

# Derivatives Alert

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## CFTC Seeks Public Input on Decreasing Burdens of Existing Rules

On May 3, 2017, the Commodity Futures Trading Commission (CFTC) voted to seek public input on simplifying and modernizing the agency's rules (Project KISS, 82 Fed. Reg. 21494 (May 9, 2017)). CFTC Acting Chairman J. Christopher Giancarlo initially announced an agencywide internal review of CFTC rules in March 2017 to identify those areas that can be simplified to make them less burdensome and costly. The internal review was named Project KISS, for "Keep It Simple, Stupid."

Now, the CFTC is asking derivatives market participants and other stakeholders to identify how the agency's rules and practices can be applied in a simpler and less costly manner. According to Acting Chairman Giancarlo, "Industry will still have to comply with CFTC rules and Congressional laws, but we need to be able to do so in a way that makes sense and reduces regulatory burdens" (CFTC Release 7555-17).

The Project KISS initiative stems from President Donald Trump's Executive Order 13777 to lower regulatory burdens by implementing and enforcing regulatory reform. As an independent agency, the CFTC is not directly covered by the president's order. Nevertheless, the CFTC has solicited public input to assist in reviewing its rules with an eye toward reducing regulatory burdens and costs. Under the prior administration, the CFTC made a similar commitment to review the effectiveness of its existing regulations once the Dodd-Frank rulemaking process was substantially completed (Reducing Regulatory Burden; Retrospective Review Under E.O. 13563, 76 Fed. Reg. 38328 (June 30, 2011)).

The CFTC has identified five broad areas for Project KISS review, which cover both futures and swaps-related regulations:

- Registration
- Data reporting and recordkeeping
- Clearing
- Trade execution
- All other areas

The CFTC has created a comment submission portal on its website for each category. Suggestions must be received by September 30, 2017 (<http://www.cftc.gov/projectkiss>).