

**Chairman James Lankford Opening Statement
Committee on Appropriations Subcommittee on Financial Services and General Government**

**Hearing to Review the FY2019 Budget Request for the U.S. Securities and Exchange
Commission and the U.S. Commodity Futures Trading Commission**

June 5, 2018

(As prepared for delivery)

Good afternoon. The subcommittee will come to order.

Welcome to today's hearing on the Fiscal Year 2019 budget requests for the Securities and Exchange Commission and the Commodity Futures Trading Commission.

Today we have with us SEC Chairman Jay Clayton and CFTC Chairman Christopher Giancarlo.

Thank you both for being here today to testify about your agencies' budget request.

The SEC's mission is to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation.

To accomplish these objectives the SEC requests \$1.658 billion for fiscal year 2019, a \$6 million increase over the fiscal year 2018 enacted amount.

The SEC's funding is derived from fees paid by national securities exchanges and associations, and result in no direct appropriation.

However, these fees are ultimately passed on to U.S. investors, retirement savers, and market participants, and the Committee has a responsibility to ensure they are spent wisely.

Chairman Clayton, your leadership at the SEC coincides with a rapidly changing environment for investors. The Commission is formulating responses to new threats, including cybersecurity and misconduct affecting retail investors, as well as new opportunities, including innovative platforms and promoting investor access to information.

This hearing is timely as I continue working with my colleagues on additional reforms to facilitate capital formation. I look forward to working with you and hearing your thoughts on the legislative changes that would be most helpful to small and mid-sized businesses.

The CFTC's mission is to foster open, transparent, competitive, and financially sound markets.

To facilitate oversight of the nation's swaps, futures, and options markets, the CFTC requests \$281.5 million for fiscal year 2019, a \$32.5 million increase over the fiscal year 2018 enacted amount.

Chairman Giancarlo is at the helm with global reform efforts towards swaps data reporting and significant developments in financial technology.

The SEC and the CFTC, as federal market regulators, are charged with establishing a regulatory environment for investors and market participants that fosters innovation, market integrity and ultimately confidence.

We are interested in hearing more about efforts to defend against cyber threats to investors and financial market infrastructure, as well as efforts to ease regulatory burdens.

Your jobs have become even more challenging with the rise in automated trading and constant technological innovation -- including areas such as financial technology or "FinTech," -- and the need to operate in markets undergoing digital transformation.

Again, thank you both again for appearing this afternoon.

I now turn to my colleague for his opening remarks.

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