



**THE MINISTERS AND MISSIONARIES
BENEFIT BOARD**

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May 12, 2015

The Honorable Michael Conaway
Chairman
Committee on Agriculture
U.S. House of Representatives
1301 Longworth House Office Building
Washington, DC 20515

The Honorable Collin Peterson
Ranking Member
Committee on Agriculture
U.S. House of Representatives
1010 Longworth House Office Building
Washington, DC 20515

The Honorable Austin Scott
Chairman
Subcommittee on Commodity Exchanges,
Energy, and Credit
Committee on Agriculture
U.S. House of Representatives
1301 Longworth House Office Building
Washington, DC 20515

The Honorable David Scott
Ranking Member
Subcommittee on Commodity Exchanges,
Energy, and Credit
Committee on Agriculture
U.S. House of Representatives
1010 Longworth House Office Building
Washington, DC 20515

Dear Chairman Conaway, Ranking Member Peterson, Chairman Scott, and
Ranking Member Scott:

On behalf of The Ministers and Missionaries Benefit Board of American Baptist Churches in the U.S.A. ("MMBB"), I write to strongly urge that the CFTC reauthorization legislation include a provision expanding the church plan exemption from the commodity pool operator ("CPO") and commodity trading advisor ("CTA") rules under the Commodity Exchange Act ("CEA") to include church plan-related accounts. In light of the fact that church plans are not the intended target of these rules, church plans are generally exempt from the CPO and CTA requirements; however, the exemption does not include church plan-related accounts.

MMBB was established over 100 years ago as a not-for-profit Corporation with the goal of achieving the better maintenance of the ministers of the American Baptist denomination. Over 100 years later MMBB sponsors several retirement plans and a death benefit plan for its constituents. MMBB also provides other benefits (including emergency assistance in hardship

situations) to American Baptist ministers and those who are affiliated and share common religious bonds with American Baptists.

Church benefits boards often use investment managers or advisers that engage in commodities transactions for the purposes of diversification and hedging. Church benefits boards also have the ability to pool plan assets with other church-related funds purely for investment management purposes for the benefit of the church.

In contrast to the CEA and implementing regulations, the securities laws contain necessary exemptions for church plans and church plan-related accounts for the same reason noted above. Under these laws, church plans are not required to register or report as investment companies, register securities held, or disclose information about the securities they hold.

Church plans and church plan-related accounts should similarly be exempted from the commodity pool definition and from CTA registration requirements. The exemptions would provide parity between securities and commodities laws concerning church plans and church plan-related accounts. Additionally, the exemptions would reduce the cost to church plans and would ensure they have the full benefit of commodities investments that provide diversification, opportunities to hedge, and returns.

The ultimate benefit would be to clergy and church lay worker participants in the retirement and welfare plans, who have devoted their lives to religious institutions. Consequently, this correction has bipartisan support and is non-controversial.

We respectfully urge the inclusion of this much-needed provision in the CFTC reauthorization bill. Thank you.

Sincerely yours,

A handwritten signature in black ink that reads "Louis P. Barbarin". The signature is written in a cursive, flowing style.

Louis P. Barbarin
Executive Director of MMBB