Minutes of actions taken by the Board of Governors of the Federal Reserve System on Friday, September 12, 1952. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Szymczak, Acting Chairman
Mr. Evans
Mr. Mills
Mr. Robertson

Mr. Sherman, Assistant Secretary
Mr. Kenyon, Assistant Secretary
Mr. Riefler, Assistant to the Chairman
Mr. Thomas, Economic Adviser to the Board
Mr. Vest, General Counsel
Mr. Noyes, Director, Division of Selective Credit Regulation
Mr. Benner, Assistant Director, Division of Selective Credit Regulation
Mr. Fauver, Assistant to Mr. Thurston

Mr. Noyes, who attended yesterday's meeting of the Stabilization Policy Committee along with Mr. Young, Director of the Division of Research and Statistics, made substantially the following statement with respect to his observations at the meeting:

By virtue of his responsibilities under the Defense Production Act, Mr. Putnam, Administrator of the Economic Stabilization Agency, has a legitimate interest in actions taken by Government agencies, including the Board, with respect to the regulation of real estate credit. To assist him in his consideration of such matters, he has chosen to have them taken up by the Stabilization Policy Committee, an interagency group of which he is chairman.

At its meeting on August 27, 1952, the Board was advised by Mr. Young and Mr. Benner of the discussion by the committee on the previous day concerning Regulation X, Real
Estate Credit, and it was reported that certain parties, particularly Mr. Caplan, economic adviser to Mr. Putnam, had expressed some doubt whether restraints over commercial construction credit should be removed even if it became necessary to announce a period of residential credit control relaxation pursuant to the operation of the Defense Production Act Amendments of 1952 and Executive Order 10161.

At that time the Board indicated that, in the absence of unforeseen interim developments, it would prefer to suspend Regulation X in entirety concurrent with any declaration of a period of residential credit control relaxation. Accordingly, when the Board's representatives attended a preliminary interagency staff discussion last Tuesday and the full committee meeting yesterday, they endeavored to gain Mr. Putnam's consent to a complete suspension of the regulation. Mr. Young reported the opinion of the Board and presented the reasons underlying that position at some length, stating particularly that the Board did not believe that it would be administratively feasible or worthwhile from an economic standpoint to continue Regulation X in the relatively small segment of the real estate credit field represented by commercial construction.

Mr. Putnam then called upon others present for their comments, and a representative of the Defense Production Administration stated that a suspension of Regulation X would create no apparent problems from the standpoint of that agency's program for the allocation of materials. Mr. Turner, of the Council of Economic Advisers, said that, although the Council felt strongly that it would be desirable to continue restrictions on real estate credit "across the board", he saw no particular
advantage, in view of the requirements of the Defense Production Act Amendments of 1952, in maintaining the restrictions over commercial construction credit only. Mr. Caplan asked some questions about the probable economic impact of an expansion of commercial construction activity, and Mr. Young responded with an analysis of the situation.

Mr. Hardy, Assistant Administrator of the Housing and Home Finance Agency, stated that that Agency was in agreement with the Board's views concerning the suspension of Regulation X, and also outlined a proposed program for the continuance of requirements pertaining to Government-aided housing credit. He said that his Agency intended to maintain present requirements governing credit extensions to veterans and that it also intended to make an announcement that Federal Housing Administration insured loans would go to the statutory limits but that the maximum permissible insured mortgage would be reduced from $16,000 to $14,000.

Representatives of the Veterans Administration, who had been requested to attend the committee meeting on account of the real estate credit discussion, stated that the Administration favored the most liberal terms for loans to veterans which would be permitted by statute; if Regulation X were to be suspended, they felt there should be no limitations on credit to veterans. In so stating, they indicated, however, that they were giving especial attention to the interests of the veterans rather than the effect of such a policy from the standpoint of over-all credit policy.

It was the consensus of the meeting that the program outlined by Mr. Hardy was appropriate.
Following the meeting, Mr. Young, Mr. Hardy, and I talked further with Mr. Putnam and Mr. Caplan, explaining that a decision in the matter was of some urgency. We also explained that, if the Board were to continue Regulation X in the field of commercial construction only, a complete rewriting of the regulation would be necessary. Mr. Caplan said he had not realized that such a complication would be involved, and after considering the matter, said that he would have no objection to suspension of the regulation. Thereupon, Mr. Putnam stated that he would have no further objection if the Board decided to go ahead.

