

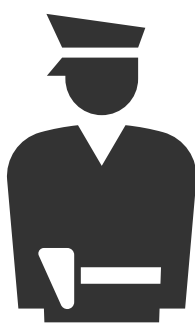
CUTTING **WALLST** REFORM



The House Appropriations Committee has proposed legislation that would cut **12%** from the President's budget request for the **Securities and Exchange Commission (SEC)** and **41%** from the request for the **Commodity Futures Trading Commission (CFTC)** for Fiscal Year 2013. That is a combined reduction of **\$323 million**.

These cuts would undermine the enforcement of Wall Street reform.

WHAT THE SEC AND CFTC DO



The **SEC** and the **CFTC** are **oversight agencies** that help keep financial markets competitive and secure.

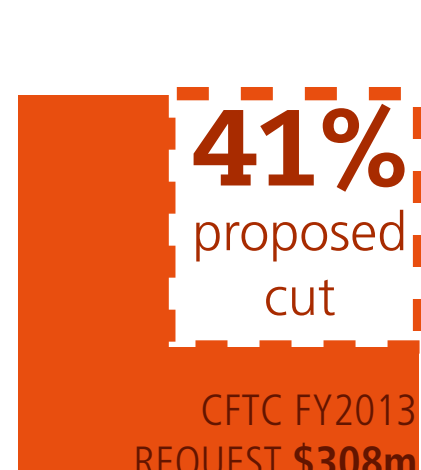
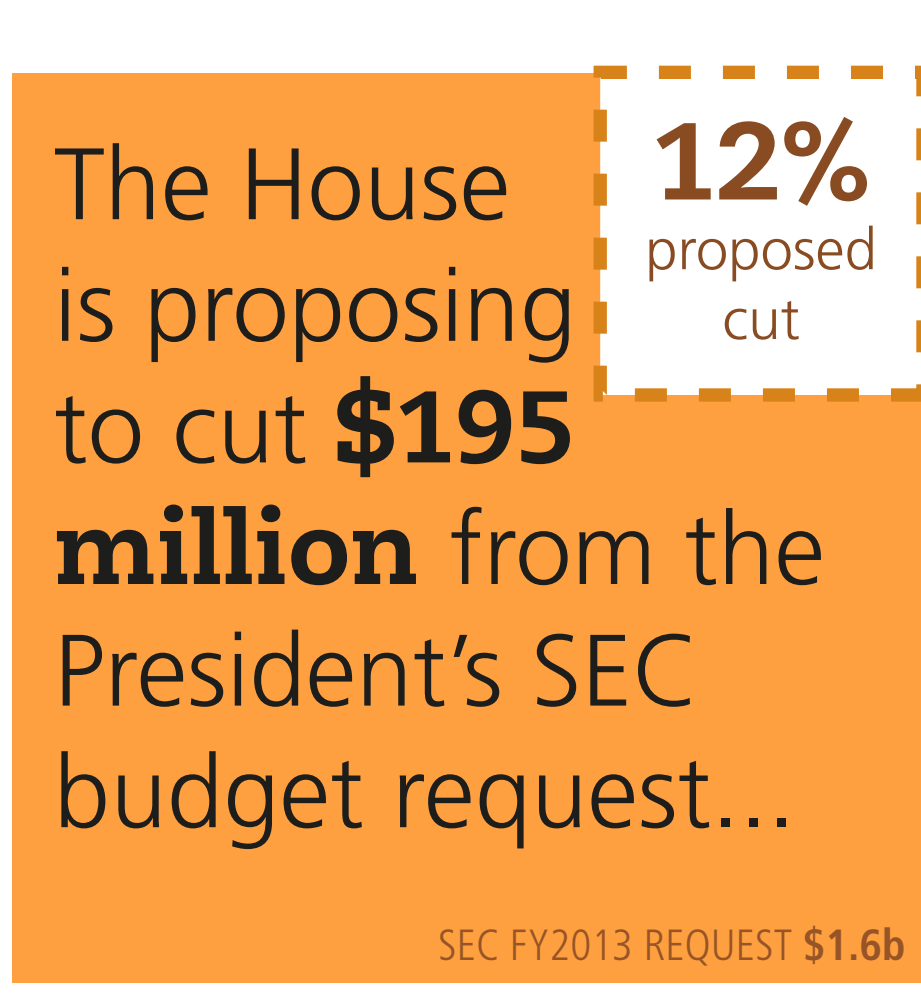
The SEC

The **SEC** protects more than **90 million investors** who own mutual funds and helps regulate the more-than-**\$50 trillion** U.S. market in stocks and bonds.

