

Levitt



THE CHAIRMAN

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

May 1, 1995

CHAIRMAN'S OFFICE
MAILED
MAY 01 1995

Signed by: _____

Mr. Roland M. Machold
Director
Department of the Treasury
Division of Investment
Trenton, New Jersey 08625-0290

Dear Mr. Machold:

Thank you for your letter of March 14, 1995, in which you expressed your interest in, and kind words concerning, the recent enforcement action filed by the Commission involving municipal securities issued by the Camden County Municipal Utilities Authority, Securities and Exchange Commission v. Nicholas A. Rudi, et al.. You may be assured that I share your concerns, and they will be given careful consideration in view of the Commission's overall responsibilities under the federal securities laws.

The use of financial advisors and consultants is a topic on which I have spoken. You may be interested to know that the Municipal Securities Rulemaking Board has recently submitted rules concerning disclosure of such relationships. You can be assured that I will continue to speak out about ethical conflicts in the administration of public funds.

Sincerely,

Arthur Levitt
Chairman