Mr. Noyes observed that the Board had now received a letter from Mr. Galvin, Acting Secretary of Labor, dated September 11, stating that the Bureau of Labor Statistics, on the basis of preliminary data, estimated that 99,000 new permanent nonfarm dwelling units were started in August and that, on that basis, the annual rate, after reasonable allowance for seasonal variation, was 1,035,000. He also noted that this was the third consecutive month that the number of starts had fallen below a seasonally adjusted annual rate of 1,200,000 and that in accordance with law, a period of residential credit control relaxation must be announced not later than the first of October. In the circumstances, Mr. Noyes said, it was the recommendation of the staff that the Board act at this time.
to announce a period of residential credit control relaxation, effective September 16, and to suspend Regulation X, effective the same date. He said that the office of Mr. Foley, Housing and Home Finance Administrator, was preparing a press statement announcing the terms which would apply to Government-aided housing credit, and that they had indicated that they would like to issue their statement at the same time as any statement issued by the Board. He suggested, therefore, that both statements be handed to the press on the afternoon of September 15, for immediate release.

In answer to an inquiry by Governor Szymczak as to whether there had been any further consideration at the meeting of the Stabilization Policy Committee of the suggestion previously advanced by Mr. Foley that the Board might continue Regulation X and attempt to restrict conventionally-financed housing credit through the shortening of maximum maturities, Mr. Noyes said that there had been no further discussion of that possibility. He presumed that consideration by the Housing and Home Finance Agency of the implications of a reduction of maturities in the Government-aided housing field might have caused the idea to be discarded.

Copies of a draft of press statement were then distributed to the members of the Board, and the draft was considered at some
length, particularly in the light of a suggestion by Governor Evans that some reference be made to the feeling of the Board that conditions were such as to call for continued restraint over the extension of credit. In offering this suggestion, Governor Evans cited the expansion of instalment credit which had taken place following the suspension of Regulation W, Consumer Credit.

At this point the meeting recessed, and at 11:15 a.m. it reconvened with the same attendance as at the time of recess.

The proposed press statement had been redrafted to take into account suggestions made earlier in the meeting, and the revised draft was reviewed by the Board.

During the course of the discussion, question was raised as to the possible effect on the Government securities market of the announcement of a suspension of Regulation X in view of the impending Treasury refunding of certificates of indebtedness maturing October 1, and it was the consensus that an announcement during the period that the books were open on the exchange offering probably would have no disturbing effect since the action had been anticipated by the market. The language of the press statement was also considered carefully in the same connection.

Thereupon, it was voted unanimously that, subject to the concurrence of the
Housing and Home Administrator, a period of residential credit control relaxation should be declared, effective September 16, 1952, that Regulation X, Real Estate Credit, should be suspended, effective the same date, and that the following announcement should be sent to the Federal Register on the morning of September 15:

"1. a. The Secretary of Labor has transmitted to the Board of Governors of the Federal Reserve System the estimates required to be made by section 607 of the Defense Production Act of 1950, as amended, and section 503 of Executive Order No. 10161, as amended.

"b. The Secretary of Labor, on the basis of his estimates of the number of permanent, nonfarm, family dwelling units, the construction of which has been started during each of the three calendar months, June, July, and August, 1952, has estimated the annual rate of construction starts during each such month, after making reasonable allowance for seasonal variations in the rate of construction.

"c. The annual rate of construction starts so estimated by the Secretary of Labor for each of the said three months was at a level below an annual rate of 1,200,000 starts per year.

"2. In view of the foregoing, as required by section 607 of the Defense Production Act, as amended, and section 503 of Executive Order No. 10161, as amended, the Board of Governors of the Federal Reserve System, with the concurrence of the Housing and Home Finance Administrator, hereby announces the beginning of a 'period of residential credit control relaxation' which period shall begin on September 16, 1952.

"3. a. Effective September 16, 1952, Regulation X is suspended.

