

BOB DOLE  
KANSAS

## United States Senate

OFFICE OF THE REPUBLICAN LEADER  
WASHINGTON, DC 20510

May 25, 1989

The Honorable Nicholas Brady  
Secretary of the Treasury  
U.S. Department of the Treasury  
15th Street and Pennsylvania Avenue, NW  
Washington, D.C. 20220

Dear Nick,

With the estimates of the ultimate cost of financial assistance to the savings & loan industry on the rise, it is more important than ever that the President, the Administration, and the Congressional Leadership work together to prevent this important piece of legislation from getting bogged down with amendments designed to protect special interests. These are the kinds of gimmicks that helped us get into this mess in the first place.

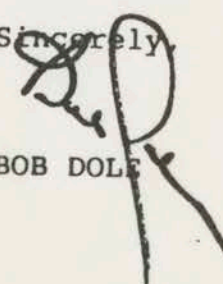
As you know, one of the guiding principles for the President and the Administration in formulating the original Bush Thrift Reform Plan and in shepherding it through Congress has been "never again." To their credit, Senator Don Riegle and Senator Jake Garn, the Chairman and Ranking Member of the Senate Banking Committee, were able to produce a relatively clean bill in Committee and guide it through the Senate.

Floor action on the Financial Institutions Reform, Recovery and Enforcement Act of 1989, H.R. 1278, is imminent in the House of Representatives. The House Banking Committee produced tougher capital standards than many expected, but if recent history is any indication, these next few days could be the most crucial.

The American people should be reminded that this is a national crisis. Estimates of the cost of this problem appear to be growing by leaps and bounds. Failure to deal with it quickly and responsibly could exacerbate the problems that already exist; losses are piling up at the rate of \$500 million per month.

But, the floodgates must not be allowed to open on the House floor. If they do, I fear that we will be forced to come back to the taxpayer again and again.

Sincerely,

  
BOB DOLE

BD:dt