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# HOUSE BANKING AND CURRENCY BILL

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ALSO

## COMPARATIVE PRINT

SHOWING THE CHANGES SUGGESTED BY THE AMENDMENT SUBMITTED TO THE SENATE BY MR. OWEN, ALSO THE CHANGES SUGGESTED BY THE AMENDMENTS INTENDED TO BE PROPOSED BY MR. HITCHCOCK TO

### H. R. 7837

AN ACT TO PROVIDE FOR THE ESTABLISHMENT OF FEDERAL RESERVE BANKS, TO FURNISH AN ELASTIC CURRENCY, TO AFFORD MEANS OF REDISCOUNTING COMMERCIAL PAPER, TO ESTABLISH A MORE EFFECTIVE SUPERVISION OF BANKING IN THE UNITED STATES, AND FOR OTHER PURPOSES.

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*In the Senate of the United States,*

*November 24, 1913.*

*Ordered,* That the print in parallel columns of House bill 7837, "An Act to provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes," be printed so as to show on the left-hand page the House bill as it stands without amendment. Also that in the reprint the term "substitute" be stricken from the print and it be made to read "Owen amendment," and that within the \$500 limit these documents be printed for the use of the country.

Attest:

JAMES M. BAKER,

*Secretary.*

(iii)



THE PART PRINTED IN ROMAN AND STRICKEN-THROUGH TYPE IN EITHER COLUMN SHOWS THE HOUSE BILL; OMIT THE PART STRUCK THROUGH AND INSERT THE PART PRINTED IN ITALIC.

HOUSE BILL.

## AN ACT

To provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*  
3 That the short title of this Act shall be the "Federal Reserve  
4 Act."

OWEN AMENDMENT.

## AN ACT

To provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*  
3 That the short title of this Act shall be the "Federal Reserve  
4 Act."

5 *Wherever the word "bank" is used in this Act, the word*  
6 *shall be held to include State bank, banking association, and*  
7 *trust company, except where national banks or Federal reserve*  
8 *banks are specifically referred to.*

HITCHCOCK AMENDMENTS.

## AN ACT

To provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*  
3 That the short title of this Act shall be the "Federal Reserve  
4 Act."

5 *The terms "national bank" and "national banking*  
6 *association" used in this Act shall be held to be synonymous*  
7 *and interchangeable. The term "member bank" shall be*  
8 *held to mean any national bank, State bank, or trust com-*  
9 *pany which has become a member of one of the reserve banks*  
10 *created by this Act. The term "board" shall be held to mean*  
11 *Federal Reserve Board; the term "district" shall be held to*

HOUSE BILL.

3

FEDERAL RESERVE DISTRICTS.

2

OWEN AMENDMENT.

3

FEDERAL RESERVE DISTRICTS.

2

HITCHCOCK AMENDMENTS.

1 mean Federal reserve district; the term "reserve bank" shall  
2 be held to mean Federal reserve bank.

3 FEDERAL RESERVE DISTRICTS.

4 ~~SEC. 2. That within ninety days after the passage of~~  
5 ~~this Act, or as soon thereafter as practicable, the Secretary~~  
6 ~~of the Treasury, the Secretary of Agriculture, and the Comp-~~  
7 ~~troller of the Currency, acting as "The Reserve Bank Or-~~  
8 ~~ganization Committee," shall designate from among the~~  
9 ~~reserve and central reserve cities now authorized by law a~~  
10 ~~number of such cities to be known as Federal reserve cities,~~  
11 ~~and shall divide the continental United States into districts,~~  
12 ~~each district to contain one of such Federal reserve cities:~~  
13 ~~Provided, That the districts shall be apportioned with due~~  
14 ~~regard to the convenience and customary course of business~~  
15 ~~of the community and shall not necessarily coincide with~~  
16 ~~the area of such State or States as may be wholly or in part~~  
17 ~~included in any given district. The districts thus created~~  
18 ~~may be readjusted and new districts may from time to time~~  
19 ~~be created by the Federal Reserve Board hereinafter es-~~  
20 ~~tablished, acting upon a joint application made by not less~~  
21 ~~than ten member banks desiring to be organized into a new~~  
22 ~~district. The districts thus constituted shall be known as~~  
23 ~~Federal reserve districts and shall be designated by number~~  
24 ~~according to the pleasure of the organization committee,~~  
25 ~~and no Federal reserve district shall be abolished, nor the~~

2

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 ~~location of a Federal reserve bank changed, except upon~~  
2 ~~the application of three fourths of the member banks of such~~  
3 ~~district.~~

4 ~~The organization committee shall, in accordance with~~  
5 ~~regulations to be established by itself, proceed to organize in~~  
6 ~~each of the reserve cities designated as hereinbefore specified~~  
7 ~~a Federal reserve bank. Each such Federal reserve bank~~  
8 ~~shall include in its title the name of the city in which it is~~  
9 ~~situated, as "Federal Reserve Bank of Chicago," and so~~  
10 ~~forth. The total number of reserve cities designated by the~~  
11 ~~organization committee shall be not less than twelve, and~~  
12 ~~the organization committee shall be authorized to employ~~  
13 ~~counsel and expert aid, to take testimony, to send for persons~~  
14 ~~and papers, to administer oaths, and to make such investiga-~~  
15 ~~tions as may be deemed necessary by the said committee for the~~  
16 ~~purpose of determining the reserve cities to be designated~~  
17 ~~and organizing the reserve districts hereinbefore provided.~~

18 ~~Every national bank located within a given district~~  
19 ~~shall be required to subscribe to the capital stock of the~~  
20 ~~Federal reserve bank of that district a sum equal to twenty~~  
21 ~~per centum of the capital stock of such national bank fully~~  
22 ~~paid in and unimpaired, one fourth of such subscription to~~  
23 ~~be paid in cash and one fourth within sixty days after said~~  
24 ~~subscription is made. The remainder of the subscription~~  
25 ~~or any part thereof shall become a liability of the member~~

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

16 SEC. 2. That within ninety days after the passage of  
17 this Act, or as soon thereafter as practicable, the Sec-  
18 retary of the Treasury, the Secretary of Agriculture, and  
19 the Comptroller of the Currency, acting as "The Reserve  
20 Bank Organization Committee," shall designate from among  
21 the reserve and central reserve cities now authorized by  
22 law a number of such cities to be known as Federal  
23 reserve cities, and shall divide the continental United  
24 States into districts, each district to contain one of such

16 SEC. 2. ~~That within ninety days after the passage of~~  
17 ~~this Act, or as~~ As soon thereafter as practicable, the Secre-  
18 tary of the Treasury, ~~the Secretary of Agriculture, and the~~  
19 ~~Comptroller of the Currency, and not less than two members~~  
20 ~~of the Federal Reserve Board,~~ acting as "The Reserve Bank  
21 Organization Committee," shall designate ~~from among the~~  
22 ~~reserve and central reserve cities now authorized by law a~~  
23 ~~number of such~~ eight cities to be known as Federal reserve  
24 cities, and shall divide the continental United States, includ-  
25 ing Alaska, into districts, each district to contain one, and

1 bank, subject to call and payment thereof whenever neces-  
2 sary to meet the obligations of the Federal reserve bank  
3 under such terms and in accordance with such regulations  
4 as the board of directors of said Federal reserve bank may  
5 prescribe: *Provided*, That no Federal reserve bank shall  
6 commence business with a paid up and unimpaired capital  
7 less in amount than \$5,000,000. The organization committee  
8 shall have power to appoint such assistants and incur such ex-  
9 penses in carrying out the provisions of this Act as it shall  
10 deem necessary, and such expenses shall be payable by the  
11 Treasurer of the United States upon voucher approved by the  
12 Secretary of the Treasury, and the sum of \$100,000, or so  
13 much thereof as may be necessary, is hereby appropriated,  
14 out of any moneys in the Treasury not otherwise appropriated,  
15 for the payment of such expenses.

16 SEC. 2. That the Federal Reserve Board, hereinafter  
17 provided for, shall, as soon as practicable after their appoint-  
18 ment and confirmation, designate from among the reserve and  
19 central reserve cities now established a number of such cities  
20 to be termed Federal reserve cities, and shall divide the con-  
21 tinental United States into districts, each district to embrace

HOUSE BILL.

4 Federal reserve cities: *Provided*, That the districts shall  
5 be apportioned with due regard to the convenience and  
6 customary course of business of the community and shall not  
7 necessarily coincide with the area of such State or States as  
8 may be wholly or in part included in any given district. The  
9 districts thus created may be readjusted and new districts  
10 may from time to time be created by the Federal Reserve  
11 Board hereinafter established, acting upon a joint application  
12 made by not less than ten member banks desiring to be organ-  
13 ized into a new district. The districts thus constituted shall  
14 be known as Federal reserve districts and shall be designated  
15 by number according to the pleasure of the organization  
16 committee, and no Federal reserve district shall be abolished,  
17 nor the location of a Federal reserve bank changed, except  
18 upon the application of three-fourths of the member banks of  
19 such district.

OWEN AMENDMENT.

1 *only one*, of such Federal reserve cities. *The determination*  
2 *of said organization committee shall not be subject to review*  
3 *except by the Federal Reserve Board when organized: Pro-*  
4 *vided*, That the districts shall be apportioned with due regard  
5 to the convenience and customary course of business ~~of the~~  
6 ~~community~~ and shall not necessarily coincide with the area  
7 ~~of such~~ *be coterminous with any State or States as may be*  
8 ~~wholly or in part included in any given district.~~ The dis-  
9 tricts thus created may be readjusted and new districts may  
10 from time to time be created by the Federal Reserve Board  
11 ~~hereinafter established, acting upon a joint application made~~  
12 ~~by not less than ten member banks desiring to be~~  
13 ~~organized into a new district.~~ The districts thus con-  
14 stituted shall be known as Federal reserve districts  
15 and ~~shall~~ *may* be designated by number according to the  
16 ~~pleasure of the organization committee, and no Federal re-~~  
17 ~~serve district shall be abolished, nor the location of a Federal~~  
18 ~~reserve bank changed, except upon the application of three-~~  
19 ~~fourths of the member banks of such district.~~ *A majority of*  
20 *the organization committee shall constitute a quorum with*  
21 *authority to act.*

22 ~~The organization committee shall, in accordance with~~  
23 ~~regulations to be established by itself, proceed to organize in~~  
24 ~~each of the reserve cities designated as hereinbefore specified~~  
25 ~~a Federal reserve bank. Each such Federal reserve bank~~

HITCHCOCK AMENDMENTS.

4 *one of such Federal reserve cities: Provided, That the dis-*  
5 *tricts shall be formed with due regard to the convenience and*  
6 *customary course of financial and commercial business in*  
7 *each district, and need not necessarily coincide with State o*  
13 *county boundaries. The districts thus established shall be*  
14 *known as Federal reserve districts, and each of them shall be*  
15 *designated by the name of the Federal reserve city located*

See page 7, lines 7 to 11, for amendments proposed on this subject.

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 shall include in its title the name of the city in which it is  
2 situated, as "Federal Reserve Bank of Chicago," and so  
3 forth. The total number of reserve cities designated by the  
4 organization committee shall be not less than twelve, and  
5 the organization committee shall be authorized to employ  
6 counsel and expert aid, to take testimony, to send for persons  
7 and papers, to administer oaths, and to make such investiga-  
8 tions as may be deemed necessary by the said committee for the  
9 purpose of determining the reserve cities to be designated  
10 and organizing the reserve districts hereinbefore provided.

11 Every national bank located within a given district  
12 shall be required to subscribe to the capital stock of the  
13 Federal reserve bank of that district a sum equal to twenty  
14 per centum of the capital stock of such national  
15 bank fully paid in and unimpaired, one fourth of such  
16 subscription to be paid in cash and one fourth within  
17 sixty days after said subscription is made. The remain-  
18 der of the subscription or any part thereof shall become  
19 a liability of the member bank, subject to call and pay-  
20 ment thereof whenever necessary to meet the obligations  
21 of the Federal reserve bank under such terms and in ac-  
22 cordance with such regulations as the board of directors  
23 of said Federal reserve bank may prescribe: *Provided:*  
24 That no

HOUSE BILL.

1 The organization committee shall, in accordance with  
2 regulations to be established by itself, proceed to organize in  
3 each of the reserve cities designated as hereinbefore specified  
4 a Federal reserve bank. Each such Federal reserve bank  
5 shall include in its title the name of the city in which it is  
6 situated, as "Federal Reserve Bank of Chicago," and so  
7 forth. The total number of reserve cities designated by the  
8 organization committee shall be not less than twelve, and  
9 the organization committee shall be authorized to employ  
10 counsel and expert aid, to take testimony, to send for persons  
11 and papers, to administer oaths, and to make such investiga-  
12 tions as may be deemed necessary by the said committee for the  
13 purpose of determining the reserve cities to be designated  
14 and organizing the reserve districts hereinbefore provided.

24 Every national bank located within a given district  
25 shall be required to subscribe to the capital stock of the

OWEN AMENDMENT.

1 *Said organization committee shall be authorized to*  
2 *employ counsel and expert aid, to take testimony, to send*  
3 *for persons and papers, to administer oaths, and to make*  
4 *such investigation as may be deemed necessary by the*  
5 *said committee in determining the reserve districts and in*  
6 *determining the cities within such districts where such Federal*  
7 *reserve banks shall be severally located. The said committee*  
8 *shall supervise the organization, in each of the cities designated,*  
9 *of a Federal reserve bank, which shall include in its title the*  
10 *name of the city in which it is situated, as "Federal Reserve*  
11 *Bank of Chicago," and so forth.*

HITCHCOCK AMENDMENTS.

7 *therein. The Federal Reserve Board shall, as soon as practi-*  
8 *cable after the said districts have been established, proceed*  
9 *to organize, conformable to the provisions of this Act, in*  
10 *each Federal reserve city designated as aforesaid, a Federal*  
11 *reserve bank, which shall be known by the name of the city*  
12 *in which it is established, as, for example, "Federal Re-*  
13 *serve Bank of Chicago." Four Federal reserve cities, and*  
14 *appurtenant to them four Federal reserve districts, and no*  
15 *more, shall in the first instance be designated and established*  
16 *as such by the Federal Reserve Board: Provided, That after*  
17 *Federal reserve banks have been organized and in operation*  
18 *for a period of two years in said four Federal reserve cities,*  
19 *the Federal Reserve Board may, in its discretion, from time*  
20 *to time, designate not to exceed in all eight additional Federal*  
21 *reserve cities, with the requisite Federal reserve districts ap-*  
22 *purtenant thereto, and for that purpose may alter and change*  
23 *the limits and areas of existing Federal reserve districts.*  
24 *There shall be allotted to every national bank within*  
25 *a Federal reserve district, of the capital stock of the*

HOUSE BILL.

1 Federal reserve bank of that district a sum equal to twenty  
2 per centum of the capital stock of such national  
3 bank fully paid in and unimpaired, one-fourth of such  
4 subscription to be paid in cash and one-fourth within  
5 sixty days after said subscription is made. The remain-  
6 der of the subscription or any part thereof shall become  
7 a liability of the member bank, subject to call and pay-  
8 ment thereof whenever necessary to meet the obligations  
9 of the Federal reserve bank under such terms and in ac-  
10 cordance with such regulations as the board of directors  
11 of said Federal reserve bank may prescribe: *Provided*

OWEN AMENDMENT.

21 *Under regulations to be prescribed by the organization*  
22 *committee, every national banking association is hereby*  
23 *required and every eligible bank is hereby authorized to sig-*  
24 *nify in writing, within sixty days after the passage of this Act,*  
25 *its acceptance of the terms and provisions hereof: When such*

HITCHCOCK AMENDMENTS.

1 *Federal reserve bank of such district, a sum equal to*  
2 *six per centum of the fully paid-up capital stock*  
3 *and surplus of such national bank, which stock so*  
4 *allotted shall be underwritten by said bank and for a period*  
5 *of sixty days after allotment be offered for subscription at par*  
6 *to the public at large, but no more than one hundred shares*  
7 *shall be allowed to be subscribed for or held by any person,*  
8 *firm, or corporation and all of the allotted stock not sub-*  
9 *scribed for and taken by the public shall immediately be sub-*  
10 *scribed for and taken by the national bank to which the same*  
11 *was in the first instance allotted. The preparation, allot-*  
12 *ment, subscription to, and sale of stock shall be under the con-*  
13 *trol of the board, which in case of oversubscription shall*  
14 *give preference to the smaller subscriptions. The national*  
15 *banks shall in the first instance act as agents of the Federal*  
16 *Reserve Board to take subscriptions from the general public*  
17 *and receive payment therefor which shall be held subject to*  
18 *the order of the board. That said stock subscription shall be*  
19 *paid for in gold coin or gold certificates as follows: One-third*  
20 *at the time of subscription, one-third within thirty days, and*

1 *Federal reserve bank shall have been organized, every national*  
2 *banking association within that district shall be required and*  
3 *every eligible bank may be permitted to subscribe to the capital*  
4 *stock thereof in a sum equal to six per centum of the paid-up*  
5 *capital stock and surplus of such bank, one-sixth of such*  
6 *subscription to be payable on call of the organization*  
7 *committee or of the Federal Reserve Board, one-sixth*  
8 *within three months and one-sixth within six months there-*  
9 *after, and the remainder of the subscription, or any part there-*  
10 *of, shall be subject to call when deemed necessary by the*  
11 *Federal Reserve Board. said payments to be in gold or gold*  
12 *certificates.*

13 *The shareholders of every Federal reserve bank shall be*  
14 *held individually responsible, equally and ratably, and not one*  
15 *for another, for all contracts, debts, and engagements of such*  
16 *bank to the extent of the amount of their subscriptions to such*  
17 *stock at the par value thereof in addition to the amount sub-*  
18 *scribed, whether such subscriptions have been paid up in whole*  
19 *or in part, under the provisions of this Act.*

20 *Any national bank failing to signify its acceptance of*  
21 *the terms of this Act within the sixty days aforesaid shall*  
22 *cease to act as a reserve agent, upon thirty days' notice, to be*  
23 *given within the discretion of the said organization committee*  
24 *or of the Federal Reserve Board.*

1       *Should any national banking association now organized*  
2 *fail, within one year after the passage of this Act, to become*  
3 *a member bank under the provisions hereinbefore stated, or*  
4 *fail to comply with any of the provisions of this Act applicable*  
5 *thereto, all of the rights, privileges, and franchises of such*  
6 *association granted to it under the national-bank Act, or*  
7 *under the provisions of this Act, shall be thereby forfeited.*  
8 *Any noncompliance with or violation of this Act shall, how-*  
9 *ever, be determined and adjudged by a proper circuit, district,*  
10 *or Territorial court of the United States in a suit brought for*  
11 *that purpose by the Comptroller of the Currency in his own*  
12 *name before the association shall be declared dissolved, and*  
13 *in cases of such violation, other than the failure to become*  
14 *a member bank under the provisions of this Act, every director*  
15 *who participated in or assented to the same shall be held liable*  
16 *in his personal or individual capacity for all damages which*  
17 *said bank, its shareholders, or any other person shall have*  
18 *sustained in consequence of such violation.*

19       *Such dissolution shall not take away or impair any*  
20 *remedy against such corporation, its stockholders or officers,*  
21 *for any liability or penalty which shall have been previously*  
22 *incurred.*

23       *Should the subscriptions by banks to the stock of said*  
24 *Federal reserve banks or any one or more of them be, in the*  
25 *judgment of the organization committee, insufficient to pro-*

1 *vide the amount of capital required therefor, then and*  
 2 *in that event the said organization committee may, under*  
 3 *conditions and regulations to be prescribed by it, offer to public*  
 4 *subscription at par such an amount of stock in said Federal*  
 5 *reserve banks, or any one or more of them, as said committee*  
 6 *shall determine, subject to the same conditions as to payment*  
 7 *in and stock liability as provided for member banks.*

8 *No individual, copartnership, or corporation other than*  
 9 *a member bank of its district shall be permitted to subscribe for*  
 10 *or to hold at any time more than \$10,000 par value of stock in*  
 11 *any Federal reserve bank. Such stock shall be known as public*  
 12 *stock and may be transferred on the books of the Federal*  
 13 *reserve bank by the chairman of the board of directors of such*  
 14 *bank.*

15 *Should the total subscriptions by banks and the public to*  
 16 *the stock of said Federal reserve banks, or any one or more of*  
 17 *them, be, in the judgment of the organization committee, insuf-*  
 18 *ficient to provide the amount of capital required therefor, then*  
 19 *and in that event the said organization committee shall allot*  
 20 *to the United States such an amount of said stock as said com-*  
 21 *mittee shall determine. Said United States stock shall be*  
 22 *paid for at par out of any money in the Treasury not other-*  
 23 *wise appropriated, and shall be held by the Secretary of the*  
 24 *Treasury and disposed of for the benefit of the United States*  
 25 *in such manner, at such times, and at such price, not less than*  
 26 *par, as the Secretary of the Treasury shall determine.*

HOUSE BILL.

15 That no Federal reserve bank shall commence business with  
16 a paid-up and unimpaired capital less in amount than \$5,000,-  
17 000. The organization committee shall have power to appoint  
18 such assistants and incur such expenses in carrying out the pro-  
19 visions of this Act as it shall deem necessary, and such ex-  
20 penses shall be payable by the Treasurer of the United States  
21 upon voucher approved by the Secretary of the Treasury, and  
22 the sum of \$100,000, or so much thereof as may be necessary,  
23 is hereby appropriated, out of any moneys in the Treasury not  
24 otherwise appropriated, for the payment of such expenses.

OWEN AMENDMENT.

1 *Stock not held by member banks shall not be entitled to*  
2 *voting power in the hands of its holders, but the voting power*  
3 *thereon shall be vested in and be exercised solely by the class C*  
4 *directors of the Federal reserve bank in which said stock may*  
5 *be held, and who shall be designated as "voting trustees."*  
6 *The voting power on said public stock shall be limited to one*  
7 *vote for each \$15,000 par value thereof, fractional amounts*  
8 *not to be considered. The voting trustees shall exercise the*  
9 *same powers as member banks in voting for class A and*  
10 *class B directors.*

11 *The Federal Reserve Board is hereby empowered to*  
12 *adopt and promulgate rules and regulations governing the*  
13 *transfers of said stock and the exercise of the voting power*  
14 *thereon.*

15 *No Federal reserve bank shall commence business*  
16 *with a ~~paid-up and unimpaired~~ subscribed capital less in*  
17 *amount than ~~\$5,000,000~~ \$3,000,000. The organization of*  
18 *reserve districts and Federal reserve cities shall not be con-*  
19 *strued as changing the present status of reserve cities and*  
20 *central reserve cities, except in so far as this Act changes the*  
21 *amount of reserves that may be carried with approved reserve*  
22 *agents located therein. The organization committee shall*  
23 *have power to appoint such assistants and incur such expenses*  
24 *in carrying out the provisions of this Act as it shall deem*  
25 *necessary, and such expenses shall be payable by the Treas-*

HITCHCOCK AMENDMENTS.

22 *one-third within sixty days thereafter. The board is hereby*  
23 *empowered to appoint such assistants, to subpoena, swear, and*  
24 *examine witnesses, to employ counsel and experts, and to incur*  
25 *such expenses as may be necessary for establishing, organizing,*

HOUSE BILL.

GENERAL AMENDMENT.

AMENDMENTS.

1 urer of the United States upon voucher approved by the Sec-  
2 retary of the Treasury, and the sum of \$100,000, or so much  
3 thereof as may be necessary, is hereby appropriated, out of any  
4 moneys in the Treasury not otherwise appropriated, for the  
5 payment of such expenses.

1 and putting in operation the Federal reserve banks and desig-  
2 nating the Federal reserve cities and reserve districts provided  
3 for in this Act, and such expenses shall be paid by the Treasurer  
4 of the United States upon vouchers approved by the Secretary  
5 of the Treasury, and the sum of \$100,000, or so much thereof  
6 as may be necessary, is hereby appropriated, out of any money  
7 in the Treasury not otherwise appropriated, for the payment  
8 of such expenses. Five members of the reserve board shall  
9 constitute a quorum with power to do business.

10

STOCK ISSUES.

10

~~STOCK ISSUES~~ BRANCH OFFICES.

10

STOCK ISSUES.

23 SEC. 3. That the capital stock of each Federal reserve  
24 bank shall be divided into shares of \$100 each. The out-  
25 standing capital stock shall be increased from time to time as

23 SEC. 3. ~~That the capital stock of each Federal reserve~~  
24 ~~bank shall be divided into shares of \$100 each. The out-~~  
25 ~~standing capital stock shall be increased from time to time as~~

11 ~~SEC. 3. That the capital stock of each Federal reserve~~  
12 ~~bank shall be divided into shares of \$100 each. The out-~~  
13 ~~standing capital stock shall be increased from time to time as~~  
14 ~~member banks increase their capital stock or as additional~~  
15 ~~banks become members, and shall be decreased as member~~  
16 ~~banks reduce their capital stock or cease to be members.~~  
17 ~~Each Federal reserve bank may establish branch offices under~~  
18 ~~regulations of the Federal Reserve Board at points within~~  
19 ~~the Federal reserve district in which it is located: Provided~~  
20 ~~That the total number of such branches shall not exceed one~~  
21 ~~for each \$500,000 of the capital stock of said Federal reserve~~  
22 ~~bank.~~

23 SEC. 3. The capital stock of each Federal reserve bank  
24 shall be divided into shares of \$100 each, and shall be without  
25 voting power. The Federal Reserve Board shall have power

**HOUSE BILL.**

1 member banks increase their capital stock or as additional  
2 banks become members, and shall be decreased as member  
3 banks reduce their capital stock or cease to be members.  
4 Each Federal reserve bank may establish branch offices under  
5 regulations of the Federal Reserve Board at points within  
6 the Federal reserve district in which it is located: *Provided,*  
7 That the total number of such branches shall not exceed one  
8 for each \$500,000 of the capital stock of said Federal reserve  
9 bank.

14

**FEDERAL RESERVE BANKS.**

**OWEN AMENDMENT.**

~~1 member banks increase their capital stock or as additional  
2 banks become members, and may be decreased as member  
3 banks reduce their capital stock or cease to be members.  
4 Each Federal reserve bank may shall establish branch offices  
5 under regulations of the Federal Reserve Board at points  
6 within the Federal reserve district in which it is located:  
7 *Provided,* That the total number of such branches shall not  
8 exceed one for each \$500,000 of the capital stock of said  
9 Federal reserve bank within the Federal reserve district in  
10 which it is located and also in the district of any Federal  
11 reserve bank which may have been suspended, such branches  
12 to be established and conducted at places and under regula-  
13 tions approved by the Federal Reserve Board.~~

14

**FEDERAL RESERVE BANKS.**

~~15 **SEC. 4.** The national banks in each Federal reserve  
16 district uniting to form the Federal reserve bank therein,  
17 hereinbefore provided for, shall under their seals, make an  
18 organization certificate, which shall specifically state the name  
19 of such Federal reserve bank so organized, the territorial ex-  
20 tent of the district over which the operations of said Federal  
21 reserve bank are to be carried on, the city and State in which  
22 said bank is to be located, the amount of capital stock and the  
23 number of shares into which the same is divided, the names  
24 and places of doing business of each of the makers of said cer-  
25 tificate and the number of shares held by each of them, and the~~

14

**HITCHCOCK AMENDMENTS.**

1 *to prescribe regulations for the transfer of said stock. With*  
2 *the consent and approval of the board, reserve banks may*  
3 *establish such branch offices, within their respective districts,*  
4 *as they deem necessary to conform to the convenience and*  
5 *established course of business.*

14

**FEDERAL RESERVE BANKS.**

~~15 **SEC. 4.** The national banks in each Federal reserve  
16 district uniting to form the Federal reserve bank therein,  
17 hereinbefore provided for, shall under their seals, make an  
18 organization certificate, which shall specifically state the name  
19 of such Federal reserve bank so organized, the territorial ex-  
20 tent of the district over which the operations of said Federal  
21 reserve bank are to be carried on, the city and State in which  
22 said bank is to be located, the amount of capital stock and the  
23 number of shares into which the same is divided, the names  
24 and places of doing business of each of the makers of said cer-  
25 tificate and the number of shares held by each of them, and the~~

14

HOUSE BILL.

OWEN AMENDMENT.

1 fact that the certificate is made to enable such banks to avail  
2 themselves of the advantages of this Act. The said organiza-  
3 tion certificates shall be acknowledged before a judge of some  
4 court of record or notary public; and shall be, together with  
5 the acknowledgment thereof, authenticated by the seal of  
6 such court, or notary, transmitted to the Comptroller of the  
7 Currency, who shall file, record, and carefully preserve the  
8 same in his office. Upon the filing of such certificate with the  
9 Comptroller of the Currency as aforesaid, the said Federal  
10 reserve bank so formed shall become a body corporate, and as  
11 such, and in the name designated in such organization certifi-  
12 cate, shall have power to perform all those acts and to enjoy  
13 all those privileges and to exercise all those powers described  
14 in section fifty one hundred and thirty six, Revised Statutes,  
15 save in so far as the same shall be limited by the provisions  
16 of this Act. The Federal reserve bank so incorporated shall  
17 have succession for a period of twenty years from its organiza-  
18 tion, unless sooner dissolved by Act of Congress.

HITCHCOCK AMENDMENTS.

1 fact that the certificate is made to enable such banks to avail  
2 themselves of the advantages of this Act. The said organiza-  
3 tion certificate shall be acknowledged before a judge of some  
4 court of record or notary public; and shall be, together with  
5 the acknowledgment thereof, authenticated by the seal of  
6 such court, or notary, transmitted to the Comptroller of the  
7 Currency, who shall file, record, and carefully preserve the same  
8 in his office. Upon the filing of such certificate with the  
9 Comptroller of the Currency as aforesaid, the said Federal  
10 reserve bank so formed shall become a body corporate, and as  
11 such, and in the name designated in such organization certifi-  
12 cate, shall have power to perform all those acts and to enjoy  
13 all those privileges and to exercise all those powers described  
14 in section fifty one hundred and thirty six, Revised Statutes,  
15 save in so far as the same shall be limited by the provisions  
16 of this Act. The Federal reserve bank so incorporated shall  
17 have succession for a period of twenty years from its organiza-  
18 tion, unless sooner dissolved by Act of Congress.

19 Every Federal reserve bank shall be conducted under  
20 the oversight and control of a board of directors, whose  
21 powers shall be the same as those conferred upon the boards  
22 of directors of national banking associations under existing  
23 law, not inconsistent with the provisions of this Act. Such  
24 board of directors shall be constituted and elected as here-  
25 inafter specified and shall consist of nine members, holding

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 office for three years, and divided into three classes, design-  
2 nated as classes A, B, and C.

3 Class A shall consist of three members, who shall be  
4 chosen by and be representative of the stock holding banks.

5 Class B shall consist of three members, who shall be  
6 representative of the general public interests of the reserve  
7 district.

8 Class C shall consist of three members, who shall be  
9 designated by the Federal Reserve Board.

10 Directors of class A shall be chosen in the following  
11 manner:

12 It shall be the duty of the chairman of the board of  
13 directors of the Federal reserve bank of the district in which  
14 each such bank is situated to classify the member banks of  
15 the said district into three general groups or divisions. Each  
16 such group shall contain as nearly as may be one-third of  
17 the aggregate number of said member banks of the said  
18 district and shall consist, as nearly as may be, of banks of  
19 similar capitalization. The said groups shall be designated  
20 by number at the pleasure of the chairman of the board of  
21 directors of the Federal reserve bank.

22 At a regularly called directors' meeting of each member  
23 bank in the Federal reserve district aforesaid, the board of  
24 directors of such member bank shall elect by ballot one of its  
25 own members as a district reserve elector and shall certify his

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 name to the chairman of the board of directors of the Federal  
2 reserve bank of the district. The said chairman shall estab-  
3 lish lists of the district reserve electors, class A, thus named  
4 by banks in each of the aforesaid three groups and shall trans-  
5 mit one list to each such elector in each group. Every elector  
6 shall, within fifteen days of the receipt of the said list, select  
7 and certify to the said chairman from among the names on  
8 the list pertaining to his group, transmitted to him by the  
9 chairman, one name, not his own, as representing his choice  
10 for Federal reserve director, class A. The name receiving  
11 the greatest number of votes, not less than a majority, shall  
12 be designated by said chairman as Federal reserve director  
13 for the group to which he belongs. In case no candidate  
14 shall receive a majority of all votes cast in any group, the  
15 chairman aforesaid shall establish an eligible list, consisting  
16 of the three names receiving the greatest number of votes  
17 on the first ballot, and shall transmit said list to the electors  
18 in each of the groups of banks established by him. Each  
19 elector shall at once select and certify to the said chairman  
20 from among the three persons submitted to him his choice  
21 for Federal reserve director, class A, and the name receiving  
22 the greatest number of such votes shall be declared by the  
23 chairman as Federal reserve director, class A. In case of a  
24 tie vote the balloting shall continue in the manner hereinbe-  
25 fore prescribed until one candidate receives more votes than  
26 either of the others.

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 ~~Directors of class B shall be chosen by the electors~~  
2 ~~of the respective groups at the same time and in the same~~  
3 ~~manner prescribed for directors of class A, except that they~~  
4 ~~must be selected from a list of names furnished, one by each~~  
5 ~~member bank, and such names shall in no case be those of offi-~~  
6 ~~cers or directors of any bank or banking association. They~~  
7 ~~shall not accept office as such during the term of their service~~  
8 ~~as directors of the Federal reserve bank. They shall be fairly~~  
9 ~~representative of the commercial, agricultural, or industrial~~  
10 ~~interests of their respective districts. The Federal Reserve~~  
11 ~~Board shall have power at its discretion to remove any di-~~  
12 ~~rector of class B in any Federal reserve bank, if it should ap-~~  
13 ~~pear at any time that such director does not fairly represent~~  
14 ~~the commercial, agricultural, or industrial interests of his~~  
15 ~~district.~~

16 ~~Three directors belonging to class C shall be chosen~~  
17 ~~directly by the Federal Reserve Board, and shall be residents~~  
18 ~~of the district for which they are selected, one of whom shall be~~  
19 ~~designated by said board as chairman of the board of directors~~  
20 ~~of the Federal reserve bank of the district to which he is~~  
21 ~~appointed and shall be designated as "Federal reserve agent."~~  
22 ~~He shall be a person of tested banking experience, and in~~  
23 ~~addition to his duties as chairman of the board of directors of~~  
24 ~~the Federal reserve bank of the district to which he is~~  
25 ~~appointed, he shall be required to maintain under regulations~~

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 to be established by the Federal Reserve Board a local office  
2 of said board, which shall be situated on the premises  
3 of the Federal reserve bank of the district. He shall make  
4 regular reports to the Federal Reserve Board, and shall  
5 act as its official representative for the performance of the  
6 functions conferred upon it by this Act. He shall receive an  
7 annual compensation to be fixed by the Federal Reserve  
8 Board and paid monthly by the Federal reserve bank to which  
9 he is designated.

