

JAKE BARN, UTAH, CHAIRMAN

JOHN TOWER, TEX.

JOHN HEINZ, PA.

WILLIAM L. ARMSTRONG, COLO.

RICHARD S. LUGAR, IND.

ALFONSE M. D'AMATO, N.Y.

JOHN H. CHAFFEE, R.I.

HARRISON SCHMITT, N. MEX.

HARRISON A. WILLIAMS, JR., N.J.

WILLIAM PROXMIRE, WIS.

ALAN CRANSTON, CALIF.

DONALD W. RIEGLE, JR., MICH.

PAUL S. SARBANES, MD.

CHRISTOPHER J. DODD, CONN.

ALAN J. DIXON, ILL.

United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, D.C. 20510

M. DANNY WALL, STAFF DIRECTOR
HOWARD A. MENELL, MINORITY STAFF DIRECTOR AND COUNSEL

November 9, 1981

Mr. John C. Whitehead
Goldman, Sachs & Co.
55 Broad Street
New York, New York 10004

Dear John:

I understand and share your concerns regarding President Reagan's proposal for additional cuts in the budget of the Securities and Exchange Commission. As a member of both the Senate Banking and Finance Committees, I am keenly aware of the importance of the proper functioning of this country's capital formation mechanisms and the critical part played by a strong and active S.E.C.

Fortunately, the President has left the door open to negotiations with Congress regarding budget cuts. Rest assured that I will give the utmost consideration to the vital contribution the S.E.C. makes to our securities markets.

Sincerely,


John Heinz
United States Senate

JH/nph