"b. The suspension of Regulation X was adopted by the Board after consideration of all relevant matter, including the recommendations received from time to time from industry and trade association representatives and others. Section 709 of the Defense Production Act of 1950, as amended, provides that the functions exercised under such Act shall be excluded from the operation of the Administrative Procedure Act (60 Stat. 237), except as to the requirements of section 3 thereof."
Secretary's Note: The Housing and Home Finance Administrator advised by letter dated September 12, 1952, that he concurred in the proposed announcement of a period of residential credit control relaxation and the effective date.

Unanimous approval also was given to a statement for the press to be issued for immediate release on the afternoon of September 15, with the understanding that a draft of the statement would be submitted to Chairman Martin for approval.

Secretary's Note: The press statement, having been approved by Chairman Martin on September 15, was issued in the following form:

"The Board of Governors of the Federal Reserve System today suspended Regulation X—Real Estate Credit—in connection with its announcement of a period of real estate credit control relaxation prescribed by the 1952 Amendments of the Defense Production Act. The suspension of Regulation X, effective September 16, 1952, applies to credit terms on both residential and nonresidential properties. Conventional mortgage loans are, of course, still subject to basic State and Federal statutes governing real estate loans by financial institutions.

"The Board's action today relates only to real estate credit not insured or guaranteed by the Government. A statement on terms that will apply to Government aided real estate credit is being issued separately by the Housing and Home Finance Administrator, Raymond E. Foley, who concurred in the Board's announcement.

"Regulation X was first issued in October 1950, under authority of the Defense Production Act of 1950 and Executive Order 10161 providing for regulation of
"real estate credit terms to restrain inflation and conserve defense-needed materials. It was suspended in view of mandatory provisions in the 1952 Amendments to the Defense Production Act. These amendments required that a period of residential credit control relaxation be announced if estimated residential construction starts for three consecutive months were below a seasonally adjusted annual rate of 1,200,000 units. Information has been received from the Secretary of Labor that the seasonally adjusted annual rate of housing starts, as estimated for this purpose, was less than 1,200,000 units in each of the months of June, July, and August, 1952."

In this connection, unanimous approval also was given to a telegram to the Presidents of all Federal Reserve Banks quoting the announcement, requesting the Banks to send copies to all registrants under Regulation X within their respective districts to reach such registrants not earlier than the morning of September 16, and stating that the text of a press statement would be wired to them on September 15 for such distribution as they deemed desirable.

There were presented telegrams to the Federal Reserve Banks of New York, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco stating that the Board approves the establishment without change by the Federal Reserve Bank of San Francisco on September 10, and by the Federal Reserve Banks of New York, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, and Dallas on September 11, 1952, of the rates of discount and purchase in their existing schedules.

Approved unanimously.
The meeting then recessed and reconvened at 4:45 p.m. with Governors Szymczak, Evans, Mills, and Robertson, and Messrs. Sherman, Assistant Secretary, and Leonard, Director, Division of Bank Operations, present.

Governor Evans stated that he had received a telephone call this afternoon from Mr. Parten, Chairman of the Federal Reserve Bank of Dallas, regarding the purchase of some property adjacent to the property on which the head office building of the Bank is located in Dallas, and that after discussing the matter with Mr. Parten generally he had had him talk further with Mr. Leonard.

At Governor Evans' request, Mr. Leonard reviewed the reasons for Mr. Parten's call, stating that he had asked specifically whether there was anything in the Board's regulations which would prevent the Dallas Bank from acquiring an option on some property for use of the Bank. Mr. Parten went on to say, Mr. Leonard said, that the property adjoining the Bank's building at the rear was about to be sold for $200,000 but that the Bank could acquire an option for $7,500 on the property at the same price of $200,000. The property which the Bank is considering buying runs approximately 138 feet on Wood Street by 105 feet on Browder Street and at present is partly occupied by a bus station.
Mr. Leonard stated that this purchase had been under consideration for some time and that the reason for Mr. Parten's call was that developments today had indicated that the property in question might be sold immediately to another potential purchaser unless the Bank acted at once. Mr. Leonard emphasized that Mr. Parten said he was not asking for an indication of approval of the purchase at this time but was questioning whether the directors of the Dallas Bank were in any way prohibited from acquiring the option for $7,500 since, if they were not prohibited from doing so by regulation, they planned to go ahead as a matter of sound business judgment on their own responsibility. Mr. Leonard stated that he informed Mr. Parten that he knew of no regulation or ruling of the Board which would prevent them from going ahead.

