

**FEDERAL OPEN MARKET COMMITTEE**

**RULES OF ORGANIZATION AND PROCEDURE**



Issued Pursuant to  
**ADMINISTRATIVE PROCEDURE ACT**  
**AND FEDERAL RESERVE ACT**

As amended effective April 17, 1962

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# RULES OF ORGANIZATION

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ARTICLE I

SECTION 1

The Board of Governors of the Federal Reserve System shall consist of seven members, one of whom shall be the Chairman, and one of whom shall be the Vice Chairman, appointed by the President of the United States, with the advice and consent of the Senate, for terms of office to be fixed by law, but not exceeding five years.

SECTION 2

Members.—The Federal Reserve Banks shall elect representatives of the members of the Board of Governors of the Federal Reserve System, and the representatives of the Federal Reserve Banks who are Presidents or Vice Presidents of such Banks. The representatives of the Federal Reserve Banks, and an alternate for each representative, are elected in accordance with section 12A of the Federal Reserve Act by ballot at the year commencing on March 1 of each year.

Chairman and Vice Chairman.—At its first meeting after March 1 of each year, the Committee selects a Chairman and a Vice Chairman from among its membership.

Meetings.—The Committee meets at Washington, D. C., or elsewhere, at the request of three members of the Committee, or whenever there may be deemed necessary.

SECTION 3

The Committee shall have the power to call such persons as it may deem necessary to its meetings, and to require them to produce before it such books, papers, and documents as it may deem necessary.

## RULES OF ORGANIZATION \*

As amended effective April 17, 1962

### SECTION 1—BASIS AND SCOPE

These rules are issued by the Federal Open Market Committee (hereinafter sometimes called the Committee) pursuant to the Administrative Procedure Act (60 Stat. 237; 5 U.S.C. 1001) and the Federal Reserve Act (sec. 12A, 48 Stat. 168; 12 U.S.C. 263). Included therein are the rules specified by section 3(a) (1) of the Administrative Procedure Act.

### SECTION 2—COMPOSITION AND MEETINGS OF COMMITTEE

(a) **Members.**—The Federal Open Market Committee consists of the members of the Board of Governors of the Federal Reserve System and five representatives of the Federal Reserve Banks who are Presidents or First Vice Presidents of such banks. The representatives of the Federal Reserve Banks, and an alternate for each representative, are elected in accordance with section 12A of the Federal Reserve Act for terms of one year commencing on March 1 of each year.

(b) **Chairman and Vice Chairman.**—At its first meeting on or after March 1 of each year, the Committee selects a Chairman and a Vice Chairman from among its membership.

(c) **Meetings.**—The Committee meets at Washington, D. C., on call by the Chairman of the Board of Governors of the Federal Reserve System or at the request of three members of the Committee, at least four times each year and oftener if deemed necessary.

### SECTION 3—PERSONNEL

(a) **Official Staff.**—The official staff of the Federal Open Market Committee includes its Secretary and Assistant Secretaries, General Counsel and Assistant General Counsel, and Economist and Associate Economists, who perform the duties indicated by their titles. These staff members are selected from among the officers and employees of the Board of Governors of the Federal Reserve System and the Federal Reserve Banks. In addition, one of the Federal Reserve Banks is

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\* The text is not included in the Code of Federal Regulations and therefore may not be cited with a code reference.

selected by the Committee to execute transactions for the System Open Market Account; and the Committee selects a Manager of the System Open Market Account and a Special Manager for foreign currency operations for such Account, both of whom shall be satisfactory to such Federal Reserve Bank.

(b) **Others.**—The services of other officers and employees of the Board of Governors of the Federal Reserve System and Federal Reserve Banks are made available and are utilized by the Committee as required.

