

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Tuesday, October 30, 1923, at 11:10 a.m.

- PRESENT: Governor Crissinger
- Mr. Platt
- Mr. Hamlin
- Mr. Miller
- Mr. James
- Mr. Cunningham
- Mr. Dawes
- Mr. Eddy, Secretary.

The minutes of the meeting of the Federal Reserve Board held on October 25th were read and approved.

Governor Crissinger announced that Senator Curtis had requested the postponement, until the week beginning November 12th, of the hearing with regard to the establishment of a branch Federal Reserve Bank at Wichita, Kansas, previously set for tomorrow.

Letter dated October 30th, from the Railway Loan Advisory Committee of the Federal Reserve Board, recommending approval of the form of obligation submitted by the Seaboard Air Line Railway Company for a loan of \$6,759,000 (in seven parts, the carrier electing at this time to take over the sixth part of the loan in the amount of \$350,000), under the provisions of Section 210 of the Transportation Act, 1920, as amended.

Approved.

The Governor presented the matter ordered circulated at the meeting of October 23rd, namely, a memorandum dated October 10th, from General Counsel suggesting a form of letter to be sent to all Federal Reserve Agents on the subject "Surrender of Federal Reserve Bank Stock upon Reduction of Member Bank Surplus".

After discussion, it was voted that the letter be amended to express the view of the Board that there is nothing in the

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law that requires the surrender of capital stock of Federal Reserve banks upon the reduction of surplus by member banks and to advise that the Board will, therefore, until conditions arise that require a revision of its view, proceed on the assumption that the member banks are to exercise their option in the matter, all substantial reductions, however, to be reported to the Board for the purpose of its records.

Letter dated October 26th, from Mr. W. H. Kettig, with respect to the erection of a building to house the Birmingham Branch of the Federal Reserve Bank of Atlanta.

Referred to Committee on Branches.

Letter dated October 19th, from the Chairman of the Federal Reserve Bank of San Francisco, suggesting that a Committee of the Federal Reserve Board be created to conduct a study of banking and currency experiences of the various nations during and since the World War.

Noted.

Letter dated October 19th, from the Federal Reserve Agent at San Francisco, transmitting the application of the Valley Bank of Phoenix, Arizona, for permission to take over the assets of the First National Bank of Glendale, Arizona, and assume its liabilities, operating it as a branch of the Valley Bank.

Referred to Committee on Examinations.

Letter dated October 27th, from Mr. Burgess, Assistant Federal Reserve Agent at New York, transmitting the report of the Committee on Expenses of Statistical and Reporting Services of Federal Reserve banks.

Referred to Committee on Economy and Efficiency.

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The Governor submitted and there was read a letter dated October 27th, from the Federal Reserve Agent at Minneapolis with respect to sentiment toward the Federal Reserve System existing in the Ninth Federal Reserve District and suggesting the broadening of public relations work by the Federal Reserve Bank of Minneapolis in an effort to meet criticisms directed at the System.

Referred to a special committee, consisting of Messrs. James, Miller and Cunningham, for recommendation as to the form of reply which should be made to the letter and the Committee was requested to recommend a general policy to be pursued by the Federal Reserve Board and the Federal Reserve banks in the matter of publicity and public relations work.

Mr. Cunningham announced that he had received invitations to address several meetings of farm organizations in the middle west, and the aforementioned committee was instructed to assist him in the preparation of the addresses he proposes to deliver.

The Governor referred to the Committee on Examinations, for the submission of a report as to the form of reply, the letter dated October 8th, signed by representatives of the Mercantile Trust Company, the Pacific Southwest Trust and Savings Bank, and the Security Trust and Savings Bank, making certain suggestions for the consideration of the Board in the formulation of its policy toward the further extension of branch banking in the state of California.

Letter dated October 27th, from the Chairman of the Federal Reserve Bank of Kansas City, requesting the Board's approval of certain amendments to Sections 2, 3 and 4 of Article IV of the By-laws of its Oklahoma City branch, clarifying the duties of the manager and cashier of the branch.

Approved.

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REPORTS OF STANDING COMMITTEES:

Dated, October 30th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.

Approved.

Dated, October 25th, Recommending approval of the application of Mr. Newcomb Carlton for permission to serve at the same time as director of the Chase National Bank and as director of the International Acceptance Bank, Inc., both of New York City.

Approved.

Dated, October 25th, Recommending approval of the application of Mr. John P. Frenzel, Jr., for permission to serve at the same time as director of the Merchants National Bank, and as director of the Indiana Trust Company, both of Indianapolis, Indiana.

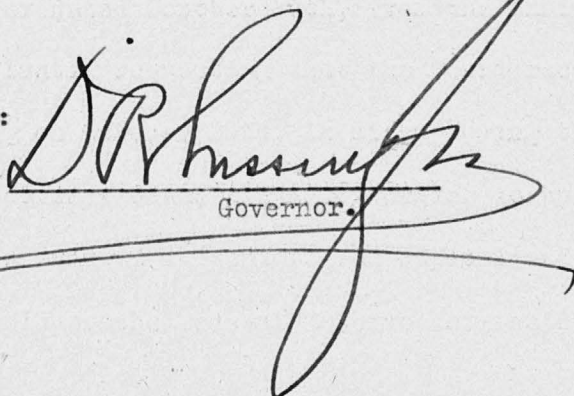
Approved.

Dated, October 29th, Recommending approval of the application of Mr. A.M. Holmes, for permission to serve at the same time as Vice President and director of the First National Bank of Richmond, Texas and as director of the National Bank of Commerce of Houston, Texas.

Approved.

The meeting adjourned at 1:15 P.M.

Approved:


Governor.


Secretary.