A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Tuesday, July 3, 1923, at 11:00 o'clock.

PRESENT: Governor Crissinger
Mr. Platt
Mr. Hamlin
Mr. James
Mr. Cunningham
Mr. Hoxton, Secretary

The minutes of the meetings of the Federal Reserve Board held on June 28th and 29th were read and approved.

Report of Examination Committee on a matter referred to it June 28th, said report being in the form of a letter to the Chairman of the Federal Reserve Bank of Cleveland and a letter to the Chairman of the Federal Reserve Bank of Philadelphia in reply to Mr. Wills' letter of June 2, 1923, and Mr. Austin's letter of June 1, 1923, with reference to the proper understanding of the Board's regulations with respect to the examination of state member banks.

Approved.

Report of the Committee on Agricultural Credit Conditions, namely, the matter referred to it on June 28th, having reference to an announcement to the Federal Reserve banks suggesting that some public assurance be given that there will be this summer and fall adequate facilities for the orderly marketing of the wheat crop.

Upon motion, this report was ordered laid on the table pending an expression of the views of Mr. Miller, the absent member of the Committee on Agricultural Credit Conditions.

The Chairman of the Committee on Agricultural Credit Conditions also presented a memorandum prepared by Counsel with reference to the
enlarged powers of the Federal Reserve banks provided for under the Agricultural Credits Act and suggested that a pamphlet be published for general distribution embodying the said memorandum.

Upon motion, laid on the table until checked by the Law Committee.

Report of the Committee on Salaries and Expenditures of Federal Reserve banks on the matter referred to it on June 28th, namely, a letter of June 27th from the Chairman of the Federal Reserve Bank of New York recommending increases in salaries, effective July 1st, for employees of the Auditing Department.

The Committee's report consisted of a letter dated July 2nd, addressed to Mr. Jay by the Governor of the Board and was upon motion approved.

Report of the Committee on Salaries and Expenditures of Federal Reserve banks recommending that the Board approve a salary of $3,000 per annum for Mr. W. C. Franklin employed by the Federal Reserve Bank of Dallas for service at the El Paso Branch.

Approved.

Report of the Clearing Committee on the matter referred to that Committee June 27th, namely, telegram dated June 27th, from the Governor of the Federal Reserve Bank of Richmond, suggesting that the Board request the Chairman of the Governors' Conference to have the Standing Committee on Collections consider the manner of uniform mechanics and procedure made necessary by the Board's recent amendment to Regulation "J".

The Secretary was instructed to advise the Chairman of the Governors' Conference that the Board approves the suggestion made by Governor Seay in the telegram referred to.
Report of the Law Committee on matter referred to it June 27th, namely, tentative draft of the revised regulations in page proof form.

The Report of the Law Committee was adopted and the draft of the revised regulations, as amended, was approved and ordered published and issued under the title, "Federal Reserve Board Regulations, Series of 1923".

Letter dated June 27th, from the Governor of the Federal Reserve Bank of Dallas, requesting as a special concession that the Board approve an increase in salary for Mr. Eugene McElvaney, Secretary to the Governor from $2,500 to $2,700, Governor McKinney stating that he made the recommendation being well aware of the Board's policy with reference to making changes in salaries during the middle of the year.

Approved.

Telegram dated June 28th, from the Federal Reserve Agent at Boston with reference to discounting paper of non-member banks.

Referred to the Governor for reply.

Letter dated June 29th, from the Citizens National Bank of Keene, N.H. with reference to the rediscounting of paper of non-member banks.

Referred to the Governor for reply.

Letter dated June 28th, from the Governor of the Federal Reserve Bank of Boston, with reference to discounting paper of non-member banks.

Referred to the Governor for reply.

Letter dated June 29th, from the Governor of the Federal Reserve Bank of Boston with reference to discounting paper of non-member banks.