**RULES REGARDING INFORMATION, SUBMITTALS,  
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REPORT OF THE BOARD OF DIRECTORS  
AND OFFICERS OF THE FEDERAL RESERVE BANK OF ST. LOUIS  
FOR THE YEAR 1914

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REPORT OF THE BOARD OF DIRECTORS AND OFFICERS OF THE FEDERAL RESERVE BANK OF ST. LOUIS FOR THE YEAR 1914. The Board of Directors and Officers of the Federal Reserve Bank of St. Louis have the honor to submit to the Board of Governors of the Federal Reserve System, and to the public, the report of the Bank for the year 1914. The report contains a full and complete statement of the affairs of the Bank, and of the operations of the Federal Reserve System, as conducted by the Board of Directors and Officers of the Bank during the year 1914.

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# RULES REGARDING INFORMATION, SUBMITTALS, AND REQUESTS \*

(12 CFR PART 271)

As amended effective April 17, 1962

## SECTION 271.1—BASIS AND SCOPE

This part is issued by the Federal Open Market Committee (sometimes called the Committee in this part) pursuant to the Administrative Procedure Act (60 Stat. 237; 5 U.S.C. 1001) and the Federal Reserve Act (sec. 12A, 48 Stat. 168; 12 U.S.C. 263). It includes the rules specified by sections 3(b) and 3(c) of the Administrative Procedure Act.

## SECTION 271.2—SUBMITTALS, PETITIONS, AND REQUESTS

(a) **Place.**—The mailing address of the Federal Open Market Committee is: Federal Reserve Building, 20th Street and Constitution Avenue, Washington 25, D. C. The Committee customarily meets at the offices of the Board of Governors of the Federal Reserve System at that address.

(b) **Method.**—All submittals, petitions, and requests, including requests for access to information, shall be made in writing and mailed to the Committee at the address stated in paragraph (a) of this section. Any petition or request shall be signed by the person making it, or his duly authorized agent, and shall, in so far as practicable, clearly, completely, and concisely state his full name and address, the facts involved (including the purposes for which any unpublished information requested will be used if made available), the action desired, the person's interest in the matter, and the reasons why the petition or request should be granted.

## SECTION 271.3—AVAILABILITY OF INFORMATION

(a) **Federal Register.**—Rules describing the Committee's organization and procedure and any substantive rules or statements of policy which are formulated and adopted by the Committee for the guidance of the public will be published in the Federal Register.

(b) **Policy Record.**—A complete record of the actions taken by the Committee during the preceding year upon all matters of policy relating to open market operations, showing the votes taken and the

\* The text corresponds to the Code of Federal Regulations, Title 12, Chapter II, Part 271; cited as 12 CFR Part 271.

reasons underlying the actions, is included in each annual report made to Congress by the Board of Governors of the Federal Reserve System in accordance with section 10 of the Federal Reserve Act.

(c) **Unpublished Information.**—Except as may be specifically authorized by the Committee, or as may be required in the performance of duties for, or pursuant to the direction of, the Committee, no person shall disclose, or permit the disclosure of, any unpublished information of the Committee to anyone, whether by giving out or furnishing such information or copy thereof, by allowing any person to inspect, examine or copy such information or copy thereof, or by any other means. Unpublished information of the Committee shall include all information concerning the proceedings, deliberations, discussions, and actions of the Committee and all information or advice coming to the Committee or to any member of the Committee or any officer, employee or agent of the Committee, the Board of Governors of the Federal Reserve System, or any Federal Reserve Bank, in the performance of duties for, or pursuant to the direction of, the Committee, whether contained in files, memoranda, documents, reports, books, accounts, records, or papers or otherwise acquired and whether located at the offices of the Board of Governors of the Federal Reserve System, the Federal Reserve Banks, or elsewhere: *Provided*, That it shall not include information which has been published in accordance with paragraphs (a) and (b) of this section or information which is available to the public through other sources.

