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SECURITIES ACT OF 1933 FILING FEES

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HEARING
 BEFORE THE
 COMMITTEE ON
 INTERSTATE AND FOREIGN COMMERCE
 HOUSE OF REPRESENTATIVES
 EIGHTY-NINTH CONGRESS
 FIRST SESSION
 ON
H.R. 7169
 A BILL TO AMEND THE SECURITIES ACT OF 1933 WITH
 RESPECT TO CERTAIN REGISTRATION FEES

SEPTEMBER 14, 1965

Serial No. 89-24

Printed for the use of the
Committee on Interstate and Foreign Commerce



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SECURITIES ACT OF 1933 FILING FEES

TUESDAY, SEPTEMBER 14, 1965

HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
Washington, D.C.

The committee met at 1:30 p.m., pursuant to call, in room 2123, Rayburn Building, Hon. Oren Harris (chairman) presiding.

The CHAIRMAN. The committee will come to order.

The committee is holding hearings today on a number of bills, including one, H.R. 7169, which I introduced at the request of the Securities and Exchange Commission, having to do with the amount of the filing fee required by the Securities Act of 1933.

From time to time over the years since 1951 when the agencies were directed by the Congress under the Independent Officers Appropriations Act of 1952 to adopt fees to cover the cost of agency activities where fees were not fixed by statute, this committee has had occasion to consider the fees set by the Commission, and in fact, by other commissions as well, to cover activities under the laws which it administers.

The Commission again is giving consideration to the fixing of fees. The 1933 act by statute establishes a fee applicable to the filing of registration statements. The Securities Exchange Act of 1934 also provides for certain fees, as does the Trust Indenture Act.

The Commission in a proposal made to the Congress last March, now would double the registration fee under the 1933 act. At the same time it indicated that it believed the statutory fees under the other acts should be considered in the light of an overall study it was making looking toward suggestions in other areas for legislative consideration.

Our witness is Mr. Manuel Cohen, Chairman of the Securities and Exchange Commission. But before he proceeds it may be well to place in the record at this point a copy of the Commission's letter of March 26 to the Speaker, of the bill, and of the comments of various governmental agencies on the bill.

(H.R. 7169, letter to Hon. John W. McCormack, and agency reports follow:)

[H.R. 7169, 89th Cong., 1st sess.]

A BILL To amend the Securities Act of 1933 with respect to certain registration fees

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6(b) of the Securities Act of 1933 (15 U.S.C. 77(f)) is amended by striking out "one one-hundredth" and inserting in lieu thereof "one-fiftieth", and by striking out "\$25." and inserting in lieu thereof "\$100."

SEC. 2. The amendments made by the first section of this Act shall take effect July 1, 1965.

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., March 26, 1965.

Re fee legislation.

HON. JOHN W. McCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit legislative proposals of the Securities and Exchange Commission with respect to fees charged for the filing of registration statements under the Securities Act of 1933.

In his budget message last month President Johnson stated: "Fairness to all taxpayers demands that those who enjoy special benefits should bear a greater share of the costs." This Commission has given considerable thought to the application of this principle with respect to the laws it administers and has concluded that it would be appropriate to amend section 6(b) of the Securities Act of 1933 by increasing the fee paid in connection with registration statements for securities from one one-hundredth of 1 percent of the maximum aggregate offering price and increasing the minimum fee from \$25 to \$100. A proposed bill that would effectuate these changes is attached.

