

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Tuesday, March 4, 1930 at 3:00 p.m.

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

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

The minutes of the meeting of the Federal Reserve Board held on March 1st were read and approved as amended.

The Governor reported the establishment of the following schedule of buying rates for bankers acceptances at the Federal Reserve Bank of Chicago, effective February 24th, which he stated he had approved on authority granted him at a previous meeting of the Board:

1 to 90 days	-	3 3/4%
91 to 120 days	-	3 7/8%
121 to 180 days	-	4 1/4%

Without objection, noted with approval.

Letter dated February 27th from the Secretary of the Federal Reserve Bank of New York, telegram dated February 28th from the Deputy Chairman of the Federal Reserve Bank of Chicago and telegram dated February 27th from the Chairman of the Federal Reserve Bank of Kansas City, all advising that their boards of directors at meetings on the dates stated made no changes in the banks' existing schedules of rates of discount and purchase.

Without objection, noted with approval.

Letter dated March 1st from the Assistant Federal Reserve Agent at St. Louis, advising of the election of Mr. Micajah P. Sturdivant of Glendora,

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Miss., as Class B Director of that bank for the unexpired portion of the term ending December 31st, 1932.

Noted.

Bond in the amount of \$100,000, executed under date of February 28, 1930, by Mr. J. Herbert Case as Federal Reserve Agent of the Federal Reserve Bank of New York.

Approved.

Letter dated February 27th from the Chairman of the Federal Reserve Bank of New York, advising that at a meeting of the board of directors on that date it was voted, subject to the approval of the Federal Reserve Board, to fix Governor Harrison's salary at \$50,000 per annum for the year 1930.

Upon motion, it was voted to approve the salary of \$50,000 per annum, fixed by his directors, for Governor Harrison for the year 1930.

Letter dated February 27th from the Acting Secretary of State, replying to the Board's letter of February 25th, with reference to the nomination by the Governor of the Federal Reserve Bank of New York of the two American directors of the Bank for International Settlements; the letter stating that there is nothing in Governor Harrison's reply which is not in harmony with the position taken by the State Department. The letter further stated that the answer made by the Federal Reserve Bank of New York as to whether or not it would object to the election of Messrs. McGarrah and Fraser as the American directors is also in harmony with the position taken by the State Department and that the Department has no suggestions for further action in regard thereto.

Noted.

Letter dated February 26th from the Deputy Governor of the Federal Reserve

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Bank of New York, advising of conditions in the Government securities and bill markets, the letter stating that the Open Market Investment Account remains the same with some change in maturities; that there has been slightly more activity in the Government security market, some demand having sprung up during the week; that the bill market this week has had considerable influx of new bills, outright purchases for the System increasing by about \$10,000,000, bill dealers portfolios remaining substantially unchanged at \$114,000,000; and that open market purchases from banks and banks' sales to the market were just enough to relieve a little money stringency that was evident at the end of last week and Monday of this week.

Noted.

The Governor stated that, in accordance with authority granted at the meeting on February 27th, he had negotiated with Mr. Wood, President of the Albemarle Investment Company, owners of the Otis Building and that the latter had agreed to recommend to his Company that it enter into a lease with the Federal Reserve Board, for the space now occupied in the Otis Building, for a term of six months from May 1st at a monthly rental of \$1500, a small increase over the rent paid on a yearly basis, with the option in the Board to terminate the lease at any time upon the giving of thirty days' notice, and that if this arrangement is satisfactory to his company a lease will be drawn up and presented to the Board for its approval.

The Governor then reported to the Board that Dr. Goldenweiser, Chairman of the Board's Committee on group, chain and branch banking, had stated to him that the Committee feels it should have the services of a secretary to devote his entire time to the supervision of the work to be conducted by the Committee,

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and that, if the Board approves, he would like to negotiate with a party whom he has in mind for this position.

After some discussion during which the effectiveness of such an appointment in securing the data on group, chain and branch banking that the Board desires was discussed, upon motion by Mr. Hamlin, it was voted to authorize Dr. Goldenweiser, as Chairman of the Committee, to negotiate for the employment of a secretary for the committee, it being understood that the matter of appointment and salary to be paid will be presented to the Board for its approval.

Upon this motion, Dr. Miller voted "no".

The Governor stated that, at his request, the Board's Counsel had prepared, on the basis of data now in the Board's files, a memorandum on the subject of group, chain and branch banking, copies of which he is arranging to furnish to each member of the Board.

