

COMMODITY MARKETS OVERSIGHT COALITION

An Alliance of Derivatives End-Users & Reform Advocates

December 6, 2010

The Honorable Nancy Pelosi
Speaker of the House
235 Cannon House Office Building
Washington, DC 20515

The Honorable John Boehner
Speaker of the House-elect
1011 Longworth House Office Building
Washington, DC 20515

The Honorable Harry Reid
Senate Majority Leader
522 Hart Senate Office Building
Washington, DC 20510

The Honorable Mitch McConnell
Senate Minority Leader
361-A Russell Senate Office Building
Washington, DC 20510

Dear Congressional Leaders:

The undersigned members of the Commodity Markets Oversight Coalition (CMOC) write you today out of concern for adequate funding levels for the Securities & Exchange Commission (SEC) and the Commodity Futures Trading Commission (CFTC).

Formed in 2007, the CMOC represents an array of business interests, including commodity producers, processors, distributors, retailers, commercial and industrial end-users, as well as groups representing average American consumers. The CMOC advocates in favor of government policies that promote stability and confidence in the commodity markets and that preserve the interests of *bona fide* hedgers, consumers and the broader economy.

Historically, these two regulatory-bodies – most especially the CFTC - have lacked sufficient federal funding and staffing resources. Moreover, with the passage of Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (P.L.111-203), Congress expanded their authority over currently opaque and unregulated derivatives trading environments. The CMOC endorsed these new authorities. However, without adequate increases in funding, the implementation and enforcement of new rules will be put in serious jeopardy. And, as a consequence, so will market security, stability and confidence.

Therefore, as businesses and consumers that depend on transparent and functional commodity derivatives markets, we urge the Congress and members of both parties to acknowledge the funding needs of SEC and the CFTC, especially in light of rulemakings and the implementation and enforcement of new authorities as provided by Title VII of the Dodd-Frank Act.

Thank you for your consideration.

Sincerely,

American Feed Industry Association
American Trucking Associations
California Black Farmers and Agriculturalists Association
New Jersey Citizen Action Oil Group
Colorado/Wyoming Petroleum Marketers Association
Consumer Federation of America
Florida Petroleum Marketers Association
Food & Water Watch
Friends of the Earth

Fuel Merchants Association of New Jersey
Gasoline & Automotive Service Dealers of America Inc.
Independent Connecticut Petroleum Association
Industrial Energy Consumers of America
Institute for Agriculture & Trade Policy
Louisiana Oil Marketers & Convenience Store Association
Massachusetts Oilheat Council
Maine Energy Marketers Association
Maryknoll Office for Global Concerns
Montana Petroleum Marketers & Convenience Store Association
National Association of Oilheating Service Managers
National Association of Truckstop Operators
National Farmers Union
Nebraska Petroleum Marketers & Convenience Store Association
New England Fuel Institute
New Mexico Petroleum Marketers Association
New Rules for Global Finance
New York Oil Heating Association
North Dakota Petroleum Marketers Association
North Dakota Retail Association
Oil Heat Institute of Long Island
Oil Heat Council of New Hampshire
Oil Heat Institute of Rhode Island
The Organization for Competitive Markets
Petroleum Marketers Association of America
Petroleum Marketers & Convenience Store Association Kansas
Petroleum Marketers & Convenience Stores of Iowa
Propane Gas Association of New England
Public Citizen
R-CALF USA
South Dakota Petroleum & Propane Marketers Association
United Egg Producers
Vermont Fuel Dealers Association
Western Peanut Growers
West Virginia Oil Marketers and Grocers Association

cc: Chairman Obey, Ranking Member Lewis and Members of the House Committee on Appropriations
Chairman Inouye, Ranking Member Cochran and Members of the Senate Committee on
Appropriations