Referred to the Governor for reply.
Letter dated June 28th, from the Governor of the Federal Reserve Bank of Boston, with reference to the application of the Waterbury National Bank of Waterbury, Connecticut, to discount with the Federal Reserve Bank the paper of the Westside Savings Bank, --- a mutual savings bank without capital.

Referred to the Governor for reply.

Telegram dated June 30th, from Mr. Charles DeB. Claiborne of New Orleans with reference to the Par Clearance Decision.

Noted.

Letters dated June 29th and 30th from the Governors of the Federal Reserve banks of Boston and Atlanta advising that steps are being taken toward the establishment of Federal Reserve Bank agencies at Havana, Cuba.

Noted.

Memorandum dated June 27th, from the Comptroller of the Currency, transmitting with favorable recommendation and under certain conditions the application of the First National Bank of Ashland, Alabama, for permission to reduce its capital stock from $75,000 to $40,000.

Approved.

Memorandum dated June 30th, from the Assistant Secretary of the Board recommending approval of the employment of two clerks for service in the Division of Analysis and Research during the period, July 5th, to September 1st, 1923, each employee to receive compensation at the rate of five dollars for each day's service.

Approved.
Letter dated June 28th, from the Governor of the Federal Reserve Bank of Minneapolis, giving the reasons of the Executive Committee of the Helena Branch for not reporting earlier the Arthur Nelson defalcation case.

Noted.

Letter dated June 28th, from the Governor of the Federal Reserve Bank of Minneapolis, requesting approval of the Federal Reserve Board of full salary for Mr. R. E. Towle, Manager of the Helena Branch, during a leave of sixty days on account of the physical condition of Mr. Towle.

Approved.

Letter dated June 28th, from the Governor of the Federal Reserve Bank of Atlanta, with reference to allotting space without charge in the new bank building for the use of the Chief National Bank Examiner and his force.

Referred to the Comptroller of the Currency.

Memorandum dated July 3rd, from the Assistant Secretary of the Board, requesting authority, for reasons given, to increase the salary of Mrs. Rita S. Fugitt, Comptometer Operator, in the Board’s Division of Bank Operations from $1200 to $1380.

Approved.

Letter dated July 2nd, from Mr. R. A. Cooper, Acting Farm Loan Commissioner, advising that the Farm Loan Board is interested to know if the Federal Reserve Board desires to prescribe any rules and regulations with reference to the purchase by Federal Reserve banks of debentures issued by the Federal Intermediate Credit banks under the provisions of Section 401 of the Agricultural Credits Act of 1923.
Referred to the Committee on Discounts and Open Market Policies.

The Vice Governor advised the Board that the office of the Under Secretary of the Treasury had asked his opinion with reference to the proposal of the Republic of Panama to make Federal Reserve notes legal tender in that Republic.

Upon motion of Mr. Hamlin, it was voted to be the sense of the Board that Mr. Platt advise the Under Secretary of the Treasury that the Board does not approve the proposal of the Republic of Panama to make Federal Reserve notes legal tender with the information, however, that several of the States of the United States have already made Federal Reserve notes a legal reserve for banks.

REPORTS OF COMMITTEE NO. 1:

Dated June 28th, Recommending changes in stock at Federal Reserve Banks, as set forth in the Auxiliary Minute Book of this date.
30th, Approved.
" July 2nd,
Dated June 28th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.
" 29th, Approved.
" July 2nd,
Dated July 2nd, 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 July 2nd, Recommending refusal of the application of Mr. James T. Bow to serve at the same time as director of the Second National Bank and of the Atlantic Safe Deposit and Trust Company, both of Atlantic City, N.J.
Refused.
Dated July 2nd, Recommending refusal of the application of Mr. Joseph Thompson to serve at the same time as director of the Second National Bank and of the Atlantic Safe Deposit and Trust Company, both of Atlantic City, N.J.
Refused.
REPORTS OF COMMITTEE NO. 1:

Dated July 2nd, Recommending refusal of the application of Mr. Isaac Bachrach to serve at the same time as director of the Second National Bank and of the Atlantic Safe Deposit and Trust Company, both of Atlantic City, N.J.

