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U.S. House of Representatives
Committee on Agriculture

Room 1301, Longworth House Office Building

Washington, D.C. 20515

October 7, 1982

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OCT 12 1982

SEC. & EXCH. COM.

Mr. John S. Shad, Chairman
Securities and Exchange Commission
500 North Capitol Street, N.W.
Washington, D. C. 25049

Dear Mr. Shad:

The purpose of this letter is to express my concern over recent reports that the Securities and Exchange Commission is considering authorizing trading in options on exempt securities/commodities even though such trading would not comply with the Commodity Exchange Act until the Futures Trading Act of 1982 (H.R. 5447) has been enacted into law.

From the outset, this Committee has considered the legislation implementing the SEC-CFTC jurisdictional accord (H.R. 6156 and H.R. 5447) as a complete package. I note, too, that the CFTC and SEC themselves indicated that passage of amendments to both the commodities and the securities laws was necessary to permit the SEC to regulate these options. While H.R. 6156 does give the SEC authority to regulate such options under the securities acts, the provisions of the Commodity Exchange Act will continue to be applicable until H.R. 5447 is enacted.

Consequently, I urge the Commission to delay action on options on exempt securities/commodities until Congress has had an opportunity in the post-election session to complete action on H.R. 5447.

With best wishes, I am

Sincerely,


E (Kika) de la Garza
Chairman


William C. Wampler
Ranking Minority Member

amc

cc: Philip McBride Johnson