September 14, 2009

The Honorable Mary L. Schapiro
Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Dear Chairman Schapiro:

We are writing to invite you to testify at a joint hearing of the Committee on Oversight and Government Reform and the Subcommittee on Domestic Policy on Wednesday, September 30, 2009 at 10:00 a.m. in room 2154 of the Rayburn House Office Building. The purpose of the hearing is to examine events surrounding Bank of America’s acquisition of Merrill Lynch, the receipt of Federal financial assistance by Bank of America, and the SEC’s proposed Consent Judgment with Bank of America that was rejected by Judge Rakoff.

In preparation for this hearing, you may wish to review the testimony presented to the Committee on June 11, 2009, by Bank of America CEO Ken Lewis, on June 25, 2009 by Federal Reserve Board Chairman Ben S. Bernanke, and on July 16, 2009 by former Treasury Secretary Henry Paulson. Among the issues you should be prepared to address are the following:

- Was the SEC consulted by the Federal Reserve or the Treasury Department with regard to the January 16, 2009 bailout of Bank of America, or was it left “out of the loop”?

- Why did the SEC agree to a Consent Judgment with Bank of America rather than pursue an enforcement action against it for lying to shareholders about the payment of bonuses to Merrill Lynch executives?

- Why did the SEC decide not to pursue charges against Bank of America’s management or lawyers for false and misleading proxy statements?

- What role does and should the SEC have in helping to prevent the kind of financial disaster this country has experienced over the past year?
You may submit written testimony for the record, of any reasonable length. In addition to your written testimony, you should be prepared to provide a five minute opening statement and answer questions posed by Members of the Committee.

Information for witnesses appearing before the Committee is contained in the enclosed Witness Information Sheet. In particular, please note the procedures for submitting written testimony at least two business days prior to the hearing.

Should you have any questions, please contact John Arlington or Christopher Staszak of the Full Committee staff at 202-225-5051, or Jaron Bourke of the Subcommittee staff at 202-225-6427.

Sincerely,

Edolphus Towns
Chairman
Committee on Oversight and Government Reform

Dennis Kucinich
Chairman
Subcommittee Domestic Policy

Enclosure

cc: The Honorable Darrell Issa
Ranking Minority Member
Committee on Oversight and Government Reform
Witness Information Sheet

The following is a summary of some of the pertinent rules and procedures applicable to witnesses testifying before the Committee on Oversight and Government Reform:

- Witnesses should provide 100 copies of their written testimony to Carla Hultberg, Chief Clerk, 2157 Rayburn House Office Building, no later than 10:00 a.m. two business days prior to the hearing. Witnesses should also provide their statement by this date in electronic format, either as a CD or via e-mail to carla.hultberg@mail.house.gov.

- At the hearing, each witness will be asked to summarize his or her written testimony in five minutes in order to maximize the time available for discussion and questions.

- House Rule XI clause 2(g)(4) requires that witnesses appearing in a nongovernmental capacity submit to the Committee in advance of the hearing “a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by an entity represented by the witness.”

- The Committee does not provide financial reimbursement for witness travel or accommodations. Witnesses with extenuating circumstances; however, may submit a written request for such reimbursements to Robin Butler, Financial Administrator, 2157 Rayburn House Office Building, at least one week prior to the hearing. Reimbursements will not be made without prior approval.

- Witnesses with disabilities should contact Committee staff to arrange any necessary accommodations.

- Committee Rules governing this hearing are online at www.oversight.house.gov.

- The Committee on Oversight and Government Reform is the principal oversight committee in the U.S. House of Representatives. The jurisdiction of the Committee is set forth in the House Rules X, clauses 1(m), 2, 3, and 4.

For inquiries regarding these rules and procedures, please contact the Committee on Oversight and Government Reform at (202) 225-5051.