

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Wednesday, January 20, 1943, at 10:00 a.m.

PRESENT: Mr. Eccles, Chairman  
Mr. Ransom, Vice Chairman  
Mr. Szymczak  
Mr. McKee  
Mr. Draper  
Mr. Evans

Mr. Morrill, Secretary  
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:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on January 19, 1943, were approved unanimously.

Memorandum dated January 16, 1943, from Mr. Morrill, stating that it was proposed to appoint Mrs. Grace Phillips to the position of Assistant Supervisor, Files Section, in the Secretary's Office, and recommending that her salary in that position be increased from \$2,000 to \$2,600 per annum.

Approved unanimously, effective  
February 1, 1943.

Memorandum dated January 16, 1943, from Mr. Morrill, submitting the resignation of Donal H. Phillips as an elevator operator in the Secretary's Office, to become effective as of the close of

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business on February 4, 1943, and recommending that the resignation be accepted as of that date.

The resignation was accepted.

Letter to Mr. Mulroney, Vice President of the Federal Reserve Bank of Chicago, reading as follows:

"In accordance with the request contained in your letter of January 13, 1943, the Board approves the designation of Clarence A. Kamrath as a special assistant examiner for the Federal Reserve Bank of Chicago."

Approved unanimously.

Letter to Honorable Preston Delano, Comptroller of the Currency, reading as follows:

"Anacostia Bank, Washington, D. C., has applied for membership in the Federal Reserve System. The bank is located at 2000 Nichols Ave. S.E., in an outlying district of the city. It has capital in the amount of \$142,000, consisting of \$50,000 of common stock and \$92,000 of capital debentures owned by the Reconstruction Finance Corporation.

"In order to be eligible for membership, the bank must have 'capital sufficient to entitle it to become a national banking association in the place where it is situated under the provisions of the National Bank Act.' As you know, section 5138 of the Revised Statutes of the United States, in prescribing the capital requirements for the organization of national banks, provides in part as follows:

'No such association shall be organized in a city the population of which exceeds fifty thousand persons with a capital of less than \$200,000, except that in the outlying districts of such a city where the State laws permit the organization of State banks with a capital of \$100,000 or less, national banking associations now organized or hereafter organized may, with the approval of the Comptroller of the Currency, have a capital of not less than \$100,000.'

"Since the eligibility of Anacostia Bank depends upon the proper interpretation of the exception contained in the foregoing statutory provision, we shall appreciate your advising us whether you are of the opinion that, under such exception, a national bank

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"can be organized legally in an outlying district of Washington, D. C., with a capital of less than \$200,000 but not less than \$100,000."

Approved unanimously.

Telegram to Mr. Leslie Kelley, Editor and Publisher of the Kelley Blue Book, Los Angeles, California, reading as follows:

"In view of special circumstances outlined in your telegram of January 18, Board will permit designation of Kelley Blue Book under Regulation W to apply, through February 28, 1943, to the November-December 1942 issue as well as to the January-February 1943 issue."

Approved unanimously.

Letter to Mr. Brainard, Chairman of the Federal Reserve Bank of Cleveland, reading as follows:

"In further response to the letter of December 3 from Deputy Chairman Klages concerning certain questions which were discussed at the Conference of Chairmen of Reserve Banks on October 5, 1942, the portion of Mr. Klages' letter relating to the regional program for economic studies and planning has been reviewed in the Board's Division of Research and Statistics and the proposals outlined therein have the Board's approval.

"It will be appreciated if your Statistical Department will continue to keep our Division of Research informed as to the working out of the plan and if you will also bring to the attention of the Board any important development which, in your opinion, should receive the Board's attention."

Approved unanimously.

Memorandum dated January 18, 1943, from Mr. Wingfield, Assistant General Attorney, recommending that there be published in the February issue of the Federal Reserve Bulletin statements in the form attached to the memorandum with respect to the following subjects:

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Consumer Credit  
Statement of Necessity--Increased Income Tax Burden

Foreign Funds Control  
Treasury Department Releases

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morris  
Secretary.

APPROVED:

W. S. ...  
Chairman.