In addition to the provision for fees for securities registrations, which in fiscal 1964 totaled \$1,780,697, there are statutory provisions for an annual registration fee for national securities exchanges and for filing fees for applications for qualifications of trust indentures relating to securities not required to be registered under the Securities Act of 1933. These are the only statutory provisions whereunder fees are collected in connection with the Federal securities laws, except for provisions permitting the Commission to make reasonable charges for copies of information filed with it. The registration fee for national securities exchanges is provided for by section 31 of the Securities Exchange Act of 1934 and amounts to one five-hundredth of 1 percent of the aggregate dollar amount (2 cents per \$1,000) of sales of securities on such exchanges in the preceding year. In fiscal 1964 these fees totaled \$1,323,150. The filing fee with respect to trust indentures is provided in section 307(b) of the Trust Indenture Act of 1939 and the amount collected pursuant thereto in fiscal 1964 was \$1,500. All fees collected pursuant to these sections are deposited into the general fund of the Treasury.

At the time of the passage of the first two securities acts there were indications that the registration fees provided therein were intended to cover the anticipated costs of administration. In fact, the amounts collected have fallen far short of this. There have been no amendments of the securities acts with respect to fees, except for the 1964 amendment to section 15(b)(8) of the Securities Exchange Act relating to fees to defray the cost of examinations and other expenses in regulating broker-dealers who are not members of a registered securities association.

Over the years there have been numerous suggestions or proposals for increased or additional fees. In 1951 title V of the Independent Offices Appropriation Act, 1952 (5 U.S.C. 140) authorized agencies to adopt fees to cover the cost of agency activities where fees were not fixed by statute. Pursuant thereto in 1952 the Commission submitted for comment proposed rules which sought to impose substantial fees on various segments of the securities industry. These proposals resulted in considerable controversy and a subcommittee of the House Committee on Interstate and Foreign Commerce, which was studying the activities of this Commission, reported its view that any fees in this area should be "spelled out in specific legislation which has been submitted to and passed by the Congress, rather than through any delegation of authority to any agency to pass upon the need for or amount thereof."¹ Thereafter the Commission abandoned its proposal and has never since proposed fixing fees by rule.

In subsequent years the Commission has expressed the view that any fair fee proposal should include an increase in at least one of the existing fees. Thus in 1957 we submitted to the House Committee on Interstate and Foreign Commerce a legislative proposal that would have increased the stock exchange registration fee from 2 cents per \$1,000 of the aggregate dollar amount of each transaction to 5 cents per \$1,000 and would have imposed a similar fee upon broker-dealers effecting transactions otherwise than on a national securities

¹"Report of Committee on Interstate and Foreign Commerce on Securities and Exchange Commission," H. Rept. 2508, 82d Cong., 2d sess. (1952), p. 138.

exchange. This proposal resulted in the introduction of bills in both the House and Senate² but, although the Senate passed its bill, no action was taken in the House. Substantially similar bills were reintroduced but not passed in 1959 and 1961.³ In 1962 a bill increasing the stock exchange registration fee to 5 cents per \$1,000, but containing no provision for over-the-counter transactions was introduced but not passed.⁴

While we have again considered the possibility of amendments such as those referred above, we feel that the proposal to increase the Securities Act registration fee at this time would be more suitable. To increase the cost of the stock exchange fees alone without assessing a similar fee with respect to over-the-counter transactions might be considered unfair, particularly in the light of the growth of the "third market" for listed securities. On the other hand, it appears to be most untimely to assess fees on over-the-counter transactions now, when the NASD has recently increased its fee assessment on over-the-counter dealers to defray costs of the additional self-regulation imposed following the Commission's "Special Study of the Securities Markets."

The Securities Act registration fee is necessarily passed on to investors. Since the increase would result indirectly in investors paying a larger proportion of the overall cost of this Commission, which operates to protect investors, it appears to us to be fair and in accordance with the principle stated by the President that "those who enjoy * * * benefits should bear a greater share of the costs." In this connection, the larger the public offering, and hence the fee, the larger normally would be the segment of the investing public purchasing the registered securities.

During the last fiscal year, had the proposed fee been in effect, the Commission would have collected approximately \$3,561,400 under the Securities Act. This, together with the amounts collected under the stock exchange registration fee and trust indenture fee would have totaled \$4,886,050. While this is slightly more than the total costs of the Commission's Divisions of Corporation Finance, and Trading and Markets,⁵ which processed the registrations involved a substantial portion of the work of other divisions, particularly the Office of Records and Service and the Office of the Chief Accountant, was also spent in connection with the filings.

