



May 1, 2013

The Honorable Debbie Stabenow  
Chairwoman  
United States Senate Committee  
on Agriculture, Nutrition and Forestry  
328 A Russell Senate Office Building  
Washington, DC 20510

The Honorable Thad Cochran  
Ranking Member  
United State Senate Committee  
on Agriculture, Nutrition and Forestry  
328 A Russell Senate Office Building  
Washington, DC 20510

Dear Chairwoman Stabenow and Ranking Member Cochran:

Thank you for this opportunity to provide feedback on issues which we would like to see addressed as you work to amend the Commodity Exchange Act (CEA) in conjunction with reauthorizing the Commodity Futures Trading Commission (CFTC). As the oldest and largest national association for the largest segment of American agriculture, the National Cattlemen's Beef Association (NCBA) represents all segments of the beef supply chain. Most every segment of the U.S. beef industry uses commodity futures as a risk management tool. Over the past several years, however, failures within the futures industry have shaken the confidence of its users. We strongly believe these issues should be addressed and that more protection should be given to account holders. The reauthorization of the CFTC is a great opportunity to address these concerns.

As you begin your work on the reauthorization, we would like you to consider two things:

1. Actions by the CFTC always have an impact on the users of futures products. In the proposed rule "Enhancing Protections Afforded Customers and Customer Funds Held by Futures Commission Merchants and Derivatives Clearing Organizations" (RIN 3038-AD88), better known as the customer protection rule, we do not believe that CFTC truly considered the cost of the proposed rule versus the benefits it would bring. The CFTC reauthorization should require a full analysis of the costs and benefits of each rule the Commission proposes.
2. Our industry was caught off guard as the original comment deadline for the proposed customer protection rule neared. This is an example of the CFTC not fully engaging the stakeholders that are impacted by their actions. We ask that you consider provisions that would require the CFTC to engage industry groups, trade associations, and other stakeholders when considering proposed rules or actions.

We look forward to working with you on the CFTC reauthorization. Please contact Colin Woodall in our Washington, D.C., office if you have any questions or need additional feedback. He can be contacted at (202) 879-9123 or [cwoodall@beef.org](mailto:cwoodall@beef.org)

Again, thank you for this opportunity and for considering our requests.

Sincerely,

Scott George  
President