Governor Mills raised the question whether Mr. Parten had taken the matter up with other directors of the Bank and Mr. Leonard responded that Mr. Parten had discussed it with some of the directors, although he understood there had been no formal authorization by the directors to take the option in question because the urgency of action had not been apparent until today.

Governor Robertson stated that he felt that this was the type of transaction in which the directors of a Federal Reserve Bank are especially qualified to exercise sound business judgment and that
if they and the President of the Reserve Bank felt the move desirable, he would leave the decision as to taking the option to them.

Mr. Leonard commented that before an actual purchase was completed the Reserve Bank would request the Board's approval of the transaction. In this connection, he noted that while Mr. Norton was a member of the Board of Governors he had encouraged a program for acquisition of necessary real estate to meet the needs of Federal Reserve Banks and branches for as much as 25 years.

Following further discussion, it was agreed unanimously that Mr. Leonard should call Chairman Parten on the telephone and inform him that the Board approved the taking of the option in question with the understanding that before actually doing so Mr. Parten would assure himself that it had the approval of the Board of Directors and the President of the Federal Reserve Bank of Dallas.

At this point Mr. Leonard withdrew from the meeting and the following additional actions were taken by the Board:

Minutes of actions taken by the Board of Governors of the Federal Reserve System on September 11, 1952, were approved unanimously.

Memoranda recommending that the basic annual salaries of the following employees be increased in the amounts indicated,
effective September 14, 1952:

<table>
<thead>
<tr>
<th>Date of Memorandum</th>
<th>Name and Title</th>
<th>Salary Increase</th>
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<tbody>
<tr>
<td>Memorandum from Mr. Young, Director, Division of Research and Statistics</td>
<td>8/19/52 Philip M. Webster, Economist</td>
<td>From $5,060 To $5,185</td>
</tr>
<tr>
<td>Memorandum from Mr. Sloan, Director, Division of Examinations</td>
<td>8/13/52 C. S. Barker, Federal Reserve Examiner</td>
<td>6,540 6,740</td>
</tr>
<tr>
<td>Memorandum from Mr. Sloan, Director, Division of Examinations</td>
<td>8/13/52 J. F. Clark, Federal Reserve Examiner</td>
<td>6,340 6,540</td>
</tr>
</tbody>
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Approved unanimously.

Memorandum dated August 27, 1952, from Mr. Honbrett, Assistant Director, Division of Bank Operations, recommending the appointment of Maria Jo Peterson as Clerk-Typist in that Division, on a temporary indefinite basis, with basic salary at the rate of $3,190 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.

Approved unanimously.

Memorandum dated September 9, 1952, from Mr. Allen, Director, Division of Personnel Administration, recommending that Michael L.
9/12/52

Janison, formerly Messenger in Governor Powell's office, be transferred to the position of Messenger in Governor Mills' office, with no change in his present basic salary of $3,150 per annum, effective September 14, 1952, and with the understanding that he would also perform messenger work for Governor Robertson.

Approved unanimously.

Memorandum dated August 29, 1952, from Mr. Young, Director, Division of Research and Statistics, stating that the appointment of James H. Lorie as Consultant in that Division would be terminated, at Mr. Lorie's request, effective at the close of business on September 12, 1952.

Noted.

Memorandum dated September 10, 1952, from Mr. Leonard, Director, Division of Bank Operations, recommending that the resignation of Pearl S. Wade, Clerk-Stenographer in that Division, be accepted to be effective, in accordance with her request, at the close of business September 9, 1952.

Approved unanimously.

Letter to Mr. Latham, Vice President, Federal Reserve Bank of Boston, reading as follows:
"In accordance with the request contained in your letter of August 29, 1952, the Board approves the designation of the following individuals as special assistant examiners for the Federal Reserve Bank of Boston, for the specific purpose of rendering assistance in the examinations of Depositors Trust Company, Augusta, Maine, The Merrill Trust Company, Bangor, Maine, The Hartford-Connecticut Trust Company, Hartford, Connecticut, Industrial Trust Company, Providence, Rhode Island, Rhode Island Hospital Trust Company, Providence, Rhode Island:

Paul E. Martin
George R. Mullen
Harry D. Malone
Roger W. Trask

Albert W. Coughlin
Richard E. Slowe
Harold F. Price
Leo J. Dooley

George H. Towne
Clarence L. Jones
Leroy G. Davy
Donald R. Gilmore

Raeburn O. Woodward

"As requested, we have canceled the designation of Frank E. Johnson as a special assistant examiner."

