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Issue Area: Conventional Residential Lending
Date of Action: 04/06/98
Document Title: To U.S. House Of Representatives, March 31, 1998 Regarding H.R. 10, The "Financial Services Act"

March 31, 1998

**OPPOSE THE ROUKEMA AMENDMENT TO H.R. 10
SUPPORT LEACH-BEREUTER-CAMPBELL AMENDMENT TO H.R. 10**

Dear Member of Congress:

H.R.10, the "Financial Services Act," contains provisions that **REALTORS®** can support and establishes a framework for financial services modernization. However, the bill's major achievement is undermined by provisions that permit banks and commercial, non-financial firms to affiliate under a holding company provided revenues from these activities do not exceed 5% of the company's total revenues. Existing banks, securities firms and insurance companies would continue to affiliate in commercial ventures under a 15% "basket." This mix of banking and commerce goes beyond the reforms needed to remove outdated restrictions prohibiting the combination of commercial and investment banking.

When H.R.10 is debated on the floor, House Banking Committee Chairman Jim Leach and other key Banking Committee members will offer an amendment to strike the controversial commercial basket provisions from the bill. I urge you to support the Leach-Bereuter-Campbell amendment striking the 5% commercial basket for financial services holding companies and oppose the Roukema amendment that would increase the amount of annual gross revenues from financial services holding companies commercial activities to 15%.

Thank you for considering our views.

Sincerely,

R. Layne Morrill

President