



## Consumer Federation of America

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### **Statement of CFA Director of Investor Protection Barbara Roper In Response to President Obama's FY '12 Budget**

President Obama released his proposed budget for fiscal year 2012 this morning, including a proposal to boost funding for the Commodity Futures Trading Commission from \$168.8 million to \$308 million and to increase Securities and Exchange Commission funding from \$1.2 to \$1.4 billion. CFA Director of Investor Protection Barbara Roper issued the following statement in response:

“We are gratified that the president has proposed funding levels for the CFTC and SEC that recognize the vital role these two agencies play in ensuring the safety of investors and the health and stability of our nation's economy. While less than the full funding promised in the Dodd-Frank Act and needed to ensure effective implementation, this budget nonetheless represents a reasonable compromise that would require belt-tightening at the agencies, but without putting them on a starvation diet.

“The president's budget stands in sharp contrast to the 2011 continuing resolution released by House Republicans late Friday. The House CR, which is to be voted on this week, would cut the current funding levels for both the SEC and CFTC even as they struggle with the herculean task of implementing financial reform legislation. The draconian cuts proposed for the CFTC in particular would decimate that tiny agency without making any meaningful inroads in the federal deficit. (Click [here](#) for Roper's statement on the House CR.)

“The president's proposal to fund the CFTC in part through user fees creates a mechanism for funding the agency that is consistent with that of other financial regulatory agencies. Given the vast size of the markets the CFTC regulates and the tiny budget of the agency, user fees could be set at a level so low as to be all but invisible to market participants.

“The coming weeks will test whether House Republicans are open to a compromise that preserves the ability of the SEC and CFTC to fulfill their vital role reining in Wall Street excess. With millions still out of work as a result of the recent financial crisis, we cannot afford a budget that undercuts regulation necessary to protect the economic well-being of all Americans.”

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*The Consumer Federation of America (CFA) is an association of nearly 300 nonprofit consumer groups that was established in 1968 to advance the consumer interest through research, education, and advocacy.*