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CHIEF COUNSEL/STAFF DIRECTOR

U.S. House of Representatives
Subcommittee on Oversight and Investigations
of the
Committee on Energy and Commerce
Washington, DC 20515

April 30, 1985

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The Honorable Ronald W. Reagan
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

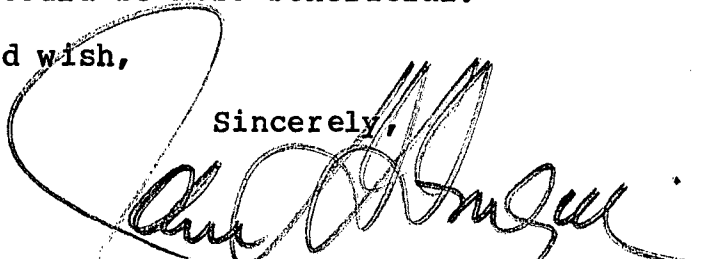
For over fifty years, the Securities and Exchange Commission has protected the investing public, insured the stability of our financial markets and established standards for corporate disclosures which have made U.S. corporations attractive to investors worldwide. The key to this success has been the public confidence in the reliability of corporate financial statements and the role of the SEC in prescribing accounting rules and standards.

During all this time, the SEC has had 64 people serve as commissioners. Of that number, only one -- James Needham -- has been a certified public accountant. It now appears that there may be one or more vacancies on the commission in the near future. When you make your decision to nominate someone for one of those vacancies, I urge you to give particular consideration to naming someone with an accounting background.

Currently, the Subcommittee on Oversight and Investigations is conducting an extensive legislative oversight review of the role the SEC plays in overseeing the accounting profession. A great deal of public interest has been expressed in that review and in the hearings which the Subcommittee has held to date. Difficult and complex issues involving accounting problems will be facing the entire commission during the next several years. Having a member with specific expertise in auditing and accounting could significantly improve the Commission's effectiveness. Your selection at this critical point of such an individual could be most beneficial.

With every good wish,

Sincerely,



John D. Dingell
Chairman
Subcommittee on
Oversight and Investigations