10 Directors of Federal reserve banks shall receive, in  
11 addition to any compensation otherwise provided, a reason-  
12 able allowance for necessary expenses in attending meetings  
13 of their respective boards, which amount shall be paid by  
14 the respective Federal reserve banks. Any compensation  
15 that may be provided by boards of directors of Federal  
16 reserve banks for members of such boards shall be subject  
17 to review by the Federal Reserve Board.

18 The Reserve Bank Organization Committee may, in or-  
19 ganizing Federal reserve banks for the first time, call such  
20 meetings of bank directors in the several districts as may be  
21 necessary to carry out the purposes of this Act and may exercise  
22 the functions herein conferred upon the chairman of the board  
23 of directors of each Federal reserve bank pending the complete  
24 organization of such bank.

25 At the first meeting of the full board of directors of each  
26 Federal reserve bank after organization it shall be the duty of

HOUSE BILL.

19 SEC. 4. The national banks in each Federal reserve  
20 district uniting to form the Federal reserve bank therein,  
21 hereinbefore provided for, shall under their seals, make an  
22 organization certificate, which shall specifically state the name  
23 of such Federal reserve bank so organized, the territorial ex-  
24 tent of the district over which the operations of said Federal  
25 reserve bank are to be carried on, the city and State in which

OWEN AMENDMENT.

19 SEC. 4. When the organization committee shall have estab-  
20 lished Federal reserve districts as provided in section two of  
21 this Act, a certificate shall be filed with the Comptroller of the  
22 Currency showing the geographical limits of such districts  
23 and the Federal reserve city designated in each of such dis-  
24 tricts. The Comptroller of the Currency shall thereupon  
25 cause to be forwarded to each national bank located in each

HITCHCOCK AMENDMENTS.

1 the directors of classes A and B and C, respectively, to desig-  
2 nate one of the members of each class whose term of office  
3 shall expire in one year from the first of January nearest to  
4 date of such meeting, one whose term of office shall expire  
5 at the end of two years from said date, and one whose term  
6 of office shall expire at the end of three years from said date.  
7 Thereafter every director of a Federal reserve bank chosen  
8 as hereinbefore provided shall hold office for a term of three  
9 years; but the chairman of the board of directors of  
10 each Federal reserve bank designated by the Federal Reserve  
11 Board, as hereinbefore described, shall be removable at  
12 the pleasure of the said board without notice, and his  
13 successor shall hold office during the unexpired term of the  
14 director in whose place he was appointed. Vacancies that  
15 may occur in the several classes of directors of Federal reserve  
16 banks may be filled in the manner provided for the original  
17 selection of such directors, such appointees to hold office for  
18 the unexpired terms of their predecessors.

19 SEC. 4. When the Federal Reserve Board has estab-  
20 lished Federal reserve districts, as prescribed in section two  
21 of this Act, the governor or vice governor of such board shall,  
22 under his hand and seal, execute a certificate designating the  
23 territorial limits of such districts and the Federal reserve city  
24 in each district, and shall file such certificate with the Secre-  
25 tary of the Treasury. When such certificate has been

**HOUSE BILL.**

1 said bank is to be located, the amount of capital stock and the  
2 number of shares into which the same is divided, the names  
3 and places of doing business of each of the makers of said cer-  
4 tificate and the number of shares held by each of them, and the  
5 fact that the certificate is made to enable such banks to avai

**OWEN AMENDMENT.**

1 *district, and to such other banks declared to be eligible by the*  
2 *organization committee which may apply therefor, an appli-*  
3 *cation blank in form to be approved by the organization com-*  
4 *mittee, which blank shall contain a resolution to be adopted by*  
5 *the board of directors of each bank executing such applica-*  
6 *tion, authorizing a subscription to the capital stock of the*  
7 *Federal reserve bank organizing in that district in accord-*  
8 *ance with the provisions of this Act.*

9 *When the minimum amount of capital stock prescribed by*  
10 *this Act for the organization of any Federal reserve bank shall*  
11 *have been subscribed and allotted the organization committee*  
12 *shall designate any five banks of those whose applications have*  
13 *been received, to execute a certificate of organization, and there-*  
14 *upon the banks so designated shall, under their seals, make an*  
15 *organization certificate which shall specifically state the name*  
16 *of such Federal reserve bank so organized, the territorial extent*  
17 *of the district over which the operations of such Federal reserve*  
18 *bank are to be carried on, the city and State in which said bank*  
19 *is to be located, the amount of capital stock and the number*  
20 *of shares into which the same is divided, the name and place*  
21 *of doing business of each bank executing such certificate, and*  
22 *of all banks which have subscribed to the capital stock of such*  
23 *Federal reserve bank and the number of shares subscribed by*  
24 *each, and the fact that the certificate is made to enable those*  
25 *banks executing same, and all banks which have subscribed or*

**HITCHCOCK AMENDMENTS.**

1 *executed and filed, as aforesaid, the board shall allot*  
2 *to each and every national bank stock in the reserve*  
3 *banks as prescribed in section two of this Act, and when,*  
4 *conformable to section two of this Act, an amount of*  
5 *such stock has been subscribed for in any Federal re-*  
6 *serve district equal to \$6,000,000, and one-third of*  
7 *such subscription has been paid in, the board shall, by its*  
8 *governor or vice governor, under his hand and seal, issue a cer-*  
9 *tificate in writing specifying the name and location of the*  
10 *reserve bank in such district, the territorial limits of the*  
11 *district, the amount of the capital stock subscribed, and the*  
12 *amount paid in on such subscription, and the name and*  
13 *amount of stock taken by each subscriber. Such certificate*  
14 *shall be acknowledged before the clerk of a court of record, or*  
15 *a notary public, and shall be filed with the Secretary of the*  
16 *Treasury.*

HOUSE BILL.

3 themselves of the advantages of this Act. The said organiza-  
4 tion certificate shall be acknowledged before a judge of some  
5 court of record or notary public; and shall be, together with  
6 the acknowledgment thereof, authenticated by the seal of  
7 such court, or notary, transmitted to the Comptroller of the  
8 Currency, who shall file, record, and carefully preserve the same  
9 in his office. Upon the filing of such certificate with the  
10 Comptroller of the Currency as aforesaid, the said Federal  
11 reserve bank so formed shall become a body corporate, and as  
12 such, and in the name designated in such organization certifi-  
13 cate, shall have power to perform all those acts and to enjoy  
14 all those privileges and to exercise all those powers described  
15 in section fifty-one hundred and thirty-six, Revised Statutes,  
16 save in so far as the same shall be limited by the provisions  
17 of this Act. The Federal reserve bank so incorporated shall  
18 have succession for a period of twenty years from its organiza-  
19 tion, unless sooner dissolved by Act of Congress.

OWEN AMENDMENT.

1 *may thereafter subscribe to the capital stock of such Federal*  
2 *reserve bank, to avail themselves of the advantages of this Act.*

3 *The said organization certificate shall be acknowledged*  
4 *before a judge of some court of record or notary public; and*  
5 *shall be, together with the acknowledgment thereof, authenti-*  
6 *cated by the seal of such court, or notary, transmitted to the*  
7 *Comptroller of the Currency, who shall file, record and care-*  
8 *fully preserve the same in his office.*

9 *Upon the filing of such certificate with the Comptroller of*  
10 *the Currency as aforesaid, the said Federal reserve bank so*  
11 *formed shall become a body corporate and as such, and in the*  
12 *name designated in such organization certificate, shall have*  
13 *power—*

14 *First. To adopt and use a corporate seal.*

15 *Second. To have succession for a period of twenty years*  
16 *from its organization unless it is sooner dissolved by an Act of*  
17 *Congress, or unless its franchise becomes forfeited by some*  
18 *violation of law.*

19 *Third. To make contracts.*

20 *Fourth. To sue and be sued, complain and defend, in*  
21 *any court of law and equity as fully as natural persons.*

22 *Fifth. To appoint by its board of directors, elected as*  
23 *hereinafter provided, such officers as are not otherwise pro-*  
24 *vided for in this Act, to define their duties, require bonds of*  
25 *them and fix the penalty thereof, to dismiss such officers or*

HITCHCOCK AMENDMENTS.

9 *Upon the filing of such certificate with the Secretary*  
10 *of the Treasury as aforesaid, the said reserve bank so*  
11 *formed shall become a body corporate and as such, and in the*  
12 *name designated in such organization certificate, shall have*  
13 *power—*

14 *First. To adopt and use a corporate seal.*

15 *Second. To have succession for a period of twenty*  
16 *years from its organization unless it is sooner dissolved by an*  
17 *Act of Congress, or unless its franchise becomes forfeited by*  
18 *some violation of law.*

19 *Third. To make contracts.*

20 *Fourth. To sue and be sued, complain and defend, in*  
21 *any court of law and equity as fully as natural persons.*

22 *Fifth. To appoint by its board of directors, elected as*  
23 *hereinafter provided, such officers as are not otherwise pro-*  
24 *vided for in this Act, to define their duties, require bonds of*  
25 *them and fix the penalty thereof, to dismiss such officers or any*

HOUSE BILL.

OWEN AMENDMENT.

1 *any of them as may be appointed by them at pleasure, and to*  
2 *appoint others to fill their places.*

3 *Sixth. To prescribe by its board of directors by-laws*  
4 *not inconsistent with law, regulating the manner in which its*  
5 *general business may be conducted, and the privileges granted*  
6 *to it by law may be exercised and enjoyed.*

7 *Seventh. To exercise by its board of directors, or duly*  
8 *authorized officers or agents, all powers specifically granted*  
9 *by the provisions of this Act and such incidental powers as*  
10 *shall be necessary to carry on the business of banking within*  
11 *the limitations prescribed by this Act.*

12 *Eighth. Upon deposit with the Treasurer of the United*  
13 *States of any bonds of the United States in the manner pro-*  
14 *vided by existing law relating to national banks, to receive*  
15 *from the Comptroller of the Currency circulating notes in*  
16 *blank, registered and countersigned as provided by law, equal*  
17 *in amount to the par value of the bonds so deposited, such*  
18 *notes to be issued under the same conditions and provisions of*  
19 *law which relate to the issue of circulating notes of national*  
20 *banks secured by bonds of the United States bearing the*  
21 *circulating privilege.*

22 *But no Federal reserve bank shall transact any business*  
23 *except such as is incidental and necessarily preliminary to its*  
24 *organization until it has been authorized by the Comptroller of*  
25 *the Currency to commence business under the provisions of*  
26 *this Act.*

HITCHCOCK AMENDMENTS.

1 *of them as may be appointed by them at pleasure, and to*  
2 *appoint others to fill their places.*

3 *Sixth. To prescribe by its board of directors by-laws not*  
4 *inconsistent with law regulating the manner in which its*  
5 *general business may be conducted and the privileges granted*  
6 *to it by law may be exercised and enjoyed.*

7 *Seventh. To exercise by its board of directors, or duly*  
8 *authorized officers or agents, all powers specifically granted*  
9 *by the provisions of this Act and such incidental powers as*  
10 *shall be necessary to carry on the business of banking within*  
11 *the limitations prescribed by this Act.*

22 *No Federal reserve bank shall transact any banking*  
23 *business, except such as pertains to the perfection of its or-*  
24 *ganization and management, until two-thirds of its stock*  
25 *subscribed for has been paid in as prescribed in section two*  
26 *of this Act.*

**HOUSE BILL.**

1 Every Federal reserve bank shall be conducted under  
2 the oversight and control of a board of directors, whose  
3 powers shall be the same as those conferred upon the  
4 boards of directors of national banking associations under  
5 existing law, not inconsistent with the provisions of this  
6 Act. Such board of directors shall be constituted and elected  
7 as hereinafter specified and shall consist of nine members,  
8 holding office for three years, and divided into three classes,  
9 designated as classes A, B, and C.

21 Class A shall consist of three members, who shall be  
22 chosen by and be representative of the stock-holding banks.

23 Class B shall consist of three members, who shall be repre-  
24 sentative of the general public interests of the reserve district.

25 Class C shall consist of three members, who shall be  
26 designated by the Federal Reserve Board.

**OWEN AMENDMENT.**

1 Every Federal reserve bank shall be conducted under  
2 the ~~oversight~~ supervision and control of a board of directors;  
3 ~~whose powers shall be the same as those conferred upon the~~  
4 ~~boards of directors of national banking associations under~~  
5 ~~existing law, not inconsistent with the provisions of this~~  
6 ~~Act.~~

7 *The board of directors shall perform the duties usually*  
8 *appertaining to the office of directors of banking associa-*  
9 *tions and all such duties as are prescribed by law.*

10 *Said board shall administer the affairs of said bank*  
11 *fairly and impartially and without discrimination in favor*  
12 *of or against any member bank or banks and shall, subject*  
13 *to the provisions of law and the orders of the Federal Re-*  
14 *serve Board, extend to each member bank such advancements and*  
15 *accommodations as may be safely and reasonably made with*  
16 *due regard for the claims and demands of other member banks.*

17 Such board of directors shall be ~~constituted and elected~~  
18 *selected* as hereinafter specified and shall consist of nine mem-  
19 bers, holding office for three years, and divided into three  
20 classes, designated as classes A, B, and C.

21 Class A shall consist of three members, who shall be  
22 chosen by and be representative of the stock-holding banks.

23 Class B shall consist of three members, who shall be repre-  
24 sentative of the general public interests of the reserve district.

25 Class C shall consist of three members, who shall be  
26 designated by the Federal Reserve Board.

**HITCHCOCK AMENDMENTS.**

1 *Every Federal reserve bank shall be conducted, managed,*  
2 *and controlled by a board of nine directors, five of whom*  
3 *shall be appointed by the Federal Reserve Board, and shall*  
4 *be known as directors "A," and four of whom shall be*  
5 *known as directors "B," and who shall be selected and*  
6 *appointed by the member banks as follows:*

HOUSE BILL.

3 Directors of class A shall be chosen in the following  
4 manner:

5 It shall be the duty of the chairman of the board of  
6 directors of the Federal reserve bank of the district in which  
7 each such bank is situated to classify the member banks of the  
8 said district into three general groups or divisions. Each  
9 such group shall contain as nearly as may be one-third of  
10 the aggregate number of said member banks of the said dis-  
11 trict and shall consist, as nearly as may be, of banks of simi-  
12 lar capitalization. The said groups shall be designated by  
13 number at the pleasure of the chairman of the board of di-  
14 rectors of the Federal reserve bank.

15 At a regularly called directors' meeting of each member  
16 bank in the Federal reserve district aforesaid, the board of  
17 directors of such member bank shall elect by ballot one of its  
18 own members as a district reserve elector and shall certify his  
19 name to the chairman of the board of directors of the Federal  
20 reserve bank of the district. The said chairman shall  
21 establish lists of the district reserve electors, class A,  
22 thus named by banks in each of the aforesaid three groups and  
23 shall transmit one list to each such elector in each

OWEN AMENDMENT.

1 No director of class B or of class C shall be an officer,  
2 director, or stockholder of a member bank.

3 Directors of class A and class B shall be chosen in the  
4 following manner:

5 ~~It shall be the duty of the~~ The chairman of the board of  
6 directors of the Federal reserve bank of the district in which  
7 ~~each such~~ the bank is situated ~~to shall~~ classify the member  
8 banks of the said district into three general groups or divisions.  
9 Each ~~such~~ group shall contain as nearly as may be one-third of  
10 the aggregate number of ~~said the~~ member banks of the said  
11 district and shall consist, as nearly as may be, of banks of simi-  
12 lar capitalization. The ~~said~~ groups shall be designated by  
13 number ~~at the pleasure of by~~ the chairman ~~of the board of~~  
14 ~~directors of the Federal reserve bank.~~

15 At a regularly called ~~directors'~~ meeting of the board  
16 of directors of each member bank in the Federal reserve  
17 district aforesaid, ~~the board of directors of such member~~  
18 ~~bank~~ it shall elect by ballot one of its own members as  
19 a district reserve elector and shall certify his name to  
20 the chairman of the board of directors of the Federal  
21 reserve bank of the district. The ~~said~~ chairman shall  
22 establish lists of the district reserve electors, ~~class A,~~  
23 thus named by banks in each of the aforesaid three groups  
24 and shall transmit one list to each ~~such~~ elector in each  
25 group. ~~Every elector shall, within fifteen days of the receipt~~  
26 ~~of the said list, select and certify to the said chairman from~~  
27 ~~among the names on the list pertaining to his group, trans-~~

HITCHCOCK AMENDMENTS.

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 mitted to him by the chairman, one name, not his own, as rep-  
2 resenting his choice for Federal reserve director, class A.—The  
3 name receiving the greatest number of votes, not less than a  
4 majority, shall be designated by said chairman as Federal re-  
5 serve director for the group to which he belongs.—In case no  
6 candidate shall receive a majority of all votes cast in any  
7 group, the chairman aforesaid shall establish an eligible list,  
8 consisting of the three names receiving the greatest number  
9 of votes on the first ballot, and shall transmit said list to the  
10 electors in each of the groups of banks established by him.  
11 Each elector shall at once select and certify to the said chair-  
12 man from among the three persons submitted to him his choice  
13 for Federal reserve director, class A, and the name receiving  
14 the greatest number of such votes shall be declared by the  
15 chairman as Federal reserve director, class A.—In case of a  
16 tie vote the balloting shall continue in the manner herein-  
17 before prescribed until one candidate receives more votes  
18 than either of the others.

19 Directors of class B shall be chosen by the electors  
20 of the respective groups at the same time and in the same  
21 manner prescribed for directors of class A, except that they  
22 must be selected from a list of names furnished, one by each  
23 member bank, and such names shall in no case be those of offi-  
24 cers or directors of any bank or banking association.

25 Every elector shall, within fifteen days after the receipt  
26 of the said list, certify to the chairman his first, second,

25 group. Every elector shall, within fifteen days of the receipt  
26 of the said list, select and certify to the said chairman from

25 As soon as practicable after a reserve bank has been  
26 incorporated as above provided, the board shall notify the

HOUSE BILL.

1 among the names on the list pertaining to his group, trans-  
 2 mitted to him by the chairman, one name, not his own, as rep-  
 3 resenting his choice for Federal reserve director, class A. The  
 4 name receiving the greatest number of votes, not less than a  
 5 majority, shall be designated by said chairman as Federal re-  
 6 serve director for the group to which he belongs. In case no  
 7 candidate shall receive a majority of all votes cast in any  
 8 group, the chairman aforesaid shall establish an eligible list,  
 9 consisting of the three names receiving the greatest number  
 10 of votes on the first ballot, and shall transmit said list to the  
 11 electors in each of the groups of banks established by him.  
 12 Each elector shall at once select and certify to the said chair-  
 13 man from among the three persons submitted to him his choice  
 14 for Federal reserve director, class A, and the name receiving  
 15 the greatest number of such votes shall be declared by the  
 16 chairman as Federal reserve director, class A. In case of a  
 17 tie vote the balloting shall continue in the manner hereinbe-  
 18 fore prescribed until one candidate receives more votes than  
 19 either of the others.

20 Directors of class B shall be chosen by the electors  
 21 of the respective groups at the same time and in the same  
 22 manner prescribed for directors of class A, except that they  
 23 must be selected from a list of names furnished, one by each  
 24 member bank, and such names shall in no case be those of offi-  
 25 cers or directors of any bank or banking association. They  
 26 shall not accept office as such during the term of their service

OWEN AMENDMENT.

1 and other choices upon the list, upon a preferential ballot,  
 2 on a form furnished by the chairman of the board of directors  
 3 of the Federal reserve bank of the district. Each elector  
 4 shall make a cross opposite the name of the first, second, and  
 5 other choices for a director of class A and for a director of  
 6 class B, but shall not vote more than one choice for any  
 7 one candidate.

8 Any candidate having a majority of all votes cast in the  
 9 column of first choice shall be declared elected. If no  
 10 candidate have a majority of all the votes in the first column,  
 11 then there shall be added together the votes cast by the electors  
 12 for such candidates in the second column to the votes cast for  
 13 the several candidates in the first column. If any candidate  
 14 then have a majority of the electors voting, by adding together  
 15 the first and second choices, he shall be declared elected.  
 16 If no candidate have a majority of electors voting when the  
 17 first and second choices shall have been added, then the  
 18 votes cast in the third column for other choices shall be added  
 19 together in like manner, and the candidate then having the  
 20 highest number of votes shall be declared elected. An imme-  
 21 diate report of election shall be declared.

22 ~~They shall not accept office as such during the term of~~  
 23 ~~their service as directors of the Federal reserve bank. They~~  
 24 *Directors of class B shall be fairly representative of the*  
 25 *commercial, agricultural, or industrial interests of their re-*  
 26 *spective districts. ~~The Federal Reserve Board shall have~~*

HITCHCOCK AMENDMENTS.

1 member banks in said Federal reserve district to elect four  
 2 directors within a certain date to be named in the notification.  
 3 Said board shall supply to each member bank a blank for the  
 4 purpose of recording the vote of said member bank. Each  
 5 member bank shall vote for four "B" directors upon the blank  
 6 so forwarded, shall certify that they are the choice of the  
 7 board of directors of said member bank, which certificate  
 8 shall be signed by the officers of said bank and forwarded to  
 9 the board within the time which said board shall limit.  
 10 Said board shall canvass the ballots so received from  
 11 said member banks and forward a certificate of the re-  
 12 sult to each of said member banks. The candidate  
 13 for director receiving the largest number of votes shall  
 14 be elected for four years; the candidate for director receiv-  
 15 ing the second largest number of votes shall hold office for  
 16 three years; the candidate for director receiving the third  
 17 largest number of votes shall hold office for two years; the  
 18 candidate for director receiving the fourth largest number  
 19 of votes shall hold office for one year. During each subse-  
 20 quent year, the election shall be held in the same manner  
 21 except that each bank shall vote for only one director unless  
 22 in case of vacancies, when the number to be elected shall be  
 23 certified by the board to each member bank, and in such cases  
 24 a plurality vote shall elect.

25 No person shall be qualified to hold the office of director  
 26 "A" or director "B" while he is an officer, director, stock-

HOUSE BILL.

1 as directors of the Federal reserve bank. They shall be fairly  
2 representative of the commercial, agricultural, or industrial  
3 interests of their respective districts. The Federal Reserve  
4 Board shall have power at its discretion to remove any di-  
5 rector of class B in any Federal reserve bank, if it should ap-  
6 pear at any time that such director does not fairly represent  
7 the commercial, agricultural, or industrial interests of his  
8 district.

9 Three directors belonging to class C shall be chosen  
10 directly by the Federal Reserve Board, and shall be residents  
11 of the district for which they are selected; one of whom shall be  
12 designated by said board as chairman of the board of directors  
13 of the Federal reserve bank of the district to which he is  
14 appointed and shall be designated as "Federal reserve agent."  
15 He shall be a person of tested banking experience; and in  
16 addition to his duties as chairman of the board of directors of  
17 the Federal reserve bank of the district to which he is  
18 appointed, he shall be required to maintain under regulations  
19 to be established by the Federal Reserve Board a local office  
20 of said board, which shall be situated on the premises  
21 of the Federal reserve bank of the district. He shall make  
22 regular reports to the Federal Reserve Board, and shall  
23 act as its official representative for the performance of the  
24 functions conferred upon it by this Act. He shall receive an  
25 annual compensation to be fixed by the Federal Reserve

OWEN AMENDMENT.

1 power at its discretion to remove any director of class B in  
2 any Federal reserve bank, if it should appear at any time that  
3 such director does not fairly represent the commercial, agri-  
4 cultural, or industrial interests of his district.

9 Three directors belonging to class C shall be chosen  
10 appointed directly by the Federal Reserve Board, and shall  
11 ~~be have been for at least two years~~ residents of the district for  
12 which they are selected ~~selected~~ appointed, one of whom shall be des-  
13 igned by said board as chairman of the board of directors of  
14 the Federal reserve bank of the district to which he is  
15 appointed and shall be designated *by said board* as "Federal  
16 reserve agent." He shall be a person of tested banking experi-  
17 ence; and in addition to his duties as chairman of the board of  
18 directors of the Federal reserve bank of the district to which he  
19 is appointed, he shall be required to maintain under regulations  
20 to be established by the Federal Reserve Board a local office  
21 of said board, which shall be situated on the premises of  
22 the Federal reserve bank of the district. He shall make  
23 regular reports to the Federal Reserve Board, and shall  
24 act as its official representative for the performance of the  
25 functions conferred upon it by this Act. He shall receive an

HITCHCOCK AMENDMENTS.

1 holder, or employee of any other bank or of any trust com-  
2 pany, and no person shall be appointed or elected director who is  
3 not at the time of his appointment or election an actual and bona  
4 fide resident of the Federal reserve district for which he is ap-  
5 pointed or elected. The Federal Reserve Board shall designate  
6 and appoint one of said directors "A" as chairman of the board  
7 of directors, who shall be known as "Federal reserve agent."  
8 Directors "A" shall hold their offices for four years, except the  
9 Federal reserve agent, who shall hold his office at the pleasure of  
10 the board. Of the directors "A" first selected one shall hold  
11 office for one year, one for two years, one for three years, and  
12 one for the full term of four years, as designated by the board.  
13 Directors "B" shall hold their offices for four years except  
14 that as to the first election one shall be elected for one year,  
15 one for two years, one for three years, and one for four years.

HOUSE BILL.

1 Board and paid monthly by the Federal reserve bank to which  
2 he is designated.

8 Directors of Federal reserve banks shall receive, in  
9 addition to any compensation otherwise provided, a reason-  
10 able allowance for necessary expenses in attending meetings  
11 of their respective boards, which amount shall be paid by  
12 the respective Federal reserve banks. Any compensation  
13 that may be provided by boards of directors of Federal  
14 reserve banks for members of such boards shall be subject  
15 to review by the Federal Reserve Board.

17 The Reserve Bank Organization Committee may, in or-  
18 ganizing Federal reserve banks for the first time, call such meet-  
19 ings of bank directors in the several districts as may be neces-  
20 sary to carry out the purposes of this Act and may exercise the  
21 functions herein conferred upon the chairman of the board of  
22 directors of each Federal reserve bank pending the complete  
23 organization of such bank.

24 At the first meeting of the full board of directors of each  
25 Federal reserve bank after organization it shall be the duty of

OWEN AMENDMENT.

1 annual compensation to be fixed by the Federal Reserve  
2 Board and paid monthly by the Federal reserve bank to which  
3 he is designated. *One of the directors of class C shall be*  
4 *appointed by the Federal Reserve Board as deputy chairman*  
5 *and deputy Federal reserve agent to exercise the powers of*  
6 *the chairman of the board and Federal reserve agent in case*  
7 *of the absence or disability of his principal.*

8 Directors of Federal reserve banks shall receive, in  
9 addition to any compensation otherwise provided, a reason-  
10 able allowance for necessary expenses in attending meetings  
11 of their respective boards, which amount shall be paid by  
12 the respective Federal reserve banks. Any compensation  
13 that may be provided by boards of directors of Federal  
14 reserve banks for members of such boards shall be subject  
15 to review *and subsequent readjustment at any time* by the  
16 Federal Reserve Board.

17 The Reserve Bank Organization Committee may, in or-  
18 ganizing Federal reserve banks for the first time, call such meet-  
19 ings of bank directors in the several districts as may be neces-  
20 sary to carry out the purposes of this Act, and may exercise the  
21 functions herein conferred upon the chairman of the board of  
22 directors of each Federal reserve bank pending the complete  
23 organization of such bank.

24 At the first meeting of the full board of directors of each  
25 Federal reserve bank after organization it shall be the duty of

HITCHCOCK AMENDMENTS.

8 *The salaries of the directors shall be fixed by the board,*  
9 *and shall be payable from the revenues of the Federal reserve*  
10 *bank of which they are directors. The board of directors*  
11 *shall have authority to fix the salaries and wages of all the*  
12 *employees of their bank.*

HOUSE BILL.

1 the directors of classes A and B and C, respectively, to desig-  
2 nate one of the members of each class whose term of office  
3 shall expire in one year from the first of January nearest to  
4 date of such meeting, one whose term of office shall expire  
5 at the end of two years from said date, and one whose term  
6 of office shall expire at the end of three years from said date.  
7 Thereafter every director of a Federal reserve bank chosen  
8 as hereinbefore provided shall hold office for a term of three  
9 years; but the chairman of the board of directors of  
10 each Federal reserve bank designated by the Federal Reserve  
11 Board, as hereinbefore described, shall be removable at  
12 the pleasure of the said board without notice, and his  
13 successor shall hold office during the unexpired term of the  
14 director in whose place he was appointed. Vacancies that  
15 may occur in the several classes of directors of Federal reserve  
16 banks may be filled in the manner provided for the original  
17 selection of such directors, such appointees to hold office for  
18 the unexpired terms of their predecessors.

OWEN AMENDMENT.

1 the directors of classes A and B and C, respectively, to desig-  
2 nate one of the members of each class whose term of office  
3 shall expire in one year from the first of January nearest to  
4 date of such meeting, one whose term of office shall expire  
5 at the end of two years from said date, and one whose term  
6 of office shall expire at the end of three years from said date.  
7 Thereafter every director of a Federal reserve bank chosen  
8 as hereinbefore provided shall hold office for a term of three  
9 years; but the chairman of the board of directors of  
10 each Federal reserve bank designated by the Federal Reserve  
11 Board, as hereinbefore described, shall be removable at the  
12 pleasure of the said board, without notice, and his successor  
13 shall hold office during the unexpired term of the director  
14 in whose place he was appointed. Vacancies that may  
15 occur in the several classes of directors of Federal reserve  
16 banks may be filled in the manner provided for the original  
17 selection of such directors, such appointees to hold office  
18 for the unexpired terms of their predecessors.

HITCHCOCK AMENDMENTS.

14 *Vacancies that occur in either class of directors of*  
15 *reserve banks may be filled in the manner provided for the*  
16 *original selection of such directors, the men so selected to hold*  
17 *office for the unexpired terms of their predecessors.*  
18 *Upon its own initiative, for cause, or upon written com-*  
19 *plaint under oath presented by ten or more member banks*  
20 *charging any director of a reserve bank with incompetency,*  
21 *dishonesty, or other matter affecting his efficiency as a director,*  
22 *the board shall have the power, after hearing and proof and*  
23 *pursuant to a written notice specifying the grounds thereof,*  
24 *to remove such director. The accused director shall be*  
25 *allowed thirty days in which to make defense thereto. Pend-*

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

3

INCREASE AND DECREASE OF CAPITAL.

3 STOCK ISSUES; INCREASE AND DECREASE OF CAPITAL.

1 *ing the hearing the board may within its discretion suspend*  
2 *the accused director.*

3 INCREASE ~~AND DECREASE~~ OF CAPITAL.

4 ~~SEC. 5. That shares of the capital stock of Federal~~  
5 ~~reserve banks shall not be transferable nor be hypothecated.~~  
6 ~~In case a member bank increases its capital, it shall there-~~  
7 ~~upon subscribe for an additional amount of capital stock of~~  
8 ~~the Federal reserve bank of its district equal to twenty per~~  
9 ~~centum of the bank's own increase of capital, one half of~~  
10 ~~said subscription to be paid in cash in the manner herein-~~  
11 ~~before provided for original subscription, and one half to~~  
12 ~~become a liability of the member bank according to the~~  
13 ~~terms of the original subscription. A bank applying for~~  
14 ~~stock in a Federal reserve bank at any time after the forma-~~  
15 ~~tion of the latter must subscribe for an amount of the capital~~  
16 ~~of said Federal reserve bank equal to twenty per centum of~~  
17 ~~the capital stock of said subscribing bank, paying therefor~~  
18 ~~its par value in accordance with the terms prescribed by~~  
19 ~~section two of this Act. When the capital stock of any~~  
20 ~~Federal reserve bank has been increased either on account~~  
21 ~~of the increase of capital stock of member banks or on~~  
22 ~~account of the increase in the number of member banks,~~  
23 ~~the board of directors shall make and execute a certificate~~  
24 ~~to the Comptroller of the Currency showing said increase~~  
25 ~~in capital, the amount paid in, and by whom paid. In case~~

HOUSE BILL.

10 SEC. 5. That shares of the capital stock of Federal reserve  
11 banks shall not be transferable, nor be hypothecated.  
12 In case a member bank increases its capital, it shall there-  
13 upon subscribe for an additional amount of capital stock of  
14 the Federal reserve bank of its district equal to twenty per  
15 centum of the bank's own increase of capital, one-half of  
16 said subscription to be paid in cash in the manner herein-  
17 before provided for original subscription, and one-half to  
18 become a liability of the member bank according to the  
19 terms of the original subscription. A bank applying for stock  
20 in a Federal reserve bank at any time after the formation of  
21 the latter must subscribe for an amount of the capital of said  
22 Federal reserve bank equal to twenty per centum of the  
23 capital stock of said subscribing bank, paying therefor its par  
24 value in accordance with the terms prescribed by section two

OWEN AMENDMENT.

10 SEC. 5. ~~That shares~~ *The capital stock of each Federal*  
11 *reserve bank shall be divided into shares of \$100 each. The*  
12 *outstanding capital stock shall be increased from time to time*  
13 *as member banks increase their capital stock and surplus or*  
14 *as additional banks become members, and may be decreased*  
15 *as member banks reduce their capital stock or surplus or cease*  
16 *to be members. Shares of the capital stock of Federal reserve*  
17 *banks owned by member banks shall not be transferable, nor*  
18 *be hypothecated hypothecable. In case a member bank in-*  
19 *creased increase its capital stock or surplus, it shall thereupon*  
20 *subscribe for an additional amount of capital stock of the*  
21 *Federal reserve bank of its district equal to twenty six per*  
22 *centum of the bank's own said increase of capital, one-half of*  
23 *said subscription to be paid in cash in the manner hereinbefore*  
24 *provided for original subscription, and one-half to become a lia-*  
25 *bility of the member bank according to the terms of the original*

HITCHCOCK AMENDMENTS.