(d) **Reasons for Nondisclosure.**—The nondisclosure of unpublished information of the Committee generally is required in the public interest for one or more of the following reasons:

(1) Disclosure of unpublished information concerning policies with respect to future open market operations which are under consideration or have been adopted by the Committee, and of unpublished information which might aid in anticipating action by the Committee, would:

(i) Interfere with the accomplishment of the objectives of the Committee's actions taken with a view to accommodating commerce and business and with regard to their bearing upon the general credit situation of the country;

(ii) Permit speculators and others to reap unfair profits or other unfair advantages by speculative trading in securities, foreign exchange, and otherwise;

(iii) Interfere with the orderly execution of policies adopted by the Committee;

(iv) Result in unnecessary and unwarranted disturbances

in the securities market;

(v) Make open market operations more costly to the Federal Reserve Banks;

(vi) Interfere with the orderly execution and accomplishment of the objectives of policies adopted by other Government agencies concerned with economic and fiscal matters; and

(vii) Cause misinterpretations and misunderstandings, with possible resultant impairment of public confidence in the nation's financial structure.

(2) The Committee's unpublished information includes much that is furnished to it on a secret or confidential basis and its disclosure would:

(i) Have the effects described in subparagraph (1) of this paragraph;

(ii) Impede the necessary collection of information and advice, much of which cannot be obtained except on a confidential and voluntary basis; and

(iii) Unreasonably and unnecessarily disturb and interfere with individual privacy and confidential business relationships.

(e) **Requests for Unpublished Information.**—Requests for access to unpublished information will be granted only if it clearly appears that disclosure of the information will not be contrary to the public interest for any of the reasons set forth in paragraph (d) of this section.

#### SECTION 271.4—SUBPOENAS

(a) **Advice by Person Served.**—If any person, whether or not an officer or employee of the Committee, of the Board of Governors of the Federal Reserve System, or of a Federal Reserve Bank, has unpublished information of the Committee and in connection therewith is served with a subpoena, order, or other process requiring his personal attendance as a witness or the production of documents or information upon any proceeding, he shall promptly advise the Committee of such service and of all relevant facts, including the documents and information requested and any facts which may be of assistance in determining whether such documents or information should be made available; and he shall take action at the appropriate time to advise the court or tribunal which issued the process, and the attorney for the party at whose instance the process was issued, if known, of the substance of this part.

(b) **Appearance by Person Served.**—Except as disclosure of the

**RULES REGARDING INFORMATION**

relevant information has been authorized pursuant to this part, any such person who has unpublished information of the Committee and is required to respond to a subpoena or other legal process shall attend at the time and place therein mentioned and respectfully decline to produce any documents or disclose any information or give any testimony with respect thereto, basing his refusal upon this part. If, notwithstanding, the court or other body orders the production of any documents, disclosure of any information, or giving of any testimony, the person having such unpublished information of the Committee shall promptly report the facts to the Committee for such action as the Committee may deem appropriate.

**SECTION 11.1.5.1**

(a) Appointments by Federal Reserve Board.—If any person, whether or not an officer or employee of the Committee, or the Board of Governors of the Federal Reserve System, or a Federal Reserve Bank, has received confidential information of the Committee and is required to appear in any proceeding, he shall not be compelled to disclose such information or to give any testimony with respect thereto, basing his refusal upon this part. If, notwithstanding, the court or other body orders the production of any documents, disclosure of any information, or giving of any testimony, the person having such confidential information of the Committee shall promptly report the facts to the Committee for such action as the Committee may deem appropriate.

# RULES OF PROCEDURE

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FRASER REPORT NO. 100

1973-74

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FRASER REPORT NO. 100

1. The purpose of this report is to provide a summary of the findings of the Fraser Commission on the operations of the Fraser River Commission.

2. The Fraser River Commission was established in 1967 to coordinate the activities of the various agencies responsible for the management of the Fraser River.

3. The Commission's mandate is to ensure that the Fraser River is managed in a way that is consistent with the interests of the people of British Columbia.

4. The Commission's activities are divided into three main areas: (a) planning, (b) implementation, and (c) monitoring and evaluation.

