

Interstate-Investment Advisors Act 12981

July 26, 1976

Mr. A. Emmet Stephenson, Jr.
899 Logan Street
Denver, Colorado 80203

Dear Mr. Stephenson:

Thank you for making me aware of your opposition to H. R. 12981, the Investment Advisors Act Amendments of 1976. As you may be aware, this measure has undergone close scrutiny in the House Interstate and Foreign Commerce Subcommittee on Consumer Protection and Finance during recently held hearings. I anticipate H. R. 12981 undergoing final consideration and markup by the Subcommittee sometime near the end of this month.

In discussions with members of the Subcommittee regarding H. R. 12981, it has become clear that they, like you, do not wish to see a "fourth level of bureaucracy" as you have suggested. Rather, it is my understanding that H. R. 12981 would strengthen rather than weaken your profession by eliminating many of the loopholes that some less than competent investment advisors use to gain access to the field.

Moreover, H. R. 12981 would probably have the effect of upgrading the investment advising profession by requiring minimum standards of qualifications. This, in turn, would raise the potential investor's confidence while seeking help from professionals.

I appreciate you sharing your thoughts on this matter with me, and you may be assured that I will have them in mind should H. R. 12981 ever reach the Floor of the House.

Sincerely,

The Speaker

CA/dst