

June 17, 2014

Dear Member of the House of Representatives:

The undersigned organizations represent a very broad cross-section of U.S. production agriculture and agribusiness. We urge you to cast an affirmative vote on H.R. 4413, the “Customer Protection and End-User Relief Act,” when it moves to the floor for consideration.

This legislation, unanimously approved on a bipartisan basis by the Committee on Agriculture, provides important protections for futures customers:

- Enhanced reporting, transparency and accountability in futures markets. These much-needed improvements will help prevent another MF Global.
- The ability for customers to “claw back” assets from a parent firm in the event of a shortfall of customer funds in FCM insolvencies – something that wasn’t possible with MF Global.
- A clear roadmap for meaningful cost-benefit analysis to be performed by the Commodity Futures Trading Commission before proposing major rules.
- A solution to the very troubling “residual interest” rule approved last fall by CFTC that would force customers to pre-margin hedge accounts, thereby putting perhaps twice as much customer money at risk, dramatically increasing hedging costs, and likely driving farmers, ranchers and small hedgers out of the futures market.
- Relief from technologically infeasible recordkeeping requirements in the cash commodity markets.

Thank you in advance for your support of this bill that is so important to U.S. farmers, ranchers, hedgers and futures customers.

Sincerely,

Agribusiness Association of Iowa
Agribusiness Council of Indiana
Amcot
American Cotton Shippers Association
American Feed Industry Association
American Soybean Association
Commodity Markets Council
Grain and Feed Association of Illinois
Indiana Grain and Feed Association

Iowa Institute for Cooperatives
Kansas Cooperative Council
Kansas Grain and Feed Association
Michigan Agri-Business Association
Michigan Bean Shippers
Minnesota Grain and Feed Association
Montana Grain Elevators Association
National Association of Wheat Growers
National Cattlemen's Beef Association
National Corn Growers Association
National Cotton Council
National Council of Farmer Cooperatives
National Grain and Feed Association
National Milk Producers Federation
National Pork Producers Council
North American Export Grain Association
North Dakota Grain Dealers Association
Ohio Agribusiness Association
Oklahoma Agricultural Cooperative Council
Oklahoma Grain and Feed Association
South Dakota Association of Cooperatives
South Dakota Grain & Feed Association
Texas Agricultural Cooperative Council
United Egg Producers
USA Rice Federation