The Bureau of the Budget has advised us that the draft bill submitted herewith would be consistent with the administration's objectives.

By direction of the Commission:

MANUEL F. COHEN, *Chairman.*

Statement of cost by organization, fiscal year 1964

<i>Office</i>	
Executive offices.....	\$341, 793
Office of Program Planning.....	179, 337
Office of the Secretary.....	73, 178
Office of Hearing Examiners.....	173, 006
Office of Opinions and Review.....	166, 942
Office of the General Counsel.....	347, 185
Office of the Chief Accountant.....	147, 095
Division of Corporation Finance.....	2, 942, 084
Division of Trading and Markets.....	1, 738, 224
Division of Corporate Regulation.....	1, 083, 682
Office of the Comptroller.....	143, 914
Office of Personnel.....	130, 083
Office of Records and Service.....	739, 271
Subtotal, departmental.....	8, 205, 794
Regional offices.....	5, 728, 154
Grand total.....	13, 933, 948

² S. 2520, 85th Cong., 1st sess.; H.R. 7778, 85th Cong., 1st sess.

³ S. 737, 86th Cong., 1st sess.; S. 755, 87th Cong., 1st sess.

⁴ H.R. 10167, 87th Cong., 2d sess.

⁵ See "Statement of Cost by Organization, Fiscal Year 1964." attached hereto.

SECURITIES ACT OF 1933 FILING FEES

[Submitted draft bill]

A BILL To amend section 6(b) of the Securities Act of 1933

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 6(b) of the Securities Act of 1933 is amended to read as follows:

"(b) At the time of filing a registration statement the applicant shall pay to the Commission a fee of one-fiftieth of 1 per centum of the maximum aggregate prices at which such securities are proposed to be offered, but in no case shall such a fee be less than \$100."

Sec. 2. The effective date of section 6(b) of the Securities Act of 1933, as amended by this Act, shall be July 1, 1965.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., September 13, 1965.

HON. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for comments on H.R. 7169, a bill to amend the Securities Act of 1933 with respect to certain registration fees.

The purpose of this bill is to increase the filing fees paid by new registrants under the Securities Act of 1933 and to increase the minimum fee from \$25 to \$100. The increased fees would more nearly cover the cost of the services rendered. The Securities and Exchange Commission estimates that it would receive approximately \$5 million more in fees, on a full year basis, if H.R. 7169 is enacted.

The Bureau of the Budget joins the Securities and Exchange Commission in favoring enactment of this bill. Enactment of the rate increase proposed would be consistent with the administration's objectives.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., April 19, 1965.

Re H.R. 7169.

HON. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce,
Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: This will acknowledge your letter of April 9, 1965, requesting a report with respect to the above bill.

H.R. 7169 was developed by the Commission in the light of the statement of principle by the President in his budget message that "fairness to all taxpayers demands that those who enjoy special benefits should pay a greater share of the costs."

The background of the proposed legislation and certain circumstances considered by the Commission in its formulation, are outlined in the Commission's letter of March 26 to the Speaker of the House transmitting the proposals. We enclose copies of that letter for your ready reference.

A companion bill, S. 1707, was introduced in the Senate by Senator Robertson on April 6, 1965. See the Congressional Record for that day, at pages 6809-6810.

The Commission believes that enactment of H.R. 7169 would be an appropriate response, in the areas of the Commission's jurisdiction, to the principle stated by the President in his budget message.

Sincerely yours,

HUGH F. OWENS, Commissioner.

GENERAL COUNSEL OF THE TREASURY,

Washington, D.C., June 25, 1965.

HON. OREN HARRIS,

*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: Reference is made to your request for the views of this Department on H.R. 7169, to amend the Securities Act of 1933 with respect to certain registration fees.

