



News From:

U.S. Congressman John B. Larson

serving Connecticut's First District

106 Cannon Office Building
Washington, D.C. 20515

221 Main Street
Hartford, CT 06106

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CONTACT: Emily Barocas/202-225-7295

INSPECTOR GENERAL REPORT REINFORCES NEED FOR LEGISLATION TO MAKE IG'S INDEPENDENT

Washington, DC - The Inspector General of the Commodity Futures Trading Commission (CFTC) released information this week showing that office completed just two investigations and updated one between October 1, 2008 and March 31, 2009, despite the recent economic crisis and the turbulence in the oil market. The Inspector General of the CFTC, like that of many other regulatory agencies, is not a fully independent office. The position is hired by and serves at the pleasure of the head of the agency it is meant to oversee, making it nearly impossible for these offices to perform their duty of full oversight of these agencies.

Congressman John B. Larson (CT-01), Chairman of the House Democratic Caucus, has introduced legislation that would make the inspectors general of regulatory

agencies, like the CFTC, independent - giving them the tools they need to do their jobs and the freedom to act without fear of retribution. This report from the CFTC is further evidence of the immediate need for this legislation.

Congressman Larson said, "The inspectors general of our regulatory agencies don't have the independence and resources they need to do their jobs. In a review of some inspectors general, my office found that on average independent offices completed 117 investigations in 2008 - while their non-independent counterparts completed just 12. This report from the Inspector General of the CFTC confirms the conclusions of our survey. The American people have the right to know our regulatory agencies are working in their best interest. I can think of no sector where honesty, independence and transparency are more needed right now than our financial and commodity markets. We must give these inspectors general the tools they need to do their jobs."

Congressman Larson has proposed legislation that would elevate the Inspectors General of the CFTC, the Federal Reserve, the Securities and Exchange Commission, the National Credit Union Administration and Pension and Benefit Guaranty Corporation, giving them the independence and capabilities they need to properly oversee and monitor their respective agencies. Currently these inspectors are hired and function under the supervision of the heads of their respective agencies. This legislation would make them independent entities with the freedom to pursue investigations without fear of repercussion.

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