Approved unanimously.

Letter to Mr. Latham, Vice President, Federal Reserve Bank of Boston, reading as follows:

"In accordance with the request contained in your letter of September 2, the Board approves the designation of Robert W. Manning and Clinton N. Foss as special assistant examiners for the Federal Reserve Bank of Boston for the specific purpose of rendering assistance in the examinations of Depositors Trust Company, Augusta, Maine, The Merrill Trust Company, Bangor, Maine, The Hartford-Connecticut Trust Company, Hartford, Connecticut, Industrial Trust Company, Providence, Rhode Island and Rhode Island Hospital Trust Company, Providence, Rhode Island."

Approved unanimously.

Letter to Mr. Wiltse, Vice President, Federal Reserve Bank of New York, reading as follows:
"In accordance with the request contained in your letter of September 2, 1952, the Board approves the appointment of Parke R. Elmer as an examiner for the Federal Reserve Bank of New York, and the designation of William M. Schultz as a special assistant examiner.

"Please advise us of the date upon which the appointment of Mr. Elmer is made effective."

Approved unanimously.

Letter to Mr. Clarke, Secretary, Federal Reserve Bank of New York, reading as follows:

"Thank you for your letter of September 8, 1952, advising that Mr. George Garvy, a Senior Economist in the Research Department of your Bank, has been granted a leave of absence with pay, for a period of approximately two weeks, to permit him to join a mission to Panama which is being conducted under the auspices of the International Bank.

"It is noted from your letter that Mr. Garvy's leave commenced on September 5, 1952, and that the International Bank is assuming his transportation and subsistence expenses incurred in connection with this assignment."

Approved unanimously.

Letter to Mr. McCormick, Chairman, Federal Reserve Bank of Richmond, reading as follows:

"The Board of Governors approves the payment of salary to Mr. Thomas I. Storrs as an officer of the Federal Reserve Bank of Richmond, with the title of Assistant Vice President, at the rate of $9,000 per annum for the period September 16, 1952 through May 31, 1953."
"The Board further approves payment of salary to Mr. Alfred A. Stewart, Jr., as an officer of the Baltimore Branch, with the title of Cashier, at the rate of $9,000 per annum for the period September 16, 1952 through May 31, 1953."

Approved unanimously.

Letter to Mr. Powell, President, Federal Reserve Bank of Minneapolis, reading as follows:

"Reference is made to your letter of August 8, 1952, requesting the Board of Governors to approve an increase in the salary structure of the Federal Reserve Bank of Minneapolis and its Helena Branch.

Subject to proper clearance with the Wage and Salary Stabilization Boards, the Board of Governors approves the following minimum and maximum salaries for the respective grades effective September 1, 1952.

<table>
<thead>
<tr>
<th>Grade</th>
<th>Minimum Salary</th>
<th>Maximum Salary</th>
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<td>8350</td>
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<td>15</td>
<td>6800</td>
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<tr>
<td>16</td>
<td>7550</td>
<td>10,150</td>
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</table>

"The Board approves the payment of salaries to the employees, other than officers, within the limits specified for the grades in which the positions of the
"respective employees are classified. It is assumed that all employees whose salaries are below the minimum of their grades as a result of the structure increase will be brought within the appropriate range as soon as practicable and not later than 90 days following Wage and Salary Stabilization approval."

Approved unanimously.

Letter to Mr. Earhart, President, Federal Reserve Bank of San Francisco, reading as follows:

"Reference is made to your letter of August 20, 1952, in which you request that the Board approve a new salary structure for the Federal Reserve Bank of San Francisco. It is understood that the structures at the Branches are to remain as approved January 28, 1952. The Board of Governors approves the following minimum and maximum salaries for the respective grades effective January 11, 1952:

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<tr>
<th>Grade</th>
<th>Minimum Salary</th>
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<tr>
<td>16</td>
<td>$7,500</td>
<td>$10,100</td>
</tr>
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"The Board approves the payment of salaries to the employees other than officers within the limits specified
"For the grades in which the positions of the respective employees are classified. It is assumed that all employees whose salaries are below the minimum of their grades as a result of this structure modification will be brought within the appropriate range as soon as practicable and not later than December 1, 1952."

