

[Securities Regulation Daily Wrap Up, CFTC NEWS AND SPEECHES—CFTC embraces public on how to KISS, \(May 4, 2017\)](#)

Securities Regulation Daily Wrap Up

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By [Brad Rosen, J.D.](#)

The CFTC has voted to seek public input on simplifying and modernizing its rules as part of its initiative named Project KISS, the acronym for "Keep It Simple, Stupid." In particular, the commission will be soliciting ideas and suggestions from industry participants, stakeholders, interested parties, and the broader public on where the CFTC rules can be simplified, and thereby make compliance less costly and burdensome. The [opportunity to provide comment](#) will remain open through September 30, 2017.

CFTC Acting Chairman J. Christopher Giancarlo [initially announced Project KISS](#) in March of this year at the FIA industry conference in Boca Raton, Florida. Project KISS will involve an agency-wide internal review of CFTC rules, regulations and practices. In part, the undertaking is in furtherance of President Donald J. Trump's February 24, 2017 executive order, a cornerstone of the administration's regulatory reform agenda which seeks to stimulate economic growth.

Giancarlo noted "[a]t times the CFTC rules are unnecessarily complex, and the harder they are to understand and costly to follow, the less dynamic and vibrant these markets become. When that happens, goods we buy like groceries, heating oil and airline tickets get more expensive because their production prices cannot be easily hedged. "

While the CFTC, as an independent federal agency, is not technically bound by the executive order, Acting Chairman Giancarlo underscored the idea behind [the KISS initiative](#) is about taking CFTC's existing rules as they are and applying them in ways that are simpler, less burdensome and less of a drag on the American economy.

Mr. Giancarlo cautioned, however, that this exercise is not about identifying existing rules for repeal or even rewrite. "Industry will still have to comply with CFTC rules and Congressional laws, but we need to be able to do so in a way that makes sense and reduces regulatory burdens" Giancarlo observed.

Incidentally, another FIA conference was getting on its way in Washington D.C. just as this next phase of the KISS was announced. This time it was the Law and Compliance program. According to Gary DeWaal, a long-time FIA leader, astute industry observer, and Special Counsel at Katten Muchin and Rosenman, "attendees are upbeat and excited about the regulations getting a fresh look; it's an appropriate time to reevaluate some of these Dodd-Frank reforms, a number of which were pushed through very quickly when they were passed."

"You can call this "KISS" or just smart regulation. If we can be more effective in our approach, that will lead to more liquid markets, and better serve hedgers and others users of the markets", De Waal added.

Public submissions can be made by emailing the CFTC at projectkiss@cftc.gov or visiting cftc.gov/projectkiss. All comments and submissions will be posted on cftc.gov., although the commission reserves the right to exclude unsigned or inappropriate comments.

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