The proposed legislation would increase the fee for filing a registration Statement of securities with the Securities Exchange Commission from one one-hundredth to one one-fiftieth of 1 percent of the maximum aggregate price at which such securities are proposed to be offered, and would raise the minimum filing fee from \$25 to \$100.

The proposed legislation is not of primary interest to this Department and the Department has no comments to make as to its general merits.

The Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this report to your committee.

Sincerely yours,

FRED B. SMITH,

Acting General Counsel.

The CHAIRMAN. Suffice it to say at this time that the Commission believes the statutory fees under other acts should be considered in the overall study.

The Commission proposed this program last March to double the registration fee under the 1933 act. So far as we have been able to discern, there has been no opposition to it.

So, Chairman Cohen, if you would extend your statement in the record at this point and just give us a brief summary of what you want, I think we can dispose of the matter rather expeditiously.

STATEMENT OF HON. MANUEL F. COHEN, CHAIRMAN, SECURITIES AND EXCHANGE COMMISSION

MR. COHEN. Thank you, Mr. Chairman. I will be very glad to do just that.

The bill, as you have suggested, is a rather simple one. It would have the effect of doubling the fee in connection with the registration of securities for the purpose of public offering. In fact, based upon last year's registration statement, it would produce an additional \$1,790,000, approximately, which would go into the U.S. Treasury. It would make the Commission much more self-supporting in connection with the administration of that statute, not only in connection with registration but in related areas arising from that statute.

We have determined on this particular procedure after considering a number of alternatives, some of which have been presented to this committee at earlier times. We feel that this is the simplest approach. So far as we know, there is no controversy regarding the proposal, nor is there any opposition.

We think that the increased fee is justifiable, because in a real sense it will probably be passed on to those for whose benefit the statute was enacted.

We have appended to our statement an exhibit which indicates the amounts appropriated by the Congress, the fees we have collected since 1935, and the proportion of fees collected to the total appropriation.

I would only add one further thought, that this bill, I believe, is in line with the thoughts of the person whom we all look upon as the

father of the Securities Act, former Speaker Rayburn, who in referring to this particular provision suggested to the Congress that it was hoped it would produce sufficient funds to make the operations of the Commission under this section self-supporting. This is the aim of the bill.

The CHAIRMAN. Of course, you do not anticipate that this action will make the Commission self-supporting.

Mr. COHEN. No, sir. It will increase from approximately 22 percent to approximately 33 percent the ratio of the fees collected by the Commission in the aggregate, including fees collected under the Exchange Act, to the appropriation awarded the Commission by the Congress.

The CHAIRMAN. Mr. Chairman, \$15,442,000 was appropriated for the 1965 fiscal year.

Mr. COHEN. Yes, sir.

The CHAIRMAN. Was that sufficient to operate your Commission?

Mr. COHEN. In our view, no, sir.

The CHAIRMAN. You did get along all right with that, didn't you?

Mr. COHEN. Well, I think the Congress had in mind not reducing our appropriation but perhaps not meeting the full request we made.

The CHAIRMAN. What is the appropriation for this fiscal year we are in now?

Mr. COHEN. It is exactly the same thing.

The CHAIRMAN. Fifteen point four forty-two?

Mr. COHEN. Yes, sir.

The CHAIRMAN. The three million three that you include here includes the other fees that you now collect?

Mr. COHEN. The three million three includes the fees we now collect under the present provisions of the 1933 act as well as fees we collect under the Exchange Act which are essentially the annual registration fees paid by the stock exchanges.

The CHAIRMAN. You would add to that one million eight?

Mr. COHEN. Yes, sir; for a total of approximately \$5 million.

The CHAIRMAN. Mr. Rogers?

Mr. ROGERS of Texas. No questions.

The CHAIRMAN. Dr. Carter?

Mr. CARTER. No questions.

