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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

March 14, 1990

The Honorable Richard C. Breeden
Chairman
Securities and Exchange Commission
450 5th Street, N.W.
Room #6000
Washington, D.C. 20549

Dear Chairman Breeden:

We invite you to testify before the Committee on July 19, 1990, regarding the need for legislation to modernize the regulation of financial services.

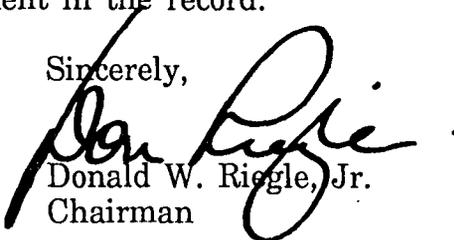
We would like your testimony to focus on the following issues:

- (1) Should new powers be granted to banks or their affiliates? If so, what powers should be granted, when should they take effect, and with what protections for the deposit insurance fund? Should new powers be granted only to a bank's holding company affiliates, rather than to the bank or its subsidiaries?
- (2) What should be done to improve the current Federal regulatory structure? What changes in Federal supervision would be needed to deal with expanded powers?
- (3) How should the current system of Federal deposit insurance be reformed?

The hearing will take place in room 538 of the Dirksen Senate Office Building, beginning at 10:00 a.m.

I enclose a copy of the Committee's guidelines for witnesses. The Committee's rules require you to deliver at least 150 copies of your written statement to room 534 of the Dirksen Building at least 24 hours before the hearing. Your written statement must include a two- or three-page summary. We will include your full written statement in the record.

Sincerely,


Donald W. Riegle, Jr.
Chairman