The Senate has approved S. 34, the Investment Company Amendments Act of 1969, and it is now before the Banking and Currency Committee of the House of Representatives. The bill as approved by the Senate does, among other things, give banks authority to operate a collective fund for managing agency accounts and permits mutual savings banks and other banks to distribute securities issued by a registered investment company, which securities are solely for distribution through such banks.

It was felt that the banks needed this authority to commingle their various agency accounts. To deny this authority would increase the paperwork and individual decision-making and would almost always result in increased costs to the bank's clients. Of course, the banks in exercising this new authority can only do so in accordance with the provisions of the statute and are subject to constant supervision.

Sincerely,

Everett McKinley Dirksen