

20100215MFA: Comments on Joint Report of the SEC and CFTC on Harmonization of Regulation

Source: MFA

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U.S. Government Accountability Office
441 G St., NW
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Dear Mr. Fisher:

Managed Funds Association (“MFA”)¹ appreciates the opportunity to provide the Government Accountability Office (“GAO”) with comments to assist in its assessment of the Joint Report of the SEC and CFTC on Harmonization of Regulation (the “Harmonization Report”). We believe the Report provides a number of important recommendations with respect to regulatory oversight and enforcement, enhancing investor and customer protection, rendering compliance more efficient, and improving coordination and cooperation between the Securities and Exchange Commission (“SEC”) and the Commodity Futures Trading Commission (“CFTC”).

The SEC and the CFTC extensively regulate the activities of MFA members, and the markets in which they trade, and as such, we support greater SEC and CFTC coordination and communication of regulation. MFA, our members, and their investors, have a strong interest in effective and efficient regulation that reduces inconsistency and duplication. We believe Harmonization Report recommendations that would enhance coordination and communication and reduce duplication between the agencies would streamline regulation, improve oversight, reduce compliance costs for the public sector, and make better use of limited government resources. Nevertheless, as the GAO assesses the Harmonization Report, we also believe it is critical not to lose sight of the fact that the securities and futures regulatory frameworks have been separate and distinct because these markets have grown from and serve very different purposes—capital formation and risk management, respectively.

We are pleased to respond to the GAO’s questions below and to provide a more detailed discussion of the Harmonization Report recommendations.

John D. Fisher
February 5, 2010

To read the full response [click here.](#)

NovaRes Team