

A meeting of the Executive Committee of the Federal Reserve Board was held in the office of the Federal Reserve Board on Tuesday, May 6, 1930 at 11:00 a.m.

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

Telegram dated May 2nd from the Deputy Governor of the Federal Reserve Bank of New York, advising of a further reduction of $1/8\%$ in dealers rates on acceptances and the establishment by the Federal Reserve Bank of New York of the following schedule of buying rates:

Bankers Acceptances:		
1 to 120 days	-	$2\ 3/4\%$
121 to 180 days	-	3%
Repurchase	-	$2\ 3/4\%$
Trade Acceptances	-	3%

Without objection, noted with approval.

Telegram dated May 2nd from the Deputy Governor of the Federal Reserve Bank of Boston and letter dated May 3rd from the Chairman of the Federal Reserve Bank of Dallas, advising of the establishment of the following schedule of rates for purchases of bankers acceptances:

1 to 120 days	-	$2\ 3/4\%$
121 to 180 days	-	3%
Repurchase	-	$2\ 3/4\%$

Without objection, noted with approval.

Telegram dated May 2nd from the Chairman of the Federal Reserve Bank of Chicago, telegram dated May 2nd from the Governor of the Federal Reserve Bank of St. Louis and letter dated May 2nd from the Secretary of the Federal Reserve Bank of Kansas City, all advising of the establishment of the following rates for purchases of bankers acceptances:

5/6/30

-2-

1 to 120 days	-	2 3/4%
121 to 180 days	-	3%

Without objection, noted with approval.

Telegram dated May 3rd from the Assistant Federal Reserve Agent of the Federal Reserve Bank of Minneapolis, advising of the establishment of the following rates for purchases of acceptances:

Bankers Acceptances:		
1 to 120 days	-	2 3/4%
121 to 180 days	-	3%
Trade Acceptances	-	3%

Without objection, noted with approval.

Telegram dated May 2nd from the Chairman of the Federal Reserve Bank of Richmond, advising of the establishment of the following rates for purchases of bankers acceptances:

1 to 120 days	-	2 7/8%
121 to 180 days	-	3 1/8%

Without objection, noted with approval.

Telegram dated May 2nd from the Assistant Federal Reserve Agent at St. Louis, advising that the executive committee of the bank on that date voted to reduce from 3% to 2 1/2% the minimum buying rate of the bank for purchases of bankers acceptances.

Approved.

Telegram dated May 3rd from the Chairman of the Federal Reserve Bank of Kansas City, advising of the death of Mr. E. M. Brass, Class C Director of the bank, for the term expiring December 31, 1930. The Vice Governor reported that on May 3rd he wired the Federal Reserve Bank of Kansas City, expressing the regret of the Board at the demise of Mr. Brass.

Upon motion, the matter of the appointment of a Class C director for the unexpired portion of Mr. Brass' term was referred to the Committee on District #10 for recommendation.

5/6/30

-3-

Reports of Committee on Salaries and Expenditures on letter dated May 1st from the Deputy Governor of the Federal Reserve Bank of Boston, letter dated May 3rd from the Assistant Federal Reserve Agent of the Federal Reserve Bank of St. Louis and letter dated May 2nd from the Chairman of the Federal Reserve Bank of Dallas, submitting reports of employees of those banks and branches who were granted leaves of absence with pay on account of illness, during the month of April, where the total of such absences since January 1, 1930 has exceeded thirty days; the Board's Committee recommending approval of the salary payments involved.

Approved.

Report of Executive Committee on letter dated May 3rd from the Comptroller of the Currency, recommending approval of increases in the salaries of National Bank Examiners as follows:

H. S. French	-	\$5300	to	\$6000
R. L. Hopkins	-	5300	to	6000
D. H. Reimers	-	3600	to	4200

Upon recommendation of the Committee, the increases were approved.

Report of Committee on Examinations on letter dated May 1st from the Secretary of the Federal Reserve Bank of New York, submitting and recommending approval of the application of the Public National Bank and Trust Company, New York, N. Y., for permission to accept drafts and bills of exchange drawn upon it up to 100% of its paid-up capital and surplus in accordance with the provisions of Section 13 of the Federal Reserve Act.