5. The Commission's planning activities include the development of a long-term plan for the Fraser River, and the preparation of annual reports.

6. The Commission's implementation activities include the coordination of the activities of the various agencies, and the implementation of the long-term plan.

7. The Commission's monitoring and evaluation activities include the collection of data on the Fraser River, and the assessment of the Commission's performance.

8. The Commission's findings indicate that the Fraser River Commission has made significant progress in the management of the Fraser River.

9. However, there are still a number of areas where improvement is needed, and the Commission is committed to continuing its efforts to improve the management of the Fraser River.

10. The Commission's recommendations are that the Government of British Columbia should continue to support the Commission's activities, and that the Commission should continue to work closely with the various agencies.

11. The Commission's findings and recommendations are set out in detail in the report.

12. The Commission's report is a valuable contribution to the management of the Fraser River, and it is hoped that it will be of use to the people of British Columbia.

13. The Commission's report is available to the public, and it is hoped that it will be widely read and discussed.

14. The Commission's report is a reflection of the hard work and dedication of the Commission's staff, and it is a testament to their commitment to the management of the Fraser River.

15. The Commission's report is a valuable contribution to the management of the Fraser River, and it is hoped that it will be of use to the people of British Columbia.

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## RULES OF PROCEDURE \*

(12 CFR PART 272)

As amended effective April 17, 1962

### SECTION 272.1—BASIS AND SCOPE

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### SECTION 272.2—COMMITTEE ACTION

The function of the Committee is the direction and regulation of open market operations which are conducted by the Federal Reserve Banks. This involves the determination of the policies which are to be pursued with respect to open market operations by the Federal Reserve Banks with a view to accommodating commerce and business and with regard to their bearing upon the general credit situation of the country, together with consideration and action upon incidental matters relating to the manner in which such operations are to be conducted. The discharge of the Committee's responsibilities requires the continuous gathering of information and study of changing financial, economic, and credit conditions and other pertinent considerations by the members of the Committee and its personnel. These activities are closely interrelated with other activities of the Board of Governors of the Federal Reserve System and the Federal Reserve Banks and all relevant information and views developed by these organizations are available to the Committee. With this background, action is taken by the Committee upon its own initiative at periodic meetings held at least four times each year and oftener if deemed necessary. Attendance at Committee meetings is restricted to members of the Committee and its official staff, including the Manager of the System Open Market Account and the Special Manager for foreign currency operations for such Account, the Presidents of Federal Reserve Banks who are not at the time members of the Committee, and such other advisers as the Committee may invite from time to time. The Committee acts through the adoption and transmittal of directives and regulations to the Federal Reserve Banks. Operations in the System Open Market Account are conducted pursuant to directives issued by the Committee.

\*The text corresponds to the Code of Federal Regulations, Title 12, Chapter II, Part 272; cited as 12 CFR Part 272.

## RULES OF PROCEDURE

## SECTION 272.3—NOTICE AND PUBLIC PROCEDURE

There ordinarily will be no published notice of proposed action by the Committee or public procedure thereon, as described in section 4 of the Administrative Procedure Act (sec. 4, 60 Stat. 238), because such notice and procedure is impracticable, unnecessary, or contrary to the public interest for one or both of the following reasons:

(a) Nondisclosure of information is required in the public interest for reasons stated in §271.3(d) of this subchapter; and

(b) Expeditious and timely action, without the delay incident to such notice and procedure, is required in the public interest.

## SECTION 272.4—EFFECTIVE DATE

Committee action ordinarily will be made effective on the date the action is taken because the nature of the subject matter and the action taken is such that the public interest and the proper discharge of the Committee's responsibilities so require.

## SECTION 272.5—SUBMITTALS, PETITIONS, AND REQUESTS

Submittals, petitions, and requests may be made to the Committee at any time in the manner stated in §271.2 of this subchapter. They will be considered by members of the Committee's official staff and, where appropriate, will be brought to the attention of the members of the Committee for consideration and any necessary action.