



## SPEECHES & TESTIMONY

### "At Last"

#### **Statement of Commissioner Bart Chilton, Dodd-Frank Meeting on Position Limits November 5, 2013**

For two reasons, this is a significant day for me. I am reminded of that great Etta James song, *At Last*.

The first reason is that, *at last*, we are considering what I believe to be the signal rule of my tenure here at the Commission; I've been working on speculative position limits since 2008. The second reason today is noteworthy is that this will be my last Dodd-Frank meeting. Early this morning, I sent a letter to the President expressing my intent to leave the Agency in the near future. I've waited until now—today—to get this proposed rule out the door, and now—at last—with the process coming nearly full circle, I can leave. It's with incredible excitement and enthusiasm that I look forward to being able to move on to other endeavors.

With that, here is a bit of history on the position limits journey that has led us, and me, to this day. The early spring of 2008 was a peculiar time at the Commission. None of my current colleagues were here. I and my colleagues at that time watched Bear Stearns fail. We had watched commodity prices rise as investors sought diversified financial havens. When I asked Commission staff about the influence of speculation on prices, some said speculative positions couldn't impact prices. It didn't ring true, and as numerous independent studies have confirmed since, it was not true.

I began urging the Commission to implement speculative position limits under our then-existing authority. And I was, at that time, the only Commissioner to support position limits. Given the concerns, I urged Congress to mandate limits in legislation. A Senate bill was blocked on a cloture vote that summer, but late in the session, the House actually passed legislation. Finally, in 2010, as part of the Dodd-Frank law, Congress mandated the Commission to implement position limits by early in 2011.

Within the Commission, I supported passing a rule that would have complied with the time-frame established by Congress—by any other name—federal law. A position limits rule was proposed in January of 2011 and finally approved in November.

In September 2012, literally days before limits were to be effective, a federal district court ruling tossed the rule out, claiming the CFTC had not sufficiently provided rationale for imposing the rule. We appealed and I urged us to address the concerns of the court by proposing and quickly passing another new and improved rule. I thought and hoped that we could move rapidly. After months of delay and deferral, it became clear: we could not.

But today—at last—more than three years since Dodd-Frank's passage, we are here to take it to the limits one more time.

Thankfully, we have it right in the text before us. The Commission staff has ultimately done an admirable job of devising a proposed regulation that should be unassailable in court, good for markets and good for consumers.

I thank everyone who has worked upon the rule: Steve Sherrod, Riva Adriance, Ajay Sutaria, Scott Mixon, Mary Connelly, and many others for their good work.

In addition, I especially thank Elizabeth Ritter, my Chief of Staff, Nancy Doyle, and also Salman Banaei who has left the Agency for greener pastures. I thank them for their tireless efforts on the single most important, and perhaps to me the most frustrating, policy issue of my tenure with the Commission. I have had the true honor of working with Elizabeth since prior to my confirmation. I would be remiss if I did not reiterate here what I have often said; nowhere do I believe there is a brighter, smarter, more knowledgeable and hard-working derivatives counsel. She has served the public and me phenomenally well. Thank you, Elizabeth.

And finally to my colleagues, past and present, my respect to those whom we have been unable to persuade to vote with us on this issue, and my thanks to those who will vote in

support of this needed and mandated rule. *At last!*

Thank you.

Last Updated: November 5, 2013