

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Monday, May 1, 1939, at 12:30 p. m.

PRESENT: Mr. Eccles, Chairman
Mr. McKee
Mr. Draper

Mr. Bethea, Assistant Secretary
Mr. Carpenter, Assistant Secretary
Mr. Clayton, Assistant to the Chairman

The action stated with respect to each of the matters herein-after referred to was taken by the Board:

Memorandum dated April 25, 1939, from Mr. Noell, Assistant Secretary, recommending (1) that Mrs. Almeda Steiner be promoted from relief charwoman to charwoman, with no change in her present salary at the rate of 50¢ per hour, effective immediately; and (2) that Mrs. Ethel Sunderman be appointed as a relief charwoman, with salary at the rate of 50¢ per hour, effective as of the date upon which she enters upon the performance of her duties after having passed satisfactorily the usual physical examination.

Approved unanimously.

Telegram to Mr. Young, President of the Federal Reserve Bank of Boston, reading as follows:

"Relet April 28. Board interposes no objection to the proposed investment of \$20,000 in additional banking quarters by 'Depositors Trust Company', Augusta, Maine."

Approved unanimously.

Memorandum dated April 27, 1939, from Messrs. Goldenweiser,

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Director of the Division of Research and Statistics, and Wyatt, General Counsel, recommending that, for the reasons stated in the memorandum, the Board withdraw the request made at the meeting on March 10, 1939, that they prepare memoranda discussing the merits of S. 1684, a bill to amend the Gold Reserve Act of 1934, and S. 1696, a bill to terminate the power to issue U. S. notes under the provisions of the Act of May 12, 1933.

The recommendation was approved unanimously.

Letter to the Presidents of all Federal Reserve banks, reading as follows:

"The Committee of Counsel designated by the Chairman of the Conference of Presidents recommended to the Standing Committee on Collections on January 11, 1939:

'That means be adopted to make it clear that the "Terms and Conditions of Collection" set forth in Section V of Regulation J and in the cash and noncash collection circulars apply to items sent by one Federal Reserve Bank to another as well as to items sent to Federal Reserve Banks by member banks and nonmember clearing banks. (A form of suggested provision for these circulars is hereto attached and marked Exhibit B.) Pending the inclusion of provisions to this end in the cash and non-cash collection circulars, it is recommended that letters to this effect be exchanged between Federal Reserve Banks. (A form of suggested letter for this purpose is hereto attached and marked Exhibit C.)'

This recommendation was approved by the Standing Committee on Collections and subsequently, on March 6, 1939, was approved by the Presidents' Conference.

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"However, as a result of certain questions which were raised regarding this proposal the Committee of Counsel again considered the matter at a recent meeting in Washington and, on April 21, 1939, made the following recommendation to the Standing Committee on Collections:

'That the proposed amendment to the cash and noncash collection circulars of the Federal Reserve banks suggested in paragraph (3) of the recommendations of the Committee of Counsel on January 11, 1939, and embodied in Exhibit B of those recommendations be not adopted but that the Federal Reserve banks exchange letters in the amended form attached hereto marked Exhibit 2.'

"This recommendation was considered by the Standing Committee on Collections at its meetings here on April 20-22, 1939, and it is understood that the amended form of letter was satisfactory to the Committee. While the language of the amended form of the proposed letter differs somewhat from that of the draft attached to the recommendation of January 11, 1939, these differences are largely matters of form and make no material change in the effect of the letter.

"You are advised that the Board of Governors is of the opinion that the letter in the form recommended by the Committee of Counsel on April 21, 1939, a copy of which is attached hereto, is satisfactory and the Board has no suggestions to offer with reference thereto."

Approved unanimously.

Letter to the Comptroller of the Currency, reading as follows:

"It is respectfully requested that you place a special order with the Bureau of Engraving and Printing, supplementing the order requested June 14, 1938, for the printing of Federal reserve notes of the 1934 Series in the amounts and denominations stated for the Federal Reserve Bank of New York:

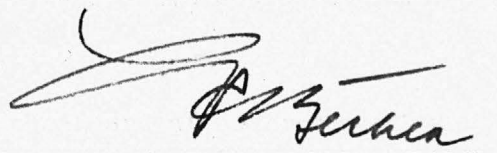
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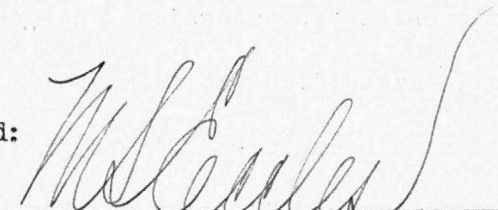
"Denomi- nation	Number of sheets	Amount
\$100	40,000	\$48,000,000
500	3,000	18,000,000
1000	4,000	48,000,000"

Approved unanimously.

Thereupon the meeting adjourned.


Assistant Secretary.

Approved:


Chairman.