

EXECUTIVE

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

APR 12 1978

The Honorable Jimmy Carter  
President of the United States  
The White House  
Washington, D. C. 20500

Dear Mr. President:

Thank you for your letter of March 23, 1978, enclosing a copy of the Executive Order "Improving Government Regulations" and suggesting that the independent regulatory commissions "initiate a voluntary effort to achieve similar procedural reforms."

For reasons described in a letter, dated December 22, 1977, from the General Counsel of the Commission to the Associate Director For Management and Regulatory Policy of the Office of Management and Budget, the Commission was concerned that the Order, if applied to the independent agencies, could vitiate the important benefits derived from this agency's independence, interpreted in the light of our experience in administering the federal securities laws. Thus, the Commission is gratified that the Order, as promulgated, acknowledges the unique status of the independent agencies.

Nonetheless, recognizing the value of improvements of the kind incorporated in your Executive Order, the Commission will undertake to examine, in connection with its ongoing efforts towards procedural reform, the utility of the provisions of the Order. Moreover, in accordance with your request, the Commission will report the results of its examination to you and to the Congress by June 30, 1978.

Respectfully yours,

Harold M. Williams  
Chairman