The CHAIRMAN. Mr. Van Deerlin?

Mr. VAN DEERLIN. No questions.

The CHAIRMAN. Mr. Murphy?

Mr. MURPHY. No questions.

The CHAIRMAN. Mr. Huot?

Mr. HUOT. No questions.

The CHAIRMAN. Thank you very much. I was going to ask you to provide this information tomorrow, but through your excellent vision and your efficiency, we have the information that we would like to have.

Mr. COHEN. Thank you, Mr. Chairman. If we have beaten you to it—and I don't believe we have—it will be the first time in the history of the Commission.

The CHAIRMAN. Thank you very much. That is a good note on which to end your testimony.

Mr. COHEN. Thank you.

(Mr. Cohen's prepared statement follows:)

STATEMENT OF MANUEL F. COHEN, CHAIRMAN, SECURITIES AND EXCHANGE
COMMISSION

Mr. Chairman and members of the committee, I am Manuel F. Cohen, Chairman of the Securities and Exchange Commission.

We are here today to testify on H.R. 7169. This bill, which has been proposed by the Commission, would amend section 6(b) of the Securities Act of 1933 by increasing the fee paid in connection with the filing of registration statements for securities offerings from one one-hundredth of 1 percent to one-fiftieth of 1 percent of the maximum aggregate offering price of the securities to be offered and increasing the minimum fee from \$25 to \$100.

In fiscal 1965 fees paid to the Commission under section 6(b) totaled \$1,790,349. There are also statutory provisions for an annual registration fee for national securities exchanges and for filing fees for applications for qualifications of trust indentures relating to securities not required to be registered under the Securities Act of 1933. The only other statutory provisions whereunder fees are collected in connection with the Federal securities laws are a provision in the Securities Exchange Act, as amended in 1964, allowing charges to be assessed against broker-dealers who are not members of a registered securities association, and provisions permitting the Commission to make reasonable charges for copies of information. The registration fee for national securities exchanges is provided for by section 31 of the Securities Exchange Act of 1934 and amounts to one five-hundredth of 1 percent of the aggregate dollar amount (2 cents per \$1,000) of sales of securities on such exchanges in the preceding year. In fiscal 1965 these fees totaled \$1,506,353. The filing fee with respect to trust indentures is provided in section 307(b) of the Trust Indenture Act of 1939 and the amount collected pursuant thereto in fiscal 1965 was \$2,300. All fees collected pursuant to these sections are deposited into the general fund of the Treasury.

At the time of the passage of the first two securities acts there were indications that the registration fees provided therein were intended to cover the anticipated costs of administration. Thus, in the hearings before this committee on H.R. 4314, 73d Congress, 1st session, page 21, the Honorable Huston Thompson stated with regard to the provision which was later enacted as section 6(b): "We have estimated * * * that if we take one one-hundredth of 1 percent of the securities that are sold * * * [the amount realized] should be enough to carry on the proper administration of this act." In fact, the amounts collected have fallen far short of this. At present, only about 20 percent of the total costs incurred by the Commission are recovered by fees. Of course, a considerable part of these costs is attributable to enforcement activities which are probably not an appropriate basis for the imposition of fees. There have been no amendments of the securities acts with respect to fees, except for the 1964 amendment to section 15(b)(8) of the Securities Exchange Act relating to fees to defray the cost of examinations and other expenses in regulating broker-dealers who are not members of a registered securities association.