The CFTC

The **CFTC** oversees the U.S. derivatives market, which includes **\$300 trillion** in swaps and **\$40 trillion** in futures.^a

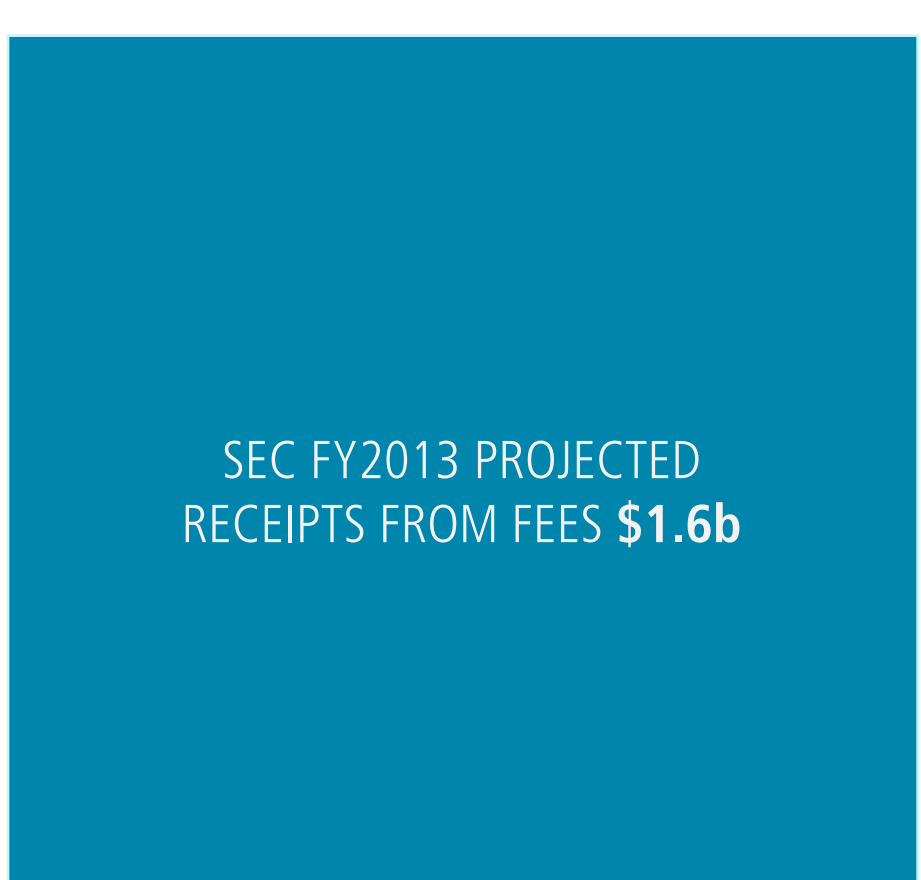
THE CUTS IN CONTEXT



= 100 full-time equivalent employees in 2013

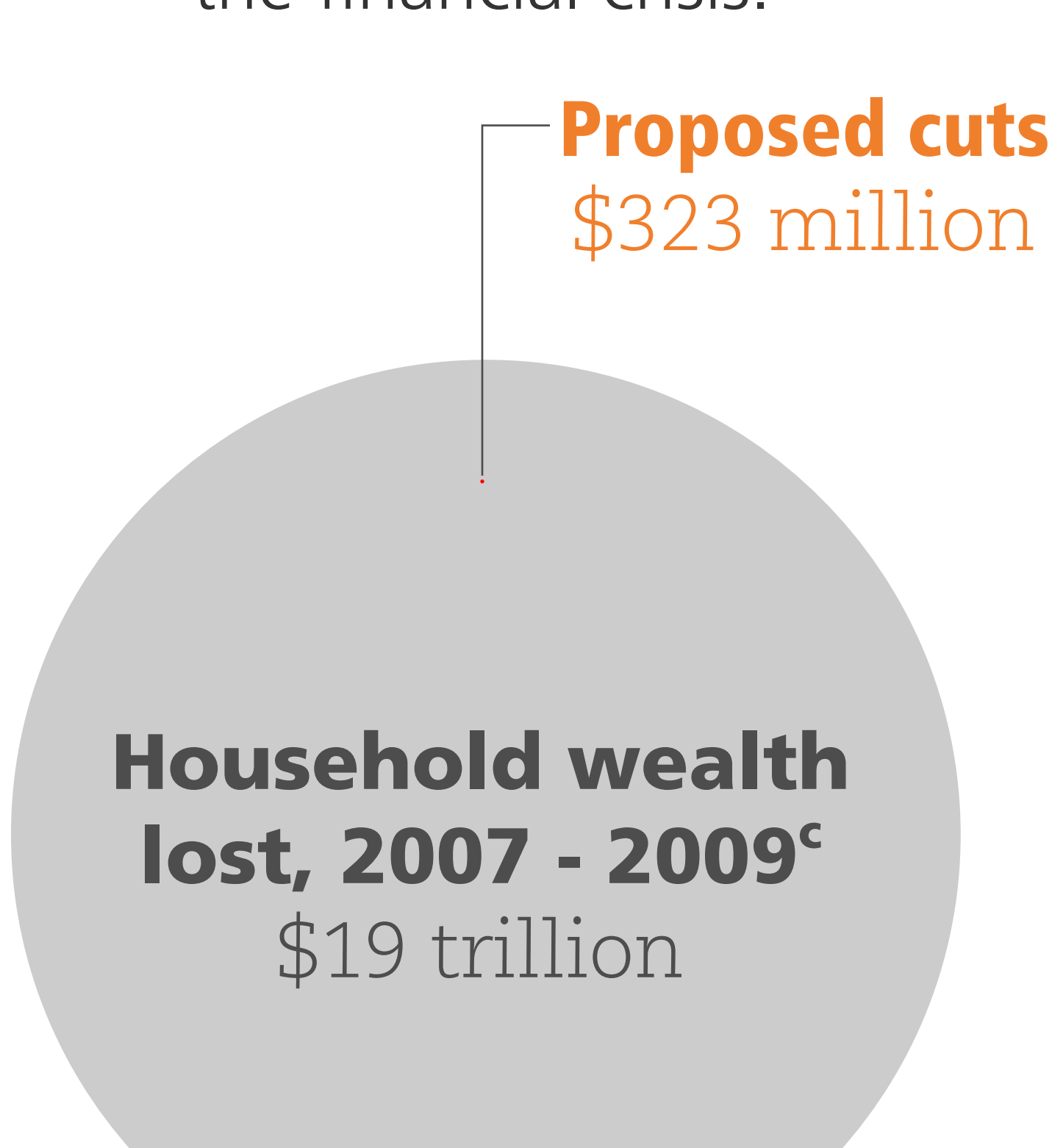


These proposed cuts are equivalent to the funding of **about 1,600 workers^b** at the agencies.



This is in spite of the fact that the SEC **pays for itself**, largely through fees on trading volumes.

Moreover, these cuts are **less than .002%** of the total household wealth lost during the financial crisis.



NOTES and SOURCES

(a) Notional amount outstanding.
 (b) Based on average salary and benefits for the SEC and CFTC requested for 2013.
 (c) Difference in household net worth from peak (2007 Q2) to trough (2009 Q1). Inflation-adjusted 2011 dollars.

President's Fiscal Year 2013 Budget, <http://go.usa.gov/vqT>
 House Financial Services Subcommittee Draft Fiscal Year 2013 Appropriations, <http://go.usa.gov/vqD>
 House Agricultural Subcommittee Draft Fiscal Year 2013 Appropriations, <http://go.usa.gov/vqk>
 CFTC Fiscal Year 2013 Budget and Performance Plan, <http://go.usa.gov/vZd>
 SEC Fiscal Year 2013 Congressional Justification In Brief, <http://go.usa.gov/vZv>
 Investment Company Institute 2012 Fact Book, <http://goo.gl/GvN6H>
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 World Bank stock market capitalization data, <http://goo.gl/vjwXX>
 Federal Reserve Flow of Funds, Table B.100