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MAJORITY-225-3951

MINORITY-225-8906

May 1, 1989

Mr. David S. Ruder
 Chairman
 Securities and Exchange Commission
 450 5th Street, Northwest
 Washington, D.C. 20549

Dear Mr. Ruder:

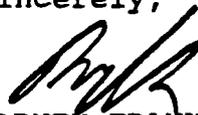
President George Bush has recommended that Congress enact legislation that would strengthen the post-employment restrictions which apply to former federal officers and employees.

One provision of the President's bill would modify current 18 USC 207(d), which describes which Executive Branch personnel are covered by the one-year no-contact ban set forth in 18 USC 207(c). This modification would apply the no-contact ban to all agency personnel paid at or above the basic rate of pay for GS-17 and at levels ES 5 and 6 in the Senior Executive Service, whereas under current subsection (d), this ban applies only to such personnel who are designated by the Director of the Office of Government Ethics as being "in a position which involves significant decision-making or supervisory responsibility".

Because your agency wrote to the Subcommittee on Administrative Law and Governmental Relations last year to express opposition to any increased coverage of personnel at this level, I would like to have your comments on how this provision would affect your agency and its personnel.

I would appreciate receiving your comments as soon as possible because markup on this legislation will be scheduled by the Subcommittee in mid-May.

Sincerely,



BARNEY FRANK
 Chairman

Subcommittee on Administrative Law
 and Governmental Relations

BF/jpw