Over the years there have been numerous suggestions or proposals for increased or additional fees. In 1951 the Congress in title V of the Independent Offices Appropriation Act, 1952 (5 U.S.C. 140), stated that "It is the sense of the Congress that any work, service [etc.] * * * provided * * * by any Federal agency * * * shall be self-sustaining to the full extent possible" and authorized agencies to adopt fees to cover the cost of agency activities where fees were not fixed by statute. Pursuant to the statute in 1952 the Commission submitted for comment proposed rules which sought to impose substantial fees on various segments of the securities industry. These proposals resulted in considerable controversy and a subcommittee of this committee, which was studying the activities of the Commission, reported its view that any fees in this area should be "spelled out in specific legislation which has been submitted to and passed by the Congress, rather than through any delegation of authority to any agency to pass upon the need for or amount thereof" (Report of Committee on Interstate and Foreign Commerce on Securities and Exchange Commission, H. Rept. 2508, 82d Cong., 2d sess. (1952), p. 138). Thereafter the Commission abandoned its proposal.

In subsequent years the Commission has expressed the view that any fair fee proposal should include an increase in at least one of the existing fees. Thus

in 1957 we submitted to this committee a legislative proposal that would have increased the stock exchange registration fee from 2 cents per \$1,000 of the aggregate dollar amount of each transaction to 5 cents per \$1,000 and would have imposed a similar fee upon broker-dealers effecting transactions otherwise than on a national securities exchange. This proposal resulted in the introduction of bills in both the House and Senate (S. 2520, 85th Cong., 1st sess.; H.R. 7778, 85th Cong., 1st sess.) but, although the Senate passed its bill, no action was taken in the House. Substantially similar bills were reintroduced but not passed in 1959 and 1961 (S. 737, 86th Cong., 1st sess.; S. 755, 87th Cong., 1st sess.). In 1962, a bill increasing the stock exchange registration fee to 5 cents per \$1,000, but containing no provision for over-the-counter transactions, was introduced but not passed (H.R. 10167, 87th Cong., 2d sess.).

We have carefully reconsidered these proposals, and other possible bases for fees, and have concluded that the proposal to increase the Securities Act registration fee is, at this time, the simplest and fairest. To raise the stock exchange fees alone, at the present time, without assessing any fee for over-the-counter transactions might appear inequitable, particularly in view of the growth of the so-called third market, that is, over-the-counter trading in listed securities. On the other hand, we believe it would be untimely to establish now a fee for over-the-counter transactions because of the fact that the National Association of Securities Dealers has substantially increased the assessments which it levies on the over-the-counter dealers in order to cover the cost of the increased self-regulatory activity undertaken by the association following the Commission's "Special Study of the Securities Markets." Thus, the expenses of the association increased from approximately \$1,600,000 in its fiscal year 1960 to approximately \$2,700,000 in its fiscal year 1964, or an increase of approximately 40 percent. Comparable charges are expected to be assessed by the Commission against broker-dealers who are not members of the NASD, under authority granted by the Securities Acts Amendments of 1964.

The Securities Act registration fee is simple and familiar, and it is in most instances only a relatively insignificant part of the total cost of floating an issue of securities. Thus, in the case of an offering of \$2 million, enactment of this bill would increase the registration fee from \$200 to \$400, while the total expenses of such an issue, exclusive of underwriting discounts or commissions, but including such items as legal and accounting fees and printing costs, would probably be \$30,000 or more, and underwriting discounts and commissions would probably exceed that figure.

As a practical matter, the Securities Act registration fee is probably passed on to investors. Since the increase would result indirectly in investors paying a larger proportion of the overall cost of the Commission, which operates to protect investors, it appears to us to be fair and in accordance with the principle stated by President Johnson in his budget message in January of this year that: "Fairness to all taxpayers demands that those who enjoy special benefits should bear a greater share of the costs."

If the proposed increased registration fee had been in effect during the fiscal year which ended June 30, 1965, the Commission would have collected approximately \$3,580,700 under the Securities Act. This amount, plus the trust indenture fees of \$2,300 collected in fiscal 1965, would have produced a total of \$3,583,000. The direct cost of operating our Division of Corporation Finance, the Division which is chiefly involved in processing registration statements and trust indentures, was \$3,129,589 for fiscal 1965. While this figure is less than the total fees which would have been collected had the increased registration fee been in effect during 1965, and this Division also processes material filed under the Securities Exchange Act of 1934, it must be remembered that substantial work effort of other divisions and offices of the Commission is concerned from time to time with registration statements and other matters relating to issuers which file such statements with the Commission. It may accordingly be said that the total amount which would be paid under the proposed bill would by no means exceed the Commission's entire costs involved in administering those provisions of the Federal securities laws which are related to the registration of securities under the 1933 act.