1 ~~a member bank reduces its capital stock it shall surrender a~~  
2 ~~proportionate amount of its holdings in the capital of said~~  
3 ~~Federal reserve bank, and in case a member bank goes into~~  
4 ~~voluntary liquidation it shall surrender all of its holdings~~  
5 ~~of the capital stock of said Federal reserve bank. In either~~  
6 ~~case the shares surrendered shall be canceled and such mem-~~  
7 ~~ber bank shall receive in payment therefor, under regula-~~  
8 ~~tions to be prescribed by the Federal Reserve Board, a sum~~  
9 ~~equal to its cash paid subscriptions on the shares surrendered.~~

10 SEC. 5. *That the capital stock in the reserve banks shall*  
11 *be maintained as nearly as practicable in an amount equal to*  
12 *six per centum of the capital and surplus of the member banks*  
13 *in said district, and the board is authorized from time to time*  
14 *to sell to the public such additional stock in any reserve bank*  
15 *as may be required to maintain this proportion. The price at*  
16 *which said stock shall be offered to the public shall be at its fair*  
17 *market value, but in no case below par. Any bank applying*  
18 *for membership in a reserve bank shall be required by the board*  
19 *to underwrite, at the price fixed by the board, such an amount*  
20 *of capital stock in said reserve bank, equal to six per centum*  
21 *of the capital and surplus of such applying bank, as may be*  
22 *allotted to it by the board, and to purchase and pay for such*  
23 *portion of said allotment as may not be purchased by the*  
24 *public, as provided for in this Act.*

HOUSE BILL.

10 of this Act. When the capital stock of any Federal reserve  
11 bank has been increased either on account of the increase of  
12 capital stock of member banks or on account of the increase  
13 in the number of member banks, the board of directors shall  
14 make and execute a certificate to the Comptroller of the Cur-  
15 rency showing said increase in capital, the amount paid in,  
16 and by whom paid. In case a member bank reduces its  
17 capital stock it shall surrender a proportionate amount of its  
18 holdings in the capital of said Federal reserve bank, and in  
19 case a member bank goes into voluntary liquidation it shall  
20 surrender all of its holdings of the capital stock of said Federal  
21 reserve bank. In either case the shares surrendered shall  
22 be canceled and such member bank shall receive in payment  
23 therefor, under regulations to be prescribed by the Federal  
24 Reserve Board, a sum equal to its cash paid subscriptions on  
25 the shares surrendered.

∴∴

OWEN AMENDMENT.

1 ~~subscription subject to call of the Federal Reserve Board.~~ A  
2 bank applying for stock in a Federal reserve bank at any time  
3 ~~after the formation of the latter organization thereof~~ must  
4 subscribe for an amount of the capital stock of said the  
5 Federal reserve bank equal to ~~twenty six~~ per centum of the  
6 ~~paid-up~~ capital stock and surplus of said ~~subscribing~~ applicant  
7 bank, paying therefor its par value in accordance with the  
8 ~~terms prescribed by section two of this Act~~ plus one-half of  
9 ~~one per cent a month from the period of the last dividend.~~  
10 When the capital stock of any Federal reserve bank ~~has~~  
11 ~~shall have~~ been increased either on account of the increase of  
12 capital stock of member banks or on account of the increase  
13 in the number of member banks, the board of directors shall  
14 ~~make and execute~~ *cause to be executed* a certificate to the  
15 Comptroller of the Currency showing ~~said the~~ increase in cap-  
16 ital stock, the amount paid in, and by whom paid. In case a  
17 member bank reduces its capital stock it shall surrender a pro-  
18 portionate amount of its holdings in the capital of said Federal  
19 reserve bank, and in case a member bank goes into voluntary  
20 liquidation it shall surrender all of its holdings of the capital  
21 stock of said Federal reserve bank *and be released from its*  
22 *stock subscription not previously called.* In either case the  
23 ~~shares~~ surrendered shall be canceled and such member bank  
24 shall receive in payment therefor, under regulations to be  
25 prescribed by the Federal Reserve Board, a sum equal to its

33

HITCHCOCK AMENDMENTS.

10 *When the capital stock of any reserve bank has been in-*  
11 *creased, the board shall certify the same to the Secretary of*  
12 *the Treasury.*

33

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 cash paid subscriptions on the shares surrendered *and one-half*  
2 *of one per cent a month from the period of the last dividend,*  
3 *not to exceed the book value thereof, less any liability of such*  
4 *member bank to the Federal reserve bank.*

18 SEC. 6. That if any member bank shall become  
19 insolvent and a receiver be appointed, the stock held  
20 by it in said Federal reserve bank shall be canceled  
21 and the balance, after deducting from the amount of its  
22 cash paid subscriptions all debts due by such insolvent  
23 bank to said Federal reserve bank, shall be paid to the  
24 receiver of the insolvent bank. Whenever the capital stock  
25 of a Federal reserve bank is reduced, either on account of a

18 SEC. 6. That if any member bank shall become insolvent  
19 and a receiver be appointed, the stock held by it in said  
20 Federal reserve bank shall be canceled and the balance,  
21 after deducting from the amount of its cash paid subscriptions  
22 all debts due by such insolvent bank to said Federal reserve  
23 bank, shall be paid to the receiver of the insolvent bank  
24 If any member bank shall be declared insolvent and a re-  
25 ceiver appointed therefor, the stock held by it in said Federal

5 ~~SEC. 6. That if any member bank shall become insolvent~~  
6 ~~and a receiver be appointed, the stock held by it in said~~  
7 ~~Federal reserve bank shall be canceled and the balance, after~~  
8 ~~deducting from the amount of its cash paid subscriptions all~~  
9 ~~debts due by such insolvent bank to said Federal reserve~~  
10 ~~bank, shall be paid to the receiver of the insolvent bank.~~  
11 ~~Whenever the capital stock of a Federal reserve bank is~~  
12 ~~reduced, either on account of a reduction in capital stock of~~  
13 ~~any member bank or of the liquidation or insolvency of any~~  
14 ~~such member bank, the board of directors shall make and~~  
15 ~~execute a certificate to the Comptroller of the Currency~~  
16 ~~showing such reduction of capital stock and the amount~~  
17 ~~repaid to such bank.~~

18 SEC. 6. That in case the Federal Reserve Board shall  
19 decide, after two years' operation of the reserve banks first estab-  
20 lished, that one or more additional banks herein authorized  
21 should be established it shall make the necessary change in lines  
22 of existing districts, designate the new reserve city or cities, and  
23 notify the member banks affected by such change to associate  
24 themselves with the new reserve bank or banks and change the  
25 deposit of their reserves accordingly. Stockholders in pre-

**HOUSE BILL.**

1 reduction in capital stock of any member bank or of the liquida-  
2 tion or insolvency of any such member bank, the board of  
3 directors shall make and execute a certificate to the Comp-  
4 troller of the Currency showing such reduction of capital  
5 stock and the amount repaid to such bank.

15

**DIVISION OF EARNINGS.**

35

**OWEN AMENDMENT.**

1 *reserve bank shall be canceled, and all cash-paid subscriptions*  
2 *on said stock, with one-half of one per cent per month from the*  
3 *period of last dividend, not to exceed the book value thereof,*  
4 *shall be first applied to all debts of the insolvent member bank*  
5 *to the Federal reserve bank, and the balance, if any, shall be*  
6 *paid to the receiver of the insolvent bank. Whenever the*  
7 *capital stock of a Federal reserve bank is reduced, either on*  
8 *account of a reduction in capital stock of any member bank*  
9 *or of the liquidation or insolvency of any such member such*  
10 *bank, the board of directors shall make and execute cause to*  
11 *be executed a certificate to the Comptroller of the Currency*  
12 *showing such reduction of capital stock and the amount repaid*  
13 *to such bank.*

15

**DIVISION OF EARNINGS.**

35

**HITCHCOCK AMENDMENTS.**

1 *viously established reserve banks affected by the change shall*  
2 *be invited to exchange a portion of their stock certificates as*  
3 *indicated by the reserve board, and for all stock so exchanged*  
4 *the reserve board shall direct the transfer to the new reserve*  
5 *bank or banks from the old reserve bank or banks of the cor-*  
6 *responding amount of cash capital in gold.*

7 *If sufficient stock certificates are not thus exchanged*  
8 *the reserve board may offer to the general public at par*  
9 *stock in the newly created district or districts to an amount*  
10 *necessary to make up the difference.*

11 *As an inducement to make the exchange of stock the*  
12 *reserve board may direct that the stock of the old reserve bank*  
13 *or banks so exchanged shall be entitled to payment in cash of*  
14 *its share of the accumulated surplus.*

15

**DIVISION OF EARNINGS.**

16 ~~SEC. 7. That after the payment of all necessary expenses~~  
17 ~~and taxes of a Federal reserve bank, the member banks~~  
18 ~~shall be entitled to receive an annual dividend of five per~~  
19 ~~centum on the paid in capital stock, which dividend shall~~  
20 ~~be cumulative. One half of the net earnings, after the afore-~~  
21 ~~said dividend claims have been fully met, shall be paid into~~  
22 ~~a surplus fund until such fund shall amount to twenty per~~  
23 ~~centum of the paid in capital stock of such bank,~~  
24 ~~and of the remaining one half sixty per centum shall~~  
25 ~~be paid to the United States and forty per centum~~

35

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

21 SEC. 7. That after the payment of all necessary expenses  
22 and taxes of a Federal reserve bank, the member banks  
23 shall be entitled to receive an annual dividend of five per  
24 centum on the paid-in capital stock, which dividend shall  
25 be cumulative. One-half of the net earnings, after the afore-

21 SEC. 7. ~~That after the payment of~~ After all necessary  
22 expenses ~~and taxes~~ of a Federal reserve bank *have been paid*  
23 *or provided for*, the member banks shall be entitled to receive  
24 an annual dividend of ~~five~~ *six* per centum on the paid-in capi-  
25 tal stock, which dividend shall be cumulative. ~~One-half of~~

1 ~~to the member banks in the ratio of their average bal-~~  
2 ~~ances with the Federal reserve bank for the preceding year.~~  
3 ~~Whenever and so long as the surplus fund of a Federal~~  
4 ~~reserve bank amounts to twenty per centum of the~~  
5 ~~paid-in capital stock and the member banks shall~~  
6 ~~have received the dividends at the rate of five per~~  
7 ~~centum per annum hereinbefore provided for, sixty~~  
8 ~~per centum of all excess earnings shall be paid to the~~  
9 ~~United States and forty per centum to the member banks in~~  
10 ~~proportion to their annual average balances with such Federal~~  
11 ~~reserve bank; all earnings derived by the United States from~~  
12 ~~Federal reserve banks shall constitute a sinking fund to be~~  
13 ~~held for the reduction of the outstanding bonded indebtedness~~  
14 ~~of the United States, said reduction to be accomplished under~~  
15 ~~regulations to be prescribed by the Secretary of the Treasury.~~  
16 ~~Should a Federal reserve bank be dissolved or go into liquida-~~  
17 ~~tion, the surplus fund of said bank, after the payment of all~~  
18 ~~debts and dividend requirements as hereinbefore provided~~  
19 ~~for, shall be paid to and become the property of the United~~  
20 ~~States.~~

21 SEC. 7. That after the payment of all necessary expenses  
22 and taxes, including its share of the expenses of the Federal  
23 Reserve Board, the stockholders of each Federal reserve bank  
24 shall be entitled to receive an annual dividend of five per  
25 centum on the paid-in capital stock, which dividend shall be

HOUSE BILL.

1 said dividend claims have been fully met, shall be paid into  
 2 a surplus fund until such fund shall amount to twenty per  
 3 centum of the paid-in capital stock of such bank,  
 4 and of the remaining one-half sixty per centum shall  
 5 be paid to the United States and forty per centum  
 6 to the member banks in the ratio of their average bal-  
 7 ances with the Federal reserve bank for the preceding year.  
 8 Whenever and so long as the surplus fund of a Federal  
 9 reserve bank amounts to twenty per centum of the  
 10 paid-in capital stock and the member banks shall  
 11 have received the dividends at the rate of five per  
 12 centum per annum hereinbefore provided for, sixty  
 13 per centum of all excess earnings shall be paid to the  
 14 United States and forty per centum to the member banks in  
 15 proportion to their annual average balances with such Federal  
 16 reserve bank; all earnings derived by the United States from  
 17 Federal reserve banks shall constitute a sinking fund to be  
 18 held for the reduction of the outstanding bonded indebtedness  
 19 of the United States, said reduction to be accomplished under  
 20 regulations to be prescribed by the Secretary of the Treasury.  
 21 Should a Federal reserve bank be dissolved or go into liquida-  
 22 tion, the surplus fund of said bank, after the payment of all  
 23 debts and dividend requirements as hereinbefore provided  
 24 for, shall be paid to and become the property of the United  
 25 States.

OWEN AMENDMENT.

1 ~~the net earnings, after the aforesaid dividend claims have~~  
 2 ~~been fully met, shall be paid into a surplus fund until such~~  
 3 ~~fund shall amount to twenty per centum of the paid in capital~~  
 4 ~~stock of such bank, and of the remaining one-half sixty per~~  
 5 ~~centum shall be paid to the United States and forty per centum~~  
 6 ~~to the member banks in the ratio of their average bal-~~  
 7 ~~ances with the Federal reserve bank for the preceding year.~~  
 8 ~~Whenever and so long as the surplus fund of a Federal~~  
 9 ~~reserve bank amounts to twenty per centum of the~~  
 10 ~~paid in capital stock and the member banks shall have re-~~  
 11 ~~ceived the dividends at the rate of five per centum per an-~~  
 12 ~~num hereinbefore provided for, sixty per centum of all excess~~  
 13 ~~earnings shall be paid to the United States and forty per~~  
 14 ~~centum to the member banks in proportion to their annual~~  
 15 ~~average balances with such Federal reserve bank; all~~  
 16 ~~After the aforesaid dividend claims have been fully met, all~~  
 17 ~~the net earnings shall be paid to the United States as a fran-~~  
 18 ~~chise tax, excepting, however, that one-half of such earnings~~  
 19 ~~shall be first applied to the creation and maintenance of a~~  
 20 ~~surplus fund equal to twenty per centum of the capital stock~~  
 21 ~~of said bank. All net earnings derived by the United States~~  
 22 ~~from Federal reserve banks shall constitute a sinking fund~~  
 23 ~~to be held for be applied to the reduction of the outstanding~~  
 24 ~~bonded indebtedness of the United States, said reduction to~~  
 25 ~~be accomplished under regulations to be prescribed by the~~

HITCHCOCK AMENDMENTS.

1 *cumulative. Net earnings over and above expenses and the*  
 2 *aforesaid dividend shall be applied as follows: Twenty-five*  
 3 *per centum of such net earnings to be carried to a surplus fund*  
 4 *until such fund shall amount to twenty per centum of the*  
 5 *paid-in capital stock of such reserve bank, and thirty-seven*  
 6 *and one-half per centum of said net earnings shall be set aside*  
 7 *in a trust fund to be known as the depositors' insurance fund*  
 8 *and shall be used for the payment of the depositors of insolvent*  
 9 *member banks under rules and regulations made by the board.*  
 10 *When, in the judgment of the board, there has been accumu-*  
 11 *lated in such depositors' insurance fund a sufficient sum fully*  
 12 *to insure the payment of the depositors of insolvent member*  
 13 *banks, the board shall have power to suspend the setting aside*  
 14 *and accumulation of the said thirty-seven and one-half per*  
 15 *centum of such earnings, and thereafter such thirty-seven and*  
 16 *one-half per centum of such earnings shall be paid to the*  
 17 *United States, except that in the event the depositors' insur-*  
 18 *ance fund is depleted by the payment of depositors of insolvent*  
 19 *member banks such fund shall be replenished by again setting*  
 20 *aside such thirty-seven and one-half per centum of the earn-*  
 21 *ings or so much thereof as, in the judgment of the board, may*  
 22 *be necessary. The remaining net earnings shall be paid*  
 23 *to the United States: Provided, That the amount so*  
 24 *paid shall be applied to the purchase, at par, with*  
 25 *accrued interest, of the two per centum bonds of the United*

**HOUSE BILL.**

7 Every Federal reserve bank incorporated under the  
8 terms of this Act and the capital stock therein held by mem-  
9 ber banks shall be exempt from Federal, State, and local  
10 taxation, except in respect to taxes upon real estate.

**OWEN AMENDMENT.**

1 Secretary of the Treasury. Should a Federal reserve bank  
2 be dissolved or go into liquidation, ~~the surplus fund of said~~  
3 ~~bank any surplus remaining~~, after the payment of all debts  
4 and dividend requirements as hereinbefore provided for, shall  
5 be paid to and become the property of the United States *and*  
6 *shall be similarly applied.*

7 Every Federal reserve bank incorporated under the  
8 terms of this Act ~~and~~, the capital stock therein held by mem-  
9 ~~ber banks and the income derived therefrom~~ shall be exempt  
10 from Federal, State, and local taxation, except in respect to  
11 taxes upon real estate.

12 ~~SEC. 8. That any national banking association here-~~  
13 ~~tofore organized may upon application at any time~~  
14 ~~within one year after the passage of this Act, and with~~  
15 ~~the approval of the Comptroller of the Currency, be granted,~~  
16 ~~as herein provided, all the rights, and be subject to all the~~  
17 ~~liabilities, of national banking associations organized sub-~~  
18 ~~sequent to the passage of this Act: Provided, That such~~  
19 ~~application on the part of such associations shall be auth-~~  
20 ~~orized by the consent in writing of stockholders owning not~~  
21 ~~less than a majority of the capital stock of the association.~~  
22 ~~Any national banking association now organized which~~  
23 ~~shall not, within one year after the passage of this Act,~~  
24 ~~become a national banking association under the provisions~~  
25 ~~hereinbefore stated, or which shall fail to comply with any~~

**HITCHCOCK AMENDMENTS.**

1 *States, said bonds then to be retired; or if such bonds can not*  
2 *be so purchased said amount shall be applied to the purchase*  
3 *of other interest-bearing obligations of the United States,*  
4 *which obligations shall thereupon be retired.*

7 Every Federal reserve bank incorporated under the  
8 terms of this Act and the capital stock therein held by mem-  
9 ber banks *and the income derived therefrom* shall be exempt  
10 from Federal, State, and local taxation, except in respect to  
11 taxes upon real estate.

12 ~~SEC. 8. That any national banking association here-~~  
13 ~~tofore organized may upon application at any time~~  
14 ~~within one year after the passage of this Act, and~~  
15 ~~with the approval of the Comptroller of the Currency,~~  
16 ~~be granted, as herein provided, all the rights, and be sub-~~  
17 ~~ject to all the liabilities, of national banking associations~~  
18 ~~organized subsequent to the passage of this Act: Provided,~~  
19 ~~That such application on the part of such associations shall~~  
20 ~~be authorized by the consent in writing of stockholders~~  
21 ~~owning not less than a majority of the capital stock of the~~  
22 ~~association. Any national banking association now organ-~~  
23 ~~ized which shall not, within one year after the passage of this~~  
24 ~~Act, become a national banking association under the pro-~~  
25 ~~visions hereinbefore stated, or which shall fail to comply~~

HOUSE BILL.

6       SEC. 8. That any national banking association here-  
7 tofore organized may upon application at any time  
8 within one year after the passage of this Act, and  
9 with the approval of the Comptroller of the Currency,  
10 be granted, as herein provided, all the rights, and be sub-  
11 ject to all the liabilities, of national banking associations  
12 organized subsequent to the passage of this Act: *Provided,*  
13 *That such application on the part of such associations shall*  
14 *be authorized by the consent in writing of stockholders*  
15 *owning not less than a majority of the capital stock of the*  
16 *association. Any national banking association now organ-*  
17 *ized which shall not, within one year after the passage of this*  
18 *Act, become a national banking association under the pro-*  
19 *visions hereinbefore stated, or which shall fail to comply*  
20 *with any of the provisions of this Act applicable thereto,*  
21 *shall be dissolved; but such dissolution shall not take away*  
22 *or impair any remedy against such corporation, its stockholders*  
23 *or officers, for any liability or penalty which shall have pre-*  
24 *viously been incurred.*

OWEN AMENDMENT.

1 ~~of the provisions of this Act applicable thereto, shall be dis-~~  
2 ~~solved; but such dissolution shall not take away or impair~~  
3 ~~any remedy against such corporation, its stockholders or~~  
4 ~~officers, for any liability or penalty which shall have pre-~~  
5 ~~viously been incurred.~~

HITCHCOCK AMENDMENTS.

1 ~~with any of the provisions of this Act applicable thereto,~~  
2 ~~shall be dissolved; but such dissolution shall not take away~~  
3 ~~or impair any remedy against such corporation, its stockholders~~  
4 ~~or officers, for any liability or penalty which shall have pre-~~  
5 ~~viously been incurred.~~

6       *SEC. 8. That within six months after a national bank*  
7 *shall have been notified by the Federal Reserve Board of its*  
8 *allotment of stock under section two of this Act, said national*  
9 *bank shall hold a meeting of its stockholders and decide by a*  
10 *majority vote whether it will become a member bank under the*  
11 *terms of this Act or whether it will give up its charter as a*  
12 *national bank. In case the stockholders of said national bank*  
13 *shall decide that said national bank shall become a member*  
14 *bank, the officers of said bank, upon a blank provided by the*  
15 *board, shall forward the formal acceptance by said national*  
16 *bank of the terms of this Act to the board, properly attested*  
17 *before a notary public. In case any national bank shall*  
18 *fail to forward its acceptance to the board within six months*  
19 *from the time said board makes the allotment of stock to*  
20 *said bank, it shall be deemed to have declined to become a mem-*  
21 *ber bank and shall thereupon have six months within which to*  
22 *surrender its charter and abandon its existence as a national*  
23 *bank. In any case, however, every national bank shall be*  
24 *and is required to accept the allotment of stock as provided*  
25 *in section two, which stock may be freely sold and disposed of*

HOUSE BILL.

7 SEC. 9. That any bank or banking association incor-  
8 porated by special law of any State or of the United States,  
9 or organized under the general laws of any State or the  
10 United States, and having an unimpaired capital sufficient  
11 to entitle it to become a national banking association under  
12 the provisions of existing laws, may, by the consent in writ-  
13 ing of the shareholders owning not less than fifty-one per  
14 centum of the capital stock of such bank or banking associa-  
15 tion, and with the approval of the Comptroller of the Currency,  
16 become a national banking association under its former name  
  
21 or by any name approved by the comptroller. The directors  
22 thereof may continue to be the directors of the association so  
23 organized until others are elected or appointed in accordance  
24 with the provisions of the law. When the comptroller has  
25 given to such bank or banking association a certificate that

OWEN AMENDMENT.

7 SEC. 9. ~~That any~~ Any bank or banking association incor-  
8 porated by special law of any State or of the United States,  
9 or organized under the general laws of any State or of the  
10 United States, and having an unimpaired capital sufficient  
11 to entitle it to become a national banking association under  
12 the provisions of existing laws, may, by the consent in writ-  
13 ing vote of the shareholders owning not less than fifty-one per  
14 centum of the capital stock of such bank or banking associa-  
15 tion, and with the approval of the Comptroller of the Currency,  
16 ~~become a~~ and acting through a committee, organize a national  
17 banking association with any name approved by the said  
18 comptroller, and transfer its business to such national banking  
19 association under its former name or by any name approved  
20 by the comptroller: *Provided, however, That said acts are*  
21 *not in contravention of the State or local law.* The directors  
22 thereof may continue to be the directors of the  
23 association so organized until others are elected or appointed  
24 in accordance with the provisions of the law. When the  
25 comptroller has given to such bank or banking association

HITCHCOCK AMENDMENTS.

1 as other assets of the bank: *Provided, however, That any na-*  
2 *tional bank acting as a reserve agent in a reserve or central*  
3 *reserve city shall be required to accept the terms of this Act*  
4 *within six months from the date of notification of its allot-*  
5 *ment of stock, or, upon failure to do so, shall cease to be a*  
6 *reserve agent for national banks.*

7 SEC. 9. That any bank or banking association incor-  
8 porated by special law of any State or of the United States,  
9 or organized under the general laws of any State or the  
10 United States, and having an unimpaired capital sufficient  
11 to entitle it to become a national banking association under  
12 the provisions of existing laws, may, by the consent in writ-  
13 ing of the shareholders owning not less than fifty-one per  
14 centum of the capital stock of such bank or banking associa-  
15 tion, and with the approval of the Comptroller of the Cur-  
16 rency, become a national banking association under its  
17 former name or by any name approved by the comptroller.

21 The directors thereof may continue to be the directors of  
22 the association so organized until others are elected or ap-  
23 pointed in accordance with the provisions of the law. When  
24 the comptroller has given to such bank or banking associa-  
25 tion a certificate that the provisions of this Act have been

HOUSE BILL.

1 the provisions of this Act have been complied with, such  
2 bank or banking association, and all its stockholders, officers,  
3 and employees, shall have the same powers and privileges,  
4 and shall be subject to the same duties, liabilities, and regu-  
5 lations, in all respects, as shall have been prescribed by  
6 this Act or by the national banking Act for associations  
7 originally organized as national banking associations.

STATE BANKS AS MEMBERS.

9  
10 SEC. 10. That from and after the passage of this Act  
11 any bank or banking association or trust company incor-  
12 porated by special law of any State, or organized under  
13 the general laws of any State or the United States, may  
14 make application to the Federal Reserve Board hereinafter  
15 created for the right to subscribe to the stock of the Federal  
16 reserve bank organized or to be organized within the Federal  
17 reserve district where the applicant is located. The Federal  
18 Reserve Board, under such rules and regulations as it may  
19 prescribe, subject to the provisions of this section, shall  
20 permit such applying bank to become a stockholder in the  
21 Federal reserve bank of the district in which such apply-  
22 ing bank is located. Whenever the Federal Reserve Board  
23 shall permit such applying bank to become a stockholder  
24 in the Federal reserve bank of the district in which the ap-  
25 plying bank is located, stock shall be issued and paid for under

OWEN AMENDMENT.

1 a certificate that the provisions of this Act have been com-  
2 plied with, such bank or banking association, and all its  
3 stockholders, officers, and employees, shall have the same  
4 powers and privileges, and shall be subject to the same  
5 duties, liabilities, and regulations, in all respects, as shall  
6 have been prescribed by this Act or and by the national  
7 banking Act for associations originally organized as national  
8 banking associations.

STATE BANKS AS MEMBERS.

9  
10 SEC. 10. ~~That from and after the passage of this Act~~  
11 any *Any* bank or banking association or trust company incor-  
12 porated by special law of any State, or organized under  
13 the general laws of any State or of the United States, may  
14 make application to *the reserve bank organization com-*  
15 *mittee, pending organization, and thereafter to the Federal*  
16 Reserve Board ~~hereinafter created~~ for the right to subscribe  
17 to the stock of the Federal reserve bank organized or to be  
18 organized within the Federal reserve district where the appli-  
19 cant is located. The *organization committee or the* Federal  
20 Reserve Board, under such rules and regulations as it may pre-  
21 scribe, subject to the provisions of this section, ~~shall may~~  
22 permit ~~such~~ *the* applying bank to become a stockholder in the  
23 Federal reserve bank of the district in which ~~such~~ *the* applying  
24 bank is located. Whenever the *organization committee or the*  
25 Federal Reserve Board shall permit ~~such~~ *the* applying bank

HITCHCOCK AMENDMENTS.

1 complied with, such bank or banking association, and all  
2 its stockholders, officers, and employees, shall have the same  
3 powers and privileges, and shall be subject to the same  
4 duties, liabilities, and regulations, in all respects, as shall  
5 have been prescribed by this Act or by the national bank-  
6 ing Act for associations originally organized as national  
7 banking associations.

STATE BANKS AS MEMBERS.

9  
10 SEC. 10. That from and after the passage of this Act  
11 any bank or banking association or trust company incor-  
12 porated by special law of any State, or organized under  
13 the general laws of any State or the United States, may  
14 make application to the Federal Reserve Board hereinafter  
15 ~~created for the right to subscribe to the stock to become a~~  
16 *member* of the Federal reserve bank organized or to be or-  
17 ganized within the Federal reserve district where the appli-  
18 cant is located. The Federal Reserve Board, under such  
19 rules and regulations as it may prescribe, subject to the  
20 provisions of this ~~section~~ *Act*, shall permit such applying  
21 bank to become a ~~stockholder in~~ *member of* the Federal  
22 reserve bank of the district in which such applying bank is  
23 located. ~~Whenever the Federal Reserve Board shall permit~~  
24 ~~such applying bank to become a stockholder in the Federal~~  
25 ~~reserve bank of the district in which the applying bank is~~

HOUSE BILL.

1 the rules and regulations in this Act provided for national  
2 banks which become stockholders in Federal reserve banks.

6 It shall be the duty of the Federal Reserve Board to  
7 establish by-laws for the general government of its conduct  
8 in acting upon applications made by the State banks  
9 and banking associations and trust companies hereinbefore  
10 referred to for stock ownership in Federal reserve banks.  
11 Such by-laws shall require applying banks not organ-  
12 ized under Federal law to comply with the reserve  
13 requirements and submit to the inspection and regula-  
14 tion provided for in this and other laws relating to  
15 national banks. No such applying bank shall be admitted  
16 to membership in a Federal reserve bank unless it pos-  
17 sesses a paid-up unimpaired capital sufficient to entitle it to  
18 become a national banking association in the place where it is  
19 situated, under the provisions of the national banking Act,  
20 and conforms to the provisions herein prescribed for national  
21 banking associations of similar capitalization and to the regu-  
22 lations of the Federal Reserve Board.

OWEN AMENDMENT.

1 to become a stockholder in the Federal reserve bank of the dis-  
2 trict in which the applying bank is located, stock shall be  
3 issued and paid for under the rules and regulations in this Act  
4 provided for national banks which become stockholders in  
5 Federal reserve banks.

6 It shall be the duty of the *The organization committee or*  
7 *the* Federal Reserve Board *to shall* establish by-laws for the  
8 general government of its conduct in acting upon applications  
9 made by the State banks and banking associations and trust  
10 companies hereinbefore referred to for stock ownership in  
11 Federal reserve banks. Such by-laws shall require applying  
12 banks not organized under Federal law to comply with the re-  
13 serve *and capital* requirements and to submit to the *inspection*  
14 *examination* and *regulation* provided for in this and other laws  
15 *relating to national banks regulations prescribed by the organi-*  
16 *zation committee or by the Federal Reserve Board.* No such  
17 applying bank shall be admitted to membership in a Federal  
18 reserve bank unless it possesses a paid-up unimpaired capital  
19 sufficient to entitle it to become a national banking association  
20 in the place where it is situated, under the provisions of the  
21 national banking Act, *and conforms to the provisions herein*  
22 *prescribed for national banking associations of similar capitali-*  
23 *zation and to the regulations of the Federal Reserve Board.*

HITCHCOCK AMENDMENTS.

1 ~~located, stock shall be issued and paid for under the rules~~  
2 ~~and regulations in this Act provided for national banks~~  
3 ~~which become stockholders in Federal reserve banks, in~~  
4 ~~which case stock shall be allotted to it as provided in this~~  
5 ~~Act.~~

6 It shall be the duty of the Federal Reserve Board to  
7 establish by-laws for the general government of its conduct  
8 in acting upon applications made by the State banks  
9 and banking associations and trust companies hereinbefore  
10 referred to for stock ownership in Federal reserve banks.  
11 Such by-laws shall require applying banks not organ-  
12 ized under Federal law to comply with the reserve  
13 requirements and submit to the inspection and regula-  
14 tion provided for in this and other laws relating to  
15 national banks. No such applying bank shall be admitted  
16 to membership in a Federal reserve bank unless it pos-  
17 sesses a paid-up unimpaired capital sufficient to entitle it to  
18 become a national banking association in the place where it is  
19 situated, under the provisions of the national banking Act,  
20 ~~and conforms to the provisions herein prescribed for national~~  
21 ~~banking associations of similar capitalization and to the regu-~~  
22 ~~lations of the Federal Reserve Board and it shall thereafter~~  
23 ~~be required to make the same reports and be subject to the same~~  
24 ~~examination and supervision as national banking associations~~  
25 ~~and subject also to the reserve requirements of this Act.~~

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 Any bank becoming a member of a Federal reserve bank  
2 under the provisions of this section shall, in addition to the  
3 regulations and restrictions hereinbefore provided, be re-  
4 quired to conform to the provisions of law imposed on the  
5 national banks and to such rules and regulations as the Fed-  
6 eral Reserve Board may, in pursuance thereof, prescribe re-  
7 specting the limitation of liability which may be incurred by  
8 any person, firm, or corporation to such banks, the prohibi-  
9 tion against making purchase of or loans on stock of such  
10 banks, and the withdrawal or impairment of capital, or the  
11 payment of unearned dividends.

12 Such banks, and the officers, agents, and employees  
13 thereof, shall also be subject to the provisions of and to the  
14 penalties prescribed by sections fifty-one hundred and ninety-  
15 eight, fifty-two hundred and eight, fifty-two hundred, fifty-two  
16 hundred and one, and fifty-two hundred and eight and fifty-two  
17 hundred and nine of the Revised Statutes. The member banks  
18 shall also be required to make reports of the conditions and of  
19 the payments of dividends to the comptroller, as provided in  
20 sections fifty-two hundred and eleven and fifty-two hundred  
21 and twelve of the Revised Statutes, and shall be subject to the  
22 penalties prescribed by section fifty-two hundred and thirteen  
23 for the failure to make such report.

