

7/30/52 Minutes of actions taken by the Board of Governors of the Federal Reserve System on Wednesday, July 30, 1952.

Division of Administration
 Appointments of Mr. Martin, Chairman
 Mr. Szymczak
 Mr. Vardaman
 Mr. Mills

Mr. Carpenter, Secretary
 Mr. Kenyon, Assistant Secretary

7/29/52 Minutes of actions taken by the Board of Governors of the Federal Reserve System on July 29, 1952, were approved unanimously.

Memorandum dated July 9, 1952, from Mr. Carpenter, Secretary of the Board, recommending the appointment of Camille Inez Grimes as File Clerk in the Office of the Secretary, on a temporary basis for a period of six months, with basic salary at the rate of \$2,950 per annum, effective as of the date upon which she enters upon the performance of her duties after having passed the usual physical examination and subject to the completion of a satisfactory employment investigation.

Division of Administration
 Approved unanimously.

7/22/52 Memorandum dated July 22, 1952, from Mr. Bethea, Director, Division of Administrative Services, recommending that the temporary appointment of Thomas J. Allen, Cafeteria Laborer in that Division, be extended on a temporary indefinite basis with no change in his present basic salary at the rate of \$2,552 per annum, effective August 5, 1952.

Approved unanimously.

7/30/52

-2-

Memorandum dated July 22, 1952, from Mr. Bethea, Director, Division of Administrative Services, recommending that the temporary appointment of Angelina M. Ferguson, Charwoman in that Division, be extended on a temporary indefinite basis with no change in her present basic salary at the rate of \$2,420 per annum, effective August 5, 1952.

Approved unanimously.

Memorandum dated July 24, 1952, from Mr. Boothe, Assistant Director, Division of Selective Credit Regulation, recommending that the temporary appointment of Dorothy Drayer, Clerk-Typist in that Division, be extended on a temporary indefinite basis, with no change in her present basic salary at the rate of \$2,750 per annum, effective upon the expiration of her current temporary appointment.

Approved unanimously.

Memorandum dated July 9, 1952, from Mr. Allen, Director, Division of Personnel Administration, recommending that Marjorie Kidd, File Clerk in the Office of the Secretary, be transferred to the Division of Personnel Administration as Clerk-Stenographer, with no change in her present basic salary of \$3,110 per annum, effective August 3, 1952. The memorandum also stated that the Secretary's Office was agreeable to this transfer.

Approved unanimously.

7/30/52

-3-

Memorandum dated July 22, 1952, from Mr. Dembitz, Assistant Director, Division of International Finance, recommending that Henry K. Heuser be designated as Chief of the Central and Eastern European Section in that Division, with basic salary at the rate of \$10,000 per annum, effective July 21, 1952.

Approved unanimously.

Memorandum dated July 23, 1952, from Mr. Leonard, Director, Division of Bank Operations, recommending that Betty P. Nalls, Clerk-Stenographer in the Division of Selective Credit Regulation, be transferred to the Division of Bank Operations, with no change in her present basic salary of \$3,175 per annum, effective as of the date she assumes her new duties. The memorandum also stated that the Division of Selective Credit Regulation was agreeable to this transfer.

Approved unanimously.

Memoranda recommending that the resignations of the following employees be accepted, effective the dates indicated:

<u>Date of Memorandum</u>	<u>Name and Title</u>	<u>Effective Date</u>
	<u>Memorandum from the Secretary of the Board</u>	
7/29/52	Betsy A. Stafford, File Clerk	8/8/52
	<u>Memorandum from Mr. Dembitz, Assistant Director, Division of International Finance</u>	
7/25/52	Florence I. Jaffy, Economist	8/8/52

Approved unanimously.

7/30/52

-4-

Memoranda recommending that the basic annual salaries of the following employees be increased in the amounts indicated, effective August 3, 1952:

<u>Date of Memorandum</u>	<u>Name and Title</u>	<u>Salary Increase</u>	
		<u>From</u>	<u>To</u>
	<u>Memorandum from Mr. Young, Director, Division of Research and Statistics</u>		
7/21/52	Ramsay Wood, Economist	\$9,600	\$9,800
	Saul B. Klamann, Economist	6,140	6,340
	Maurice U. Schwartz, Economist	6,140	6,340
	Bruna L. Watts, Draftsman	2,950	3,030
	<u>Memorandum from Mr. Dembitz, Assistant Director, Division of International Finance</u>		
7/18/52	Franc S. Valentine, Secretary to Mr. Marget	4,170	4,295
	Myrtle B. Caldwell, Clerk-Stenographer	3,535	3,660
	<u>Memorandum from Mr. Sloan, Director, Division of Examinations</u>		
7/11/52	W. B. Lassen, Assistant Federal Reserve Examiner	5,185	5,310
	K. P. Wendt, Assistant Federal Reserve Examiner	4,620	4,745
	<u>Memorandum from Mr. Leonard, Director, Division of Bank Operations</u>		
7/17/52	H. Pauline Franklin, Statistical Clerk	3,410	3,535
	Mary L. Roberts, Statistical Clerk	3,910	4,035

7/30/52

-5-

<u>Date of Memorandum</u>	<u>Name and Title</u>	<u>Salary Increase</u>	
		<u>From</u>	<u>To</u>
	<u>Memorandum from Mr. Bethea, Director, Division of Administrative Services</u>		
7/18/52	Raymond C. Twomey, Supervisor, Duplicating & Mail Section	\$5,245	\$5,370
	George L. Spencer, Jr., Clerk-Stenographer	3,190	3,270
7/21/52	Donald B. Fitzhugh, Operator, Tabulating Equipment	3,660	3,795
7/22/52	Gordon P. Johnson, Messenger	3,112	3,230

Approved unanimously.