A discussion then ensued regarding the present business and credit situation in the United States, the Governor suggesting that he felt it would be desirable to have Mr. Goldenweiser of the Board's Division of Research and Statistics review the situation at the next meeting of the Board.

Upon motion by Dr. Miller, a review of credit and business conditions by Dr. Goldenweiser was made special order of business for a meeting to be held tomorrow at eleven o'clock.

REPORTS OF STANDING COMMITTEES:

Dated, February 26th,	Recommending changes in stock at Federal Reserve banks
27th,	as set forth in the Auxilliary Minute Book of this date.
28th,	Recommendations approved.
March 1st,	
3rd,	
4th,	
Dated, February 27th,	Recommending action on applications for fiduciary powers
28th,	as set forth in the Auxilliary Minute Book of this date.
March 1st,	Recommendations approved.
3rd,	

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REPORTS OF STANDING COMMITTEES: (Cont'd)

Dated, February 26th, Recommending approval of the application of Mr. R. Clyde Williams for permission to serve at the same time as director and officer of the First National Bank of Atlanta, Ga., and as director of the First National Bank of Rome, Ga.

Approved.

Dated, February 27th, Recommending approval of the application of Mr. Frederick W. Straus for permission to serve at the same time as director of the Straus National Bank and Trust Company and as director of the Franklin Trust and Savings Bank, both of Chicago, Ill.

Approved.

Dated, February 27th, Recommending approval of the application of Mr. Harry N. Gottlieb for permission to serve at the same time as director and officer of the Straus National Bank and Trust Company and as director of the Franklin Trust and Savings Bank, both of Chicago, Ill.

Approved.

Dated, February 27th, Recommending approval of the application of Mr. Robert G. Stephens for permission to serve at the same time as officer of the Trust Company of Georgia of Atlanta, Ga., and as director of the First National Bank of Rome, Ga.

Approved.

Dated, February 27th, Recommending approval of the application of Mr. George B. Howell for permission to serve at the same time as director of the Palmer National Bank & Trust Company of Sarasota, Fla., and as director of the Exchange National Bank of Tampa, Fla.

Approved.

Dated, February 27th, Recommending approval of the application of Mr. W. A. Brownlee for permission to serve at the same time as director and officer of the Exchange National Bank of Tulsa, Okla., and as director of the Citizens National Bank of Okmulgee, Okla.

Approved.

Dated, March 3rd, Recommending approval of the application of Mr. Frank G. Allen for permission to serve at the same time as director of The First National Bank of Boston, Massachusetts, as director of the Lee Higginson Trust Company of Boston, Massachusetts and as director of the Norwood Trust Company of Norwood, Massachusetts.

Approved.

Dated, March 3rd, Recommending approval of the application of Mr. Hobart Ames for permission to serve at the same time as director of the First National Bank of Boston, Massachusetts and as director and officer of the First National Bank of Easton of North Easton, Massachusetts.

Approved.

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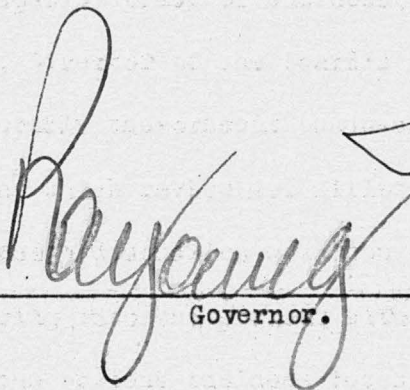
REPORTS OF STANDING COMMITTEES: (Cont'd)

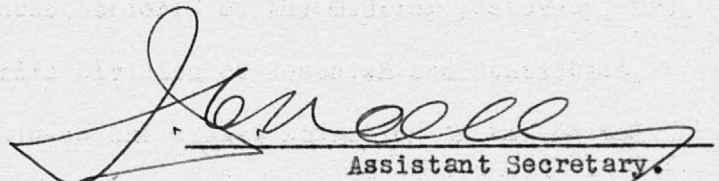
Dated, March 3rd, Recommending approval of the application of Mr. John S. Ames for permission to serve at the same time as director of the First National Bank of Boston, Massachusetts and as director of the First National Bank of Easton of North Easton, Massachusetts.

Approved.

The meeting adjourned at 3:50 p.m.

Approved:

  
Governor.

  
Assistant Secretary.