24 If at any time it shall appear to the Federal Reserve  
25 Board that a banking association or trust company organized

24 If at any time it shall appear to the Federal Reserve  
25 Board that a banking association or trust company or-

24 If at any time it shall appear to the Federal Reserve  
25 Board that a ~~banking association or trust company organ-~~

**HOUSE BILL.**

1 under the laws of any State or of the United States has failed  
2 to comply with the provisions of this section or the regu-  
3 lations of the Federal Reserve Board, it shall be within  
4 the power of the said board to require such banking associa-  
5 tion or trust company to surrender its stock in the Federal  
6 reserve bank in which it holds stock upon receiving from  
7 such Federal reserve bank the cash-paid subscriptions to  
8 the said stock in current funds, and said Federal reserve  
9 bank shall upon notice from the Federal Reserve Board  
10 be required to suspend said banking association or trust  
11 company from further privileges of membership, and shall  
12 within thirty days of such notice cancel and retire its  
13 stock and make payment therefor in the manner herein  
14 provided.

23

**FEDERAL RESERVE BOARD.**

**OWEN AMENDMENT.**

1 ganized under the laws of any State or of the United  
2 States *and having become a member bank* has failed  
3 to comply with the provisions of this section or the regu-  
4 lations of the Federal Reserve Board, it shall be within  
5 the power of the said board, *after hearing*, to require such  
6 banking association or trust company to surrender its stock in  
7 the Federal reserve bank; *in which it holds stock upon re-*  
8 *ceiving from such surrender the* Federal reserve bank  
9 *shall pay* the cash-paid subscriptions to the said stock *in*  
10 *current funds with interest at the rate of one-half of one per*  
11 *centum per month interest, computed from the last dividend,*  
12 *if earned, not to exceed the book value thereof, less any liability*  
13 *to said Federal reserve bank, except the subscription liability*  
14 *not previously called, which shall be canceled,* and said Federal  
15 reserve bank shall, upon notice from the Federal Reserve  
16 Board, be required to suspend said banking association or trust  
17 company from further privileges of membership, and shall  
18 within thirty days of such notice cancel and retire its  
19 stock and make payment therefor in the manner herein  
20 provided. *The Federal Reserve Board may restore member-*  
21 *ship upon due proof of compliance with the conditions im-*  
22 *posed by this section.*

23

**FEDERAL RESERVE BOARD.**

**HITCHCOCK AMENDMENTS.**

1 ized under the laws of any State or of the United States  
2 *member bank* has failed to comply with the provisions of  
3 this section *Act* or the regulations of the Federal Reserve  
4 Board, it shall be within the power of the said board *to re-*  
5 *quire such banking association or trust company to surrender*  
6 *its stock in the Federal reserve bank in which it holds stock*  
7 *upon receiving from such Federal reserve bank the cash-*  
8 *paid subscriptions to the said stock in current funds, and said*  
9 *Federal reserve bank shall upon notice from the Federal*  
10 *Reserve Board be required to suspend said banking associa-*  
11 *tion or trust company from further privileges of member-*  
12 *ship, and shall within thirty days of such notice cancel and*  
13 *retire its stock and make payment therefor in the manner*  
14 *herein provided, after due hearing, to suspend or expel the*  
15 *said bank from membership. The Federal Reserve Board*  
16 *may restore membership upon due proof of compliance with*  
17 *the conditions imposed by this Act.*

23

**FEDERAL RESERVE BOARD.**

24 ~~Sec. 11. That there shall be created a Federal Reserve~~  
25 ~~Board, which shall consist of seven members, including the~~

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 ~~Secretary of the Treasury, the Secretary of Agriculture, and~~  
2 ~~the Comptroller of the Currency, who shall be members ex~~  
3 ~~officio, and four members appointed by the President of the~~  
4 ~~United States, by and with the advice and consent of the~~  
5 ~~Senate. In selecting the four appointive members of the~~  
6 ~~Federal Reserve Board, not more than one of whom shall be~~  
7 ~~selected from any one Federal reserve district, the President~~  
8 ~~shall have due regard to a fair representation of different~~  
9 ~~geographical divisions of the country. The four members of~~  
10 ~~the Federal Reserve Board appointed by the President and~~  
11 ~~confirmed as aforesaid shall devote their entire time to the~~  
12 ~~business of the Federal Reserve Board and shall each receive~~  
13 ~~an annual salary of \$10,000, together with an allowance~~  
14 ~~for actual necessary traveling expenses, and the Comptroller~~  
15 ~~of the Currency, as ex officio member of said Federal Reserve~~  
16 ~~Board, shall, in addition to the salary now paid him as comp-~~  
17 ~~troller, receive the sum of \$5,000 annually for his services~~  
18 ~~as a member of said board. Of the four members thus ap-~~  
19 ~~pointed by the President not more than two shall be of the~~  
20 ~~same political party, and at least one of whom shall be a~~  
21 ~~person experienced in banking. One shall be designated by~~  
22 ~~the President to serve for two, one for four, one for six, and~~  
23 ~~one for eight years, respectively, and thereafter each member~~  
24 ~~so appointed shall serve for a term of eight years unless~~  
25 ~~sooner removed for cause by the President. Of the four per-~~

HOUSE BILL.

7 SEC. 11. That there shall be created a Federal Reserve  
8 Board, which shall consist of seven members, including the  
9 Secretary of the Treasury, the Secretary of Agriculture, and  
10 the Comptroller of the Currency, who shall be members ex  
11 officio, and four members appointed by the President of the  
12 United States, by and with the advice and consent of the  
13 Senate. In selecting the four appointive members of the  
14 Federal Reserve Board, not more than one of whom  
15 shall be selected from any one Federal reserve district,  
16 the President shall have due regard to a fair represen-  
17 tation of different geographical divisions of the country.  
18 The four members of the Federal Reserve Board appointed  
19 by the President and confirmed as aforesaid shall de-  
20 vote their entire time to the business of the Federal Re-  
21 serve Board and shall each receive an annual salary of  
22 \$10,000, together with an allowance for actual necessary  
23 traveling expenses, and the Comptroller of the Currency, as  
24 ex officio member of said Federal Reserve Board, shall,  
25 in addition to the salary now paid him as comptroller,

OWEN AMENDMENT.

7 SEC. 11. ~~That there shall be created a~~ A Federal Re-  
8 serve Board, ~~is hereby created~~ which shall consist of seven  
9 members, including the Secretary of the Treasury, ~~the Sec-~~  
10 ~~retary of Agriculture, and the Comptroller of the Currency.~~  
11 who shall be ~~members~~ a member ex officio, and ~~four six~~ mem-  
12 bers appointed by the President of the United States, by  
13 and with the advice and consent of the Senate. In select-  
14 ing the ~~four six~~ appointive members of the Federal Reserve  
15 Board, ~~not more than one of whom shall be selected from~~  
16 ~~any one Federal reserve district,~~ the President shall have  
17 due regard to a fair representation of ~~different~~ the financial,  
18 commercial, and geographical divisions of the country.  
19 The ~~four six~~ members of the Federal Reserve Board appointed  
20 by the President and confirmed as aforesaid shall de-  
21 vote their entire time to the business of the Federal Re-  
22 serve Board and shall each receive an annual salary of  
23 \$10,000, together with an allowance for actual necessary  
24 traveling expenses, ~~and the Comptroller of the Currency, as~~  
25 ~~ex officio member of said Federal Reserve Board, shall,~~

HITCHCOCK AMENDMENTS.

1 ~~sons thus appointed, one shall be designated by the President~~  
2 ~~as manager and one as vice manager of the Federal Reserve~~  
3 ~~Board. The manager of the Federal Reserve Board, subject~~  
4 ~~to the supervision of the Secretary of the Treasury and Fed-~~  
5 ~~eral Reserve Board shall be the active executive officer of~~  
6 ~~the Federal Reserve Board.~~

7 SEC. 11. That the President of the United States shall  
8 appoint, by and with the advice and consent of the Senate, a  
9 Federal Reserve Board consisting of eight members, in addi-  
10 tion to whom the Secretary of the Treasury shall be an ex  
11 officio member. Of the eight members appointed in the first  
12 instance, the President shall appoint one for a term of one  
13 year, one for a term of two years, one for a term of three  
14 years, one for a term of four years, one for a term of five  
15 years, one for a term of six years, one for a term of seven  
16 years, and one for a term of eight years, and thereafter all  
17 appointments shall be made for a term of eight years. Not  
18 less than one nor more than three of said members shall be  
19 appointed from any one Federal reserve district. Appoint-  
20 ments to fill vacancies in the board shall be for the unexpired  
21 term and may be made by the President when the Senate is  
22 not in session, which appointments shall expire at the end of  
23 the next session. In selecting members of the reserve board  
24 consideration shall be given to experience in commerce and  
25 banking. The eight members of the Federal Reserve Board

HOUSE BILL.

1 receive the sum of \$5,000 annually for his services as a mem-  
2 ber of said board. Of the four members thus appointed by the  
3 President not more than two shall be of the same political  
4 party, and at least one of whom shall be a person experienced  
5 in banking. One shall be designated by the President to  
6 serve for two, one for four, one for six, and one for  
7 eight years, respectively, and thereafter each member so  
8 appointed shall serve for a term of eight years unless sooner  
9 removed for cause by the President. Of the four persons thus  
10 appointed, one shall be designated by the President as manager  
11 and one as vice manager of the Federal Reserve Board. The  
12 manager of the Federal Reserve Board, subject to the super-  
13 vision of the Secretary of the Treasury and Federal Reserve  
14 Board, shall be the active executive officer of the Federal  
15 Reserve Board.

OWEN AMENDMENT.

1 ~~in addition to the salary now paid him as comptroller,~~  
2 ~~receive the sum of \$5,000 annually for his services as a mem-~~  
3 ~~ber of said board.~~ Of the ~~four~~ *six* members thus appointed  
4 by the President ~~not more than two shall be of the same~~  
5 ~~political party,~~ and at least ~~one of whom~~ *two* shall be a person  
6 *persons* experienced in banking or finance. One shall be  
7 designated by the President to serve for ~~two~~ *one*, one for ~~four~~  
8 *two*, one for ~~six~~ *three*, and one for ~~eight~~ *years four*, one for  
9 *five*, and one for *six* years, respectively, and thereafter each  
10 member so appointed shall serve for a term of ~~eight~~ *six*  
11 years unless sooner removed for cause by the President. Of  
12 the ~~four~~ *six* persons thus appointed, one shall be designated  
13 by the President as ~~manager~~ *governor* and one as vice ~~manager~~  
14 *governor* of the Federal Reserve Board. The ~~manager~~  
15 *governor* of the Federal Reserve Board, subject to the super-  
16 vision of the ~~Secretary of the Treasury and~~ Federal Reserve  
17 Board, shall be the active executive officer of the Federal  
18 Reserve Board. *In case of vacancies, temporary appoint-*  
19 *ments on the Federal Reserve Board may be made by the*  
20 *President when the Senate is not in session, to be immedi-*  
21 *ately submitted to the Senate when it convenes. The Secre-*  
22 *tary of the Treasury may assign offices in the Department of*  
23 *the Treasury for the use of the Federal Reserve Board.*  
24 *Each member of the Federal Reserve Board shall within*  
25 *fifteen days after notice of appointment make and subscribe*  
26 *to the oath of office.*

HITCHCOCK AMENDMENTS.

1 *thus appointed by the President shall devote their entire time*  
2 *to the work and duties of the board and shall not while in*  
3 *office be officers, directors, or employees of any bank or trust*  
4 *company, nor hold stock in any such institution, and they*  
5 *shall each receive a salary of \$12,000 per year, payable*  
6 *monthly out of the Treasury of the United States upon the*  
7 *order or warrant of the Secretary of the Treasury. The*  
8 *President shall designate, other than the Secretary of the*  
9 *Treasury, one member of said board as governor thereof, and*  
10 *one member as vice governor thereof who shall act in place*  
11 *of the governor during his disability or absence. The gov-*  
12 *ernor shall be the active executive and presiding officer of the*  
13 *board. The Secretary of the Treasury shall provide the*  
14 *necessary office rooms for said board in the Treasury Depart-*  
15 *ment Building, or the board may select quarters elsewhere in*  
16 *the city of Washington if sufficient office room can not be found*  
17 *in said building. The said board shall hold its office in the*  
18 *city of Washington, District of Columbia. The first meet-*  
19 *ing of the board shall be held as soon as may be, upon the*  
20 *call of the Secretary of the Treasury, at a time and place*  
21 *designated by him.*

HOUSE BILL.

1 The Federal Reserve Board shall have power to levy  
2 semiannually upon the Federal reserve banks, in proportion to  
3 their capital stock, an assessment sufficient to pay its esti-  
4 mated expenses for the half year succeeding the levying of  
5 such assessment, together with any deficit carried forward  
6 from the preceding half year.

OWEN AMENDMENT.

1 The Federal Reserve Board shall have power to levy  
2 semiannually upon the Federal reserve banks, in proportion to  
3 their capital stock *and surplus*, an assessment sufficient to  
4 pay its estimated expenses *and salaries of its members and*  
5 *employees* for the half year succeeding the levying of such  
6 assessment, together with any deficit carried forward from the  
7 preceding half year.

HITCHCOCK AMENDMENTS.

1 The Federal Reserve Board shall have power to levy  
2 semiannually upon the Federal reserve banks, in proportion to  
3 their capital stock *and surplus*, an assessment sufficient to  
4 pay its estimated expenses *and salaries* for the half year suc-  
5 ceeding the levying of such assessment, together with any  
6 ~~deficit~~ *deficiency* carried forward from the preceding half year.

8 ~~The first meeting of the Federal Reserve Board shall~~  
9 ~~be held in Washington, District of Columbia, as soon as may~~  
10 ~~be after the passage of this Act, at a date to be fixed by the Re-~~  
11 ~~serve Bank Organization Committee. The Secretary of the~~  
12 ~~Treasury shall be ex officio chairman of the Federal Reserve~~  
13 ~~Board. No member of the Federal Reserve Board shall~~  
14 ~~be an officer or director of any bank or banking institution~~  
15 ~~or Federal reserve bank nor hold stock in any bank or bank-~~  
16 ~~ing institution; and before entering upon his duties as a~~  
17 ~~member of the Federal Reserve Board he shall certify under~~  
18 ~~oath to the Secretary of the Treasury that he has complied~~  
19 ~~with this requirement. Whenever a vacancy shall occur,~~  
20 ~~other than by expiration of term, among the four members of~~  
21 ~~the Federal Reserve Board appointed by the President, as~~  
22 ~~above provided, a successor shall be appointed by the Presi-~~  
23 ~~dent, with the advice and consent of the Senate, to fill such~~  
24 ~~vacancy, and when appointed shall hold office for the~~  
25 ~~unexpired term of the member whose place he is selected~~  
26 ~~to fill.~~

HOUSE BILL.

1 The first meeting of the Federal Reserve Board shall  
2 be held in Washington, District of Columbia, as soon as may  
3 be after the passage of this Act, at a date to be fixed by the Re-  
4 serve Bank Organization Committee. The Secretary of the  
5 Treasury shall be ex officio chairman of the Federal Reserve  
6 Board. No member of the Federal Reserve Board shall  
7 be an officer or director of any bank or banking institution  
8 or Federal reserve bank nor hold stock in any bank or bank-  
9 ing institution; and before entering upon his duties as a  
10 member of the Federal Reserve Board he shall certify under  
11 oath to the Secretary of the Treasury that he has complied  
12 with this requirement. Whenever a vacancy shall occur,  
13 other than by expiration of term, among the four members of  
14 the Federal Reserve Board appointed by the President, as  
15 above provided, a successor shall be appointed by the Presi-  
16 dent, with the advice and consent of the Senate, to fill such  
17 vacancy, and when appointed shall hold office for the  
18 unexpired term of the member whose place he is selected  
19 to fill.

OWEN AMENDMENT.

1 The first meeting of the Federal Reserve Board shall  
2 be held in Washington, District of Columbia, as soon as may  
3 be after the passage of this Act, at a date to be fixed by the Re-  
4 serve Bank Organization Committee. The Secretary of the  
5 Treasury shall be ex officio chairman of the Federal Reserve  
6 Board. No member of the Federal Reserve Board shall  
7 be an officer or director of any bank, ~~or~~ banking institution,  
8 *trust company*, or Federal reserve bank nor hold stock in any  
9 bank, ~~or~~ banking institution, *or trust company*; and before  
10 entering upon his duties as a member of the Federal Reserve  
11 Board he shall certify under oath to the Secretary of the  
12 Treasury that he has complied with this requirement. When-  
13 ever a vacancy shall occur, other than by expiration of term,  
14 among the ~~four~~ *six* members of the Federal Reserve Board  
15 appointed by the President, as above provided, a successor  
16 shall be appointed by the President, with the advice and  
17 consent of the Senate, to fill such vacancy, and when appointed  
18 *he* shall hold office for the unexpired term of the member  
19 whose place he is selected to fill.

20 *Nothing in this Act contained shall be construed as taking*  
21 *away any powers heretofore vested by law in the Secretary of*  
22 *the Treasury which relate to the supervision, management,*  
23 *and control of the Treasury Department and bureaus under*  
24 *such department, and wherever any power vested by this Act*  
25 *in the Federal Reserve Board or the Federal reserve agent*  
26 *appears to conflict with the powers of the Secretary of the*

HITCHCOCK AMENDMENTS.

HOUSE BILL.

3 The Federal Reserve Board shall annually make a report  
4 of its fiscal operations to the Speaker of the House of Repre-  
5 sentatives, who shall cause the same to be printed for the  
6 information of the Congress.

7 Section three hundred and twenty-four of the Revised  
8 Statutes of the United States shall be amended so as to  
9 read as follows: "There shall be in the Department of the  
10 Treasury a bureau charged, except as in this Act otherwise  
11 provided, with the execution of all laws passed by Congress  
12 relating to the issue and regulation of currency issued by  
13 or through banking associations, the chief officer of which  
14 bureau shall be called the Comptroller of the Currency, and  
15 shall perform his duties under the general direction of the  
16 Secretary of the Treasury, acting as the chairman of the  
17 Federal Reserve Board:" *Provided, however,* That nothing  
18 herein contained shall be construed to affect any power now  
19 vested by law in the Comptroller of the Currency or the  
20 Secretary of the Treasury.

OWEN AMENDMENT.

1 *Treasury, such powers shall be exercised subject to the super-  
2 vision and control of the Secretary.*

3 The Federal Reserve Board shall annually make a *full*  
4 report of its ~~fiscal~~ operations to the Speaker of the House of  
5 Representatives, who shall cause the same to be printed for  
6 the information of the Congress.

7 Section three hundred and twenty-four of the Revised  
8 Statutes of the United States shall be amended so as to  
9 read as follows: "~~There shall be in the Department of the~~  
10 ~~Treasury a bureau charged, except as in this Act otherwise~~  
11 ~~provided, with the execution of all laws passed by Congress~~  
12 ~~relating to the issue and regulation of currency issued by~~  
13 ~~or through banking associations, the chief officer of which~~  
14 ~~bureau shall be called the Comptroller of the Currency, and~~  
15 ~~shall perform his duties under the general direction of the~~  
16 ~~Secretary of the Treasury, acting as the chairman of the~~  
17 ~~Federal Reserve Board:"~~ *Provided, however,* That nothing  
18 herein contained shall be construed to affect any power now  
19 vested by law in the Comptroller of the Currency or the  
20 Secretary of the Treasury *There shall be in the Department*  
21 *of the Treasury a bureau charged with the execution of all*  
22 *laws passed by Congress relating to the issue and regulation*  
23 *of national currency secured by United States bonds and,*  
24 *under the general supervision of the Federal Reserve Board,*  
25 *of all Federal reserve notes, the chief officer of which bureau*

HITCHCOCK AMENDMENTS.

3 The Federal Reserve Board shall annually make a *full*  
4 report of its ~~fiscal~~ operations to the ~~Speaker of the House of~~  
5 ~~Representatives, who shall cause the same to be printed for~~  
6 ~~the information of the Congress.~~

7 Section three hundred and twenty-four of the Revised  
8 Statutes of the United States shall be amended so as to  
9 read as follows: "There shall be in the Department of the  
10 Treasury a bureau charged, ~~except as in this Act otherwise~~  
11 ~~provided,~~ with the execution of all laws passed by Congress  
12 relating to the issue and regulation of *national* currency  
13 ~~issued secured by or through banking associations,~~ *United*  
14 *States bonds and, under the general supervision of the Federal*  
15 *Reserve Board, of all Federal reserve notes,* the chief officer  
16 of which bureau shall be called the Comptroller of the Cur-  
17 rency, and shall perform his duties under the general direc-  
18 tion of the Secretary of the Treasury, ~~acting as the chairman~~  
19 ~~of the Federal Reserve Board:"~~ *Provided, however,* That  
20 ~~nothing herein.~~ *Nothing in this Act* contained shall be con-  
21 ~~strued to affect as taking away any power now powers hereto-~~  
22 ~~fore~~ vested by law in the ~~Comptroller of the Currency or the~~  
23 Secretary of the Treasury *which relate to the supervision,*  
24 *management, and control of the Treasury Department and*  
25 *the bureaus under such department.*

HOUSE BILL.

4 SEC. 12. That the Federal Reserve Board hereinbefore  
5 established shall be authorized and empowered :

6 (a) To examine at its discretion the accounts, books, and  
7 affairs of each Federal reserve bank and to require such  
8 statements and reports as it may deem necessary. The said  
9 board shall publish once each week a statement showing the  
10 condition of each Federal reserve bank and a consolidated  
11 statement for all Federal reserve banks. Such statements  
12 shall show in detail the assets and liabilities of  
13 such Federal reserve banks, single and combined, and  
14 shall furnish full information regarding the character  
15 of the lawful money held as reserve and the amount, na-  
16 ture, and maturities of the paper owned by Federal reserve  
17 banks.

19 (b) To permit or require, in time of emergency, Federal  
20 reserve banks to rediscount the discounted prime paper of  
21 other Federal reserve banks, at least five members of the  
22 Federal Reserve Board being present when such action is  
23 taken and all present consenting to the requirement. The  
24 exercise of this compulsory rediscount power by the Federal  
25 Reserve Board shall be subject to an interest charge to the

OWEN AMENDMENT.

1 shall be called the Comptroller of the Currency and shall per-  
2 form his duties under the general directions of the Secretary  
3 of the Treasury.''

4 SEC. 12. ~~That the~~ The Federal Reserve Board herein-  
5 ~~before established~~ shall be authorized and empowered :

6 (a) To examine at its discretion the accounts, books, and  
7 affairs of each Federal reserve bank *and of each member*  
8 *bank* and to require such statements and reports as it  
9 may deem necessary. The said board shall publish  
10 once each week a statement showing the condition  
11 of each Federal reserve bank and a consolidated  
12 statement for all Federal reserve banks. Such statements  
13 shall show in detail the assets and liabilities of ~~such~~  
14 *the* Federal reserve banks, single and combined, and  
15 shall furnish full information regarding the character  
16 of the ~~lawful~~ money held as reserve and the amount, na-  
17 ture, and maturities of the paper *and other investments* owned  
18 *or held* by Federal reserve banks.

19 (b) To permit or require, ~~in time of emergency,~~ Fed-  
20 eral reserve banks to rediscount the discounted ~~prime~~ paper of  
21 other Federal reserve banks, ~~at least five members of the~~  
22 ~~Federal Reserve Board being present when such action is~~  
23 ~~taken and all present consenting to the requirement. The~~  
24 ~~exercise of this compulsory rediscount power by the Federal~~  
25 ~~Reserve Board shall be subject to an interest charge to the~~

HITCHCOCK AMENDMENT.

4 SEC. 12. That the Federal Reserve Board hereinbefore  
5 established shall be authorized and empowered :

6 (a) To examine at its discretion the accounts, books, and  
7 affairs of each Federal reserve bank *and of each member bank*  
8 and to require such statements and reports as it may deem  
9 necessary. The said board shall publish once each week a  
10 statement showing the condition of each Federal reserve bank  
11 and a consolidated statement for all Federal reserve banks.  
12 Such statements shall show in detail the assets and liabilities  
13 of such Federal reserve banks, single and combined, and  
14 shall furnish full information regarding the *amount and*  
15 *character* of the ~~lawful~~ money held as reserve and the amount,  
16 nature, and maturities of the paper *and other investments*  
17 *owned or held* by Federal reserve banks.

19 (b) To permit or require, in time of emergency, Federal  
20 reserve banks to rediscount the discounted prime *commercial*  
21 paper of other Federal reserve banks, at least ~~five~~ *six* members  
22 of the Federal Reserve Board being present when such action  
23 is taken and all present consenting to the requirement. ~~The~~  
24 ~~exercise of this compulsory rediscount power by the Federal~~  
25 ~~Reserve Board shall be subject to an interest charge to the~~

HOUSE BILL.

1 accommodated bank of not less than one nor greater than  
2 three per centum above the higher of the rates prevailing  
3 in the districts immediately affected.

7 (c) To suspend for a period not exceeding thirty days  
8 (and to renew such suspension for periods not to exceed  
9 fifteen days) any and every reserve requirement specified in  
10 this Act: *Provided*, That it shall establish a graduated tax  
11 upon the amounts by which the reserve requirements of  
12 this Act may be permitted to fall below the level hereinafter  
13 specified, such tax to be uniform in its application to all banks;  
14 but said board shall not suspend the reserve requirements  
15 with reference to Federal reserve notes.

18 (d) To supervise and regulate the issue and retirement  
19 of Federal reserve notes and to prescribe the form and tenor  
20 of such notes.

OWEN AMENDMENT.

1 ~~accommodated bank of not less than one nor greater than~~  
2 ~~three per centum above the higher of the rates prevailing~~  
3 ~~in the districts immediately affected at rates of interest to be~~  
4 ~~fixed each week by the Federal Reserve Board.~~

7 (e) To suspend for a period not exceeding thirty days,  
8 ~~(and from time to time to renew such suspension for periods~~  
9 ~~not to exceed exceeding fifteen days), any and every re-~~  
10 ~~serve requirement specified in this Act: *Provided*, That it~~  
11 ~~shall establish a graduated tax upon the amounts by which the~~  
12 ~~reserve requirements of this Act may be permitted to fall below~~  
13 ~~the level hereinafter specified, such tax to be uniform in its~~  
14 ~~application to all *Federal reserve banks and to member* banks,~~  
15 ~~*required to keep the same reserves; but said board shall not*~~  
16 ~~suspend the reserve requirements with reference to Federal~~  
17 ~~reserve notes.~~

18 (d) ~~To supervise and regulate the issue and retirement~~  
19 ~~of Federal reserve notes and to prescribe the form and tenor~~  
20 ~~of such notes: *To supervise and regulate through the bureau*~~  
21 ~~*under the charge of the Comptroller of the Currency the issue*~~  
22 ~~*and retirement of Federal reserve notes, and to prescribe*~~  
23 ~~*rules and regulations under which such notes may be delivered*~~  
24 ~~*by the comptroller to the Federal reserve agents applying*~~  
25 ~~*therefor.*~~

HITCHCOCK AMENDMENTS.

1 ~~accommodated bank of not less than one nor greater than~~  
2 ~~three per centum above the higher of the rates prevailing~~  
3 ~~in the districts immediately affected: *In such case the Fed-*~~  
4 ~~*eral board shall fix a special rediscount rate of not more than*~~  
5 ~~*three per centum in excess of the discount rate of the accom-*~~  
6 ~~*modated reserve bank.*~~

7 ~~(e) To suspend for a period not exceeding thirty days~~  
8 ~~(and to renew such suspension for periods not to exceed~~  
9 ~~fifteen days), any and every reserve requirement specified~~  
10 ~~in this Act: *Provided*, That it shall establish a graduated~~  
11 ~~tax upon the amounts by which the reserve requirements of~~  
12 ~~this Act may be permitted to fall below the level hereinafter~~  
13 ~~specified, such tax to be uniform in its application to all~~  
14 ~~banks; but said board shall not suspend the reserve require-~~  
15 ~~ments with reference to Federal reserve notes.~~

18 (d c) To supervise and regulate the issue and retirement  
19 of Federal reserve notes and to prescribe the form and tenor  
20 of such notes.

HOUSE BILL.

1 (e) To add to the number of cities classified as reserve  
2 and central reserve cities under existing law in which national  
3 banking associations are subject to the reserve requirements  
4 set forth in section twenty of this Act; or to reclassify  
5 existing reserve and central reserve cities and to design-  
6 nate the banks therein situated as country banks at its  
7 discretion.

8 (f) To suspend the officials of Federal reserve banks  
9 and, for cause stated in writing with opportunity of hearing,  
10 require the removal of said officials for incompetency, derelic-  
11 tion of duty, fraud, or deceit, such removal to be subject to  
12 approval by the President of the United States.

17 (g) To require the writing off of doubtful or worthless  
18 assets upon the books and balance sheets of Federal reserve  
19 banks.

20 (h) To suspend, for cause relating to violation of any of  
21 the provisions of this Act, the operations of any Federal  
22 reserve bank and appoint a receiver therefor.

25 (i) To perform the duties, functions, or services specified  
26 or implied in this Act.

OWEN AMENDMENT.

1 (e) To add to the number of cities classified as reserve  
2 and central reserve cities under existing law in which national  
3 banking associations are subject to the reserve requirements  
4 set forth in section twenty of this Act; or to reclassify  
5 existing reserve and central reserve cities and to designate  
6 the banks therein situated as country banks at its discretion  
7 or to terminate their designation as such.

8 (f) To suspend the officials of Federal reserve banks  
9 and, for cause stated in writing with opportunity of hearing,  
10 require the removal of said officials for incompetency, derelic-  
11 tion of duty, fraud, or deceit, such removal to be subject to  
12 approval by the President of the United States *To suspend or*  
13 *remove any officer or director of any Federal reserve bank,*  
14 *the cause of such removal to be forthwith communicated in*  
15 *writing by the Federal Reserve Board to the removed officer*  
16 *or director and to said bank.*

17 (g) To require the writing off of doubtful or worthless  
18 assets upon the books and balance sheets of Federal reserve  
19 banks.

20 (h) To suspend, for cause relating to violation of any of  
21 the provisions of this Act, the operations of any Federal  
22 reserve bank and ~~appoint a receiver therefor~~ *take possession*  
23 *thereof and administer the same during the period of suspen-*  
24 *sion.*

25 (i) To require bonds of Federal reserve agents, perform  
26 the duties, functions, or services specified or implied in this

HITCHCOCK AMENDMENTS.

1 (~~a~~d) To add to the number of cities classified as reserve  
2 and central reserve cities under existing law in which national  
3 banking associations are subject to the reserve requirements  
4 set forth in section ~~twenty~~ of this Act; or to reclassify exist-  
5 ing reserve and central reserve cities and ~~or to designate~~  
6 ~~the banks therein situated as country banks at its discretion~~  
7 ~~terminate their designation as such.~~

8 (~~f~~) To suspend the officials of Federal reserve banks  
9 and, for cause stated in writing with opportunity of hear-  
10 ing, require the removal of said officials for incompetency,  
11 dereliction of duty, fraud, or deceit, such removal to be  
12 subject to approval by the President of the United States.

17 (~~g~~ e) To require the writing off of doubtful or worth-  
18 less assets upon the books and balance sheets of Federal  
19 reserve banks.

20 (~~h~~) To suspend, for cause relating to violation of any  
21 of the provisions of this Act, the operations of any Federal  
22 reserve bank and appoint a receiver therefor.

25 (f) To require bonds of Federal reserve agents for the  
26 faithful performance of the duties of their office.

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 Act, and to make all rules and regulations necessary to enable  
2 said board effectively to perform the same.

3 (j) To exercise general supervision over said Federal  
4 reserve banks.

5 (k) To authorize the use, as reserves of member banks,  
6 Federal reserve notes, or bank notes based on United States  
7 bonds, to the extent that said board may find necessary.

8 (l) To grant by special permit to national banks applying  
9 therefor the right to act as trustee, executor, or to exercise  
10 general trust powers under such rules and regulations as the  
11 said board may prescribe.

1 ~~(i) To perform the duties, functions, or services speci-~~  
2 ~~fied or implied in this Act.~~

12 FEDERAL ADVISORY COUNCIL.

13 SEC. 13. There is hereby created a Federal Advisory  
14 Council, which shall consist of as many members as there are  
15 Federal reserve districts. Each Federal reserve bank by its  
16 board of directors shall annually select from its own Fed-  
17 eral reserve district one member of said council, who shall  
18 receive no compensation for his services, but may be re-  
19 imbursed for actual necessary expenses. The meetings  
20 of said advisory council shall be held at Washington,  
21 District of Columbia, at least four times each year, and  
22 oftener if called by the Federal Reserve Board. The council  
23 may select its own officers and adopt its own methods of pro-  
24 cedure, and a majority of its members shall constitute a quo-  
25 rum for the transaction of business. Vacancies in the council

12 FEDERAL ADVISORY COUNCIL.

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15 Federal reserve districts. Each Federal reserve bank by its  
16 board of directors shall annually select from its own Fed-  
17 eral reserve district one member of said council, who shall  
18 receive ~~no compensation for his services, but may be re-~~  
19 ~~imbursed for actual necessary expense such compensation~~  
20 ~~and allowances as may be fixed by his board of directors~~  
21 ~~subject to the approval of the Federal Reserve Board.~~ The  
22 meetings of said advisory council shall be held at Washing-  
23 ton, District of Columbia, at least four times each year, and  
24 oftener if called by the Federal Reserve Board. The council  
25 may select its own officers and adopt its own methods of pro-

12 FEDERAL ADVISORY COUNCIL.

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16 board of directors shall annually select from its own Fed-  
17 eral reserve district one member of said council, who shall  
18 receive ~~no compensation for his services, but may be re-~~  
19 ~~imbursed for actual necessary expenses such compensation~~  
20 ~~and allowances as may be fixed by the board of directors sub-~~  
21 ~~ject to the approval of the Federal Reserve Board.~~ The  
22 meetings of said advisory council shall be held at Washing-  
23 ton, District of Columbia, at least four times each year, and  
24 oftener if called by the Federal Reserve Board. The council  
25 may select its own officers and adopt its own methods of pro-

HOUSE BILL.

1 shall be filled by the respective reserve banks, and members  
2 selected to fill vacancies shall serve for the unexpired term.

