

United States Senate Committee on
**AGRICULTURE
NUTRITION
& FORESTRY**

Opening Statement of Chairwoman Debbie Stabenow (D-Mich)

Dodd-Frank Wall Street Reform and Consumer Protection Act: 2 Years Later

July 17, 2012

As prepared for delivery

Good morning. The meeting of the Committee on Agriculture, Nutrition, and Forestry will come to order. We welcome our witnesses and thank everyone who is joining us.

It has been two years since Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act. In that time, there has been an open rulemaking process with multiple opportunities for public input. As I've said before, it is extremely important that we get the rules done right.

Recently, the joint product definition rule was made final which, along with the entity definition rule, starts the clock on compliance. This is a significant step toward greater transparency and final implementation of key provisions of the law. I also appreciate the Commission's work to finalize the end user rules.

Yet we are still waiting on a number of significant rules to be made final or to go into effect – including those on capital and margin, clearing and trading, block trading, conflicts of interest, and swap execution facilities.

There is no question that it is important to coordinate the rules between agencies and harmonize them internationally, but it's also critical to get them done.

While many rules are still unwritten, many derivatives are still trading in the dark and some financial institutions are still taking risks that threaten our economy.

If anyone is wondering why we need these rules, all you need to do is turn on the news. There's the LIBOR rate-setting scandal, the Eurozone crisis, the demise of Peregrine Financial Group, significant trading losses at JP Morgan, and the MF Global bankruptcy.

And you can't blame people for thinking: "What's next?"

We need these markets to have integrity and market participants need certainty so they can plan for compliance and make business decisions for the coming months and years. Job-creating companies and farmers and ranchers need to know these markets are safe for trading and hedging risk. And American families need to know their jobs aren't going to disappear - again - because of excessive risk-taking by a reckless few.

I understand there have been significant hurdles. We have seen proposals to defund the agencies charged with protecting our markets -- even as events at home and around the globe continue to highlight the need for effective oversight.

We cannot forget that when this law was passed, we were on the brink of a global economic collapse -- a crisis that left 8 million Americans out of work, home mortgages underwater, and small businesses closed forever.

Despite the challenges, I know that the individuals charged with writing these rules have been working hard in the face of extreme difficulty, and I would like to commend everyone involved and their staffs for what I know is a tremendous amount of hard work.

I am eager to hear from our witnesses today about where we are in the rulemaking process, what challenges they are facing as they try to complete these rules, and what this Committee can do to support their efforts.

So, again, welcome, and it is now my pleasure to turn to Senator Roberts.