

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Thursday, April 20, 1944, at 11:00 a.m.

PRESENT: Mr. Eccles, 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 April 19, 1944, were approved unanimously.

Memorandum dated April 19, 1944, from Mr. Morrill recommending, for the reasons stated in the memorandum, that Max Rubin, maintenance mechanic in the Secretary's Office, be separated from service, effective as of the close of business on April 13, 1944.

Approved unanimously.

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

"One of the Reserve Banks has raised the question of whether the Board's letter of March 17, 1944 (S-741), authorizing the payment of supplemental contributions to the Retirement System in the case of employees involuntarily separated from service after age 55 and 25 years

4/20/44

-2-

"of service, superseded or modified in any way the authorization given in the Board's letter of December 11, 1943 (S-714), to pay dismissal wages or separation allowances to employees involuntarily separated from service prior to age 55, or to employees involuntarily separated from service after age 55, who had not served a sufficient length of time to be entitled to a pension upon separation.

"The authorization contained in the Board's letter S-714 remains in force and is not superseded or modified in any way by the authorization contained in the Board's letter S-741."

Approved unanimously.

Letter to Mr. Stewart, Vice President of the Federal Reserve Bank of St. Louis, reading as follows:

"The Board of Governors approves the changes in the personnel classification plan of the Federal Reserve Bank of St. Louis and the Memphis Branch, involving the establishment of one position at the Head Office and one position at the Memphis Branch, as submitted with your letter of April 14, 1944."

Approved unanimously.

Letter to the board of directors of the "Webb City Bank", Webb City, Missouri, stating that, subject to conditions of membership numbered 1 to 3 contained in the Board's Regulation H, the Board approves the bank's application for membership in the Federal Reserve System and for the appropriate amount of stock in the Federal Reserve Bank of Kansas City.

Approved unanimously, together with a letter to Mr. Leedy, President of the Federal Reserve Bank of Kansas City, reading as follows:

4/20/44

-3-

"The Board of Governors of the Federal Reserve System approves the application of the 'Webb City Bank', Webb City, Missouri, for membership in the Federal Reserve System, subject to the conditions prescribed in the enclosed letter which you are requested to forward to the Board of Directors of the institution. Two copies of such letter are also enclosed, one of which is for your files and the other of which you are requested to forward to the Commissioner of Finance for the State of Missouri, for his information.

"It is assumed that you will follow the matter of the bank's bringing into conformity with the provisions of law and the Board's regulations the savings accounts mentioned on page 16-(1) of the report of examination for membership and also the requirements with respect to notice in connection with withdrawals from certain classes of savings accounts."

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

"Reference is made to Assistant Vice President Diercks' letter of April 11, 1944, submitting information with respect to the proposed consolidation of the Ecorse Savings Bank, Ecorse, Michigan, and The State Savings Bank of Lincoln Park, Michigan, Lincoln Park, Michigan, under the charter of the former institution, which proposal contemplates a change in title to Wayne County Bank, an increase in common capital to \$500,000 and the establishment of a branch at Lincoln Park, Michigan.

"In accordance with your recommendation the Board approves the establishment and operation of a branch at Lincoln Park, Michigan, by the consolidated bank provided there is a prior increase in capital to not less than \$500,000 and the other features of the plan of consolidation are consummated substantially as proposed, the prior approval of the appropriate State authorities is obtained, and counsel for the Reserve Bank is satisfied as to the legal aspects involved.

"In advising us of consummation of the transaction please give the exact wording of the new title in order

4/20/44

-4-

"that the announcement may include the change in name."

Approved unanimously.

Telegram to Mr. Knoke, Vice President of the Federal Reserve Bank of New York, reading as follows:

"Re your letter April 14, 1944. Board of Governors approves the opening and maintaining of an account on the books of your bank for and in the name of Norges Bank subject to the terms and conditions of Regulation N and the Board's Statement of Procedure January 1, 1944."

Approved unanimously.

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

"The Attorney General has invited the Board to submit proposals for State legislation to be included in the program of the Council of State Governments for 1945, when 44 State Legislatures will meet in regular session; and it will be appreciated if you will kindly advise the Board at your early convenience whether you know of any proposals for State legislation which ought to be submitted on behalf of the Federal Reserve System.

"The Board is informed that the Council of State Governments will consider both war and postwar matters and that the word 'postwar' is broad enough to cover almost anything that the Board might have in mind. It clearly is broad enough to cover any State legislation designed to improve the ability of the banking system to cope with conditions which it may encounter during the postwar period.

"With 44 State Legislatures meeting next year and the Council of State Governments offering to sponsor any proposals for State legislation which may be agreed upon between it and the representatives of the Federal Government, we are presented with an exceptionally good opportunity to recommend desirable State legislation in the banking field. Therefore, it would seem that the situation ought to be canvassed very carefully in order that any desirable amendments to the State banking laws or to other

4/20/44

-5-

"State laws affecting the banking business may not be overlooked.

"For your information in this connection, there is enclosed a memorandum issued by the Department of Justice describing the machinery which has been built up with the cooperation of the Council of State Governments to facilitate relationships between the various administrative agencies of the Federal Government and the 48 States in connection with Federal proposals for State legislative and administrative consideration and the procedure with reference to such proposals. At this point, it is not necessary to submit anything more than a brief statement of the substance and purpose of any proposal which you desire to have considered."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morris  
Secretary.

Approved:

W. S. [Signature]  
Chairman.