5 The Federal Advisory Council shall have power (1) to  
6 meet and confer directly with the Federal Reserve Board on  
7 general business conditions; (2) to make oral or written rep-  
8 resentations concerning matters within the jurisdiction of  
9 said board; (3) to call for complete information and to make  
10 recommendations in regard to discount rates, rediscount  
11 business, note issues, reserve conditions in the various districts,  
12 the purchase and sale of gold or securities by reserve banks,  
13 open-market operations by said banks, and the general affairs  
14 of the reserve banking system.

16 REDISCOUNTS.

17 SEC. 14. That any Federal reserve bank may receive  
18 from any member bank deposits of current funds in lawful  
19 money, national bank notes, Federal reserve notes, or  
20 checks and drafts upon solvent banks, payable upon presenta-  
21 tion; or, solely for exchange purposes, may receive from other  
22 Federal reserve banks deposits of current funds in lawful  
23 money, national bank notes, or checks and drafts upon  
24 solvent banks, payable upon presentation.

OWEN AMENDMENT.

1 cedure, and a majority of its members shall constitute a quo-  
2 run for the transaction of business. Vacancies in the council  
3 shall be filled by the respective reserve banks, and members  
4 selected to fill vacancies shall serve for the unexpired term.

5 The Federal Advisory Council shall have power,  
6 by itself or through its officers, (1) to meet and confer directly  
7 with the Federal Reserve Board on general business con-  
8 ditions; (2) to make oral or written representations  
9 concerning matters within the jurisdiction of said board;  
10 (3) to call for complete information and to make rec-  
11 ommendations in regard to discount rates, rediscount busi-  
12 ness, note issues, reserve conditions in the various districts,  
13 the purchase and sale of gold or securities by reserve banks,  
14 open-market operations by said banks, and the general affairs  
15 of the reserve banking system.

16 ~~REDISCOUNTS.~~ POWERS OF FEDERAL RESERVE BANKS.

17 SEC. 14. ~~That any~~ Any Federal reserve bank may re-  
18 ceive from any of its member bank banks, and from the United  
19 States, deposits of current funds in lawful money, national  
20 bank notes, Federal reserve notes, or checks and  
21 drafts upon solvent banks of the Federal reserve  
22 system, payable upon presentation; or, solely for  
23 exchange purposes, may receive from other Federal  
24 reserve banks deposits of current funds in lawful money,  
25 national bank notes, or checks and drafts upon solvent mem-  
26 ber or other Federal reserve banks, payable upon presentation.

HITCHCOCK AMENDMENTS.

1 cedure, and a majority of its members shall constitute a quo-  
2 run for the transaction of business. Vacancies in the council  
3 shall be filled by the respective reserve banks, and members  
4 selected to fill vacancies shall serve for the unexpired term.

5 The Federal Advisory Council shall have power by  
6 itself or through its officers (1) to meet and confer directly  
7 with the Federal Reserve Board on general business condi-  
8 tions; (2) to make oral or written representations concern-  
9 ing matters within the jurisdiction of said board; (3) to call  
10 for complete information and to make recommendations in  
11 regard to discount rates, rediscount business, note issues,  
12 reserve conditions in the various districts, the purchase and  
13 sale of gold or securities by reserve banks, open-market op-  
14 erations by said banks, and the general affairs of the reserve  
15 banking system.

16 REDISCOUNTS.

17 SEC. 14. That any Federal reserve bank may receive  
18 from any member bank and from the United States deposits  
19 of current funds in lawful money, national bank notes, Federal  
20 reserve notes, ~~or and~~ checks and drafts upon solvent member  
21 banks of the Federal reserve system, payable upon presenta-  
22 tion; ~~or and~~, solely for exchange purposes, may receive from  
23 other Federal reserve bank deposits of current funds in lawful  
24 money, national bank notes, ~~or and~~ checks and drafts upon  
25 solvent member or other Federal reserve banks, payable upon  
26 presentation. Reserve banks shall not pay interest on deposits.

HOUSE BILL.

1 Upon the indorsement of any member bank any Federal  
2 reserve bank may discount notes and bills of exchange aris-  
3 ing out of commercial transactions; that is, notes and bills  
4 of exchange issued or drawn for agricultural, industrial, or  
5 commercial purposes, or the proceeds of which have been used,  
6 or may be used, for such purposes, the Federal Reserve Board to  
7 have the right to determine or define the character of the  
8 paper thus eligible for discount, within the meaning of this  
9 Act; nothing herein contained shall be construed to prohibit  
10 such notes and bills of exchange, secured by staple agri-  
11 cultural products, or other goods, wares, or merchandise from  
12 being eligible for such discount; but such definition shall not  
13 include notes or bills issued or drawn for the purpose of carry-  
14 ing or trading in stocks, bonds, or other investment securities.  
15 Notes and bills admitted to discount under the terms of  
16 this paragraph must have a maturity of not more than  
17 ninety days.

OWEN AMENDMENT.

1 Upon the indorsement of any *of its* member ~~bank~~ banks,  
2 any Federal reserve bank may discount notes, drafts, and  
3 bills of exchange arising out of *actual* commercial  
4 transactions; that is, notes, drafts, and bills of  
5 exchange issued or drawn for agricultural, indus-  
6 trial, or commercial purposes, or the proceeds of which have  
7 been used, or ~~may~~ *are to* be used, for such purposes, the  
8 Federal Reserve Board to have the right to determine or  
9 define the character of the paper thus eligible for discount,  
10 within the meaning of this Act, ~~nothing herein.~~ *Nothing*  
11 *in this Act* contained shall be construed to prohibit such notes,  
12 drafts, and bills of exchange, secured by staple agricultural  
13 products, or other goods, wares, or merchandise from being  
14 eligible for such discount; but such definition shall not include  
15 notes, drafts, or bills *covering merely investments or* issued or  
16 drawn for the purpose of carrying or trading in stocks, bonds,  
17 or other investment securities, *except bonds and notes of the*  
18 *Government of the United States.* Notes, drafts, and bills  
19 admitted to discount under the terms of this paragraph must  
20 have a maturity *at the time of discount* of not more than ninety  
21 days.

HITCHCOCK AMENDMENTS.

1 Upon the indorsement of any member bank *with a*  
2 *waver of demand notice and protest* any Federal reserve bank  
3 may discount notes, drafts, and bills of exchange arising out of  
4 *actual* commercial transactions; that is, notes, drafts, and bills  
5 of exchange issued or drawn for agricultural, industrial, or  
6 commercial purposes, or the proceeds of which have been used,  
7 or may be used, for such purposes, the Federal Reserve Board to  
8 have the right to determine or define the character of the  
9 paper thus eligible for discount, within the meaning of this  
10 Act; nothing herein contained shall be construed to prohibit  
11 such notes, drafts, and bills of exchange, secured by staple agri-  
12 cultural products, or other goods, wares, or merchandise from  
13 being eligible for such discount; but such definition shall not  
14 include notes, drafts, or bills *covering merely investments or*  
15 issued or drawn for the purpose of carrying or trading in stocks,  
16 bonds, or other investment securities, *except bonds and notes*  
17 *of the Government of the United States and interest-*  
18 *bearing obligations of its dependencies the principal and*  
19 *interest of which have been guaranteed by the United States.*  
20 Notes and bills admitted to discount under the terms of  
21 this paragraph must have a maturity *at the time of discount*  
22 of not more than ~~ninety~~ *one hundred and eighty* days: *Pro-*  
23 *vided, however, That not more than fifty per centum of the*  
24 *paper discounted for any member bank shall have a maturity*  
25 *exceeding ninety days and in no case shall any member bank*

HOUSE BILL.

3 Upon the indorsement of any member bank any Federal  
4 reserve bank may discount the paper of the classes herein-  
5 before described having a maturity of more than ninety  
6 and not more than one hundred and twenty days, when its  
7 own cash reserve exceeds thirty-three and one-third per cent  
8 of its total outstanding demand liabilities exclusive of its  
9 outstanding Federal reserve notes by an amount to be fixed  
10 by the Federal Reserve Board; but not more than fifty per  
11 cent of the total paper so discounted for any member bank  
12 shall have a maturity of more than ninety days.

13 Upon the indorsement of any member bank any  
14 Federal reserve bank may discount acceptances of  
15 such banks which are based on the exportation or  
16 importation of goods and which mature in not  
17 more than six months and bear the signature of at  
18 least one member bank in addition to that of the acceptor.  
19 The amount so discounted shall at no time exceed one-half the  
20 capital stock of the bank for which the rediscounts are made.

24 The aggregate of such notes and bills bearing the signa-  
25 ture or indorsement of any one person, company, firm, or

OWEN AMENDMENT.

3 Upon the indorsement of any member bank any Federal  
4 reserve bank may discount the paper of the classes herein-  
5 before described having a maturity of more than ninety and  
6 not more than one hundred and twenty days, when its own  
7 cash reserve exceeds thirty-three and one-third per centum  
8 of its total outstanding demand liabilities exclusive of its  
9 outstanding Federal reserve notes by an amount to be fixed  
10 by the Federal Reserve Board; but not more than fifty per  
11 centum of the total paper so discounted for any member bank  
12 shall have a maturity of more than ninety days.

13 Upon the indorsement of any member bank any  
14 Federal reserve bank may discount acceptances of such mem-  
15 ber banks which are based on the exportation or importation  
16 or domestic shipments of goods and which mature in have a  
17 maturity at time of discount of not more than six three months,  
18 and bear the signature of at least one member bank in addi-  
19 tion to that of the acceptor. The amount of acceptances so  
20 discounted shall at no time exceed one-half the capital stock  
21 and surplus of the bank for which the rediscounts are made.

24 The aggregate of such notes and bills bearing the signa-  
25 ture or indorsement of any one person, company, firm, or

HITCHCOCK AMENDMENTS.

1 have more than \$200,000 of red'scounts having a maturity  
2 longer than ninety days.

3 Upon the indorsement of any member bank any Federal  
4 reserve bank may discount the paper of the classes herein-  
5 before described having a maturity of more than ninety  
6 and not more than one hundred and twenty days, when its  
7 own cash reserve exceeds thirty-three and one-third per cent  
8 of its total outstanding demand liabilities exclusive of its  
9 outstanding Federal reserve notes by an amount to be fixed  
10 by the Federal Reserve Board; but not more than fifty per  
11 cent of the total paper so discounted for any member bank  
12 shall have a maturity of more than ninety days.

13 Upon the indorsement of any member bank any  
14 Any Federal reserve bank may discount acceptances of  
15 such member banks which are based on the exportation or  
16 importation of goods and which mature in have a maturity  
17 at time of discount of not more than six months and of  
18 acceptances based on domestic shipments of goods and which  
19 have a maturity at time of discount of not more than four  
20 months and bear the signature of at least one member bank  
21 in addition to that of the acceptor. The amount so dis-  
22 counted shall at no time exceed one-half the capital stock of  
23 the bank for which the rediscounts are made.

24 The aggregate of such notes and bills bearing the signa-  
25 ture or indorsement of any one person, company, firm, or

HOUSE BILL.

1 corporation rediscounted for any one bank shall at no time  
2 exceed ten per centum of the unimpaired capital and surplus  
3 of said bank; but this restriction shall not apply to the  
4 discount of bills of exchange drawn in good faith against  
5 actually existing values.

6 Any national bank may, at its discretion, accept  
7 drafts or bills of exchange drawn upon it having  
8 not more than six months sight to run and growing out  
9 of transactions involving the importation or exportation  
10 of goods; but no bank shall accept such bills  
11 to an amount equal at any time in the aggregate to more  
12 than one-half the face value of its paid-up and unim-  
13 paired capital.

15 Section fifty-two hundred and two of the Revised Statutes  
16 of the United States is hereby amended so as to read as follows:  
17 No association shall at any time be indebted, or in any way  
18 liable, to an amount exceeding the amount of its capital stock  
19 at such time actually paid in and remaining undiminished by  
20 losses or otherwise, except on account of demands of the  
21 nature following:

22 First. Notes of circulation.

23 Second. Moneys deposited with or collected by the  
24 association.

OWEN AMENDMENT.

1 corporation rediscounted for any one bank shall at no time  
2 exceed ten per centum of the unimpaired capital and surplus  
3 of said bank; but this restriction shall not apply to the  
4 discount of bills of exchange drawn in good faith against  
5 actually existing values.

6 Any national bank may, at its discretion, accept drafts  
7 or bills of exchange drawn upon it ~~having not more than six~~  
8 ~~months sight to run~~ and growing out of transactions involv-  
9 ing the importation, ~~or~~ exportation, ~~or domestic shipment of~~  
10 goods *having not more than six months sight to run*; but no  
11 bank shall accept such bills to an amount equal at any time in  
12 the aggregate to more than one-half ~~the face value of its paid-~~  
13 ~~up and unimpaired capital stock and surplus.~~

15 ~~Section fifty-two hundred and two of the Revised Statutes~~  
16 ~~of the United States is hereby amended so as to read as follows:~~  
17 ~~No association shall at any time be indebted, or in any way~~  
18 ~~liable, to an amount exceeding the amount of its capital stock~~  
19 ~~at such time actually paid in and remaining undiminished by~~  
20 ~~losses or otherwise, except on account of demands of the~~  
21 ~~nature following:~~

22 ~~First. Notes of circulation.~~

23 ~~Second. Moneys deposited with or collected by the~~  
24 ~~association.~~

HITCHCOCK AMENDMENTS.

1 corporation rediscounted for any one bank shall at no time  
2 exceed ten per centum of the unimpaired capital and surplus  
3 of said bank; but this restriction shall not apply to the  
4 discount of bills of exchange drawn in good faith against  
5 actually existing values.

6 Any national bank may, at its discretion, accept drafts  
7 or bills of exchange drawn upon it ~~having not more than~~  
8 ~~six months sight to run~~ and growing out of transactions in-  
9 volving the importation or exportation of goods *having not*  
10 *more than six months to run or growing out of the domestic*  
11 *shipment of goods and having not more than four months*  
12 *to run*; but no bank shall accept such bills to an amount  
13 equal at any time in the aggregate to more than ~~one-half~~  
14 ~~the face par value of its paid-up and unimpaired capital.~~

15 ~~Section fifty-two hundred and two of the Revised Statutes~~  
16 ~~of the United States is hereby amended so as to read as follows:~~  
17 ~~No association shall at any time be indebted, or in any way~~  
18 ~~liable, to an amount exceeding the amount of its capital stock~~  
19 ~~at such time actually paid in and remaining undiminished by~~  
20 ~~losses or otherwise, except on account of demands of the~~  
21 ~~nature following:~~

22 ~~First. Notes of circulation.~~

23 ~~Second. Moneys deposited with or collected by the~~  
24 ~~association.~~

**HOUSE BILL.**

1 Third. Bills of exchange or drafts drawn against money  
2 actually on deposit to the credit of the association, or due  
3 thereto.

4 Fourth. Liabilities to the stockholders of the associa-  
5 tion for dividends and reserve profits.

6 Fifth. Liabilities incurred under the provisions of sec-  
7 tions two, five, and fourteen of the Federal reserve Act.

**OWEN AMENDMENT.**

1 ~~Third. Bills of exchange or drafts drawn against money~~  
2 ~~actually on deposit to the credit of the association, or due~~  
3 ~~thereto.~~

4 ~~Fourth. Liabilities to the stockholders of the associa-~~  
5 ~~tion for dividends and reserve profits.~~

6 ~~Fifth. Liabilities incurred under the provisions of sec-~~  
7 ~~tions two, five, and fourteen of the Federal reserve Act.~~

8 *The Federal Reserve Board may authorize the reserve*  
9 *bank of the district to discount the direct obligations of mem-*  
10 *ber banks, secured by the pledge and deposit of satisfactory*  
11 *securities; but in no case shall the amount so loaned by a*  
12 *Federal reserve bank exceed three-fourths of the actual value*  
13 *of the securities so pledged.*

15 *The rediscount by any Federal reserve bank of any*  
16 *bills receivable and of domestic and foreign bills of exchange*  
17 *and acceptances shall be subject to such restrictions, limita-*  
18 *tions, and regulations as may be imposed by the Federal*  
19 *Reserve Board.*

**HITCHCOCK AMENDMENTS.**

1 ~~Third. Bills of exchange or drafts drawn against money~~  
2 ~~actually on deposit to the credit of the association, or due~~  
3 ~~thereto.~~

4 ~~Fourth. Liabilities to the stockholders of the associa-~~  
5 ~~tion for dividends and reserve profits.~~

6 ~~Fifth. Liabilities incurred under the provisions of sec-~~  
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8 *The Federal Reserve Board may authorize the reserve*  
9 *bank of the district to discount the direct obligations of mem-*  
10 *ber banks, secured by the pledge and deposit of satisfactory*  
11 *securities; but in no case shall the amount so loaned by a*  
12 *reserve bank exceed three-fourths of the actual market value*  
13 *of the securities so pledged or one-half the amount of the*  
14 *paid-up and unimpaired capital of the member bank.*

15 *The rediscount by any Federal reserve bank of any bills*  
16 *receivable and of domestic and foreign bills of exchange shall*  
17 *be subject to such regulations as may be imposed by the*  
18 *board. The discount provisions of this Act shall be*  
19 *equitably extended to all of its member banks by each reserve*  
20 *bank upon equal terms, and each member bank shall be entitled*  
21 *as a matter of right to the rediscount of eligible paper to the*  
22 *full amount of its capital stock upon the lowest current rate*  
23 *of discount, and no member bank shall be permitted to discount*  
24 *an amount of paper exceeding the amount of its capital stock*  
25 *except upon payment of a higher rate of discount, the increase*

HOUSE BILL.

OPEN-MARKET OPERATIONS.

6 SEC. 15. That any Federal reserve bank may, under  
7 rules and regulations prescribed by the Federal Reserve Board,  
8 purchase and sell in the open market, either from or to  
9 domestic or foreign banks, firms, corporations, or individ-  
10 uals, prime bankers' bills, and bills of exchange of the kinds  
11 and maturities by this Act made eligible for rediscount, and  
12 cable transfers.

15 Every Federal reserve bank shall have power (a) to deal  
16 in gold coin and bullion both at home and abroad, to make  
17 loans thereon, and to contract for loans of gold coin or bullion,  
18 giving therefor, when necessary, acceptable security, includ-

24 ing the hypothecation of United States bonds; (b) to invest  
25 in United States bonds, and bonds issued by any State,

OWEN AMENDMENT.

OPEN-MARKET OPERATIONS.

6 SEC. 15. ~~That any~~ Any Federal reserve bank may, under  
7 rules and regulations prescribed by the Federal Reserve  
8 Board, purchase and sell in the open market, *at home or*  
9 *abroad*, either from or to domestic or foreign banks, firms,  
10 corporations, or individuals, ~~prime cable transfers and bank-~~  
11 ~~ers' bills acceptances~~ and bills of exchange of the kinds and  
12 maturities by this Act made eligible for rediscount, ~~and~~  
13 ~~cable transfers.~~

15 Every Federal reserve bank shall have power: (a) to  
16 deal in gold coin and bullion ~~both~~ at home ~~and~~ or abroad, to  
17 make loans thereon, *exchange Federal reserve notes for gold,*  
18 *gold coin, or gold certificates,* and to contract for loans of gold  
19 coin or bullion, giving therefor, when necessary, acceptable se-  
20 curity, including the hypothecation of United States bonds or  
21 other securities which Federal reserve banks are authorized to

24 hold; (b) to ~~invest in~~ buy and sell, at home or abroad,  
25 bonds and notes of the United States bonds, and bonds is-

HITCHCOCK AMENDMENTS.

1 in rate of discount to be one per centum for an additional fifty  
2 per centum of discounts or part thereof and two per centum  
3 for all in excess. In no case shall a Federal reserve bank dis-  
4 count paper for a member bank in excess of twice the amount  
5 of its capital stock without special authority by the board.

OPEN-MARKET OPERATIONS.

6 SEC. 15. ~~That any~~ Any Federal reserve bank may, under  
7 rules and regulations prescribed by the Federal Reserve Board,  
8 purchase and sell in the open market, either from or to  
9 domestic or foreign banks, firms, corporations, or individ-  
10 uals, prime bankers' bills, and bills of exchange of the kinds  
11 and maturities by this Act made eligible for rediscount, and  
12 cable transfers.

15 Every Federal reserve bank shall have power (a) to deal  
16 in gold coin and bullion both at home and abroad, to make  
17 loans thereon, and to contract for loans of gold coin or bullion,  
18 giving therefor, when necessary, acceptable security, includ-  
19 ing the hypothecation of *interest-bearing obligations of the*

22 *United States bonds;* ~~(b) to invest in United States bonds,~~  
23 ~~and bonds issued by any State, county, district, or munici-~~  
24 ~~ality~~ *(b) to buy and sell interest-bearing obligations of the*  
25 *United States and of its dependencies when payment of*

HOUSE BILL.

9 county, district, or municipality; (e) to purchase from mem-  
 10 ber banks and to sell, with or without its indorsement, bills  
 11 of exchange arising out of commercial transactions, as herein-  
 12 before defined, payable in foreign countries; but such bills  
 13 of exchange must have not exceeding ninety days to run  
 14 and must bear the signature of two or more responsible parties,  
 15 of which the last shall be that of a member bank; (d) to  
 16 establish each week, or as much oftener as required, subject  
 17 to review and determination of the Federal Reserve Board,  
 18 a rate of discount to be charged by such bank for each  
 19 class of paper, which shall be fixed with a view of accom-  
 20 modating the commerce of the country; and (e) with the  
 21 consent of the Federal Reserve Board, to open and maintain  
 22 banking accounts in foreign countries and establish agencies  
 23 in such countries wheresoever it may deem best for the pur-  
 24 pose of purchasing, selling, and collecting foreign bills of  
 25

OWEN AMENDMENT.

1 ~~sued by any State, county, district, or municipality bills,~~  
 2 ~~notes, revenue bonds, and warrants with a maturity from~~  
 3 ~~date of purchase of not exceeding six months, issued in~~  
 4 ~~anticipation of the collection of taxes or in anticipation~~  
 5 ~~of the receipt of assured revenues by any State, county,~~  
 6 ~~district, or municipality of the United States, such~~  
 7 ~~purchases to be made in accordance with rules and~~  
 8 ~~regulations prescribed by the Federal Reserve Board;~~  
 9 (c) to purchase from member banks and to sell, with or  
 10 without its indorsement, bills of exchange arising out of com-  
 11 mercial transactions, as hereinbefore defined, ~~payable in for-~~  
 12 ~~eign countries; but such bills of exchange must have not ex-~~  
 13 ~~ceeding ninety days to run and must bear the signature of two~~  
 14 ~~or more responsible parties, of which the last shall be that of~~  
 15 ~~a member bank;~~ (d) to establish each week, or as much  
 16 ~~oftener as required from time to time,~~ subject to review and  
 17 determination of the Federal Reserve Board, ~~a rate rates of~~  
 18 discount to be charged by ~~such the Federal reserve~~ bank for  
 19 each class of paper, which shall be fixed with a view of  
 20 accommodating the commerce ~~of the country and business;~~  
 21 ~~and~~ (e) to establish accounts with other Federal reserve  
 22 banks for exchange purposes and, with the consent of the Fed-  
 23 eral Reserve Board, to open and maintain banking accounts in  
 24 foreign countries, *appoint correspondents,* and establish agen-

HITCHCOCK AMENDMENTS.

1 *principal and interest is guaranteed by the United States, and*  
 2 *bonds or warrants of any State, county, or municipality, or*  
 3 *short-time interest-bearing obligations issued by foreign gov-*  
 4 *ernments, with a maturity from date of purchase of not*  
 5 *exceeding one year, such purchases to be made in accordance*  
 6 *with rules and regulations prescribed by the Federal Reserve*  
 7 *Board;* (e) to purchase from a member ~~bank~~ bank and to  
 8 sell, with or without its *own* indorsement, bills of exchange  
 9 arising out of commercial transactions, as hereinbefore de-  
 10 fined, payable in foreign countries; but such bills of exchange  
 11 must have not exceeding ninety days to run and must bear  
 12 the signature of two or more responsible parties, of which  
 13 the last shall be that of a member bank; (d) to establish each  
 14 week, or as much oftener as required *publicly from time to*  
 15 *time,* subject to review and determination of the Federal  
 16 Reserve Board, a rate of discount to be charged by such  
 17 bank for each class of paper, which shall be fixed with a  
 18 view of accommodating the commerce of the country *and*  
 19 *promoting stability in business;* and (e) *establish accounts*  
 20 *with other reserve banks and* with the consent of the  
 21 Federal Reserve Board, to open and maintain banking  
 22 accounts in foreign countries and establish agencies in such  
 23  
 24

HOUSE BILL.

1 exchange, and to buy and sell with or without its indorsement.  
2 through such correspondents or agencies, prime foreign bills  
3 of exchange arising out of commercial transactions which  
4 have not exceeding ninety days to run and which bear the  
5 signature of two or more responsible parties.

9 GOVERNMENT DEPOSITS.

10 SEC. 16. That all moneys now held in the general fund  
11 of the Treasury except the five per centum fund for the  
12 redemption of outstanding national-bank notes shall,  
13 upon the direction of the Secretary of the Treasury,  
14 within twelve months after the passage of this Act,  
15 be deposited in Federal reserve banks, which banks shall  
16 act as fiscal agents of the United States; and thereafter the  
17 revenues of the Government shall be regularly deposited in  
18 such banks, and disbursements shall be made by checks  
19 drawn against such deposits.

OWEN AMENDMENT.

1 cies in such countries wheresoever it may deem best for the pur-  
2 pose of purchasing, selling, and collecting ~~foreign~~ bills of ex-  
3 change, and to buy and sell with or without its indorsement,  
4 through such correspondents or agencies, ~~prime-foreign~~ bills of  
5 exchange arising out of *actual* commercial transactions which  
6 have not ~~exceeding~~ *more than* ninety days to run and which  
7 bear the signature of two or more responsible parties.

9 GOVERNMENT DEPOSITS.

10 SEC. 16. ~~That all~~ *The moneys now* held in the general  
11 fund of the Treasury, except the five per centum fund for the  
12 redemption of outstanding national-bank notes *and the*  
13 *funds provided in this Act for the redemption of Federal*  
14 *reserve notes shall* ~~may~~, upon the direction of the Secretary  
15 of the Treasury, ~~within twelve months after the passage of~~  
16 ~~this Act~~, be deposited in Federal reserve banks, which banks  
17 ~~shall~~, *when required by the Secretary of the Treasury, shall*  
18 act as fiscal agents of the United States; and ~~thereafter~~ the  
19 revenues of the Government *or any part thereof shall* ~~may~~ be  
20 ~~regularly~~ deposited in such banks, and disbursements shall  
21 ~~may~~ be made by checks drawn against such deposits.

22 *No public funds of the Philippine Islands, or of the*  
23 *postal savings, or any Government funds, shall be deposited*  
24 *in the continental United States in any bank not belonging*  
25 *to the system established by this Act: Provided, however,*

HITCHCOCK AMENDMENTS.

1 countries wheresoever it may deem best for the purpose of  
2 purchasing, selling, and collecting ~~foreign~~ bills of exchange,  
3 *letters of credit, and travelers' checks*, and to buy and sell  
4 with or without its indorsement, through such correspond-  
5 ents or agencies, ~~prime-foreign~~ bills of exchange arising out of  
6 commercial transactions which have not exceeding ninety  
7 days to run and which bear the signature of two or more  
8 responsible parties.

9 GOVERNMENT DEPOSITS.

10 SEC. 16. That all moneys now held in the general fund  
11 of the Treasury except the five per centum fund for the redemp-  
12 tion of outstanding national-bank notes *and the funds pro-*  
13 *vided in this Act for the redemption of Federal reserve notes*  
14 shall, upon the direction of the Secretary of the Treasury,  
15 ~~within twelve months after the passage of this Act~~, be  
16 deposited in Federal reserve banks, which banks shall act  
17 as fiscal agents of the United States; and thereafter the  
18 revenues of the Government shall be regularly deposited in  
19 such banks, and disbursements shall be made by checks  
20 drawn against such deposits.

HOUSE BILL.

4 The Secretary of the Treasury shall, subject to the  
5 approval of the Federal Reserve Board, from time to time,  
6 apportion the funds of the Government among the said  
7 Federal reserve banks, distributing them, as far as practi-  
8 cable, equitably between different sections, and may, at  
9 their joint discretion, charge interest thereon and fix, from  
10 month to month, a rate which shall be regularly paid by the  
11 banks holding such deposits: *Provided*, That no Federal  
12 reserve bank shall pay interest upon any deposits except  
13 those of the United States.

17 No Federal reserve bank shall receive or credit deposits  
18 except from the Government of the United States, its own  
19 member banks, and, to the extent permitted by this Act,  
20 from other Federal reserve banks. All domestic transactions  
21 of the Federal reserve banks involving loans made by such  
22 banks, rediscount operations or the creation of deposit ac-  
23 counts shall be confined to the Government and the deposit-  
24 ing and Federal reserve banks, with the exception of the  
25 purchase or sale of Government or State securities or of gold  
26 coin or bullion.

OWEN AMENDMENT.

1 *That nothing in this Act shall be construed to deny the right*  
2 *of the Secretary of the Treasury to use member banks as*  
3 *depositories.*

4 ~~The Secretary of the Treasury shall, subject to the ap-~~  
5 ~~proval of the Federal Reserve Board, from time to time,~~  
6 ~~apportion the funds of the Government among the said~~  
7 ~~Federal reserve banks, distributing them, as far as practi-~~  
8 ~~cable, equitably between different sections, and may, at~~  
9 ~~their joint discretion, charge interest thereon and fix, from~~  
10 ~~month to month, a rate which shall be regularly paid by the~~  
11 ~~banks holding such deposits: *Provided*, That no Federal~~  
12 ~~reserve bank shall pay interest upon any deposits except~~  
13 ~~those of the United States.~~

17 ~~No Federal reserve bank shall receive or credit deposits~~  
18 ~~except from the Government of the United States, its own~~  
19 ~~member banks, and, to the extent permitted by this Act,~~  
20 ~~from other Federal reserve banks. All domestic transactions~~  
21 ~~of the Federal reserve banks involving loans made by such~~  
22 ~~banks, rediscount operations or the creation of deposit ac-~~  
23 ~~counts shall be confined to the Government and the deposit-~~  
24 ~~ing and Federal reserve banks, with the exception of the~~  
25 ~~purchase or sale of Government or State securities or of gold~~  
26 ~~coin or bullion.~~

HITCHCOCK AMENDMENTS.

4 The Secretary of the Treasury shall, subject to the ap-  
5 proval of the Federal Reserve Board, from time to time, appor-  
6 tion ~~the funds of the Government~~ *deposits* among the said  
7 Federal reserve banks, ~~distributing them,~~ *in proportion to*  
8 *their capital stock* as far as practicable, ~~equitably between~~  
9 ~~different sections, and may, at their joint discretion, charge~~  
10 ~~interest thereon and fix, from month to month, a rate which~~  
11 ~~shall be regularly paid by the banks holding such deposits:~~  
12 ~~*Provided*, That no Federal reserve bank shall pay interest~~  
13 ~~upon any deposits except those of the United States: *Pro-*~~  
14 ~~*vided*, That for the purposes of collection and transfer only~~  
15 ~~the Secretary of the Treasury may designate national banks~~  
16 ~~as Government depositories.~~

17 ~~No Federal reserve bank shall receive or credit deposits~~  
18 ~~except from the Government of the United States, its own~~  
19 ~~member banks, and, to the extent permitted by this Act,~~  
20 ~~from other Federal reserve banks. All domestic transactions~~  
21 ~~of the Federal reserve banks involving loans made by such~~  
22 ~~banks, rediscount operations or the creation of deposit ac-~~  
23 ~~counts shall be confined to the Government and the deposit-~~  
24 ~~ing and Federal reserve banks, with the exception of the~~  
25 ~~purchase or sale of Government or State securities or of gold~~  
26 ~~coin or bullion.~~

HOUSE BILL.

NOTE ISSUES.

1  
 2 SEC. 17. That Federal reserve notes, to be issued at  
 3 the discretion of the Federal Reserve Board for the purpose  
 4 of making advances to Federal reserve banks as hereinafter  
 5 set forth and for no other purpose, are hereby authorized.  
 6 The said notes shall be obligations of the United States  
 7 and shall be receivable for all taxes, customs, and other  
 8 public dues. They shall be redeemed in gold or lawful  
 9 money on demand at the Treasury Department of the United  
 10 States, in the city of Washington, District of Columbia, or  
 11 at any Federal reserve bank.

13 Any Federal reserve bank may, upon vote of its direc-  
 14 tors, make application to the local Federal reserve agent  
 15 for such amount of the Federal reserve notes hereinbefore  
 16 provided for as it may deem best. Such application shall be  
 17 accompanied with a tender to the local Federal reserve agent  
 18 of collateral in amount equal to the sum of the Federal reserve  
 19 notes thus applied for and issued pursuant to such applica-  
 20 tion. The collateral security thus offered shall be notes and  
 21 bills accepted for rediscount under the provisions of sec-  
 22 tion 14 of this Act, and the Federal reserve agent shall  
 23 each day notify the Federal Reserve Board of issues and  
 24 withdrawals of notes to and by the Federal reserve bank to  
 25 which he is accredited. The said Federal Reserve Board

OWEN AMENDMENT.

NOTE ISSUES.

1  
 2 SEC. 17. ~~That~~ Federal reserve notes, to be issued at  
 3 the discretion of the Federal Reserve Board for the purpose  
 4 of making advances to Federal reserve banks *through*  
 5 *the Federal reserve agents* as hereinafter set forth and  
 6 for no other purpose, are hereby authorized. The said  
 7 notes shall be obligations of the United States and shall be  
 8 receivable for all taxes, ~~customs~~, and other public dues *ex-*  
 9 *cept customs*. They shall be redeemed in gold ~~or lawful~~  
 10 ~~money~~ on demand at the Treasury Department of the United  
 11 States, in the city of Washington, District of Columbia, or  
 12 *in gold or lawful money* at any Federal reserve bank.

13 Any Federal reserve bank may, ~~upon vote of its~~  
 14 ~~directors~~, make application to the local Federal reserve  
 15 agent for such amount of the Federal reserve notes here-  
 16 inbefore provided for as it may ~~deem best~~ *require*. Such ap-  
 17 plication shall be accompanied with a tender to the local  
 18 Federal reserve agent of collateral in amount equal to the  
 19 *sum of the Federal reserve notes* thus applied for and issued  
 20 pursuant to such application. The collateral security thus  
 21 offered shall be notes and bills accepted for rediscount under  
 22 the provisions of section 14 of this Act, and the Federal  
 23 reserve agent shall each day notify the Federal Reserve  
 24 Board of *all* issues and withdrawals of *Federal reserve* notes  
 25 to and by the Federal reserve bank to which he is accredited.

