

May 7, 2010

Sisters & Brothers:

CWA Local 4250 Retired Members' Chapter (RMC) members were asked recently to contact their U.S. Senators regarding the ongoing Senate debate about financial regulation. The following letter was sent to CWA Local 4250 RMC Secretary/Treasurer Gina Gabe.

In Unity-Strength & Solidarity:

Steve Tisza, President
CWA Local 4250 RMC

PS: Thank You Gina for taking immediate action and sharing Senator Bayh's response with us.

May 6, 2010

Dear Ms. Gabe:

Thank you for contacting me to express your thoughts about financial regulation. In the wake of the recent economic turmoil and unprecedented government interventions in the financial system, the time has come for Congress to enact a major overhaul of our regulatory architecture.

We recently experienced a global financial crisis of an unparalleled scale. The instability in the financial markets ultimately triggered a deep recession that has impacted the savings and economic security of every American household. Millions of families have watched their retirement savings decline, or even worse, lost a home, a job or a business. While this crisis has many causes, it is now clear that the government must be proactive to prevent these problems from reoccurring and threatening our overall economy.

The Senate Committee on Banking, Housing and Urban Affairs, of which I am a member, has held numerous hearings, soliciting advice and viewpoints from experts, industry participants and everyday Americans who have been affected by the crisis. In March, Chairman Dodd released a second discussion draft of the *Restoring Financial Stability Act* (RAFSA), a comprehensive regulatory reform proposal. RAFSA would prevent government bailouts of financial firms and would give regulators new powers to liquidate failing companies that pose a threat to the entire financial system. RAFSA would also create a consumer protection bureau inside the Federal Reserve and would establish a council of regulators to monitor threats to the financial system. On March

22, the Banking Committee considered and approved RAFSA by a vote of 13-10. While I believe that it can be improved, I voted in support of the bill because I believe it is a step in the right direction as it works to ensure that consumers, investors and the system as a whole are protected from the dangers of excessive risk-taking. We must close the loopholes that allowed financial institutions to hold excessive amounts of risk and do more to protect consumers and investors. At the same time, the legislation we ultimately enact must preserve and improve small business access to credit, and must prevent further contraction of the housing market. While it may be difficult to balance these goals, I am committed to working with my colleagues to enact legislation that achieves these objectives. We must act swiftly to prevent a repeat of our recent experience by rebuilding a foundation of stable and efficient markets.

Getting financial regulation right is absolutely essential to restoring the vitality of our economy. Keeping financial markets free and fair will ensure that our system fosters opportunities for entrepreneurs and small businesses owners, average investors and American consumers to thrive once again. These measures will help rebuild confidence in our system to ensure prosperity in the years ahead. Currently, we are debating RAFSA on the Senate floor. Both Republicans and Democrats have proposed amendments, some of which would improve the bill. As I consider these proposals and vote on amendments, I will be sure to keep your thoughts and concerns in mind.

Again, thank you for contacting me. I hope the information I have provided has been helpful. My website, <http://bayh.senate.gov>, can provide additional details about my work in the Senate, including legislation and state projects. You can also sign up for occasional email updates. I value your input and hope you will continue to keep me informed of the issues that matter to you.

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