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United States Senate

COMMITTEE ON APPROPRIATIONS
WASHINGTON, D.C. 20510

January 30, 1985

Mr. Edwin J. Gray
 Chairman of Federal Home Loan
 Bank Board
 1700 "G" Street, N. W.
 Washington, D. C. 20552

Dear Mr. Chairman:

It is our understanding that the Federal Home Loan Bank Board is in the process of finalizing regulations limiting the investments of state-chartered savings and loan associations in real estate, equity securities and service corporations.

We are writing this letter, Mr. Chairman, to urge you and the members of the Board to delay acting on these regulations until the Congress has an opportunity to examine the issue. The proposed regulations represent a fundamental shift in policy, including the abrogation of the traditional right of the States to regulate state-chartered savings and loan institutions.

We are proposing that the Board defer acting on the regulations until June 30, 1985. We believe that this will give all parties ample opportunity to study the matter and make their views known, and that it will provide Congress the necessary time to explore the policy implications of the proposed regulations.

Sincerely,

Dennis DeConcini *Paula Hawkins*
Frank Lautenberg *John Glenn*

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