HITCHCOCK AMENDMENTS.

NOTE ISSUES.

1  
 2 SEC. 17. That Federal reserve notes, to be issued ~~at~~  
 3 ~~the discretion under authority~~ of the Federal Reserve Board  
 4 for the purpose of making advances to Federal reserve banks  
 5 as hereinafter set forth and for no other purpose, are hereby  
 6 authorized. The said notes shall be obligations of the United  
 7 States and shall be receivable for all taxes, *customs*, and other  
 8 public dues *but shall not be held as reserves by member banks*  
 9 *or by a reserve bank*. They shall be redeemed in gold ~~or~~  
 10 ~~lawful money~~ on demand at the Treasury Department of the  
 11 United States, in the city of Washington, District of Colum-  
 12 bia, or at any Federal reserve bank.

13 Any Federal reserve bank may, upon vote of its direc-  
 14 tors, make application to the local Federal reserve agent  
 15 for such amount of the Federal reserve notes hereinbefore  
 16 provided for as it may ~~deem best~~ *require*. Such application  
 17 shall be accompanied with a tender to the local Federal  
 18 reserve agent of collateral *security* in amount equal to the sum  
 19 of the Federal reserve notes thus applied for and issued pur-  
 20 suant to such application. The collateral security thus  
 21 offered shall be notes and bills accepted for rediscount under  
 22 the provisions of ~~section 14 of~~ this Act, and the Federal  
 23 reserve agent shall each day notify the Federal Reserve  
 24 Board of *all* issues and withdrawals of *Federal reserve* notes  
 25 to and by the Federal reserve bank to which he is accredited.

HOUSE BILL.

1 shall be authorized at any time to call upon a Federal reserve  
2 bank for additional security to protect the Federal reserve  
3 notes issued to it.

16 Whenever any Federal reserve bank shall pay out or  
17 disburse Federal reserve notes issued to it as hereinbefore pro-  
18 vided, it shall segregate in its own vaults and shall carry to  
19 a special reserve account on its books gold or lawful money  
20 equal in amount to thirty-three and one-third per centum  
21 of the reserve notes so paid out by it, such reserve to be  
22 used for the redemption of said reserve notes as presented:  
23 but any Federal reserve bank so using any part of such re-  
24 serve to redeem notes shall immediately carry to said  
25 reserve account an amount of gold or lawful money sufficient

OWEN AMENDMENT.

1 The said Federal Reserve Board shall be authorized at any  
2 time to call upon a Federal reserve bank for additional  
3 security to protect the Federal reserve notes issued to it.

4 ~~Whenever any Federal reserve bank shall pay out or~~  
5 ~~disburse Federal reserve notes issued to it as hereinbefore pro-~~  
6 ~~vided, it shall segregate in its own vaults and shall carry to~~  
7 ~~a special reserve account on its books gold or lawful money~~  
8 ~~equal in amount to thirty-three and one-third per centum~~  
9 ~~of the reserve notes so paid out by it, such reserve to be used~~  
10 ~~for the redemption of said reserve notes as presented: but~~  
11 ~~any Federal reserve bank so using any part of such reserve~~  
12 ~~to redeem notes, shall immediately carry to said reserve ac-~~  
13 ~~count an amount of gold or lawful money sufficient to make~~  
14 ~~said reserve equal to thirty-three and one-third per centum~~  
15 ~~of its outstanding Federal reserve notes.~~

16 *Every Federal reserve bank shall maintain reserves in*  
17 *gold or lawful money of not less than thirty-five per centum*  
18 *against its deposits and its Federal reserve notes in actual*  
19 *circulation, but the amount of gold in the Federal reserve*  
20 *bank together with the amount deposited by it with the Treas-*  
21 *ury, shall be at least equal to thirty-three and one-third per*  
22 *centum of the Federal reserve notes issued to said bank and*  
23 *in actual circulation and not offset by gold or lawful money*

HITCHCOCK AMENDMENTS.

1 The said Federal Reserve Board shall be authorized at any  
2 time to call upon a Federal reserve bank for additional security  
3 to protect the Federal reserve notes issued to it.

4 ~~Whenever any Federal reserve bank shall pay out or~~  
5 ~~disburse Federal reserve notes issued to it as hereinbefore pro-~~  
6 ~~vided, it shall segregate in its own vaults and shall carry to~~  
7 ~~a special reserve account on its books gold or lawful money~~  
8 ~~equal in amount to thirty-three and one-third per centum~~  
9 ~~of the reserve notes so paid out by it, such reserve to be~~  
10 ~~used for the redemption of said reserve notes as presented:~~  
11 ~~but any Federal reserve bank so using any part of such~~  
12 ~~reserve to redeem notes shall immediately carry to said~~  
13 ~~reserve account an amount of gold or lawful money sufficient~~  
14 ~~to make said reserve equal to thirty-three and one-third per~~

16 ~~centum of its outstanding Federal reserve notes. Whenever~~  
17 ~~any reserve bank shall pay out or disburse Federal reserve~~  
18 ~~notes issued to it as hereinbefore provided, it shall segregate~~  
19 ~~and turn over to its reserve agent gold coin or gold bullion~~  
20 ~~or United States gold certificates to the amount of the face~~  
21 ~~value of the notes so outstanding, or, at its option, shall~~  
22 ~~segregate and turn over to the reserve agent gold coin or~~  
23 ~~gold bullion or United States gold certificates to the amount of~~  
24 ~~forty-five per centum of such face value and in addition~~

HOUSE BILL.

1 to make said reserve equal to thirty-three and one-third per

22 centum of its outstanding Federal reserve notes. Notes so  
23 paid out shall bear upon their faces a distinctive letter and  
24 serial number, which shall be assigned by the Federal Reserve  
25 Board to each Federal reserve bank. Whenever Federal

OWEN AMENDMENT.

22 deposited with the Federal reserve agent. Notes so paid out  
23 shall bear upon their faces a distinctive letter and serial  
24 number, which shall be assigned by the Federal Reserve  
25 Board to each Federal reserve bank. Whenever Federal

HITCHCOCK AMENDMENTS.

1 *thereto collaterals consisting of promissory notes and bills*  
2 *accepted for rediscount under the provisions of this Act, or*  
3 *refunding notes of the United States hereinafter provided for,*  
4 *or both such collaterals and refunding notes equal at their face*  
5 *value to one hundred per centum of the face value of the notes*  
6 *so outstanding. Such collaterals may be exchanged from*  
7 *time to time for other collaterals of like quality and of equal*  
8 *face value or refunding notes within the limitations aforesaid:*  
9 *Provided, That whenever and so long as such reserve shall fall*  
10 *and remain below forty-five per centum the reserve bank shall*  
11 *pay a special tax upon the deficiency of reserve at a rate*  
12 *increasing in proportion to such deficiency, as follows:*  
13 *For each two and one-half per centum or fraction thereof*  
14 *that the reserve falls below forty-five per centum a tax shall*  
15 *be levied at the rate of one per centum per annum: Provided*  
16 *further, That no additional circulating notes shall be issued*  
17 *whenever and so long as the amount of such reserve falls*  
18 *below thirty per centum of its outstanding notes: Provided,*  
19 *That the amount of such tax paid by the bank during a*  
20 *fiscal year shall be charged to the member banks in its district*  
21 *in proportion to their average discounts during that year.*  
22 Notes so paid out shall bear upon their faces a distinctive  
23 letter and serial number, which shall be assigned by the  
24 Federal Reserve Board to each Federal reserve bank. When-  
25 ever Federal reserve notes issued through one Federal re-

HOUSE BILL.

1 reserve notes issued through one Federal reserve bank shall  
2 be received by another Federal reserve bank they shall be  
3 returned for redemption to the Federal reserve bank through  
4 which they were originally issued, or shall be charged off  
5 against Government deposits and returned to the Treasury  
6 of the United States, or shall be presented to the said Treas-  
7 ury for redemption. No Federal reserve bank shall pay out  
8 notes issued through another under penalty of a tax of ten  
9 per centum upon the face value of notes so paid out. Notes  
10 presented for redemption at the Treasury of the United States  
11 shall be paid and returned to the Federal reserve banks  
12 through which they were originally issued, and Federal re-  
13 serve notes received by the Treasury otherwise than for  
14 redemption shall be exchanged for lawful money out of the  
15 five per centum redemption fund hereinafter provided and  
16 returned as hereinbefore provided to the reserve bank through  
17 which they were originally issued.

24 The Federal Reserve Board shall have power, in its dis-  
25 cretion, to require Federal reserve banks to maintain on de-

OWEN AMENDMENT.

1 reserve notes issued through one Federal reserve bank shall  
2 be received by another Federal reserve bank they shall be  
3 ~~immediately promptly~~ returned for *credit or* redemption to the  
4 Federal reserve bank through which they were originally is-  
5 sued, ~~or shall be charged off against Government deposits and~~  
6 ~~returned to the Treasury of the United States, or shall be~~  
7 ~~presented to the said Treasury for redemption.~~ No Fed-  
8 eral reserve bank shall pay out notes issued through  
9 another under penalty of a tax of ten per centum upon  
10 the face value of notes so paid out. Notes presented  
11 for redemption at the Treasury of the United States  
12 shall be paid *out of the redemption fund*, and, *if fit for cir-*  
13 *culatation*, returned to the Federal reserve banks through  
14 which they were originally issued. Federal reserve notes  
15 received by the Treasury, otherwise than for redemption,  
16 shall *may* be exchanged for *lawful money gold* out of the five  
17 ~~per centum~~ redemption fund hereinafter provided and re-  
18 turned ~~as hereinbefore provided~~ to the reserve bank through  
19 which they were originally issued, *or they may be returned*  
20 *to such bank for the credit of the United States. Federal*  
21 *reserve notes unfit for circulation shall be returned by the*  
22 *Federal reserve agents to the Comptroller of the Currency*  
23 *for cancellation and destruction.*

24 The Federal Reserve Board shall have power, in its dis-  
25 cretion, to require *each* Federal reserve ~~banks~~ bank to main-

HITCHCOCK AMENDMENTS.

1 serve bank shall be received by another Federal reserve bank  
2 they shall be returned *promptly* for redemption to the Fed-  
3 eral reserve bank through which they were originally issued,  
4 ~~or shall be charged off against Government deposits and re-~~  
5 ~~turned to the Treasury of the United States, or shall be pre-~~  
6 ~~sented to the said Treasury for redemption.~~ No Federal  
7 reserve bank shall pay out notes issued through another  
8 under penalty of a tax of ten per centum upon the face value  
9 of notes so paid out. Notes presented for redemption at  
10 the Treasury of the United States shall be paid ~~and returned~~  
11 ~~to the Federal reserve banks through which they were orig-~~  
12 ~~inally issued, and Federal reserve notes received by the~~  
13 ~~Treasury otherwise than for redemption shall be exchanged~~  
14 ~~for lawful money out of the five per centum redemption fund~~  
15 ~~hereinafter provided and returned as hereinbefore provided~~  
16 ~~to the reserve bank through which they were originally~~  
17 ~~issued out of the redemption fund and shall not be reissued~~  
18 ~~except upon compliance with the conditions of an original~~  
19 ~~issue.~~

24 The Federal Reserve Board shall have power, in its dis-  
25 cretion, to require Federal reserve banks ~~to shall~~ maintain on

HOUSE BILL.

1 posit in the Treasury of the United States a sum in  
2 gold equal to five per centum of such amount of Fed-  
3 eral reserve notes as may be issued to them under  
4 the provisions of this Act; but such five per centum  
5 shall be counted and included as part of the thirty-three  
6 and one-third per centum reserve hereinbefore required.  
7 The said board shall also have the right  
8 to grant in whole or in part or to reject entirely  
9 the application of any Federal reserve bank for Federal  
10 reserve notes; but to the extent and in the amount  
11 that such application may be granted the Federal Reserve  
12 Board shall, through its local Federal reserve agent, deposit  
13 Federal reserve notes with the bank so applying, and  
14 such bank shall be charged with the amount of such notes  
15 and shall pay such rate of interest on said amount as may be  
16 established by the Federal Reserve Board, which rate shall  
17 not be less than one-half of one per centum per annum, and  
18 the amount of such Federal reserve notes so issued to any  
19 such bank shall, upon delivery, become a first and para-  
20 mount lien on all the assets of such bank.

OWEN AMENDMENT.

1 tain on deposit in the Treasury of the United States a sum in  
2 gold equal to five per centum of sufficient in the judgment of the  
3 Secretary of the Treasury for the redemption of such amount  
4 of the Federal reserve notes as may be issued to them under the  
5 provisions of this Act such bank but in no event less than five  
6 per centum; but such five per centum deposit of gold shall  
7 be counted and included as part of the thirty-three and  
8 one-third per centum reserve hereinbefore required.  
9 The said board shall have also the right, acting through  
10 the Federal reserve agent, to grant in whole or in part  
11 or to reject entirely the application of any Federal reserve  
12 bank for Federal reserve notes; but to the extent and in the  
13 amount that such application may be granted the Federal  
14 Reserve Board shall, through its local Federal reserve agent,  
15 deposit supply Federal reserve notes with to the banks bank  
16 so applying, and such bank shall be charged with the amount  
17 of such notes and shall pay such rate of interest on said amount  
18 as may be established by the Federal Reserve Board, which  
19 rate shall not be less than one-half of one per centum per  
20 annum, and the amount of such Federal reserve notes so  
21 issued to any such bank shall, upon delivery, become a  
22 first and paramount lien on all the assets of such bank.

HITCHCOCK AMENDMENTS.

1 deposit in the Treasury of the United States a sum in gold  
2 equal to five per centum of such amount of Federal reserve  
3 notes as may be issued to them and outstanding under the  
4 provisions of this Act and such additional sums as the Secre-  
5 tary of the Treasury may from time to time decide to be neces-  
6 sary, not exceeding in the aggregate ten per centum, but such  
7 five per centum deposit of gold which shall be segregated  
8 and maintained as a trust fund shall be counted and included  
9 as part of the thirty-three and one-third per centum reserve  
10 hereinbefore required against said notes. The said board  
11 shall also have the right to grant in whole or in part or to  
12 reject entirely the application of any Federal reserve bank  
13 for Federal reserve notes; but to the extent and in the  
14 amount that such application may be granted the Federal  
15 Reserve Board shall, through its local Federal reserve  
16 agent, deposit Federal reserve notes with the bank so  
17 applying, and such, provided said reserve bank complies  
18 with the requirements of this Act as to gold reserve  
19 and collateral security and otherwise conforms to its  
20 provisions. The bank shall be charged with the  
21 amount of such notes and shall pay such rate of interest  
22 on said amount as may be established by the Federal Reserve  
23 Board, which rate shall not be less than one-half of one per  
24 centum per annum, and the amount of such Federal reserve  
25 notes so issued to any such bank shall, which, upon de-

HOUSE BILL.

3 Any Federal reserve bank may at any time reduce its  
4 liability for outstanding Federal reserve notes by the  
5 deposit of Federal reserve notes, whether issued to such  
6 bank or to some other reserve bank, or lawful money  
7 of the United States, or gold bullion, with any  
8 Federal reserve agent or with the Treasurer of the United  
9 States, and such reduction shall be accompanied by a  
10 corresponding reduction in the required reserve fund of  
11 lawful money set apart for the redemption of said notes and  
12 by the release of a corresponding amount of the collateral  
13 security deposited with the local Federal reserve agent.

22 Any Federal reserve bank may at its discretion withdraw  
23 collateral deposited with the local Federal reserve agent for  
24 the protection of Federal reserve notes deposited with  
25 it and shall at the same time substitute other collateral

OWEN AMENDMENT.

3 Any Federal reserve bank may at any time reduce its  
4 liability for outstanding Federal reserve notes by the  
5 ~~deposit of depositing, with its Federal reserve agent,~~  
6 Federal reserve notes, ~~whether issued to such bank~~  
7 ~~or to some other reserve bank, or lawful money of the~~  
8 ~~United States, gold certificates, or gold bullion, with any~~  
9 Federal reserve agent, or with the Treasurer of the United  
10 States, and such reduction shall be accompanied by a  
11 corresponding reduction in the required reserve fund of  
12 lawful money set apart for the redemption of said notes and  
13 by the release of a corresponding amount of the collateral  
14 security deposited with the local Federal reserve agent.

15 *The Federal reserve agent shall hold such gold certifi-*  
16 *cates and gold available for exchange for the outstanding Fed-*  
17 *eral reserve notes when offered by the reserve bank of which*  
18 *he is a director. Upon the request of the Secretary of the*  
19 *Treasury the Federal Reserve Board shall require the Fed-*  
20 *eral reserve agent to transmit said gold to the Treasury of the*  
21 *United States for the redemption of such notes.*

22 Any Federal reserve bank may at its discretion withdraw  
23 collateral deposited with the local Federal reserve agent for  
24 the protection of *its* Federal reserve notes deposited with it  
25 and shall at the same time substitute *therefor* other like col-

HUTCHCOCK AMENDMENTS.

1 livery, shall become a first and paramount lien on all the  
2 assets of such bank.

3 Any Federal reserve bank may at any time reduce its  
4 liability for outstanding Federal reserve notes by the  
5 ~~deposit of Federal reserve notes, whether issued to such~~  
6 ~~bank or to some other reserve bank, or lawful money~~  
7 ~~of the United States, or gold bullion, redeeming the same and~~  
8 ~~depositing them with any its Federal reserve agent or with the~~  
9 Treasurer of the United States, and such reduction shall be  
10 accompanied by a corresponding reduction in the required  
11 reserve fund of lawful money set apart for the redemption of  
12 said notes and by the release of a corresponding amount of the  
13 collateral security deposited with the local Federal reserve  
14 agent, who shall forward them to the Treasury for retirement.

15 Any Federal reserve bank may at its discretion withdraw  
16 collateral deposited with the local Federal reserve agent for  
17 the protection of Federal reserve notes deposited with  
18 it and shall at the same time substitute other collateral  
19 of equal value approved by the Federal reserve agent under  
20 regulations to be prescribed by the Federal Reserve Board.

21 It shall be the duty of every Federal reserve bank to  
22 receive on deposit, so far and without charge for exchange or  
23 collection, checks and drafts drawn upon any of its depositors  
24 or by any such depositors upon any other depositor, and checks  
25 and drafts drawn by any depositor in any other Federal reserve

HOUSE BILL.

1 of equal value approved by the Federal reserve agent under  
2 regulations to be prescribed by the Federal Reserve Board.

OWEN AMENDMENT.

1 lateral of equal value amount approved by the Federal reserve  
2 agent under regulations to be prescribed by the Federal  
3 Reserve Board.

5 *In order to furnish suitable notes for circulation as*  
6 *Federal reserve notes, the Comptroller of the Currency shall,*  
7 *under the direction of the Secretary of the Treasury, cause*  
8 *plates and dies to be engraved in the best manner to guard*  
9 *against counterfeits and fraudulent alterations, and shall*  
10 *have printed therefrom and numbered such quantities of such*  
11 *notes in blank of the denominations of \$1, \$2, \$5, \$10, \$20,*  
12 *\$50, \$100, as may be required to supply the Federal reserve*  
13 *banks. Such notes shall be in form and tenor as directed by*  
14 *the Secretary of the Treasury under the provisions of this*  
15 *Act and shall bear the distinctive numbers of the several*  
16 *Federal reserve banks through which they are issued.*

17 *When such notes have been prepared, they shall be depos-*  
18 *ited in the Treasury, or in the subtreasury or mint of the*  
19 *United States nearest the place of business of each Federal*  
20 *reserve bank, and shall be held for the use of such bank subject*  
21 *to the order of the Comptroller of the Currency for their deliv-*  
22 *ery, as provided by this Act.*

23 *The plates and dies to be procured by the Comptroller*  
24 *of the Currency for the printing of such circulating notes*  
25 *shall remain under his control and direction, and the expenses*

HITCHCOCK AMENDMENTS.

1 ~~bank upon funds to the credit of said depositor in said reserve~~  
2 ~~bank last mentioned, nothing herein contained to be con-~~  
3 ~~strued as prohibiting member banks from making reasonable~~  
4 ~~charges to cover actual expenses incurred in collecting and~~  
5 ~~remitting funds for their patrons~~ *In order to furnish suitable*  
6 *Federal reserve notes, the Comptroller of the Cur-*  
7 *rency shall, under the direction of the Secretary of*  
8 *the Treasury, cause plates and dies to be engraved in the best*  
9 *manner to guard against counterfeits and fraudulent altera-*  
10 *tions, and shall have printed therefrom and numbered such*  
11 *quantities of such notes in blank of the denominations of*  
12 *\$5, \$10, \$20, \$50, \$100, \$500, \$1,000, as may be required to*  
13 *supply the reserve banks entitled to receive the same.*  
14 *Such notes shall be in form and tenor provided for in this*  
15 *Act.*

17 *When such notes have been prepared, they shall be deposited*  
18 *in the Treasury, or in the subtreasury of the United States*  
19 *nearest the place of business of each reserve bank, and shall*  
20 *be held for the use of such bank, subject to the order of the*  
21 *Federal Reserve Board for their delivery, as provided by this*  
22 *Act.*

23 *The plates and dies to be procured by the Comptroller of*  
24 *the Currency for the printing of such circulating notes shall*  
25 *remain under his control and direction, and the expenses*

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 necessarily incurred in executing the laws relating to the  
2 procuring of such notes, and all other expenses incidental to  
3 their issue and retirement, shall be paid by the Federal reserve  
4 banks, and the Federal Reserve Board shall include in its  
5 estimate of expenses levied against the Federal reserve banks  
6 a sufficient amount to cover the expenses herein provided for.

7 The examination of plates, dies, bed pieces, and so forth,  
8 and regulations relating to such examination of plates, dies,  
9 and so forth, of national-bank notes provided for in section  
10 fifty-one hundred and seventy-four, Revised Statutes, is  
11 hereby extended to include Federal reserve notes herein  
12 provided for.

13 Any appropriation heretofore made out of the general  
14 funds of the Treasury for engraving plates and dies, the pur-  
15 chase of distinctive paper, or to cover any other expense in con-  
16 nection with the printing of national-bank notes or notes  
17 provided for by the Act of May thirtieth, nineteen hundred  
18 and eight, and any distinctive paper that may be on hand at  
19 the time of the passage of this Act may be used in the discre-  
20 tion of the Secretary for the purposes of this Act, and should  
21 the appropriations heretofore made be insufficient to meet the  
22 requirements of this Act in addition to circulating notes pro-  
23 vided for by existing law, the Secretary is hereby authorized  
24 to use so much of any funds in the Treasury not otherwise  
25 appropriated for the purpose of furnishing the notes afore-

1 necessarily incurred in executing the laws relating to the  
2 procuring of such notes, and all other expenses incidental to  
3 their issue and retirement, shall be paid by the reserve banks,  
4 and the Federal Reserve Board shall include in its estimate  
5 of expenses levied against the reserve banks a sufficient amount  
6 to cover the expenses herein provided for.

7 The examination of plates, dies, bed pieces, and so forth,  
8 and regulations relating to such examination of plates, dies,  
9 and so forth, of national-bank notes provided for in section  
10 fifty-one hundred and seventy-four, Revised Statutes, is  
11 hereby extended to include Federal reserve notes herein  
12 provided for.

13 Any appropriation heretofore made out of the general  
14 funds of the Treasury for engraving plates and dies, the pur-  
15 chase of distinctive paper, or to cover any other expense in  
16 connection with the printing of national-bank notes or notes  
17 provided for by the Act of May thirtieth, nineteen hundred  
18 and eight, and any distinctive paper that may be on hand at  
19 the time of the passage of this Act may be used, in the discretion  
20 of the Secretary, for the purposes of this Act; and should the  
21 appropriations heretofore made be insufficient to meet the  
22 requirements of this Act, in addition to circulating notes pro-  
23 vided for by existing law, the Secretary is hereby authorized to  
24 use so much as may be necessary of any funds in the Treas-  
25 ury not otherwise appropriated for the purpose of furnish-

HOUSE BILL.

16 It shall be the duty of every Federal reserve bank to  
17 receive on deposit, at par and without charge  
18 for exchange or collection, checks and drafts drawn upon  
19 any of its depositors or by any of its depositors upon  
20 any other depositor and checks and drafts drawn by any  
21 depositor in any other Federal reserve bank upon funds to the  
22 credit of said depositor in said reserve bank last mentioned,  
23 nothing herein contained to be construed as prohibiting mem-  
24 ber banks from making reasonable charges to cover actual ex-  
25 penses incurred in collecting and remitting funds for their

OWEN AMENDMENT.

1 said: Provided, however, That nothing in this section con-  
2 tained shall be construed as exempting national banks or  
3 Federal reserve banks from their liability to reimburse the  
4 United States for any expenses incurred in printing and  
5 issuing circulating notes.

6 It shall be the duty of every Federal reserve bank to  
7 receive on deposit, at par and without charge for exchange  
8 or collection, checks and drafts drawn upon any of its deposi-  
9 tors or by any of its depositors upon any other depositor  
10 and checks and drafts drawn by any depositor in any other  
11 Federal reserve bank upon funds to the credit of said depositor  
12 in said reserve bank last mentioned, nothing herein con-  
13 tained to be construed as prohibiting member banks from  
14 making reasonable charges to cover actual expenses in-  
15 curred in collecting and remitting funds for their patrons.

16 Every Federal reserve bank shall receive on deposit from  
17 member banks or from Federal reserve banks checks and drafts  
18 drawn upon any of its depositors, and when remitted by a  
19 Federal reserve bank, checks and drafts drawn by any deposi-  
20 tor in any other Federal reserve bank or member bank upon  
21 funds to the credit of said depositor in said reserve bank or  
22 member bank. Nothing herein contained shall be construed  
23 as prohibiting a member bank from making reasonable charges  
24 for checks and drafts so debited to its account, or for  
25 collecting and remitting funds, or for exchange sold to its

HITCHCOCK AMENDMENTS.

1 ing the notes aforesaid: Provided, however, That nothing in  
2 this section contained shall be construed as exempting na-  
3 tional banks or Federal reserve banks from their liability to  
4 reimburse the United States for any expenses incurred in  
5 printing and issuing circulating notes.

16 Every Federal reserve bank shall receive on deposit from  
17 member banks or from reserve banks checks and drafts drawn  
18 upon any of its depositors and, when remitted by a reserve bank,  
19 checks and drafts drawn by any depositor in any other reserve  
20 bank or member bank upon funds to the credit of said depositor  
21 in said reserve bank or member bank. Nothing herein con-  
22 tained shall be construed as prohibiting a member bank from  
23 making reasonable charges for checks and drafts so debited to  
24 its account, or for collecting and remitting funds, or for ex-  
25 change sold to its patrons. The Federal Reserve Board

HOUSE BILL.

1 patrons. The Federal Reserve Board shall make and pro-  
2 mulgate from time to time regulations governing the transfer  
3 of funds at par among Federal reserve banks, and may at its  
4 discretion exercise the functions of a clearing house for such  
5 Federal reserve banks, or may designate a Federal reserve  
6 bank to exercise such functions, and may also require each  
7 such bank to exercise the functions of a clearing house for its  
8 member banks.

14 SEC. 18. That so much of the provisions of section  
15 fifty-one hundred and fifty-nine of the Revised Statutes  
16 of the United States, and section four of the Act of  
17 June twentieth, eighteen hundred and seventy-four, and  
18 section eight of the Act of July twelfth, eighteen hundred  
19 and eighty-two, and of any other provisions of existing stat-  
20 utes, as require that before any national banking association  
21 shall be authorized to commence banking business it shall  
22 transfer and deliver to the Treasurer of the United States  
23 a stated amount of United States registered bonds be, and  
24 the same is hereby, repealed.

OWEN AMENDMENT.

1 patrons. The Federal Reserve Board may, by rule, fix the  
2 charges to be collected by the member banks from its patrons  
3 whose checks are cleared through the Federal reserve bank  
4 and the charge which may be imposed for the service of  
5 clearing or collection rendered by the Federal reserve bank.  
6 The Federal Reserve Board shall make and promulgate  
7 from time to time regulations governing the transfer of funds  
8 at par and charges therefor among Federal reserve banks  
9 and their branches, and may at its discretion exercise the  
10 functions of a clearing house for such Federal reserve banks,  
11 or may designate a Federal reserve bank to exercise such  
12 functions, and may also require each such bank to exercise  
13 the functions of a clearing house for its member banks.

14 SEC. 18. That so much of the provisions of section  
15 fifty-one hundred and fifty-nine of the Revised Statutes  
16 of the United States, and section four of the Act of  
17 June twentieth, eighteen hundred and seventy-four, and  
18 section eight of the Act of July twelfth, eighteen hundred  
19 and eighty-two, and of any other provisions of existing stat-  
20 utes, as require that before any national banking association  
21 shall be authorized to commence banking business it shall  
22 transfer and deliver to the Treasurer of the United States  
23 a stated amount of United States registered bonds be, and  
24 the same is hereby, repealed.

HITCHCOCK AMENDMENTS.

1 may, by rule, fix reasonable charges to be collected by the  
2 member banks from patrons whose checks are cleared through  
3 the reserve bank and the charge which may be im-  
4 posed for the service of clearing or collection rendered by  
5 the Federal reserve bank. The Federal Reserve Board  
6 shall make and promulgate from time to time regulations  
7 governing the transfer of funds at par among Federal re-  
8 serve banks, and may at its discretion exercise the functions  
9 of a clearing house for such Federal reserve banks, or may  
10 designate a Federal reserve bank to exercise such func-  
11 tions, and may also require each such bank to exercise the  
12 functions of a clearing house for its member banks and  
13 their branches.

14 SEC. 18. That so much of the provisions of section  
15 fifty-one hundred and fifty-nine of the Revised Statutes  
16 of the United States, and section four of the Act of  
17 June twentieth, eighteen hundred and seventy-four, and  
18 section eight of the Act of July twelfth, eighteen hundred  
19 and eighty-two, and of any other provisions of existing stat-  
20 utes, as require that before any national banking association  
21 shall be authorized to commence banking business it shall  
22 transfer and deliver to the Treasurer of the United States  
23 a stated amount of United States registered bonds be, and  
24 the same is hereby, repealed.

HOUSE BILL.

REFUNDING BONDS.

OWEN AMENDMENT.

REFUNDING BONDS.

1  
2       ~~SEC. 19. That upon application the Secretary of the~~  
3 ~~Treasury shall exchange the two per centum bonds of the~~  
4 ~~United States bearing the circulation privilege deposited by~~  
5 ~~any national banking association with the Treasurer of the~~  
6 ~~United States as security for circulating notes for three per~~  
7 ~~centum bonds of the United States without the circulation~~  
8 ~~privilege, payable after twenty years from date of issue, and~~  
9 ~~exempt from Federal, State, and municipal taxation both as to~~  
10 ~~income and principal. No national bank shall, in any one~~  
11 ~~year, present two per centum bonds for exchange in the~~  
12 ~~manner hereinbefore provided to an amount exceeding five~~  
13 ~~per centum of the total amount of bonds on deposit with the~~  
14 ~~Treasurer by said bank for circulation purposes. Should any~~  
15 ~~national bank fail in any one year to so exchange its full~~  
16 ~~quota of two per centum bonds under the terms of this Act,~~  
17 ~~the Secretary of the Treasury may permit any other national~~  
18 ~~bank or banks to exchange bonds in excess of the five per~~  
19 ~~centum aforesaid in an amount equal to the deficiency caused~~  
20 ~~by the failure of any one or more banks to make exchange in~~  
21 ~~any one year, allotment to be made to applying banks in~~  
22 ~~proportion to their holdings of bonds. At the expiration of~~  
23 ~~twenty years from the passage of this Act every holder of~~  
24 ~~United States two per centum bonds then outstanding shall~~  
25 ~~receive payment at par and accrued interest. After twenty~~

HITCHCOCK AMENDMENTS.

REFUNDING BONDS.

