

**Opening Statement of Sharon Y. Bowen**  
**Nominee to the U.S. Commodity Futures Trading Commission**  
**Before the United States Senate Committee on Agriculture,**  
**Nutrition and Forestry**  
**March 6, 2014**

Chairwoman Stabenow, Ranking Member Cochran, and other distinguished members of the Committee, I am honored to have been nominated by President Obama to serve as Commissioner of the Commodity Futures Trading Commission. I want to thank the Committee members and staff for meeting with me and making time for this nomination hearing, as well as Senator Gillibrand from my home state of New York.

I would like to take this opportunity to thank my family members who are here with me today, especially my incredibly supportive husband of twenty-seven years, Larry Morse. Although other members of my family could not be here, I want to thank them for their consistent love and support. Also for my family members who are no longer with us, I want to acknowledge the support and inspiration they instilled in me to do my best and be my best whenever I could. As the youngest of five children raised with modest means in the segregated, small town of St. Julien's Creek, Virginia, I understand the importance of being the voice of the under-represented and small business owners who have not had a seat at the table, as I do today.

My commitment to public service runs deep, and is not only evidenced by my role as the Acting Chair of the Board of Directors for the Securities Investor Protection Corporation (SIPC), but also by my personal contributions and leadership on behalf of my community. In order to serve your community, you must understand your community's strengths and challenges. I have been involved in numerous pro bono, educational, diversity and civic efforts that address critical issues related to the ethics and sustainability of the legal profession, as well the needs of the residents and families of New York City. I currently serve as a member of the Emeritus Board of New York Lawyers for the Public Interest, the Boards of New York City Economic Development Corporation, Northwestern University Law School, and, until recently, the New York City-based nonprofit, Public Education Needs Civil Involvement in Learning (PENCIL), through which my colleagues and I have partnered with middle schools in Harlem and the Bronx for over a decade.

I have served in several professional leadership positions, including co-chair of the Diversity Committee and co-chair of the Diversity Hiring

Subcommittee at my law firm, Latham & Watkins, LLP. I am also co-founder and head of Latham's Women Enriching Business (WEB) Task Force, whose mission is to create broader networks and productive business development relations for women. I personally implemented a number of diversity initiatives at Latham, including a Diversity Weekend event which resulted in higher applications and offer acceptances by diverse candidates and the Latham Diversity Scholars Program. I want to thank my partners and colleagues at Latham, especially my assistant, Audrey Leff, and staff who have been staunch supporters and friends during my twenty-five years at the firm.

My interest in finance started early. After receiving a degree in Economics from the University of Virginia, I attended business and law schools at Northwestern University, before moving to New York to begin my career in law. I have over three decades of experience as a securities lawyer focused on financial markets and regulations. I maintain a deep understanding of regulatory requirements and disclosure obligations, and I understand the importance of, and risks associated with, derivatives. A fair and efficient financial market not only helps investors, but also has a positive impact on farmers, ranchers, manufacturers, and ultimately, consumers and job creation.

As the Acting Chair of SIPC, I have significant experience with the issues and procedures of dealing with failed broker-dealers and futures commission merchants in the financial and derivatives markets. Early in my career, I worked on swaps and asset securitizations. I have advised companies and financial institutions in the purchase and sale of assets and distressed securities in the bankruptcy context. So I understand what happens when our markets don't function as expected. These experiences make me uniquely positioned to effectively help guide the CFTC as it finalizes regulatory rule writing of Dodd-Frank.

The next phase of the CFTC's mandate requires effective implementation of these rules, with the participation and coordination of regulatory bodies both inside and outside of the US. I believe my strong analytical skills and reputation for building and leading teams with diverse perspectives across the globe would bring a unique contribution to the CFTC. I firmly believe that the CFTC should cooperate and work in harmony with foreign regulators. At the same time, we must move forward in implementing the rules and mandate of Dodd-Frank. I know that Congress, in directing the CFTC to establish an expanded regime for financial oversight, recognized that excessive risk-taking in the swaps market contributed to the devastation that afflicted our economy in the wake of the financial crisis.

If confirmed, I would bring to my role as Commissioner an understanding of the securities and futures markets laws and regulations, the importance of both markets to the economy, and the terrible cost to the public when those markets fail. In many instances the regulatory framework of one cannot be readily applied to the other. Capital formation in the securities market is different from the management of risk and price volatility in the futures markets. Each has its own nuances that impact consumers and end-users. I recognize that our physical commodity markets need to be protected from excessive speculation and manipulation. And we must acknowledge that esoteric and other creative financial products don't always benefit consumers.

It would be an honor for me to bring my experience in finance and securities to my role as Commissioner of the CFTC, should I be confirmed. I have a record of bringing teams together to find solutions, and believe that my substantive experience and ability to bring my own voice to the table would be of value to a historically independent government agency like the CFTC. My door is always open and I am ready and willing to learn and bring the best of my experience to my role. I believe I have the knowledge and the integrity to foster open, competitive, and financially sound markets, and look forward to working with you in making our financial system stronger, and one that benefits everyone fairly.

Thank you for your time and consideration. I am happy to answer any questions.