Upon recommendation of the Committee, the application was approved.

Report of Committee on Examinations on letter dated May 1st from the Assistant Federal Reserve Agent at the Federal Reserve Bank of New York, trans-

5/6/30

-4-

mitting a request from the Public National Bank and Trust Company, New York, N. Y., for permission to accept drafts drawn upon it by banks or bankers in certain foreign countries for the purpose of creating dollar exchange.

Upon recommendation of the Committee, the application was approved for all countries heretofore designated by the Board.

Letter dated April 29th from the Assistant Federal Reserve Agent at St. Louis, advising that May 28th has been set as the date for the annual conference of directors and officers of the parent bank with directors of the branches of the bank and extending an invitation to the members of the Federal Reserve Board to be present at the conference.

Referred to Committee on District #8.

Memorandum from Counsel dated May 1st on letter dated April 29th from the Secretary of the First Federal Foreign Banking Corporation, requesting that as the Bank of America National Association of New York City now holds stock in the First Federal Foreign Banking Corporation, the Board grant permission to Mr. Frank Bailey to serve as a director of both of these institutions; the memorandum stating that Counsel sees no legal reason why the Board should not grant the request.

Upon motion, the permission requested was granted.

Memorandum from Counsel dated May 2nd, requesting authority to call a conference of Counsel of all Federal Reserve banks to be held in Washington at the earliest convenient date, for the purpose of considering certain legal questions which have arisen with regard to the collection of checks under Regulation J, and the check collection circulars of the Federal Reserve banks,

5/6/30

-5-

and also for the purpose of conferring with representatives of the Comptroller of the Currency with reference to the release of Federal Reserve balances of insolvent National banks to the receivers of such banks.

Upon motion, it was voted to grant the authority requested subject to approval by the Governor of the Board.

Memorandum from Counsel dated May 3rd, submitting draft of letter to all Federal Reserve banks, transmitting copies of three amendments to the Federal Reserve Act which have recently become law.

Upon motion, the letter was approved.

Memorandum from Counsel dated May 2nd, recommending that when a new supply of the Board's printed Regulations is ordered each Regulation be printed as a separate pamphlet; also that authority be given Counsel to prepare for submission to the Board certain amendments made necessary by recent legislation.

Approved.

Letter dated April 30th from the Deputy Governor of the Federal Reserve Bank of New York, reviewing conditions and operations in the Government security and bill markets for the week ending with that date.

Noted.

Memorandum dated April 30th from the Board's Examiner in Charge, submitting report of examination of the Federal Reserve Bank of New York and the Buffalo Branch as at the close of business February 21st, 1930.

Referred to Committee on Examinations and District #2.

In accordance with the recent action of the Board, Mr. Platt submitted draft of a proposed letter to the Secretary of the Federal Advisory Council,

5/6/30

-6-

requesting that at the meeting on May 20th the members of the Council be prepared to discuss business and credit conditions in the respective Federal Reserve Districts and generally, and advising that the Board would appreciate a review of the credit policy of the System to date and any comments or views which the Council may care to express as to the future course of System policy; the letter also submitting as a special topic the question of relations with the Bank for International Settlements and the authority and responsibility of the Federal Reserve Bank of New York and of the Federal Reserve Board in the premises.

Following discussion, the letter as amended was approved and ordered transmitted.

REPORTS OF STANDING COMMITTEES:

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

Recommendations approved.

Dated, April 30th, Recommending action on applications for admission of State May 5th, 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.

Recommendations approved.

Dated, May 2nd, Recommending approval of the application of Mr. Joshua Green for permission to serve at the same time as director of the Peoples Bank & Trust Company of Seattle, Wash., and as director of the First National Bank of Renton, Wash.

Approved.

Dated, May 2nd, Recommending approval of the application of Mr. Albert Brygger for permission to serve at the same time as director of the Peoples Bank & Trust Company of Seattle, Wash. and as director of the First National Bank of Renton, Wash.

Approved.

The meeting adjourned at 11:50 a.m.

E. W. Wood
Assistant Secretary.

Approved:

Edmund Platt
Vice Governor.