approved.
- Dated May 7th, Recommending approval of the application of Mr. O. D. Jacoby to serve at the same time as director of the American National Bank, San Francisco, Cal. and of the First National Bank, Livermore, Cal., and as director and Vice President of the First National Bank, Oakland, Cal.
Approved.

The meeting adjourned at 12:40 p.m.


Secretary.

Approved:


Governor.