

Statement of Bart Chilton

Before the

United States Senate Committee on Agriculture, Nutrition and Forestry

June 4, 2008

Thank you Chairman Harkin, Senator Chambliss and members of the Committee. It is a pleasure to be with the Committee today. Before I start, I particularly want to thank Senator Harkin for his support, in addition to the other Senators who have expressed their support for my re-nomination. I also want to thank the Majority Leader, Senator Reid, for recommending me to the President and President Bush for nominating me. Finally, I want to thank the majority and minority staff for their assistance during the nominations process.

Knowing of your busy schedules, I am especially appreciative that you have taken the time to conduct this hearing regarding Commodity Futures Trading Commission (CFTC) nominations.

During the time I have been at the Commission, I have used my experience in government to do all that I can do to fulfill the missions of the agency: protecting price discovery; guarding against fraud, abuse and manipulation; and ensuring that these important risk management markets are viable tools -- not just for hedgers and speculators -- but for American consumers.

I am particularly thankful to the Committee, and the Congress, for the reauthorization of the Commodity Exchange Act (CEA) and the important changes regarding energy and forex market oversight. These changes will go a long way to ensuring that we have the tools to carry out our important responsibilities under the Act.

While the traditional agriculture commodities that the exchanges started with, and remained a mainstay until the mid-70's, now account for only about 7% of all trades, these markets remain critical for agriculture. In fact, saying that they are simply "important" would be a tremendous understatement. These agricultural markets are our history and the very reason that this agency exists. Ensuring that they are operated honestly is our mantra, mission and mandate.

While U.S. markets have changed, so have markets outside of our nation. I note here, for the record, that during the past five years, the US derivatives industry has grown three-fold while the rest of the world has doubled. I believe that this growth in the US has been accomplished, in part, by the regulatory environment created as a result of the last reauthorization legislation that provided the agency with a principles-based approach to derivatives regulation. The growth in the international markets requires that the CFTC work closely with our foreign counterparts.

We need to do so to ensure that our US regulatory standards are, to the greatest extent practicable, adhered to -- and that we never jeopardize US consumers by sacrificing important transparency, oversight and enforcement.

Should I be re-confirmed, I will continue to do all that I can to meet the responsibilities that you have entrusted to me and this important agency. Thank you again for the opportunity to be with you today. I would be pleased to answer any questions.