Approved unanimously.

Letter to the Board of Directors, The Morristown Trust Company, Morristown, New Jersey, reading as follows:

"Pursuant to your request submitted through the Federal Reserve Bank of New York, the Board of Governors approves the establishment and operation of a branch on South Street at the juncture of Madison Avenue in Morristown, New Jersey, by The Morristown Trust Company, provided the branch is established within one year from the date of approval by the Commissioner of Banking and Insurance of the State of New Jersey."

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

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

"In its letter of August 19, 1948 (S-1033; F.R.L.S #6503), the Board stated that the Federal Reserve Banks should make a report to the United States Attorney, and to the Board for transmission to the Attorney General, of every case coming to the Banks' attention in which it appears probable that a violation of the banking laws constituting a felony may have occurred, where Federal
Reserve Banks or State member banks are involved.

"In this connection section 1004 of Title 18, U. S. Code, makes it a felony to certify a check before the amount thereof has been 'regularly deposited' in the bank, and we are informed that questions have arisen at the Federal Reserve Banks from time to time as to whether the certification of a check against deposits of items not yet collected constitutes a violation of this statute which should be reported. We know of no authoritative determination by the courts on the question whether a check deposited in a bank but not yet collected is to be considered as 'regularly deposited' within the meaning of this statute, and we recognize the difficulty in such circumstances of applying a general rule in determining whether there has been an apparent violation of the law.

"It is the view of the Board that the question whether a certification against uncollected funds constitutes an apparent violation is one that can best be answered only by consideration by the Reserve Bank and its Counsel of the facts and circumstances of the individual case. As a practical matter, however, where the items which are the basis for a certification of a check are subsequently collected in due course, it would seem that there is little likelihood of conviction of violation of the law, and the Board feels that, in the absence of exceptional circumstances, no purpose would be served by reporting such a case. In other situations, the facts may be such as to indicate an apparent violation of the law and where this is true the matter should, of course, be reported.

"This letter applies only to the certification of checks against uncollected funds and does not relate to other possible violations of the banking laws."

Approved unanimously.
Letter to the Presidents of all Federal Reserve Banks,

reading as follows:

"As you know, the verification of Federal Reserve currency before destruction is handled jointly by the Currency Redemption Division, Office of the Treasurer of the United States, and the Federal Reserve Issue and Redemption Division, Office of the Comptroller of the Currency. The expenses of the Currency Redemption Division incurred in this connection are assessed by the Treasurer of the United States against the Federal Reserve Banks once a year in August. The assessment is for the work of the preceding Government fiscal year and is made by charging the Redemption Fund for Federal Reserve Notes. The Reserve Bank is notified of the charge and requested to reimburse the Redemption Fund by a deposit.

"We have been asked informally whether there would be any objection to the adoption of a procedure whereby advance payment would be made for the expenses of the Currency Redemption Division in redeeming Federal Reserve currency. The suggested procedure would presumably be similar to that now followed with respect to the expenses of the Federal Reserve Issue and Redemption Division of the Comptroller of the Currency's Office. Under this procedure your Bank is requested by the Board late in June and December of each year, in the Board's wire code CULEH, to remit its portion of the estimated expenses of this Division for the next semiannual period.

"The Office of the Treasurer has stated that under the present arrangement appropriated funds sometimes are exhausted before the end of the year and there results a backlog of work until new appropriations become available. Under the suggested procedure the work could be handled more efficiently, as it could be kept current at all times. Please let us know whether you see any objection to the proposal. If adopted, it would probably be made effective for a succeeding Government fiscal year, but might be made effective this year."

Approved unanimously.
Memorandum dated September 10, 1952, from Mr. Bethea, Director, Division of Administrative Services, recommending, for reasons stated therein, that the Board authorize reprinting 2,000 paper-bound copies of "Banking Studies" by the offset process at a cost of approximately $1,700. The memorandum stated that no provision had been made in the 1952 budget of the Division of Administrative Services to cover the cost involved.

Approved unanimously.

Assistant Secretary.