I am attaching to this statement and submitting for the record a cost statement for fiscal 1965 itemized by offices and divisions of the Commission and a table setting forth comparative figures over the years on amounts appropriated by Congress for the Commission, total fees collected, and the ratio of fees to appropriations.

APPENDIX I

Statement of cost by organization, fiscal year 1965

<i>Office</i>		
Executive offices.....	-----	\$408,427
Office of Program Planning.....	-----	197,271
Office of the Secretary.....	-----	80,496
Office of Hearing Examiners.....	-----	208,523
Office of Opinions and Review.....	-----	175,289
Office of the General Counsel.....	-----	382,606
Office of the Chief Accountant.....	-----	154,450
Division of Corporation Finance.....	-----	3,129,589
Division of Trading and Markets.....	-----	1,906,648
Division of Corporate Regulation.....	-----	1,209,387
Office of the Comptroller.....	-----	151,110
Office of Personnel.....	-----	136,587
Office of Records and Service.....	-----	776,234
Subtotal, departmental.....	-----	8,916,617
Regional offices.....	-----	6,534,960
Grand total.....	-----	15,451,577

APPENDIX II

Statement of appropriations and fees collected, fiscal years 1935 to 1965, inclusive

Fiscal year	Amount appropriated by Congress	Total fees collected	Percent of fees collected to total appropriation
1935.....	\$1,545,337	\$227,699	14.7
1936.....	3,029,494	900,400	29.7
1937.....	4,245,000	1,103,780	26.0
1938.....	3,895,000	716,456	18.4
1939.....	4,872,000	575,399	11.8
1940.....	5,470,000	492,640	9.0
1941.....	5,400,000	517,772	9.6
1942.....	5,440,000	312,922	5.8
1943.....	4,910,000	193,366	3.9
1944.....	4,602,500	407,645	8.8
1945.....	4,696,704	654,176	13.7
1946.....	4,694,200	1,093,432	23.2
1947.....	5,533,700	1,111,416	20.0
1948.....	5,738,700	946,295	16.5
1949.....	6,121,140	787,545	12.8
1950.....	5,878,250	790,043	13.4
1951.....	6,230,000	1,087,022	17.4
1952.....	5,813,480	1,364,447	23.5
1953.....	5,245,080	1,199,370	22.8
1954.....	5,000,000	1,215,749	24.3
1955.....	4,843,180	1,703,290	35.2
1956.....	5,278,000	2,074,211	39.3
1957.....	5,749,000	2,243,580	39.0
1958.....	6,935,000	2,334,370	33.6
1959.....	7,705,000	2,407,706	31.2
1960.....	8,100,000	2,631,498	32.5
1961.....	9,517,500	2,927,407	30.7
1962.....	11,412,500	3,422,403	29.9
1963.....	13,261,700	2,533,986	19.1
1964.....	13,937,500	3,106,213	22.3
1965.....	15,442,000	¹ 3,300,165	¹ 21.4
Total.....	200,514,965	44,382,403	22.13

¹ Had the proposed fee been in effect in fiscal 1965, the Commission would have collected approximately \$1,790,000 additional, for a total of \$5,090,165, representing 33 percent of the total appropriations for that year.

The CHAIRMAN. Is there anyone who would like to interpose an objection to this proposal that is being heard today?

Is there anyone else who desires to be heard? If not, this will conclude the hearings on this bill, H.R. 7169.

(Whereupon, at 1:50 p.m., the hearing was concluded.)





