

113TH CONGRESS
2D SESSION

S. 2548

To require the Commodity Futures Trading Commission to take certain emergency action to eliminate excessive speculation in energy markets.

IN THE SENATE OF THE UNITED STATES

JUNE 26, 2014

Mr. SANDERS (for himself, Mr. BLUMENTHAL, Mr. NELSON, Mrs. MCCASKILL, Mr. LEVIN, Mr. CARDIN, Mr. FRANKEN, Mr. BROWN, Ms. BALDWIN, Mr. WHITEHOUSE, Mrs. SHAHEEN, Mr. MARKEY, Mr. MERKLEY, Ms. KLOBUCHAR, Ms. HIRONO, Mr. MANCHIN, Mr. ROCKEFELLER, Mr. SCHATZ, Ms. WARREN, and Mrs. BOXER) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To require the Commodity Futures Trading Commission to take certain emergency action to eliminate excessive speculation in energy markets.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. ENERGY MARKETS.**

4 (a) FINDINGS.—Congress finds that—

5 (1) the Commodity Futures Trading Commis-
6 sion was created as an independent agency, in 1974,
7 with a mandate—

1 (A) to enforce and administer the Com-
2modity Exchange Act (7 U.S.C. 1 et seq.);

3 (B) to ensure commodities market integ-
4rity;

5 (C) to protect commodities market users
6from fraud and abusive trading practices; and

7 (D) to prevent and prosecute manipulation
8of the price of any commodity in interstate
9commerce;

10 (2) Congress has given the Commodity Futures
11Trading Commission authority under the Commodity
12Exchange Act (7 U.S.C. 1 et seq.) to take necessary
13actions to address market emergencies;

14 (3) the Commodity Futures Trading Commis-
15sion may use the emergency authority of the Com-
16mission with respect to any major market disturb-
17ance that prevents the market from accurately re-
18flecting the forces of supply and demand for a com-
19modity;

20 (4) Congress declared in section 4a of the Com-
21modity Exchange Act (7 U.S.C. 6a) that excessive
22speculation imposes an undue and unnecessary bur-
23den on interstate commerce;

24 (5) according to an article published in Forbes
25magazine on February 27, 2012, excessive oil specu-

1 lation “translates out into a premium for gasoline at
2 the pump of \$.56 a gallon” based on a recent report
3 from Goldman Sachs;

4 (6) on June 13, 2014—

5 (A) the supply of motor gasoline was high-
6 er than the supply was on June 12, 2009, when
7 the national average price for a gallon of reg-
8 ular unleaded gasoline was just \$2.64; and

9 (B) demand for gasoline in the United
10 States was lower than demand was on June 12,
11 2009;

12 (7) on June 23, 2014, the national average
13 price of regular unleaded gasoline was over \$3.68 a
14 gallon, the highest price for this time of year since
15 2008, the year gasoline prices hit an all-time high;

16 (8) excessive oil and gasoline speculation is cre-
17 ating major market disturbances that prevent the
18 market from accurately reflecting the forces of sup-
19 ply and demand; and

20 (9) the Commodity Futures Trading Commis-
21 sion has a responsibility—

22 (A) to ensure that the price discovery for
23 oil and gasoline accurately reflects the fun-
24 damentals of supply and demand; and

1 (B) to take immediate action to implement
2 strong and meaningful position limits to regu-
3 lated exchange markets to eliminate excessive
4 oil speculation.

5 (b) ACTIONS.—Not later than 14 days after the date
6 of enactment of this Act, the Commodity Futures Trading
7 Commission shall use the authority of the Commission (in-
8 cluding emergency powers)—

9 (1) to curb immediately the role of excessive
10 speculation in any contract market within the juris-
11 diction and control of the Commission, on or
12 through which energy futures or swaps are traded;
13 and

14 (2) to eliminate excessive speculation, price dis-
15 tortion, sudden or unreasonable fluctuations, or un-
16 warranted changes in prices, or other unlawful activ-
17 ity that is causing major market disturbances that
18 prevent the market from accurately reflecting the
19 forces of supply and demand for energy commod-
20 ities.

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