1  
2       ~~SEC. 19. That upon application the Secretary of the~~  
3 ~~Treasury shall exchange the two per centum bonds of the~~  
4 ~~United States bearing the circulation privilege deposited by~~  
5 ~~any national banking association with the Treasurer of the~~  
6 ~~United States as security for circulating notes for three per~~  
7 ~~centum bonds of the United States without the circulation~~  
8 ~~privilege, payable after twenty years from date of issue, and~~  
9 ~~exempt from Federal, State, and municipal taxation both as to~~  
10 ~~income and principal. No national bank shall, in any one~~  
11 ~~year, present two per centum bonds for exchange in the~~  
12 ~~manner hereinbefore provided to an amount exceeding five~~  
13 ~~per centum of the total amount of bonds on deposit with the~~  
14 ~~Treasurer by said bank for circulation purposes. Should~~  
15 ~~any national bank fail in any one year to so exchange its full~~  
16 ~~quota of two per centum bonds under the terms of this Act~~  
17 ~~the Secretary of the Treasury may permit any other national~~  
18 ~~bank or banks to exchange bonds in excess of the five per~~  
19 ~~centum aforesaid in an amount equal to the deficiency caused~~  
20 ~~by the failure of any one or more banks to make ex-~~  
21 ~~change in any one year, allotment to be made to ap-~~  
22 ~~plying banks in proportion to their holdings of bonds.~~  
23 ~~At the expiration of twenty years from the passage of this Act~~  
24 ~~every holder of United States two per centum bonds then out-~~  
25 ~~standing shall receive payment at par and accrued interest.~~

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

~~1 years from the date of the passage of this Act national bank  
2 notes still remaining outstanding shall be recalled and re-  
3 deemed by the national banking associations issuing the  
4 same within a period and under regulations to be prescribed  
5 by the Federal Reserve Board, and notes still remaining  
6 in circulation at the end of such period shall be secured by an  
7 equal amount of lawful money to be deposited in the Treasury  
8 of the United States by the banking associations originally  
9 issuing such notes. Meanwhile every national bank may  
10 continue to apply for and receive circulating notes from the  
11 Comptroller of the Currency based upon the deposit of two  
12 per centum bonds or of any other bonds bearing the  
13 circulation privilege; but no national bank shall be per-  
14 mitted to issue other circulating notes except such as are  
15 secured as in this section provided or to issue or to make  
16 use of any substitute for such circulating notes in the form of  
17 clearing-house loan certificates, cashier's checks, or other  
18 obligation.~~

19 *SEC. 19. Upon application by a Federal reserve bank  
20 the Secretary of the Treasury shall, for the account of such  
21 bank, assume the redemption of circulating notes of any na-  
22 tional bank requesting the same and surrendering in writing  
23 the two per centum bonds held in trust by the Treasurer of the  
24 United States as security for its circulation. Such two per  
25 centum bonds shall, at the option of such Federal reserve bank,*

~~1 After twenty years from the date of the passage of this Act  
2 national bank notes still remaining outstanding shall be re-  
3 called and redeemed by the national banking associations  
4 issuing the same within a period and under regulations to be  
5 prescribed by the Federal Reserve Board, and notes still  
6 remaining in circulation at the end of such period shall be  
7 secured by an equal amount of lawful money to be deposited  
8 in the Treasury of the United States by the banking associa-  
9 tions originally issuing such notes. Meanwhile every na-  
10 tional bank may continue to apply for and receive circulating  
11 notes from the Comptroller of the Currency based upon the  
12 deposit of two per centum bonds or of any other bonds bearing  
13 the circulation privilege; but no national bank shall be per-  
14 mitted to issue other circulating notes except such as are  
15 secured as in this section provided or to issue or to make  
16 use of any substitute for such circulating notes in the form of  
17 clearing-house loan certificates, cashier's checks, or other  
18 obligation.~~

19 *SEC. 19. That as soon after the organization of the reserve  
20 banks as practicable and under authority from the Federal  
21 Reserve Board each Federal reserve bank shall purchase at  
22 par and accrued interest two per centum bonds of the United  
23 States. The amount purchased by each reserve bank shall  
24 not be more than fifty per centum of its capital in any one  
25 year. The bonds so purchased may be held by such reserve*

19 *SEC. 19. That upon application the Secretary of the  
20 Treasury shall exchange the two per centum bonds of the  
21 United States bearing the circulation privilege deposited by  
22 any national banking association with the Treasurer of the  
23 United States as security for circulating notes for three per  
24 centum bonds of the United States without the circulation  
25 privilege, payable after twenty years from date of issue, and*

HOUSE BILL.

1 exempt from Federal, State, and municipal taxation both as to  
2 income and principal. No national bank shall, in any one  
3 year, present two per centum bonds for exchange in the manner  
4 hereinbefore provided to an amount exceeding five per centum  
5 of the total amount of bonds on deposit with the Treasurer by  
6 said bank for circulation purposes. Should any national bank  
7 fail in any one year to so exchange its full quota of two per cen-  
8 tum bonds under the terms of this Act, the Secretary of the  
9 Treasury may permit any other national bank or banks to ex-  
10 change bonds in excess of the five per centum aforesaid in an  
11 amount equal to the deficiency caused by the failure of any one  
12 or more banks to make exchange in any one year, allotment to be  
13 made to applying banks in proportion to their holdings of bonds.  
14 At the expiration of twenty years from the passage of this Act  
15 every holder of United States two per centum bonds then out-  
16 standing shall receive payment at par and accrued interest.  
17 After twenty years from the date of the passage of this Act  
18 national-bank notes still remaining outstanding shall be re-  
19 called and redeemed by the national banking associations  
20 issuing the same within a period and under regulations to be  
21 prescribed by the Federal Reserve Board, and notes still  
22 remaining in circulation at the end of such period shall be  
23 secured by an equal amount of lawful money to be deposited  
24 in the Treasury of the United States by the banking associa-  
25 tions originally issuing such notes. Meanwhile every na-  
26 tional bank may continue to apply for and receive circulating

OWEN AMENDMENT.

1 be reissued by the Secretary of the Treasury as bonds bearing  
2 three per centum interest, due July first, nineteen hundred  
3 and thirty-three, or as one-year notes renewable from year  
4 to year until July first, nineteen hundred and thirty-three,  
5 and bearing interest at the rate of three per centum per annum.  
6 The amount of the redemption of such notes shall not exceed  
7 \$36,000,000 per annum and shall be apportioned pro rata  
8 among the national banks applying for such redemption at  
9 the end of each quarterly period of any fiscal year. The  
10 circulating notes of any national bank, the redemption of  
11 which is so assumed, shall, when delivered to the Treasury  
12 for redemption, be canceled and redeemed out of funds to be  
13 furnished the Secretary of the Treasury by the Federal  
14 reserve bank making the application aforesaid; and the  
15 Federal Reserve Board shall thereupon deliver to the Fed-  
16 eral reserve bank an equal amount of Federal reserve notes  
17 without interest or penalty of any kind, and the two per cen-  
18 tum bonds aforesaid, or the three per centum bonds or notes  
19 issued in lieu thereof, shall be held in trust for such Federal  
20 reserve bank by the Treasurer of the United States as se-  
21 curity for the redemption of such notes.

HITCHCOCK AMENDMENTS.

1 bank and used for deposit with its reserve agent as security  
2 for the Federal reserve notes issued, or they may be exchanged  
3 at the Treasury for one-year Treasury gold notes bearing  
4 three per centum interest. In case of such exchange the  
5 reserve bank shall be bound at the option of the United States  
6 to renew year by year for twenty years the three per centum  
7 gold notes so issued. Said one-year three per centum United  
8 States gold notes may be used to deposit with the reserve  
9 agent as security for the United States reserve notes, or be  
10 freely purchased by reserve banks from time to time to employ  
11 idle funds, or sold to protect the gold supply.  
12 National banks which sell two per centum bonds to a  
13 reserve bank under this provision shall retire such portion  
14 of their outstanding national-bank notes as are secured by  
15 the bonds so sold. The Secretary of the Treasury is hereby  
16 directed to issue three per centum one-year gold Treasury  
17 notes year by year to exchange for two per centum bonds  
18 as above provided or to take the place of three per centum  
19 one-year gold notes that have been redeemed. During the  
20 period between the first and last purchases of bonds any na-  
21 tional bank may continue to apply for and receive circulating  
22 notes based upon the deposit of two per centum bonds as now  
23 provided for by law. The one-year three per centum gold  
24 Treasury notes above provided for shall be exempt from  
25 Federal, State, and municipal taxation both as to income and  
26 principal.

HOUSE BILL.

1 notes from the Comptroller of the Currency based upon the  
2 deposit of two per centum bonds or of any other bonds bearing  
3 the circulation privilege: but no national bank shall be per-  
4 mitted to issue other circulating notes except such as are  
5 secured as in this section provided or to issue or to make  
6 use of any substitute for such circulating notes in the form of  
7 clearing-house loan certificates, cashier's checks, or other  
8 obligation.

9 BANK RESERVES.

OWEN AMENDMENT.

9

BANK RESERVES.

10 ~~SEC. 20. That from and after the date when the Sec-~~  
11 ~~retary of the Treasury shall have officially announced, in~~  
12 ~~such manner as he may elect, the fact that a Federal reserve~~  
13 ~~bank has been established in any designated district, every~~  
14 ~~banking association within said district which shall have~~  
15 ~~subscribed for stock in such Federal reserve bank shall be~~  
16 ~~required to establish and maintain reserves as follows:~~

17 ~~(a) If a country bank as defined by existing law, it shall~~  
18 ~~hold and maintain a reserve equal to twelve per centum of the~~  
19 ~~aggregate amount of its deposits, not including savings deposits~~  
20 ~~hereinafter provided for. Five twelfths of such reserve shall~~  
21 ~~consist of money which national banks may under existing~~  
22 ~~law count as legal reserve, held actually in the bank's own~~  
23 ~~vaults; and for a period of fourteen months from the date~~  
24 ~~aforesaid at least three twelfths and thereafter at least five~~  
25 ~~twelfths of such reserve shall consist of a credit balance with~~  
26 ~~the Federal reserve bank of its district. The remainder of~~  
27 ~~the twelve per centum reserve hereinbefore required may,~~

HITCHCOCK AMENDMENTS.

9

BANK RESERVES.

10 ~~SEC. 20. That from and after the date when the Sec-~~  
11 ~~retary of the Treasury shall have officially announced, in~~  
12 ~~such manner as he may elect, the fact that a Federal reserve~~  
13 ~~bank has been established in any designated district, every~~  
14 ~~banking association within said district which shall have~~  
15 ~~subscribed for stock in such Federal reserve bank shall be~~  
16 ~~required to establish and maintain reserves as follows:~~

17 ~~(a) If a country bank as defined by existing law, it~~  
18 ~~shall hold and maintain a reserve equal to twelve per centum~~  
19 ~~of the aggregate amount of its deposits, not including savings~~  
20 ~~deposits hereinafter provided for. Five twelfths of such~~  
21 ~~reserve shall consist of money which national banks may~~  
22 ~~under existing law count as legal reserve, held actually in the~~  
23 ~~bank's own vaults; and for a period of fourteen months from~~  
24 ~~the date aforesaid at least three twelfths and thereafter at~~  
25 ~~least five twelfths of such reserve shall consist of a credit~~  
26 ~~balance with the Federal reserve bank of its district. The~~  
27 ~~remainder of the twelve per centum reserve hereinbefore~~

HOUSE BILL.

OWEN AMENDMENT.

HITCHCOCK AMENDMENTS.

1 for a period of thirty-six months from and after the date fixed  
2 by the Secretary of the Treasury as hereinbefore provided,  
3 consist of balances due from national banks in reserve or  
4 central reserve cities as now defined by law. From and after  
5 a date thirty-six months subsequent to the date fixed by the  
6 Secretary of the Treasury as hereinbefore provided the said  
7 remainder of the twelve per centum reserve required of each  
8 country bank shall consist either in whole or in part of  
9 reserve money in the bank's own vaults or of credit balance  
10 with the Federal reserve bank of its district.

11 (b) If a reserve city bank as defined by existing law, it  
12 shall hold and maintain, for a period of sixty days from  
13 the date fixed by the Secretary of the Treasury as herein-  
14 before provided, a reserve equal to twenty per centum of the  
15 aggregate amount of its deposits, not including savings de-  
16 posits hereinafter provided for, and permanently thereafter  
17 eighteen per centum. At least one half of such reserve shall  
18 consist of money which national banks may under existing  
19 law count as legal reserve, held actually in the bank's own  
20 vaults. After sixty days from the date aforesaid, and for a  
21 period of one year, at least three eighths and permanently  
22 thereafter at least five eighths of such reserve shall con-  
23 sist of a credit balance with the Federal reserve bank of its  
24 district. The remainder of the reserve in this paragraph  
25 required may, for a period of thirty-six months from and after  
26 the date fixed by the Secretary of the Treasury as hereinbe-  
27 fore provided, consist of balances due from national banks

1 required may, for a period of thirty-six months from and  
2 after the date fixed by the Secretary of the Treasury as here-  
3 inbefore provided, consist of balances due from national  
4 banks in reserve or central reserve cities as now defined by  
5 law. From and after a date thirty-six months subsequent  
6 to the date fixed by the Secretary of the Treasury as herein-  
7 before provided the said remainder of the twelve per centum  
8 reserve required of each country bank shall consist either in  
9 whole or in part of reserve money in the bank's own vaults or  
10 of credit balance with the Federal reserve bank of its district.

11 (b) If a reserve city bank as defined by existing law,  
12 it shall hold and maintain, for a period of sixty days from the  
13 date fixed by the Secretary of the Treasury as hereinbefore  
14 provided, a reserve equal to twenty per centum of the  
15 aggregate amount of its deposits, not including savings  
16 deposits hereinafter provided for, and permanently thereafter  
17 eighteen per centum. At least one half of such reserve shall  
18 consist of money which national banks may under existing  
19 law count as legal reserve, held actually in the bank's own  
20 vaults. After sixty days from the date aforesaid, and for a  
21 period of one year, at least three eighths and perma-  
22 nently thereafter at least five eighths of such reserve shall  
23 consist of a credit balance with the Federal reserve bank of  
24 its district. The remainder of the reserve in this paragraph  
25 required may, for a period of thirty-six months from and after  
26 the date fixed by the Secretary of the Treasury as herein-  
27 before provided, consist of balances due from national banks

**HOUSE BILL.**

**OWEN AMENDMENT.**

**HUTCHCOCK AMENDMENTS.**

1 ~~in central reserve cities as now defined by law. From and~~  
2 ~~after a date thirty-six months subsequent to the date fixed by~~  
3 ~~the Secretary of the Treasury as hereinbefore provided, the~~  
4 ~~said remainder of the eighteen per centum reserve required~~  
5 ~~of each reserve city bank shall consist either in whole or in~~  
6 ~~part of reserve money in the bank's own vaults or of credit~~  
7 ~~balance with the Federal reserve bank of its district.~~

1 ~~in central reserve cities as now defined by law. From and~~  
2 ~~after a date thirty-six months subsequent to the date~~  
3 ~~fixed by the Secretary of the Treasury as hereinbefore pro-~~  
4 ~~vided, the said remainder of the eighteen per centum reserve~~  
5 ~~required of each reserve city bank shall consist either in~~  
6 ~~whole or in part of reserve money in the bank's own vaults~~  
7 ~~or of credit balance with the Federal reserve bank of its~~  
8 ~~district.~~

9 ~~(e) If a central reserve city bank as defined by exist-~~  
10 ~~ing law, it shall hold and maintain for a period of sixty-~~  
11 ~~days from the date fixed by the Secretary of the Treasury as~~  
12 ~~hereinbefore provided a reserve equal to twenty per centum~~  
13 ~~of the aggregate amount of its deposits, not including savings~~  
14 ~~deposits hereinafter provided for, and permanently thereafter~~  
15 ~~eighteen per centum. At least one-half of such reserve shall~~  
16 ~~consist of money which national banks may under existing~~  
17 ~~law count as legal reserve, held actually in the bank's own~~  
18 ~~vaults. After sixty days from the date aforesaid, and there-~~  
19 ~~after for a period of one year, at least three-eighths and~~  
20 ~~permanently thereafter at least five-eighths of such~~  
21 ~~reserve shall consist of a credit balance with the Federal~~  
22 ~~reserve bank of its district. The remainder of the eighteen~~  
23 ~~per centum reserve required of each central reserve city~~  
24 ~~bank shall consist either in whole or in part of reserve money~~  
25 ~~actually held in its own vaults or of credit balance with the~~  
26 ~~Federal reserve bank of its district.~~

9 ~~(e) If a central reserve city bank as defined by exist-~~  
10 ~~ing law, it shall hold and maintain for a period of sixty days~~  
11 ~~from the date fixed by the Secretary of the Treasury as~~  
12 ~~hereinbefore provided a reserve equal to twenty per centum~~  
13 ~~of the aggregate amount of its deposits, not including savings~~  
14 ~~deposits hereinafter provided for, and permanently there-~~  
15 ~~after eighteen per centum. At least one-half of such reserve~~  
16 ~~shall consist of money which national banks may under~~  
17 ~~existing law count as legal reserve, held actually in the~~  
18 ~~bank's own vaults. After sixty days from the date afore-~~  
19 ~~said, and thereafter for a period of one year, at least three-~~  
20 ~~eighths and permanently thereafter at least five-eigh-~~  
21 ~~ths of such reserve shall consist of a credit balance with the~~  
22 ~~Federal reserve bank of its district. The remainder of the~~  
23 ~~eighteen per centum reserve required of each central reserve~~  
24 ~~city bank shall consist either in whole or in part of reserve~~  
25 ~~money actually held in its own vaults or of credit balance with~~  
26 ~~the Federal reserve bank of its district.~~

HOUSE BILL.

1 SEC. 20. That from and after the date when the Sec-  
2 retary of the Treasury shall have officially announced, in  
3 such manner as he may elect, the fact that a Federal reserve  
4 bank has been established in any designated district, every  
5 banking association within said district which shall have  
6 subscribed for stock in such Federal reserve bank shall be  
7 required to establish and maintain reserves as follows:

9 (a) If a country bank as defined by existing law, it  
10 shall hold and maintain a reserve equal to twelve per centum  
11 of the aggregate amount of its deposits, not including savings  
12 deposits hereinafter provided for. Five-twelfths of such  
13 reserve shall consist of money which national banks may  
14 under existing law count as legal reserve, held actually in the  
15 bank's own vaults; and for a period of fourteen months from  
16 the date aforesaid at least three-twelfths and thereafter at  
17 least five-twelfths of such reserve shall consist of a credit  
18 balance with the Federal reserve bank of its district. The  
19 remainder of the twelve per centum reserve hereinbefore  
20 required may, for a period of thirty-six months from and  
21 after the date fixed by the Secretary of the Treasury as here-  
22 inbefore provided, consist of balances due from national  
23 banks in reserve or central reserve cities as now defined by  
24 law. From and after a date thirty-six months subsequent  
25 to the date fixed by the Secretary of the Treasury as herein-  
26 before provided the said remainder of the twelve per centum  
27 reserve required of each country bank shall consist either in

OWEN AMENDMENT.

1 SEC. 20. Demand liabilities within the meaning of this  
2 Act shall comprise all liabilities maturing within thirty days,  
3 and time deposits shall comprise all deposits payable after  
4 thirty days.

5 When the Secretary of the Treasury shall have officially  
6 announced, in such manner as he may elect, the establishment  
7 of a Federal reserve bank in any district, every subscribing  
8 member bank shall establish and maintain reserves as follows:

9 (a) A bank not in a reserve or central reserve city as now  
10 or hereafter defined shall hold and maintain reserves equal to  
11 twelve per centum of the aggregate amount of its demand  
12 liabilities and five per centum of its time deposits, as follows:

13 In its vaults for a period of thirty-six months after said  
14 date four-twelfths thereof.

15 In the Federal reserve bank for a period of fourteen  
16 months after said date two-twelfths, and permanently there-  
17 after five-twelfths.

18 For a period of thirty-six months after said date the bal-  
19 ance of the reserves may be held in its own vaults, or in the  
20 Federal reserve bank, or in banks in reserve or central  
21 reserve city banks as now defined by law.

22 After said thirty-six months' period said reserves, other  
23 than those hereinbefore required to be held in the reserve  
24 bank, shall be held in the vaults of the member bank or in the  
25 Federal reserve bank, or in both, at its option.

HITCHCOCK AMENDMENTS.

1 SEC. 20. That when a Federal reserve bank has been  
2 duly organized and established as provided in this Act in any  
3 Federal reserve district every member bank of that district  
4 shall establish and maintain reserves as follows:

9 (a) A bank not in a reserve or central reserve city as now  
10 or hereafter defined shall hold and maintain reserves equal to  
11 twelve per centum of the aggregate amount of its net deposits,  
12 as follows:

13 In its vaults, four-twelfths thereof.

15 In the Federal reserve bank of its district, for a period  
16 of six months after said date, one-twelfth, and for each suc-  
17 ceeding six months an additional one-twelfth, until four-  
18 twelfths have been so deposited, which shall be the amount  
19 permanently required.

22 After said period said reserves, other than those herein-  
23 before required to be held in the reserve bank, may be held  
24 in the vaults of the member bank or in the Federal reserve  
25 bank, or in both, at the option of the member bank.

HOUSE BILL.

1 whole or in part of reserve money in the bank's own vaults or  
2 of credit balance with the Federal reserve bank of its district.  
3 (b) If a reserve city bank as defined by existing law,  
4 it shall hold and maintain, for a period of sixty days from the  
5 date fixed by the Secretary of the Treasury as hereinbefore  
6 provided, a reserve equal to twenty per centum of the  
7 aggregate amount of its deposits, not including savings  
8 deposits hereinafter provided for, and permanently thereafter  
9 eighteen per centum. At least one-half of such reserve shall  
10 consist of money which national banks may under existing  
11 law count as legal reserve, held actually in the bank's own  
12 vaults. After sixty days from the date aforesaid, and for a  
13 period of one year, at least three-eighteenths and perma-  
14 nently thereafter at least five-eighteenths of such reserve shall  
15 consist of a credit balance with the Federal reserve bank of  
16 its district. The remainder of the reserve in this paragraph  
17 required may, for a period of thirty-six months from and after  
18 the date fixed by the Secretary of the Treasury as herein-  
19 before provided, consist of balances due from national banks  
20 in central reserve cities as now defined by law. From and  
21 after a date thirty-six months subsequent to the date  
22 fixed by the Secretary of the Treasury as hereinbefore pro-  
23 vided, the said remainder of the eighteen per centum reserve  
24 required of each reserve city bank shall consist either in  
25 whole or in part of reserve money in the bank's own vaults  
26 or of credit balance with the Federal reserve bank of its  
27 district.

OWEN AMENDMENT.

3 (b) A bank in a reserve city, as now or hereafter defined,  
4 shall hold and maintain reserves equal to eighteen per  
5 centum of the aggregate amount of its demand liabilities and  
6 five per centum of its time deposits, as follows:  
7 In its vaults six-eighteenths thereof.  
8 In the Federal reserve bank for a period of fourteen  
9 months after the date aforesaid at least three-eighteenths and  
10 permanently thereafter six-eighteenths of said reserve.  
11 For a period of thirty-six months after said date the  
12 balance of said reserves shall be held in its vaults, in the  
13 Federal reserve bank, or in central reserve city banks as now  
14 defined by law.  
15 After said thirty-six months' period all of said reserves,  
16 except those hereinbefore required to be held permanently in  
17 the Federal reserve bank, shall be held in its vaults or in the  
18 Federal reserve bank, or in both, at its option.

HITCHCOCK AMENDMENTS.

3 (b) A bank in a reserve or a central reserve city, as now  
4 or hereafter defined, shall hold and maintain reserves equal to  
5 fifteen per centum of the aggregate amount of its net deposits,  
6 as follows:  
7 In its vaults, five-fifteenths thereof.  
8 In the Federal reserve bank of its district for a period of  
9 six months after the date aforesaid at least one-fifteenth, and  
10 for each succeeding six months an additional one-fifteenth,  
11 until six-fifteenths have been so deposited, which shall be the  
12 amount permanently required.  
15 After said period all of said reserves, except those herein-  
16 before required to be held permanently in the Federal reserve  
17 bank, may be held in its own vaults or in the Federal reserve  
18 bank, or in both, at the option of the member bank.

HOUSE BILL.

1 (c) If a central reserve city bank as defined by exist-  
 2 ing law, it shall hold and maintain for a period of sixty days  
 3 from the date fixed by the Secretary of the Treasury as  
 4 hereinbefore provided a reserve equal to twenty per centum  
 5 of the aggregate amount of its deposits, not including savings  
 6 deposits hereinafter provided for, and permanently there-  
 7 after eighteen per centum. At least one-half of such reserve  
 8 shall consist of money which national banks may under  
 9 existing law count as legal reserve, held actually in the  
 10 bank's own vaults. After sixty days from the date afore-  
 11 said, and thereafter for a period of one year, at least three-  
 12 eighteenths and permanently thereafter at least five-eight-  
 13 eenths of such reserve shall consist of a credit balance with the  
 14 Federal reserve bank of its district. The remainder of the  
 15 eighteen per centum reserve required of each central reserve  
 16 city bank shall consist either in whole or in part of reserve  
 17 money actually held in its own vaults or of credit balance with  
 18 the Federal reserve bank of its district.

OWEN AMENDMENT.

1 (c) A bank in a central reserve city as now or hereafter  
 2 defined shall hold and maintain a reserve equal to eighteen  
 3 per centum of the aggregate amount of its demand liabilities  
 4 and five per centum of its time deposits, as follows:  
 5 In its vaults six-eighteenths thereof.  
 6 In the Federal reserve bank for a period of fourteen  
 7 months after the date aforesaid at least three-eighteenths, and  
 8 permanently thereafter six-eighteenths.  
 9 For a period of thirty-six months after said date the  
 10 balance of said reserves shall be held in its own vaults or in the  
 11 Federal reserve bank at its option.  
 12 After said thirty-six months' period all of said reserves,  
 13 except those herein permanently required to be held in the  
 14 Federal reserve bank, shall be held in its own vaults or in the  
 15 Federal reserve bank, or both, at its option.  
 16 Any Federal reserve bank may receive from the member  
 17 banks as reserves, not exceeding one-half of said instalment  
 18 thereof, eligible discounted paper properly indorsed and  
 19 acceptable to the said reserve bank.  
 20 If a State bank or trust company is required by the law  
 21 of its State to keep its reserves either in its own vaults or with  
 22 another State bank or trust company, such reserve deposits  
 23 so kept in such State bank or trust company shall be con-  
 24 strued, within the meaning of this section, as if they were  
 25 reserve deposits in a national bank in a reserve or central  
 26 reserve city for a period of three years after the Secretary of  
 27 the Treasury shall have officially announced the establish-

HITCHCOCK AMENDMENTS.

20 If a State bank or trust company is required by the laws  
 21 of its State to keep its reserves either in its own vaults or with  
 22 another State bank or trust company, such reserve deposits so  
 23 kept in such State bank or trust company shall be construed,  
 24 within the meaning of this section, as if they were reserve  
 25 deposits in a national bank in a reserve or central reserve city  
 26 for a period of three years after the establishment of a Federal

HOUSE BILL.

17 SEC. 21. That so much of sections two and three of the  
18 Act of June twentieth, eighteen hundred and seventy-four,  
19 entitled "An Act fixing the amount of United States notes,  
20 providing for a redistribution of the national bank currency,  
21 and for other purposes," as provides that the fund deposited  
22 by any national banking association with the Treasurer of  
23 the United States for the redemption of its notes shall be  
24 counted as a part of its lawful reserve as provided in the Act  
25 aforesaid, be, and the same is hereby, repealed. And from  
26 and after the passage of this Act such fund of five per centum

OWEN AMENDMENT.

1 ment of a Federal reserve bank in the district in which  
2 such State bank or trust company is situate.  
3 Except as thus provided no member bank shall keep on deposit  
4 with any nonmember bank a sum in excess of ten per centum  
5 of its own paid-up capital and surplus. No member bank  
6 shall extend directly or indirectly the benefits of this system  
7 to a nonmember bank, except upon written permission of the  
8 Federal Reserve Board, under penalty of suspension.  
9 The reserve carried by a member bank with a Federal  
10 reserve bank may, under the regulations and subject to such  
11 penalties as may be prescribed by the Federal Reserve Board,  
12 be checked against and withdrawn by such member bank for  
13 the purpose of meeting existing liabilities: Provided, however,  
14 That no bank shall at any time make new loans or shall pay  
15 any dividends unless and until the total reserve required by  
16 law is fully restored.

17 SEC. 21. ~~That so~~ So much of sections two and three of the  
18 Act of June twentieth, eighteen hundred and seventy-four, en-  
19 titled "An Act fixing the amount of United States notes, pro-  
20 viding for a redistribution of the national bank currency,  
21 and for other purposes," as provides that the fund deposited  
22 by any national banking association with the Treasurer of  
23 the United States for the redemption of its notes shall be  
24 counted as a part of its lawful reserve as provided in the Act  
25 aforesaid, be, and the same is hereby, repealed. And from  
26 and after the passage of this Act such fund of five per centum

HITCHCOCK AMENDMENTS.

1 reserve bank in the district in which such State bank or trust  
2 company is situate.

17 SEC. 21. That so much of sections two and three of the  
18 Act of June twentieth, eighteen hundred and seventy-four,  
19 entitled "An Act fixing the amount of United States notes,  
20 providing for a redistribution of the national bank currency,  
21 and for other purposes," as provides that the fund deposited  
22 by any national banking association with the Treasurer of  
23 the United States for the redemption of its notes shall be  
24 counted as a part of its lawful reserve as provided in the Act  
25 aforesaid, be, and the same is hereby, repealed. And from  
26 and after the passage of this Act such fund of five per centum

HOUSE BILL.

1 shall in no case be counted by any national banking associa-  
2 tion as a part of its lawful reserve.

3 SEC. 22. That every Federal reserve bank shall at  
4 all times have on hand in its own vaults, in gold or lawful  
5 money, a sum equal to not less than thirty-three and one-third  
6 per centum of its outstanding demand liabilities.

13 The Federal Reserve Board may notify any Federal re-  
14 serve bank whose lawful reserve shall be below the amount  
15 required to be kept on hand, to make good such reserve; and  
16 if such bank shall fail for thirty days thereafter so to make  
17 good its lawful reserve, the Federal Reserve Board may  
18 appoint a receiver to wind up the business of said bank.

OWEN AMENDMENT.

1 shall in no case be counted by any national banking association  
2 as a part of its lawful reserve.

3 SEC. 22. ~~That every Federal reserve bank~~ *In addition*  
4 *to the reserve required against the Federal reserve notes*  
5 *emitted by a Federal reserve bank, it shall at all times have*  
6 ~~on hand~~ *maintain* in its own vaults, in gold, or lawful money  
7 *other than Federal reserve notes*, a sum equal to not less than  
8 thirty-three and one-third per centum of its outstanding  
9 demand liabilities *other than its Federal reserve notes*.

13 The Federal Reserve Board may notify any Federal re-  
14 serve bank whose lawful reserve shall be below the amount  
15 required to be ~~kept on hand maintained~~, to make good such  
16 reserve; and if such bank shall fail for thirty days thereafter  
17 so to make good its lawful reserve, the Federal Reserve Board  
18 may ~~appoint a receiver to wind up the business of said bank~~  
19 *suspend and take possession of such reserve bank and admin-*  
20 *ister the same during the period of suspension.*

HITCHCOCK AMENDMENTS.

1 shall in no case be counted by any national banking associa-  
2 tion as a part of its lawful reserve.

3 SEC. 22. That every Federal reserve bank shall at all  
4 times have on hand in its own vaults, in gold, *gold certificates,*  
5 or lawful money, a sum equal to not less than ~~thirty-three and~~  
6 ~~one-third~~ *thirty-five* per centum of its ~~outstanding demand~~  
7 ~~liabilities net deposits~~, *in addition to the reserve required*  
8 *against the Federal reserve notes emitted by such bank. The*  
9 *term "net deposits" wherever used in this Act shall mean net*  
10 *deposits as from time to time defined by the Comptroller of*  
11 *the Currency, subject to the approval of the Federal Reserve*  
12 *Board.*

13 The Federal Reserve Board may notify any Federal re-  
14 serve bank whose lawful reserve shall be below the amount  
15 required to be kept on hand to make good such reserve; and  
16 ~~if such bank shall fail for thirty days thereafter so to make~~  
17 ~~good its lawful reserve, the Federal Reserve Board may~~  
18 ~~appoint a receiver to wind up the business of said bank in~~  
19 *the meantime may prohibit such Federal reserve bank from*  
20 *making additional loans or discounts: Provided, however,*  
21 *That the Federal Reserve Board may in case of emergency*  
22 *permit the reserve against deposits to be reduced below the*  
23 *said limit, but the reserve bank shall in such case pay a tax*  
24 *at the rate of one per centum per annum for every two and*  
25 *one-half per centum or fraction thereof that the reserve*  
26 *falls below said thirty-five per centum, but in no case shall it*  
27 *be allowed to fall below twenty-five per centum of its net*



HOUSE BILL.

1 the duties of national-bank examiners that no two successive  
2 examinations of any association shall be made by the same  
3 examiner.

10 In addition to the examinations made and conducted by  
11 the Comptroller of the Currency, every Federal reserve bank  
12 may, with the approval of the Federal Reserve Board, arrange  
13 for special or periodical examination of the member banks  
14 within its district. Such examination shall be so conducted  
15 as to inform the Federal reserve bank under whose auspices  
16 it is carried on of the condition of its member banks and of  
17 the lines of credit which are being extended by them.  
18 Every Federal reserve bank shall at all times furnish to  
19 the Federal Reserve Board such information as may be de-  
20 manded by the latter concerning the condition of any national  
21 banking association located within the district of the said  
22 Federal reserve bank.

OWEN AMENDMENT.

1 shall be assessed by *authority of* the Federal Reserve Board  
2 upon the ~~associations~~ banks examined in proportion to assets  
3 or resources held by such ~~associations~~ banks upon a date  
4 during the year in which such examinations are held to be  
5 established by the Federal Reserve Board. ~~The Comptroller~~  
6 ~~of the Currency shall so arrange the duties of national bank~~  
7 ~~examiners that no two successive examinations of any asso-~~  
8 ~~ciation shall be made by the same examiner the dates when~~  
9 ~~the various banks are examined.~~

10 In addition to the examinations made and conducted by  
11 the Comptroller of the Currency, every Federal reserve bank  
12 may, with the approval of the *Federal reserve agent or*  
13 *of the* Federal Reserve Board, ~~arrange provide~~ for special ~~or~~  
14 ~~periodical~~ examination of the member banks within  
15 its district. Such examination shall be so conducted  
16 as to inform the Federal reserve bank under whose auspices  
17 it is carried on of the condition of its member banks and of  
18 the lines of credit which are being extended by them.  
19 Every Federal reserve bank shall at all times furnish to  
20 the Federal Reserve Board such information as may be de-  
21 manded by the latter concerning the condition of any national  
22 ~~bank located~~ member bank within the district of the said  
23 Federal reserve bank.

24 *No association shall be subject to any visitatorial powers*  
25 *other than such as are authorized by law, or vested in the*  
26 *courts of justice, or such as shall be or shall have been exer-*

HITCHCOCK AMENDMENTS.

1 banks examined in proportion to assets or resources held  
2 by such ~~associations~~ member banks upon a date during the  
3 year in which such examinations are held to be established  
4 by the Federal Reserve Board. ~~The Comptroller of the~~  
5 ~~Currency shall so arrange the duties of national bank ex-~~  
6 ~~aminers that no two successive examinations of any asso-~~  
7 ~~ciation shall be made by the same examiner the dates when~~  
8 ~~the various banks are examined.~~

10 In addition to the examinations made and conducted by  
11 the Comptroller of the Currency, every Federal reserve bank  
12 may, with the approval of the *Federal reserve agent or of the*  
13 Federal Reserve Board, arrange for special or periodical exami-  
14 nation of the member banks within its district. Such ex-  
15 amination shall be so conducted as to inform the Federal  
16 reserve bank under whose auspices it is carried on of the con-  
17 dition of its member banks and of the lines of credit which are  
18 being extended by them. Every Federal reserve bank shall  
19 at all times furnish to the Federal Reserve Board such informa-  
20 tion as may be demanded by the latter concerning the condi-  
21 tion of any national banking association member bank located  
22 within the district of the said Federal reserve bank.