Letter to Mr. Armistead, Vice President, Federal Reserve Bank
of Richmond, reading as follows:

"Reference is made to your letter of July 18, 1952, submitting for consideration of the Board of Governors a proposal of the Union Trust Company of Maryland, Baltimore, Maryland, to remove its branch office located at the north-east corner of Frederick Road and Ingleside Avenue, Catonsville, Maryland, to more modern and adequate quarters on the same side of Frederick Road about 300 feet east of its present location.

"On the basis of the facts submitted, it appears that the proposed change of location constitutes a mere relocation of an existing branch in the immediate neighborhood without affecting the nature of its business or the customers it serves. The Board concurs in your opinion that the proposal does not constitute the establishment of a branch within the meaning of Section 9 of the Federal Reserve Act, and, therefore, the Board's approval is not required."

Approved unanimously.

7/30/52

-6-

Letter to Mr. Armistead, Vice President, Federal Reserve Bank of Richmond, reading as follows:

"Reference is made to your letter of July 17, 1952, submitting the request of The Washington Loan and Trust Company, Washington, D. C., for approval, under the provisions of Section 24 A of the Federal Reserve Act, of an additional investment of \$6,500 in bank premises for the purpose of installing new electric wiring in a section of its main office building.

"In view of your recommendation, the Board of Governors approves the investment with the understanding that the amount is to be written off over a three-year period as proposed."

Approved unanimously.

Letter to Mr. Thompson, Vice President, Federal Reserve Bank of Cleveland, reading as follows:

"This refers to your letter of July 18, 1952, and enclosures from Private Enterprise Redevelopment Corporation of Cleveland. The corporation is engaged in a redevelopment program and pursuant to this purpose has purchased 2-1/3 acres of clear land on which it proposes to construct 66 rental housing units. This construction is part of a larger long-range program of redevelopment by private enterprise of low-grade residential sections of Cleveland. The financing of the project has produced problems for the redevelopment corporation, since it had expected to invest a smaller amount of equity capital per building unit than is required by Regulation X. Accordingly, the corporation has inquired whether 'administrative relief from Regulation X' could be obtained.

"We have given careful consideration to this problem and conclude that there would be no way short of an amendment to the regulation to provide either a greater relaxation in the multi-unit residential terms or a full exemption for the housing units. It would be most difficult to make regulatory distinctions of the kind proposed by the corporation, since, if it is contended that their project is of

7/30/52

-7-

"especial assistance to persons of limited financial means and is deserving of different treatment for social reasons, any builder of low-priced housing or relatively low-rent apartments could make the same claim whether he was redeveloping a slum area or developing a new residential section. Viewing the matter comparatively, the rentals to be charged by the corporation are no lower than the average rent being charged for rental housing in many communities where investment only and not redevelopment is the objective, and it is difficult to find criteria which distinguishes one operation from the other. Consequently, while we believe the project to be of the most commendable nature, it would not be possible to exclude it from the credit controls without also excluding a very considerable volume of other rental housing. If there are any facts respecting the project not disclosed in the correspondence, we would be glad to consider them in relation to the problem."

Approved unanimously.

Letter to the Board of Directors, The Farmers and Merchants Bank, Fairborn, Ohio, stating that, subject to conditions of membership numbered 1 and 2 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 Cleveland.

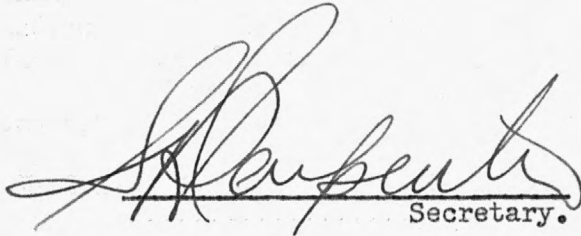
The letter contained the following special paragraph:

"In connection with the granting of deposit insurance it is noted that your bank agreed to maintain in the future fidelity coverage in accordance with the schedule recommended by the American Bankers Association and to refrain from exercising trust powers without obtaining prior written consent of the Federal Deposit Insurance Corporation. As a member bank The Farmers and Merchants Bank will be expected to comply

7/30/52

"with these commitments except that the consent of the Board of Governors instead of the Federal Deposit Insurance Corporation should be obtained before exercising trust powers."

Approved unanimously, for transmittal through the Federal Reserve Bank of Cleveland.


Secretary.