

LARSON CONTINUES TO ADVOCATE FOR REGULATING SPECULATORS, COMMENDS CFTC FOR INCREASES IN OVERSIGHT, BUT NEEDS TO GO FARTHER

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Washington, DC -- The Commodity Futures Trading Commission announced today that it will increase its oversight over the foreign and domestic energy futures markets. This comes after Democrats in Congress have for months been calling for increased monitoring and regulation of these markets that are driving up oil and gas prices. Congressman John B. Larson (CT-01), Vice Chair of the Democratic Caucus, has been at the forefront of this fight, not only encouraging the CFTC to increase oversight, but proposing bold legislation that would take speculators out of the energy futures markets.

Congressman Larson said,

"I'm glad the CFTC is finally stepping up to its responsibilities and taking action to regulate and monitor the energy markets. In Congress, I, along with my Democratic colleagues, have been calling for the CFTC to prevent and prosecute abuses in the markets. I've seen the impact that manipulation in the futures markets is having on the prices we pay at the pump. The CFTC must do its part to protect the American consumer. I am glad it is beginning to heed this call.

"The CFTC's announcement today is part of the solution, but not the whole solution. While this announcement today means the CFTC will finally start to share trading information with other agencies regulating world markets, it is still not clear that CFTC is willing to look into the massive amounts of over-the-counter trades or other transactions that are currently exempted or excluded from their oversight. I will continue to move forward with my legislation that will take the speculators out of the markets that the CFTC does not have the authority to regulate. It is those markets where trades happen without any oversight, where regulators have no power and where speculators are going wild driving up costs. My legislation would require anyone who invests in energy futures in over-the-counter trades be able to take inventory of the product.

"I heard executives from the big oil companies admit before a hearing of the House Select Committee on Energy Independence

and Global warming that speculation in the markets is a major factor in driving up energy prices. Investment in these markets has gone from \$9 billion in 2000 to \$250 billion today. Congress understands the impact this is having on our economy as a whole. Even the oil executives get it. I am glad the CFTC has finally come around to understand this as well.”

For more information on Congressman Larson’s legislation please see the New York Times article here:

http://www.nytimes.com/2008/05/25/business/25maker.html?_r=1&ref=business&oref=slogin

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