

September 20, 2000

Honorable J. Dennis Hastert  
The Speaker  
U.S. House of Representatives  
H232 The Capitol  
Washington, D.C. 20515

Dear Mr. Speaker:

The undersigned organizations, representing the full range of the interested U.S. financial sector, strongly urge your assistance in securing favorable House action on H.R. 4541, the Commodity Futures Modernization Act of 2000.

Mr. Speaker, the time is right for decisive legislative action. The key components of the legislation have the support of virtually all private sector market participants as well as the key financial regulators. Furthermore, all three House Committees with jurisdiction approved the legislation virtually without dissent after years of study, hearings and debate. The relatively few unresolved issues can and should be settled quickly. This historic opportunity is not likely to exist next year.

H.R. 4541 would provide legal certainty for over-the-counter derivatives, including government securities, foreign currency and other Treasury Amendment products, as recommended by the President's Working Group on Financial Markets including the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Securities and Exchange Commission and the Chairman of the Commodity Futures Trading Commission. These are objectives for which the undersigned have worked for many years. The legislation would also provide a comprehensive modernization of the Commodity Exchange Act. Enactment of H.R. 4541 is crucial to reducing systemic risk and to enhancing innovation and the competitiveness of the U.S. financial markets.

We are deeply appreciative of the time and attention you have devoted to this legislation thus far. We hope that you and your leadership team will assist in passage of a consensus bill that can be approved by the full House next week.

Sincerely,

Ad Hoc Coalition of Commercial and  
Investment Banks  
American Bankers Association  
ABA Securities Association  
The Bond Market Association  
Emerging Markets Traders Association

The Foreign Exchange Committee  
Futures Industry Association  
The Financial Services Roundtable  
International Swaps and Derivatives  
Association  
Securities Industry Association