

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

R. BRUCE JOSTEN
EXECUTIVE VICE PRESIDENT
GOVERNMENT AFFAIRS

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WASHINGTON, D.C. 20062-2000
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April 8, 2014

The Honorable Frank Lucas
Chairman
Committee on Agriculture
U.S. House of Representatives
Washington, DC 20515

The Honorable Collin Peterson
Ranking Member
Committee on Agriculture
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Lucas and Ranking Member Peterson:

The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and dedicated to promoting, protecting, and defending America's free enterprise system, strongly supports H.R. 4413, the "Customer Protection and End-User Relief Act," a bipartisan bill that would reauthorize the Commodity Futures Trading Commission (CFTC), and includes a number of important reforms designed to promote smart regulation, enhance accountability at the CFTC, and protect Main Street businesses from onerous derivatives regulation.

The Chamber is particularly supportive of provisions in H.R. 4413 that would help preserve the ability of commercial end users to manage their financial risks by using derivatives. Congress clearly intended to shield non-financial end users from certain regulatory requirements contained in the Dodd-Frank Act—a mandate that unfortunately has not been carried out fully by regulatory agencies—and last year the House voted 411-12 to pass legislation to exempt end users from margin requirements. H.R. 4413 includes that critical exemption and a number of other fixes that would ensure non-financial companies would be protected from burdensome and unnecessary regulations, consistent with Congress's clear intent almost four years ago.

The Chamber also supports provisions in this bill that would promote transparency and accountability in CFTC's rulemaking process, including a requirement to conduct a cost benefit analysis for new rules, and the creation of an Office of the Chief Economist to support such analyses. Cost benefit analysis has been a fundamental tool of effective government for more than three decades, and these requirements would help protect Main Street businesses, investors, and consumers from some of the unintended consequences of regulation.

Additionally, H.R. 4413 contains a number of sensible provisions that would promote principles of good governance, including providing market participants with more certainty regarding "no action" letters issued by CFTC staff, and a requirement that CFTC develop internal risk control mechanisms in order to protect sensitive market data. These are common sense measures that would help make CFTC a more effective and accountable regulator, and the Chamber appreciates their inclusion in this bill.

The Chamber strongly supports H.R. 4413, and looks forward to working with the Committee and the Congress to pass this important bipartisan bill.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Bruce Josten". The signature is fluid and cursive, with the first name "R." being small and the last name "Josten" being larger and more prominent.

R. Bruce Josten

cc: Members of the House Committee on Agriculture