

A meeting of the Federal Reserve Board was held in the office of the Governor on Tuesday, February 28, 1928, at 11:00 o'clock a.m.

PRESENT: Governor Young
Mr. Platt
Mr. Hamlin
Mr. Miller
Mr. Cunningham
Mr. McClelland, Asst. Secretary

The minutes of the meeting of the Federal Reserve Board held on February 27th were read and approved.

Telegram dated February 27th from the Federal Reserve Agent at San Francisco, recommending approval of a proposal of the Bank of Haines, Oregon, to take over deposits aggregating \$115,000 of the Farmers State Bank of North Powder, Oregon, together with sufficient assets to cover; the Federal Reserve Agent stating that it is not believed that the absorption of the Farmers State Bank of North Powder will adversely affect the condition of the Bank of Haines.

Upon recommendation of the Executive Committee, it was voted to approve the proposal referred to.

At the request of the Governor, the Secretary then read to the Board a revision, dated February 27, 1928, of the so-called "Strong Bill", an act "to amend the Act approved December 23, 1913, known as the Federal Reserve Act; to aid in the definition of the policies towards which the powers of the Federal Reserve System shall be directed; to further the maintenance of a stable gold standard; to promote the stability of commerce, agriculture, industry, and employment; to assist in realizing a more stable purchasing power of the dollar, and for other purposes."

The Governor stated that the above mentioned revised bill has not yet been introduced by Congressman Strong, but that the copy came to

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him through Governor Strong. He also stated that he had reason to believe that he would be requested to express an opinion regarding the proposed bill.

An informal discussion ensued, during which it appeared to be the consensus of opinion that until the bill, or a similar one, is introduced in Congress and referred to the Board by the appropriate committee, any expression regarding it which the Governor or any member may make should be a personal one.

The Governor then reported a telephone conversation with the Chairman of the Federal Reserve Bank of Cleveland during which he was advised that between February 23rd and 27th the rediscounts of the Cleveland bank increased \$12,500,000, and that the Executive Committee of the bank will hold a meeting tomorrow morning for the purpose of considering a change in the rediscount rate.

REPORTS OF STANDING COMMITTEE:

Dated, February 27th, Recommending action on applications for fiduciary powers as set forth in the Auxiliary Minute Book of this date.

Recommendations approved.

The meeting adjourned at 12:40 p.m.

C. M. McClelland

Assistant Secretary.

Raymond

Governor.

Approved: