

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Thursday, June 5, 1924, at 10:30 a.m.

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

The reading of the minutes of the last meeting of the Federal Reserve Board was dispensed with.

Letter dated May 31st from the Governor of the Federal Reserve Bank of New York, enclosing copy of letter addressed to the Comptroller of the Currency, concerning the proposed increase in the charge for furnishing Federal Reserve banks with reports of examinations of national banks.

Referred to the Law Committee.

Letter dated June 4th from the Chairman of the Committee on Banking and Currency of the House of Representatives, enclosing copy of H. R. 9344, a bill to amend Section 8 of the Clayton Act.

Referred to the Law Committee.

Letter dated May 31st from the Chairman of the Committee on Banking and Currency of the House of Representatives, requesting the Board's opinion on a suggested bill to prevent member banks from lending on the securities of any corporation unless said corporation furnishes quarterly income statements and balance sheets.

Referred to the Law Committee.

Memorandum dated June 3rd from the Governor, calling attention to action of the last Governors' Conference in voting to approve all recommendations con-

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tained in the report of the Federal Reserve Leased Wire Committee and advising that the Secretary of the Board, who was designated to cooperate with the Committee, recommends that the Board approve its report.

Referred to the Executive Committee with power.

At this point Mr. Miller entered the meeting.

Thereupon ensued a discussion of the matter of appointing a Federal Reserve Agent and Chairman of the Board of Directors of the Federal Reserve Bank of Minneapolis to succeed John H. Rich, deceased.

Mr. Hamlin moved that the Committee on District #9 make recommendations to the Board for the appointment of a successor to Mr. Rich and that the Committee be authorized to assume any expenses of interviews, etc. with prospective appointees.

Carried.

Mr. Hamlin then called attention to the provision of the Revenue Act of 1924 discontinuing the stamp tax on promissory notes, or on drafts and checks, and moved that the Board's Counsel prepare a telegram to all Federal Reserve banks advising them of this provision.

Carried.

Report of Committee on Examinations on matter referred to it at the meeting on June 3rd, namely, letter dated May 28th from the Federal Reserve Agent at San Francisco, transmitting and recommending approval of the application of the Italian-American Bank of San Francisco for permission to accept drafts and bills of exchange up to 100% of its paid-in capital and surplus; the Committee also recommending approval.

Approved.

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Draft of letter to Congressman H. P. Fulmer disapproving H.R. 7467, a bill introduced by him to reduce the legal reserves of country member banks to 5% on demand deposits and 2% on time deposits and enclosing a copy of the report thereon of the Federal Reserve Agents' Committee on Reserves.

Upon motion, the proposed letter was approved.

The Governor then presented telegrams dated June 3rd and 4th from the attorneys for Joseph Herrscher, stockholder in the First National Bank of San Leandro and the Bank of San Leandro protesting against the proposed merger of the two institutions into a branch of the American Bank of San Francisco, which merger was approved by the Board at the meeting yesterday.

After discussion, Mr. Hamlin moved that the Board reconsider the action taken yesterday in approving the merger, pending a report by the Law Committee on telegrams above referred to.

Carried.

REPORTS OF STANDING COMMITTEES:

Dated, June 5th, Recommending changes in stock at Federal Reserve banks, as set forth in the Auxiliary Minute Book of this date.

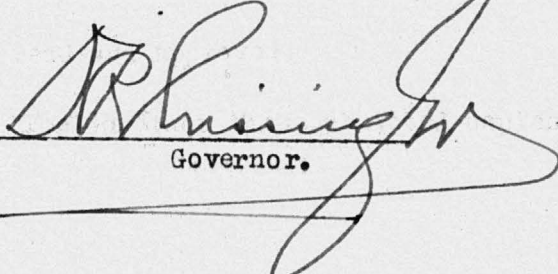
Approved.

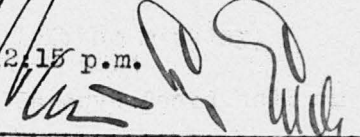
Dated, June 5th, Recommending action on applications for admission of state banks, subject to the conditions stated in the individual reports attached to the applications, as set forth in the Auxiliary Minute Book of this date.

Approved.

The meeting adjourned at 12:15 p.m.

Approved:

  
Governor.

  
Secretary.