



News From:

U.S. Congressman John B. Larson

serving Connecticut's First District

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FOR IMMEDIATE RELEASE

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LARSON GETS TOUGH ON SPECULATORS - INSPECTOR GENERAL MEASURE PASSED

□ **Washington D.C.** - U.S. Representative John B. Larson (CT-01), Vice Chair of the Democratic Caucus released the following statement after the passage of HR 6406, which will provide the Inspector General (IG) of the Commodity Futures Trading Commission (CFTC) with more power and autonomy to investigate CFTC's regulation of the oil market.

"It is crucially important, given our present economy, that this Congress do everything that it can to restore oversight and review, and assure the American people that this is the people's House and we're watching what's happening on Wall Street on their behalf. We need to hold accountable those not acting in the best interests of the American people and who care only about their own financial gain at whatever cost.

"Over the past eight years the Bush Administration has employed the partisan energy and economic policies of tax breaks to oil companies and the deregulation of the financial markets, which has collectively landed our economy in its present position. Today in the House through Democratic leadership, we passed a bi-partisan regulation that will put our broken system back on the road to recovery by giving the American people the type of oversight on our energy and financial markets they deserve.

“We have seen the disastrous effects that can result when we allow the fox to guard the hen house. This legislation is an important step toward ensuring that there is some sunshine on the financial and “dark” commodities markets that will help to protect the future and wellbeing of the American people.”

HR 6406 seeks to elevate the current Inspector General of the CFTC from a designated IG to an established IG pursuant to Section 3 of the Inspector General Act of 1978. Rather than being hired by and operating internal to the CFTC, this bill will elevate the IG to his own, independent office, adopting the same IG structure that major US Departments like the Departments of Energy and Defense utilize.

Under current law, the Inspector General of the CFTC is appointed and serves under the jurisdiction of the Chairman of the CFTC, the exact same individual and agency the Inspector General is accountable to oversee. This structure indirectly makes the IG dependent on the agency’s Chairman. This legislation will ensure that the Inspector General of the CFTC has the ability to fulfill all of the office’s duties, with more independence and authority to investigate overall agency ineffectiveness and abuse.

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