HOUSE BILL.

3 The Federal Reserve Board shall as often as it deems best,  
4 and in any case not less frequently than four times each year,  
5 order an examination of national banking associations in  
6 reserve cities. Such examinations shall show in detail the  
7 total amount of loans made by each bank on demand, on  
8 time, and the different classes of collateral held to protect  
9 the various loans, and the lines of credit which are being ex-  
10 tended by them. The Federal Reserve Board shall, at least  
11 once each year, order an examination of each Federal re-  
12 serve bank, and upon joint application of ten member banks  
13 the Federal Reserve Board shall order a special examination  
14 and report of the condition of any Federal reserve bank.

15 SEC. 24. That no national bank shall hereafter make  
16 any loan or grant any gratuity to any examiner of such bank.  
17 Any bank offending against this provision shall be deemed  
18 guilty of a misdemeanor and shall be fined not more than  
19 \$5,000, and a further sum equal to the money so loaned or  
20 gratuity given; and the officer or officers of a bank making  
21 such loan or granting such gratuity shall be likewise deemed  
22 guilty of a misdemeanor and each shall be fined not to exceed  
23 \$5,000. Any examiner accepting a loan or gratuity from any  
24 bank examined by him shall be deemed guilty of a misde-  
25 meanor and shall be fined not more than \$5,000, and a further  
26 sum equal to the money so loaned or gratuity given; and shall  
27 forever thereafter be disqualified from holding office as a

OWEN AMENDMENT.

1 cised or directed by Congress, or either House thereof, or  
2 any committee thereof.

3 The Federal Reserve Board shall as often as it deems best,  
4 and in any case not less frequently than four times each year,  
5 order an examination of national banking associations in  
6 reserve cities. Such examinations shall show in detail the  
7 total amount of loans made by each bank on demand, on  
8 time, and the different classes of collateral held to protect  
9 the various loans, and the lines of credit which are being ex-  
10 tended by them. The Federal Reserve Board shall, at least  
11 once each year, order an examination of each Federal re-  
12 serve bank, and upon joint application of ten member banks  
13 the Federal Reserve Board shall order a special examination  
14 and report of the condition of any Federal reserve bank.

15 SEC. 24. That no national No member bank or any of-  
16 ficer, director, or employee thereof shall hereafter make  
17 any loan or grant any gratuity to any examiner  
18 of such bank. Any bank officer, director, or employee  
19 thereof offending against violating this provision shall be  
20 deemed guilty of a misdemeanor and shall be imprisoned not  
21 exceeding one year or fined not more than \$5,000, or both;  
22 and fined a further sum equal to the money so loaned or  
23 gratuity given; and the officer or officers of a bank making  
24 such loan or granting such gratuity shall be likewise deemed  
25 guilty of a misdemeanor and each shall be fined not to exceed  
26 \$5,000. Any examiner accepting a loan or gratuity from any  
27 bank examined by him or from an officer, director, or em-

HITCHCOCK AMENDMENTS.

3 The Federal Reserve Board shall as often as it deems  
4 best, and in any case not less frequently than four times each  
5 year, order an examination of national banking associations  
6 in reserve cities. Such examinations shall show in detail the  
7 total amount of loans made by each bank on demand, on  
8 time, and the different classes of collateral held to protect  
9 the various loans, and the lines of credit which are being ex-  
10 tended by them. The Federal Reserve Board shall, at least  
11 once each year, order an examination of each Federal re-  
12 serve bank, and upon joint application of ten member banks  
13 the Federal Reserve Board shall order a special examination  
14 and report of the condition of any Federal reserve bank.

15 SEC. 24. That no national member bank, or any officer,  
16 director, or employee thereof, shall hereafter make any loan  
17 or grant any gratuity to any examiner of such bank. Any  
18 bank offending against officer, director, or employee thereof  
19 violating this provision shall be deemed guilty of a mis-  
20 demeanor and shall be imprisoned not exceeding one year or  
21 fined not more than \$5,000, and a further sum equal to the  
22 money so loaned or gratuity given; and the officer or officers  
23 of a bank making such loan or granting such gratuity shall  
24 be likewise deemed guilty of a misdemeanor and each shall  
25 be fined not to exceed \$5,000 or both. Any examiner accept-  
26 ing such a loan or gratuity from any bank examined by him  
27 shall be deemed guilty of a misdemeanor and shall be im-

HOUSE BILL.

1 national-bank examiner. No national-bank examiner shall  
2 perform any other service for compensation while holding  
3 such office.

22 No officer or director of a national bank shall receive or  
23 be beneficiary, either directly or indirectly, of any fee (other  
24 than a legitimate fee paid an attorney at law for legal serv-  
25 ices), commission, gift, or other consideration for or on account  
26 of any loan, purchase, sale, payment, exchange, or transac-

OWEN AMENDMENT.

1 *ployee thereof* shall be deemed guilty of a misdemeanor and  
2 shall be *imprisoned not exceeding one year* or fined not more  
3 than \$5,000, or *both*; and *fined* a further sum equal to the  
4 money so loaned or gratuity given; and shall forever there-  
5 after be disqualified from holding office as a national-bank  
6 examiner. No national-bank examiner shall perform any  
7 other service for compensation ~~while holding such office for~~  
8 *any bank or officer, director, or employee thereof.*

9 No officer or director of a national bank shall receive or  
10 be beneficiary, either directly or indirectly, of any fee (other  
11 than a legitimate fee paid an attorney at law for legal services),  
12 commission, gift, or other consideration for or on account of  
13 any loan, purchase, sale, payment, exchange, or transaction  
14 with respect to stocks, bonds, or other investment securities  
15 or notes, bills of exchange, acceptances, bankers' bills, cable  
16 transfers or mortgages made by or on behalf of a national bank  
17 of which he is such officer or director.

22 *Other than the usual salary or director's fee paid*  
23 *to any officer, director, or employee of a member bank*  
24 *and other than a reasonable fee paid to such officer, di-*  
25 *rector, or employee acting as an attorney at law for*  
26 *legal services rendered to such bank, no officer, director, em-*

HITCHCOCK AMENDMENTS.

1 *prisoned not exceeding one year* or be fined not more than  
2 \$5,000, and a further sum equal to the money so loaned or  
3 gratuity given; and shall forever thereafter be disqualified  
4 from holding office as a national bank examiner or both. No  
5 national-bank *such* examiner shall perform any other service  
6 for compensation *for a bank within his jurisdiction* while  
7 holding such office.

9 No officer or director of a national bank shall receive or  
10 be beneficiary, either directly or indirectly, of any fee (other  
11 than a legitimate fee paid an attorney at law for legal serv-  
12 ices), commission, gift, or other consideration for or on account  
13 of any loan, purchase, sale, payment, exchange, or transac-  
14 tion with respect to stocks, bonds, or other investment  
15 securities or notes, bills of exchange, acceptances, bankers'  
16 bills, cable transfers or mortgages made by or on behalf of a  
17 national bank of which he is such officer or director. Any  
18 person violating any provision of this section shall be punished  
19 by a fine of not exceeding \$5,000 or by imprisonment not  
20 exceeding five years, or both such fine and imprisonment, in  
21 the discretion of the court having jurisdiction.

22 *Other than the usual salary or director's fee paid to any*  
23 *officer, director, or employee of a member bank and other than*  
24 *a reasonable fee paid to such officer, director, or employee*  
25 *acting as an attorney at law for legal services rendered to*  
26 *such bank, no officer, director, employee, or attorney of a*

HOUSE BILL.

1 tion with respect to stocks, bonds, or other investment  
2 securities or notes, bills of exchange, acceptances, bankers'  
3 bills, cable transfers or mortgages made by or on behalf of a

11 national bank of which he is such officer or director. Any  
12 person violating any provision of this section shall be punished  
13 by a fine of not exceeding \$5,000 or by imprisonment not  
14 exceeding five years, or both such fine and imprisonment, in  
15 the discretion of the court having jurisdiction.

16 Except so far as already provided in existing laws this  
17 provision shall not take effect until six months after the pas-  
18 sage of this Act.

19 SEC. 25. That from and after the passage of this Act the  
20 stockholders of every national banking association shall be  
21 held individually responsible for all contracts, debts, and  
22 engagements of such association, each to the amount of his  
23 stock therein, at the par value thereof in addition to the  
24 amount invested in such stock. The stockholders in any  
25 national banking association who shall have transferred their

OWEN AMENDMENT.

1 ployee, or attorney of a member bank shall be a beneficiary  
2 of or receive, directly or indirectly, any fee, commission, gift,  
3 or other consideration for or in connection with any transaction  
4 or business of the bank. No examiner, public or private, shall  
5 disclose the names of borrowers or the collateral for loans of a  
6 member bank to other than the proper officers of such bank with-  
7 out first having obtained the express permission in writing from  
8 the Comptroller of the Currency, except when ordered to do so  
9 by a court of competent jurisdiction, or by direction of the  
10 Congress of the United States, or either House thereof, or any

11 committee thereof. Any person violating any provision  
12 of this section shall be punished by a fine of not exceeding  
13 \$5,000 or by imprisonment not exceeding ~~five years~~ one year,  
14 or both such ~~fine and imprisonment~~, in the discretion of the  
15 ~~court having jurisdiction~~.

16 Except so far as already provided in existing laws this  
17 provision shall not take effect until ~~six months~~ sixty days  
18 after the passage of this Act.

19 SEC. 25. ~~That from and after the passage of this Act the~~  
20 ~~The~~ stockholders of every ~~national banking association mem-~~  
21 ~~ber bank~~ shall be held individually responsible for all con-  
22 tracts, debts, and engagements of such ~~association bank,~~  
23 each to the amount of his stock therein, at the par value  
24 thereof in addition to the amount invested in such stock.  
25 The stockholders in any ~~national banking association member~~

HITCHCOCK AMENDMENTS.

1 member bank shall be a beneficiary of or receive, directly or  
2 indirectly, any fee, commission, gift, or other consideration  
3 for or in connection with any transaction or business of the

11 bank. Any person violating any provision of this section  
12 shall be deemed guilty of a misdemeanor and punished by a fine  
13 not exceeding \$5,000 or by imprisonment not exceeding one  
14 year, or both.

16 Except so far as already provided in existing laws this  
17 provision shall not take effect until six months after the pas-  
18 sage of this Act.

19 SEC. 25. That from and after the passage of this Act the  
25 stockholders of every national banking association shall be  
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22 engagements of such association, each to the amount of his  
23 stock therein, at the par value thereof in addition to the  
24 amount invested in such stock. The stockholders in any  
25 national banking association who shall have transferred their

HOUSE BILL.

1 shares or registered the transfer thereof within sixty days  
2 next before the date of the failure of such association to meet  
3 its obligations shall be liable to the same extent as if they had  
4 made no such transfer; but this provision shall not be con-  
5 strued to affect in any way any recourse which such share-  
6 holders might otherwise have against those in whose names  
7 such shares are registered at the time of such failure. Sec-  
8 tion fifty-one hundred and fifty-one, Revised Statutes of the  
9 United States, is hereby reenacted except in so far as modi-  
10 fied by this section.

14 LOANS ON FARM LANDS.

OWEN AMENDMENT.

1 *bank* who shall have transferred their shares or registered  
2 the transfer thereof within sixty days next before the date  
3 of the failure of such ~~association~~ *bank* to meet its  
4 obligations, *or with knowledge of such impending failure,*  
5 shall be liable to the same extent as if they had made  
6 no such transfer, *to the extent that the subsequent trans-*  
7 *ference fails to meet such liability*; but this provision shall not be  
8 construed to affect in any way any recourse which such share-  
9 holders might otherwise have against those in whose names  
10 such shares are registered at the time of such failure. See  
11 ~~tion fifty one hundred and fifty one, Revised Statutes of the~~  
12 ~~United States, is hereby reenacted except in so far as modi-~~  
13 ~~fied by this section.~~

14 LOANS ON FARM LANDS.

HITCHCOCK AMENDMENTS.

1 shares or registered the transfer thereof within sixty days  
2 next before the date of the failure of such association to meet  
3 its obligations shall be liable to the same extent as if they had  
4 made no such transfer; but this provision shall not be con-  
5 strued to affect in any way any recourse which such share-  
6 holders might otherwise have against those in whose names  
7 such shares are registered at the time of such failure. Sec-  
8 tion fifty-one hundred and fifty-one, Revised Statutes of the  
9 United States, is hereby reenacted except in so far as modi-  
10 fied by this section.

14 LOANS ON FARM LANDS.

15 ~~Sec. 26. That any national banking association not~~  
16 ~~situated in a reserve city or central reserve city may make~~  
17 ~~loans secured by improved and unencumbered farm land,~~  
18 ~~but no such loan shall be made for a longer time than twelve~~  
19 ~~months, nor for an amount exceeding fifty per centum of the~~  
20 ~~actual value of the property offered as security, and such~~  
21 ~~property shall be situated within the Federal reserve district~~  
22 ~~in which the bank is located. Any such bank may make~~  
23 ~~such loans in an aggregate sum equal to twenty five per~~  
24 ~~centum of its capital and surplus.~~

HOUSE BILL.

5 SEC. 26. That any national banking association not  
6 situated in a reserve city or central reserve city may make  
7 loans secured by improved and unencumbered farm land,  
8 but no such loan shall be made for a longer time than twelve  
9 months, nor for an amount exceeding fifty per centum of the  
10 actual value of the property offered as security, and such  
11 property shall be situated within the Federal reserve district  
12 in which the bank is located. Any such bank may make  
13 such loans in an aggregate sum equal to twenty-five per  
14 centum of its capital and surplus.

16 The Federal Reserve Board shall have power from  
17 time to time to add to the list of cities in which national  
18 banks shall not be permitted to make loans secured upon real  
19 estate in the manner described in this section.

20 SAVINGS DEPARTMENT.

21 SEC. 27. That any national banking association may,  
22 subsequent to a date one year after the organization of  
23 the Federal Reserve Board, make application to the Comp-  
24 troller of the Currency for permission to open a savings  
25 department. Such application shall set forth that the

OWEN AMENDMENT.

5 SEC. 26. ~~That any~~ Any national banking association not  
6 situated in a reserve city or central reserve city may make  
7 loans secured by improved and unencumbered farm land,  
8 *situated within its Federal reserve district*, but no such loan  
9 shall be made for a longer time than ~~twelve months~~ *five years*,  
10 nor for an amount exceeding fifty per centum of the actual  
11 value of the property offered as security, ~~and such property~~  
12 ~~shall be situated within the Federal reserve district in which~~  
13 ~~the bank is located~~. Any such bank may make such loans  
14 in an aggregate sum equal to twenty-five per centum of its  
15 capital and surplus.

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17 time to time to add to the list of cities in which national  
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19 estate in the manner described in this section.

20 SAVINGS DEPARTMENT.

21 ~~SEC. 27. That any national banking association may,~~  
22 ~~subsequent to a date one year after the organization of the~~  
23 ~~Federal Reserve Board, make application to the Comptroller~~  
24 ~~of the Currency for permission to open a savings department.~~  
25 ~~Such application shall set forth that the directors of said~~

HITCHCOCK AMENDMENTS.

1 ~~The Federal Reserve Board shall have power from~~  
2 ~~time to time to add to the list of cities in which national~~  
3 ~~banks shall not be permitted to make loans secured upon real~~  
4 ~~estate in the manner described in this section.~~

5 *SEC. 26. That deposits in national banks, payable more*  
6 *than thirty days after they are made, shall be known as time*  
7 *deposits, and such banks may continue hereafter as heretofore*  
8 *to receive time deposits and to pay interest on the same. All*  
9 *national banks, not located in central reserve cities, may make*  
10 *loans, secured by improved, occupied, and unencumbered*  
11 *farm land situated within the Federal reserve district where*  
12 *the loaning bank is located to the extent of one-half of its*  
13 *value, but no such loan shall be made for a longer period than*  
14 *five years, nor shall the aggregate of such loans by any bank*  
15 *exceed one-third of its time deposits.*

16 *After becoming member banks of any reserve bank,*  
17 *national banks are hereby authorized to act as administrators,*  
18 *executors, or trustees.*

20 SAVINGS DEPARTMENT.

21 ~~SEC. 27. That any national banking association may,~~  
22 ~~subsequent to a date one year after the organization of~~  
23 ~~the Federal Reserve Board, make application to the Comp-~~  
24 ~~troller of the Currency for permission to open a savings~~  
25 ~~department. Such application shall set forth that the~~

HOUSE BILL.

1 directors of said national bank have by a majority vote appor-  
2 tioned a specified percentage of their paid-in capital and sur-  
3 plus to said savings department and to that end have segre-  
4 gated specified assets for the uses of said department, or that  
5 cash capital for the said savings department has been obtained  
6 by subscription to additional issues of the capital stock of  
7 said national bank: *Provided*, That the capital thus set  
8 apart for the uses of the proposed savings department  
9 aforesaid shall in no case be less than \$15,000, or than  
10 a sum equal to twenty per centum of the paid-up capital and  
11 surplus of the said national bank.

12 In making the application aforesaid any national bank-  
13 ing association may further apply for power to act as trustee  
14 for mortgage loans subject to the conditions and limitations  
15 herein prescribed or to be established as hereinafter provided.

16 Whenever the Comptroller of the Currency shall have  
17 approved any such application as hereinbefore provided, he  
18 shall so inform the applying bank, and thereafter it shall be  
19 authorized to receive savings deposits as so defined, and the  
20 organization and business conducted or possessed by said  
21 bank at the time of making said application, except such as  
22 has been specifically segregated for the savings department,  
23 and subsequent expansions thereof shall be known as the  
24 commercial department of the said bank. The said depart-  
25 ments shall, to all intents and purposes, be separate and

OWEN AMENDMENT.

~~1 national bank have by a majority vote apportioned a  
2 specified percentage of their paid-in capital and surplus  
3 to said savings department and to that end have segre-  
4 gated specified assets for the uses of said department, or that  
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HITCHCOCK AMENDMENTS.

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HOUSE BILL.

1 distinct institutions save and except as hereinafter expressly  
2 provided. The capital, surplus, deposits, securities, invest-  
3 ments, and other property, effects, and assets of each of said  
4 departments shall, in no event, be mingled with those of  
5 the other department, or used, either in whole or in part,  
6 to pay any of the deposits of the other department until all  
7 of the deposits of its own department have been fully  
8 paid and satisfied. National banks may increase or  
9 diminish their capital stock in the manner now provided  
10 by law, but whenever such general increase or reduction of  
11 the capital stock of any national bank operating upon the  
12 provisions of this section shall be made such increase or reduc-  
13 tion shall be apportioned between the commercial and sav-  
14 ings departments of the said bank as its board of directors  
15 shall prescribe, notice of such increase or reduction, and of the  
16 apportionment thereof, being forthwith given to the Comp-  
17 troller of the Currency; and any such national bank may  
18 increase or diminish the capital already apportioned to either  
19 its savings or commercial department to an extent not incon-  
20 sistent with the provisions of this section, notifying the  
21 Comptroller of the Currency as hereinbefore provided. The  
22 savings department for which authority has been solicited  
23 and granted shall have control of the cash or assets appor-  
24 tioned to it as hereinbefore provided, and shall be organized  
25 under rules and regulations to be prescribed by the Comp-  
26 troller of the Currency.

OWEN AMENDMENT.

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HITCHCOCK AMENDMENTS.

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26 ~~troller of the Currency.~~

HOUSE BILL.

1 Both the savings and commercial departments so cre-  
2 ated shall, however, be under the control and direction of a  
3 single board of directors and of the general officers of said  
4 bank.

5 All business transacted by the commercial department  
6 of any such national bank shall be in every respect subject  
7 to the limitations and requirements provided in the national  
8 banking Act as modified by this Act, and such business  
9 shall henceforward be known as commercial business.

10 The savings department of each such national bank  
11 shall be authorized to accumulate and loan the funds of  
12 its depositors, to receive deposits of current funds,  
13 to purchase securities authorized by the Federal Reserve  
14 Board, to loan any funds in its possession upon real  
15 estate or other authorized security, and to collect the same  
16 with interest, and to declare and pay dividends or in-  
17 terest upon its deposits. The Federal Reserve Board is  
18 hereby authorized to exempt the savings departments of  
19 national banking associations from any and every restriction  
20 upon classes or kinds of business laid down in the national  
21 banking Act, and it shall be the duty of the said board within  
22 one year after its organization to prepare and publish rules  
23 and regulations for the conduct of business by such savings  
24 departments. The said regulations shall require every na-  
25 tional bank which shall conduct a savings department and a

OWEN AMENDMENT.

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HITCHCOCK AMENDMENTS.

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18 savings departments of national banking associations from  
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21 duty of the said board within one year after its organization  
22 to prepare and publish rules and regulations for the conduct  
23 of business by such savings departments. The said regulations  
24 shall require every national bank which shall conduct a  
25 savings department and a commercial department to segregate

HOUSE BILL.

1 commercial department to segregate in its own vaults the cash  
2 and assets belonging to such departments respectively and  
3 shall prescribe the general forms of separate books of account  
4 to be used by each such department for its exclusive and  
5 individual use. The regulations aforesaid shall further  
6 specify the period of notice for the withdrawal of deposits  
7 made in the said savings department and shall forbid the  
8 acceptance of deposits by one department of such national  
9 bank from the other department of such bank. The Federal  
10 Reserve Board shall make and publish at its discretion lists of  
11 securities, paper, bonds, and other forms of investment, which  
12 the savings departments of national banks shall be authorized  
13 to buy or loan upon; and said lists need not be uniform  
14 throughout the United States, but shall be adapted to the  
15 conditions of business in different sections of the country.

16 It shall be the duty of every national bank to main-  
17 tain, with respect to all deposit liabilities of its  
18 savings department, a reserve in money which may  
19 under existing law be counted as reserve, equal  
20 to not less than five per centum of the total deposit  
21 liabilities of such department, and every national bank  
22 authorized to maintain a savings department is hereby  
23 exempted from the reserve requirements of the national  
24 banking Act and of this Act in respect to the said deposit  
25 liabilities of its savings department, except as in this section

OWEN AMENDMENT.

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HITCHCOCK AMENDMENTS.

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20 the total deposit liabilities of such department, and every  
21 national bank authorized to maintain a savings department is  
22 hereby exempted from the reserve requirements of the national  
23 banking Act and of this Act in respect to the said deposit  
24 liabilities of its savings department, except as in this section  
25 provided. Every regulation made in pursuance of this

HOUSE BILL.

1 provided. Every regulation made in pursuance of this  
2 section shall be duly published, and also posted in every  
3 member bank having a savings department.

4 Every officer, director, or employee of any member  
5 bank who shall knowingly or willfully violate any of the  
6 provisions of this section, or any of the regulations of the  
7 Federal Reserve Board, or of the Comptroller of the Cur-  
8 rency, made under and by virtue of the provisions of this  
9 section shall be guilty of a felony, and on conviction thereof  
10 shall be punished by a fine not exceeding \$5,000 or by  
11 imprisonment not exceeding two years, or both, in the dis-  
12 cretion of the court.

FOREIGN BRANCHES.

13  
14 SEC. 28. That any national banking association possess-  
15 ing a capital of \$1,000,000 or more may file application with  
16 the Federal Reserve Board, upon such conditions and under  
17 such circumstances as may be prescribed by the said board,  
18 for the purpose of securing authority to establish branches  
19 in foreign countries for the furtherance of the foreign com-  
20 merce of the United States and to act, if required to do so,  
21 as fiscal agents of the United States. Such application shall  
22 specify, in addition to the name and capital of the banking  
23 association filing it, the foreign country or countries or the  
24 dependencies of the United States where the banking opera-  
25 tions proposed are to be carried on and the amount of capital

OWEN AMENDMENT.

1 ~~provided. Every regulation made in pursuance of this~~  
2 ~~section shall be duly published, and also posted in every~~  
3 ~~member bank having a savings department.~~

4 ~~Every officer, director, or employee of any member~~  
5 ~~bank who shall knowingly or willfully violate any of the~~  
6 ~~provisions of this section, or any of the regulations of the~~  
7 ~~Federal Reserve Board, or of the Comptroller of the Cur-~~  
8 ~~rency, made under and by virtue of the provisions of this~~  
9 ~~section, shall be guilty of a felony, and on conviction thereof~~  
10 ~~shall be punished by a fine not exceeding \$5,000 or by~~  
11 ~~imprisonment not exceeding two years, or both, in the~~  
12 ~~discretion of the court.~~

FOREIGN BRANCHES.

13  
14 SEC. 28. That any national banking association possess-  
15 ing a capital *and surplus* of \$1,000,000 or more may file ap-  
16 plication with the Federal Reserve Board, upon such condi-  
17 tions and under such circumstances as may be prescribed by the  
18 said board, for the purpose of securing authority to establish  
19 branches in foreign countries *or dependencies of the United*  
20 *States* for the furtherance of the foreign commerce of the  
21 United States and to act, if required to do so, as fiscal agents  
22 of the United States. Such application shall specify, in  
23 addition to the name and capital of the banking association  
24 filing it, the ~~foreign country or countries or the dependencies~~  
25 ~~of the United States~~ *place or places* where the banking

HITCHCOCK AMENDMENTS.

1 ~~section shall be duly published, and also posted in every~~  
2 ~~member bank having a savings department.~~

4 ~~Every officer, director, or employee of any member bank~~  
5 ~~who shall knowingly or willfully violate any of the provisions~~  
6 ~~of this section, or any of the regulations of the Federal Reserve~~  
7 ~~Board, or of the Comptroller of the Currency, made under~~  
8 ~~and by virtue of the provisions of this section shall be guilty~~  
9 ~~of a felony, and on conviction thereof shall be punished by a~~  
10 ~~fine not exceeding \$5,000 or by imprisonment not exceeding~~  
11 ~~two years, or both, in the discretion of the court.~~

FOREIGN BRANCHES.

13  
14 SEC. 28. That any *Federal reserve bank* or national  
15 banking association possessing a capital of ~~\$1,000,000~~  
16 ~~\$5,000,000~~ or more may file application with the Federal  
17 Reserve Board, upon such conditions and under such cir-  
18 cumstances as may be prescribed by the said board, for the  
19 purpose of securing authority to establish branches in foreign  
20 countries *or dependencies of the United States* for the fur-  
21 therance of the foreign commerce of the United States and  
22 to act, if required to do so, as fiscal agents of the United States.  
23 Such applications shall specify, in addition to the name and  
24 capital of the banking association filing it, the ~~foreign coun-~~  
25 ~~try or countries or the dependencies of the United States~~

HOUSE BILL.

1 set aside by the said banking association filing such applica-  
2 tion for the conduct of its foreign business at the branches  
3 proposed by it to be established in foreign countries. The  
4 Federal Reserve Board shall have power to approve or to  
5 reject such application if, in its judgment, the amount of  
6 capital proposed to be set aside for the conduct of foreign  
7 business is inadequate or if for other reasons the granting  
8 of such application is deemed inexpedient.

11 Every national banking association which shall receive  
12 authority to establish branches in foreign countries  
13 shall be required at all times to furnish information con-  
14 cerning the condition of such branches to the Comptroller  
15 of the Currency upon demand, and the Federal Reserve  
16 Board may order special examinations of the said for-  
17 eign branches at such time or times as it may deem  
18 best. Every such national banking association shall  
19 conduct the accounts of each foreign branch independently  
20 of the accounts of other foreign branches established by it  
21 and of its home office, and shall at the end of each fiscal period  
22 transfer to its general ledger the profit or loss accruing at  
23 each such branch as a separate item.

24 SEC. 29. That all provisions of law inconsistent with or  
25 superseded by any of the provisions of this Act be, and the

OWEN SUBSTITUTE.

1 operations proposed are to be carried on and the amount of capi-  
2 tal set aside by the said banking association filing such applica-  
3 tion for the conduct of its foreign business at the branches  
4 proposed by it to be established in ~~foreign countries~~ *such*  
5 *place or places*. The Federal Reserve Board shall have  
6 power to approve or to reject such application if, in its judg-  
7 ment, the amount of capital proposed to be set aside for the  
8 conduct of foreign business is inadequate or if for other  
9 reasons the granting of such application is deemed inexpe-  
10 dient.

11 Every national banking association which shall receive  
12 authority to establish *foreign* branches in ~~foreign countries~~  
13 shall be required at all times to furnish information con-  
14 cerning the condition of such branches to the Comptroller  
15 of the Currency upon demand, and the Federal Reserve  
16 Board may order special examinations of the said for-  
17 eign branches at such time or times as it may deem  
18 best. Every such national banking association shall  
19 conduct the accounts of each foreign branch independently  
20 of the accounts of other foreign branches established by it  
21 and of its home office, and shall at the end of each fiscal period  
22 transfer to its general ledger the profit or loss accruing at  
23 each ~~such~~ branch as a separate item.

24 SEC. 29. ~~That all~~ All provisions of law inconsistent  
25 with or superseded by any of the provisions of this Act

HITCHCOCK AMENDMENTS.

1 *place or places* where the banking operations proposed are  
2 to be carried on and the amount of capital set aside by the  
3 said banking association filing such application for the con-  
4 duct of its foreign business at the branches proposed by it  
5 to be established in foreign countries. The Federal Reserve  
6 Board shall have power to approve or to reject such applica-  
7 tion if, in its judgment, the amount of capital proposed to be  
8 set aside for the conduct of foreign business is inadequate  
9 or if for other reasons the granting of such application is  
10 deemed inexpedient.

11 Every national banking association which shall receive  
12 authority to establish branches in foreign countries  
13 shall be required at all times to furnish information con-  
14 cerning the condition of such branches to the Comptroller  
15 of the Currency upon demand, and the Federal Reserve  
16 Board may order special examinations of the said for-  
17 eign branches at such time or times as it may deem  
18 best. Every *Federal reserve bank and every* such national  
19 banking association shall conduct the accounts of each foreign  
20 branch independently of the accounts of other foreign branches  
21 established by it and of its home office, and shall at the end of  
22 each fiscal period transfer to its general ledger the profit or  
23 loss accruing at each such branch as a separate item.

24 SEC. 29. ~~That all~~ All provisions of law inconsistent  
25 with or superseded by any of the provisions of this Act ~~be,~~

HOUSE BILL.

1 same are hereby, repealed: *Provided*, That nothing in this  
2 Act contained shall be construed to repeal the parity pro-  
3 vision or provisions contained in an Act approved March  
4 fourteenth, nineteen hundred, entitled "An Act to define  
5 and fix the standard of value, to maintain the parity of all  
6 forms of money issued or coined by the United States, to  
7 refund the public debt, and for other purposes."

OWEN SUBSTITUTE.

1 ~~be, and the same are~~ *are to that extent and to that extent*  
2 *only* hereby, repealed: ~~*Provided*, That nothing.~~ *Nothing*  
3 in this Act contained shall be construed to repeal the parity  
4 provision or provisions contained in an Act approved  
5 March fourteenth, nineteen hundred, entitled "An  
6 Act to define and fix the standard of value, to maintain  
7 the parity of all forms of money issued or coined by the  
8 United States, to refund the public debt, and for other  
9 purposes," *and the Secretary of the Treasury may for such*  
10 *purposes, or to strengthen the gold reserve, borrow gold*  
11 *on the security of United States bonds or for one-year notes*  
12 *bearing interest at a rate of not to exceed three per centum*  
13 *per annum, or sell the same if necessary to obtain gold. When*  
14 *the funds of the Treasury on hand justify, he may purchase*  
15 *and retire such outstanding bonds and notes.*

16 *SEC. 29a. The provisions of the Act of May thirtieth,*  
17 *nineteen hundred and eight, authorizing national currency*  
18 *associations, the issue of additional national-bank circula-*  
19 *tion, and creating a National Monetary Commission, which*  
20 *expires by limitation under the terms of such Act on the*  
21 *thirtieth day of June, nineteen hundred and fourteen, are*  
22 *hereby extended to December thirty-first, nineteen hundred*  
23 *and fourteen, and sections fifty-one hundred and fifty-three,*  
24 *fifty-one hundred and seventy-two, fifty-one hundred and*  
25 *ninety-one, and fifty-two hundred and fourteen of the Re-*

HITCHCOCK AMENDMENTS.

1 ~~and the same are~~ *are to that extent and to that extent only*  
2 hereby repealed: *Provided*, That nothing in this Act con-  
3 tained shall be construed to repeal the parity provision or  
4 provisions contained in an Act approved March fourteenth,  
5 nineteen hundred, entitled "An Act to define and fix the  
6 standard of value, to maintain the parity of all forms of  
7 money issued or coined by the United States, to refund the  
8 public debt, and for other purposes."

16 *SEC. 29a. That the provisions of the Act of May thirtieth,*  
17 *nineteen hundred and eight, authorizing national currency*  
18 *associations, the issue of additional national-bank circula-*  
19 *tion, and creating a National Monetary Commission, which*  
20 *expires by limitation under the terms of such Act on the*  
21 *thirtieth day of June, nineteen hundred and fourteen, are*  
22 *hereby extended to June thirtieth, nineteen hundred and*  
23 *fifteen.*

HOUSE BILL.

6 SEC. 30. That the right to amend, alter, or repeal this  
7 Act is hereby expressly reserved.

Passed the House of Representatives September 18, 1913.

Attest: SOUTH TRIMBLE,  
Clerk.

OWEN SUBSTITUTE.

1 *used Statutes of the United States, which were amended*  
2 *by the Act of May twentieth, nineteen hundred and eight,*  
3 *are hereby reenacted to read as such sections read prior to*  
4 *May twentieth, nineteen hundred and eight, subject to such*  
5 *amendments or modifications as are prescribed in this Act.*

6 SEC. 30. That the right to amend, alter, or repeal this  
7 Act is hereby expressly reserved.

Passed the House of Representatives September 18, 1913.

Attest: SOUTH TRIMBLE,  
Clerk.



HITCHCOCK AMENDMENTS.

6 SEC. 30. That the right to amend, alter, or repeal this  
7 Act is hereby expressly reserved.

Passed the House of Representatives September 18, 1913.

Attest: SOUTH TRIMBLE,  
Clerk.