Refused.

Dated July 2nd, Recommending refusal of the application of Mr. John Estell Evans to serve at the same time as director of the Second National Bank and of the Atlantic Safe Deposit and Trust Company, both of Atlantic City, N.J.

Refused.

Dated July 2nd, Recommending refusal of the application of Mr. Lewis Evans to serve at the same time as director of the Second National Bank and of the Atlantic Safe Deposit and Trust Company, both of Atlantic City, N.J.

Refused.

Dated July 2nd, Recommending refusal of the application of Mr. James H. Mason, Jr., to serve at the same time as director of the Second National Bank and of the Atlantic Safe Deposit and Trust Company, both of Atlantic City, N.J.

Refused.

Dated July 2nd, Recommending refusal of the application of Mr. E. V. Corson, to serve at the same time as director of the Second National Bank and of the Atlantic Safe Deposit and Trust Company, both of Atlantic City, N.J.

Refused.

Dated June 29th, Recommending refusal of the application of Mr. D. B. McClure to serve at the same time as director of the Pennsylvania National Bank and of the Delaware County Trust Company, both of Chester, Pa.

Refused.

Dated June 29th, Recommending approval of the application of Mr. Bird W. Spencer to serve at the same time as director of the Peoples Bank and Trust Company, Passaic, N.J. and as Vice President of the Carlstadt National Bank, Carlstadt, N.J.

Approved.

Dated June 29th, Recommending approval of the application of Mr. George A. Stebbins to serve at the same time as director of the Northern New York Trust Company, Watertown, N.Y., of the First National Bank, Thousand Islands, Alexandria Bay, N.Y. and of the First National Bank, Dexter, N.Y.

Approved.
Dated June 29th, Recommending approval of the application of Mr. S. B. Perkins to serve at the same time as director of the American Exchange National Bank, Dallas, Texas, and of the First National Bank, Greenville, Texas.

Approved.

Dated June 29th, Recommending approval of the application of Mr. William R. Wilde to serve at the same time as director of the First National Bank, Garwood, N.J. and as Treasurer of the Mechanics Trust Company, Bayonne, N.J.

Approved.

Dated June 29th, Recommending approval of the application of Mr. Max Moraller to serve at the same time as director of the First National Bank, Garwood, N.J. and as Secretary of the Mechanics Trust Company, Bayonne, N.J.

Approved.

Dated June 30th, Recommending approval of the application of Mr. George W. McCabe to serve at the same time as President and Director of the Farmers National Bank, Strawn, Illinois, as Director of the Commercial National Bank, Chatsworth, Illinois and as President and Director of the Lake View State Bank, Chicago, Ill.

Approved.

Dated June 29th, Recommending approval of the application of Mr. Stephen S. Mapes to serve at the same time as Director and Officer of the Poughkeepsie Trust Company, Poughkeepsie, N.Y. and as Director of the Fishkill National Bank, Beacon, N.Y.

Approved.

Dated June 30th, Recommending approval of the application of Mr. William B. Randall to serve at the same time as director of the Coal and Iron National Bank, New York City and as director of the Mount Vernon Trust Company, Mount Vernon, N.Y.

Approved.

Dated June 29th, Recommending approval of the application of Mr. Christian J. Bardes to serve at the same time as director of the Richmond Borough National Bank, Stapleton, N.Y. and of the Tottenville National Bank, Tottenville, N.Y. City.

Approved.

Dated June 29th, Recommending approval of the application of Mr. H. E. Fish to serve at the same time as director of the First National Bank, Erie, Pa. and of the Security Savings Bank and Trust Company, Erie, Pa.

Approved.

The meeting adjourned at 12:50 P.M.

Approved:  
Governor.

Approved:  
Secretary.