



Chairman Robert Aderholt

*Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies
House Committee on Appropriations*

**Commodity Futures Trading Commission (CFTC)
Budget Hearing for FY 2019
Opening Statement
March 7th, 2018**

Good morning. Welcome to the Agriculture Appropriations Subcommittee's first hearing for 2018 where we will examine the FY 2019 budget request for the Commodity Futures Trading Commission.

While it has been a busy year so far with ongoing discussions and negotiations revolving around funding levels for the current Fiscal Year, Full Committee Chairman Frelinghuysen has instructed that Congress begin its work on reviewing the President's Budget Request for 2019. During this extremely busy time for my colleagues, I appreciate my colleagues taking the time to be here today, especially Ranking Member Bishop.

This is my sixth year as Chairman of the Appropriations Subcommittee on Agriculture. As I have done in past years, I am establishing goals for the Subcommittee as we progress through the fiscal year 2019 appropriations process. The first goal is to 1) Bolster Prosperity and Economic Well Being in Rural America and the Farm Economy; the second goal is to 2) Conduct Fair and Transparent Oversight of Agency Activities and Public Resources; the third is to 3) Promote Economic Growth through Effective and Efficient Regulation and Minimization of Regulatory Overreach, and the last goal is to 4) Protect the Health and Safety of People, Plants, & Animals.

The Commodity Futures Trading Commission (CFTC) continues to face new challenges as the ever-shifting swaps, futures, and options markets adapt to the evolutions of technology and to the new actors which enter and operate within these markets. Meanwhile, as we so often hear in my home state of Alabama, the agency must "maintain its roots" that grew out of the agriculture sector.

We will discuss the President's Fiscal Year 2019 budget request of \$281.5 million and other matters related to the Commission. The President's budget request is in line with the Commission's own request and includes the repeated proposals many prior administrations have made to fund a portion of the Commission with User Fees – an issue that should be left to the authorizing Committees to debate.

The CFTC has been a popular topic of conversation over the years, and we will discuss some of the management and budget issues that have arisen during and prior to your term as

Chairman and what you have done to address them. Additionally, I am sure that some policy issues will arise – not the least of which will be the topic of bitcoin futures and cryptocurrencies.

Briefly, I would like to recognize one of your accomplishments that I have brought up over the years, and that is the topic of leasing costs and related issues. Last year, you informed the Committee that you were able to actually save money on your Kansas City office lease over its lifetime. I commend you for this action, as it is one I requested of your predecessors on numerous occasions. We will revisit this matter to ensure it actually materializes into savings.

With regard to new developments in the marketplace, I have spoken before on the need for the Commission to invest in technology, and that is why I have included a set-aside specifically for this purpose each fiscal year of my chairmanship. This is the best way for the Commission to leverage its resources in terms of enforcement and allowing for new innovation in the marketplace. Simply hiring more people won't stop the advanced degrees to which algorithmic trading and cryptocurrencies will go to rip-off customers in the marketplace.

Over the past eight years, we have had a healthy debate on this Subcommittee over the size of the swaps market. I was glad to see the Commission weighing in on this matter and look forward to exploring it further. I have always been curious how a single market could equate to several times the size of the entire world's economy.

Chairman Giancarlo, I look forward to discussing these and other matters with you. There is a lot of work before this Congress, the Administration, and your agency to keep our economy moving in the right direction. Finding the right balance between over-regulation and a safe and effective marketplace is essential and fits in with the main focus of this Subcommittee which is to find the right size for your agency's budget.

Again, I want to thank you for being with us today, and I look forward to our discussion.

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