

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Thursday, September 14, 1950.

PRESENT: Mr. McCabe, Chairman
Mr. Szymczak
Mr. Evans
Mr. Vardaman
Mr. Norton
Mr. Powell

Mr. Carpenter, Secretary
Mr. Sherman, Assistant Secretary

Minutes of the meeting of the Board of Governors of the Federal Reserve System with the Executive Committee of the Federal Advisory Council held on September 13, 1950, were approved unanimously.

Minutes of actions taken by the Board of Governors of the Federal Reserve System on September 13, 1950, were approved unanimously.

Memorandum dated September 13, 1950, from Mr. Bethea, Director of the Division of Administrative Services, recommending that Mrs. Mary E. Sanders be promoted to the position of Secretary to Mr. Bethea in the Division of Administrative Services, and that her salary be increased from \$3,225 to \$3,450 per annum, effective September 17, 1950.

Approved unanimously.

Memorandum dated September 12, 1950, from Mr. Powell, recommending that Miss Helen B. Wolcott, Secretary to Mr. Bethea, Division of Administrative Services, be transferred to the position

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of Secretary to Mr. Powell, with an increase in her salary from \$4,200 to \$4,700 per annum, effective September 17, 1950. The memorandum also stated that Mr. Bethea was agreeable to this transfer.

Approved unanimously.

Memorandum dated September 12, 1950, from Mr. Szymczak, recommending an increase in the basic salary of Earle J. Wade, Secretary to Mr. Szymczak, from \$4,200 to \$4,700 per annum, effective September 17, 1950.

Approved unanimously.

Telegram to Mr. McLarin, President of the Federal Reserve Bank of Atlanta, prepared in accordance with the action at the meeting on September 12, 1950, reading as follows:

"Re your telegrams and letter September 11 regarding construction of new building for Jacksonville Branch. Board approves acceptance as recommended by your directors of low bids which, with the alternates as specified in your letter, total approximately \$2,200,000. It is noted that this total includes the higher of two selections relating to alternates for vault platforms, and it is understood that it has not yet been decided which selection will be made."

Approved unanimously.

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

"Referring Board's letter September 8, 1950, in which it was suggested that, until matter could be further explored, no definite arrangements be made by the Federal Reserve Banks for handling the

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"regulation of real estate credit regulation. Board is establishing in its organization an office of real estate credit which will have primary responsibility in Board's offices for work on real estate credit. Mr. Charles T. Fisher, Jr., President of the National Bank of Detroit, has consented to serve on a temporary basis as administrator of that office. Board expects to bring into the office on a temporary basis outstanding men who know the programs administered by the Housing and Home Finance Agency and the Veterans Administration and someone thoroughly familiar with operations in the conventional mortgage market. It may be necessary to have available also the advice of top flight leaders in the various segments of the market including the rural and farm areas, banks, insurance companies, mortgage brokers, etc.

"Because of the wide variety and complexity of problems that will be involved, the Board would suggest that each Federal Reserve Bank consider placing the administration of the regulation in its district in the hands of someone of officer caliber who is recognized as an authority in the real estate field, possibly bringing someone into the bank from the outside on a temporary basis for that purpose. It is the thought of the Board that at least for the first several months he would need to give his full time to the work and that under his direction the necessary staff would be built up from within and to the extent necessary from outside the bank for effective handling of the work.

"In order to expedite conclusions on this matter, the suggestion has been made to President Peyton that the matter be placed on the agenda for the Presidents' Conference in Boston on the afternoon of September 20 at which time Mr. Norton, and possibly other members of the Board, and Mr. Fisher will be present. It will be appreciated by the Board, therefore, if you will be prepared to discuss the problems at the Presidents' Conference in terms of the necessary organization and of the names of individuals in your district who should be considered for selection to head up the work for your bank."

Approved unanimously.

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Letter to Mr. B. R. Kennedy, Director, Division of the
Federal Register, The National Archives, Washington 25, D. C.,
reading as follows:

"In compliance with the provisions of Title 1,
section 1.32, Code of Federal Regulations, there
are transmitted for filing in your Division and for
publication in the Federal Register, an original
and three certified copies of an interpretation
under Title 12, Part 222, relating to consumer
credit."

Approved unanimously.


Secretary.