



April 30, 2003

The Honorable Richard C. Shelby  
 Chairman  
 Committee on Banking, Housing, and Urban Affairs  
 United States Senate  
 Washington, D.C. 20510

Dear Chairman Shelby:

During the recent hearing before your committee, you asked us to work in cooperation to develop legislative language on deposit insurance reform that would best reflect the consensus presented in our testimonies. The enclosed draft bill is the successful result of those efforts.

As you noted at the hearing, we began with a great deal of agreement on the important elements of reform and also some less important differences. But in a strong cooperative spirit, each of us went to some lengths to understand and accommodate each other's views.

The draft legislative language that we are submitting to you represents a consensus of the interests and concerns expressed by the five agencies. And while we each have our preferences as we presented in our testimony, each of us would be pleased to see the bill we submit to you today enacted into law.

Thank you for giving us the opportunity to advance the cause of real deposit insurance reform. We look forward to working with you and the Congress on this important matter in the days ahead.

Sincerely,

Alan Greenspan  
 Chairman  
 Board of Governors of the  
 Federal Reserve System

Donald E. Powell  
 Chairman  
 Federal Deposit Insurance Corporation

John D. Hawke, Jr.  
 Comptroller  
 Office of the Comptroller of the Currency

James E. Gilleran  
 Director  
 Office of Thrift Supervision

Peter R. Fisher  
 Under Secretary for Domestic Finance  
 Department of the Treasury

Enclosure