



SEC Has Their Hands Full – From the JOBS Act to Working Majority

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Recent news coverage of the Securities Exchange Commission's (SEC) activity has focused quite a bit of attention on an issue involving outgoing Chairman Mary Shapiro's motivation for her alleged last minute involvement in delaying the passage of one of the main pieces of the Jumpstart Our Business Startups ([JOBS](#)) Act. Meanwhile, Elisse Walter is set to take over as new Chairman of the SEC and there has been little coverage of her plans for running the commission or how she proposes to deal with the many contentious issues that are daily fare at the SEC.

All the hubbub that has hogged headlines related to the SEC has centered around a controversial string of communications between Shapiro, lobbyists and SEC commissioners. The allegations are that a senior member of the Consumer Federation of America (CFA) contacted Shapiro in August, through her chief of staff, expressing "strong objections" to issues before Shapiro related to the JOBS act and stating that CFA was "prepared to be quite aggressive in [voicing our concerns](#)." The focus has been Shapiro's reaction to the CFA's vocal opposition to the measures, and e-mails have turned up showing that Shapiro sent messages to her staff saying things like, "they are making me very worried," and, "I don't want to be tagged with an Anti-Investor legacy."

There are more communications that have been unearthed that make Shapiro's interest look more self-serving that they should be, but the focus now should be on how issues before the SEC will be dealt with once Shapiro is gone, since she is leaving the SEC December 14th and will be replaced by Elisse Walter. Walter was chosen by President [Obama](#) in November to succeed Shapiro and Walter has experience as a senior official at the Financial Industry Regulatory Authority (FINRA) as well as substantial experience at the SEC, including having been a past chairman. Walter served as acting chairman in 2009, when then-chairman Christopher Cox stepped down, so this is not a new role for her.

Speaking about major issues facing the SEC, Mark Calabria, director of financial regulation studies at the libertarian Cato Institute, said recently, "The [biggest concern](#) for the agency is that they won't have a working majority," and, "You certainly can get votes done, but it means Walter has to work across the aisle." That may be the main concern, according to many people, but there are other big issues at hand, as well. Figuring out how to fix regulation of [money market](#) funds was a big objective Shapiro didn't get handled, so it will up to Walter to see if she can make headway on this front. Oh, and let's not forget dealing with the JOBS Act. These

are just a few of the big issues on the SEC's plate and they should be their focus, as well as the focus of what the news covers.

We live in a media bathed environment that has so much space to fill in newspapers, websites, magazines and other media that they sometimes focus on what they think will gather the most eyeballs instead of issues of real significance. News is a business and if they don't get, and keep, reader's attention they won't last long. But, the focus should be reporting what's actually important and making it interesting to readers, not just reporting what easily generates interest.