

November 12, 2013

The President
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear Mr. President:

This past Tuesday, Commodity Futures Trading Commission (CFTC) Commissioner Chilton announced he will step down from his position “in the not too distant future.” Given the departure of Commissioner Sommers earlier this year and the Chairman’s announcement that he also will step down at the end of the year, this means a majority of Commissioner seats are likely to be vacant by the end of the year. These departures create a unique opportunity to recast the Commission in this new era via the appointment of three new Commissioners. As you consider nominees, with the consent of the U.S. Senate Committee on Agriculture and full Senate confirmation for this new majority of the CFTC’s Commissioners, we ask that at least one of the nominees have a genuine background and experience in agricultural commodity futures markets.

Because futures markets were created to hedge price exposure in agricultural commodities, the CFTC began its existence as part of the U.S. Department of Agriculture (USDA) in 1922. It existed as the Grain Futures Administration within USDA until becoming an independent agency in 1974. While futures have grown beyond agricultural commodities and the CFTC’s regulatory footprint has been recently expanded into swaps, the agricultural futures markets remain as integral to our businesses as they were before the financial innovation that led us to today’s derivatives markets. Throughout the agency’s existence there have always been Commissioners that intricately understood agricultural futures markets, as well as the underlying physical markets themselves.

Commissioner Chilton had an extensive agricultural background having worked on agricultural policy issues in the U.S. Senate and USDA before taking a key position at an agricultural trade group. His departure leaves the agricultural industry without a Commissioner with background in our market sector. Therefore, we believe it is critically important to nominate, and the Senate confirm, at least one of the vacant Commissioner seats to an individual with a working understanding of agricultural futures markets and our industry.

This is a critical time in the agency’s history as it further expands its mission into financial markets, but we cannot allow the core mission of regulating agricultural futures markets to suffer for it. We respectfully request that you, with the consent of the U.S. Senate, ensure we continue to have a representative as a Commissioner, to ensure our concerns related to these markets, which are so vital and integral to the entire agricultural industry, are heard and understood. We appreciate your consideration of our concerns.

Sincerely,

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American Farm Bureau Federation
American Feed Industry Association
American Soybean Association
CoBank
Farm Credit Council
National Association of Wheat Growers
National Cattlemen's Beef Association
National Chicken Council
National Corn Growers Association
National Council of Farmer Cooperatives
National Farmers Union
National Grain and Feed Association
National Milk Producers Federation
National Pork Producers Council
National Sorghum Producers
North American Millers' Association
USA Rice Federation
US Rice Producers Association

Cc: Chairwoman Stabenow and Ranking Member Cochran, U.S. Senate Committee on
Agriculture, Nutrition and Forestry