115TH CONGRESS
1ST SESSION

H. R. 238

AN ACT

To reauthorize the Commodity Futures Trading Commission, to better protect futures customers, to provide end-users with market certainty, to make basic reforms to ensure transparency and accountability at the Commission, to help farmers, ranchers, and end-users manage risks, to help keep consumer costs low, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

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SECTION 1. SHORT TITLE.

This Act may be cited as the “Commodity End-User Relief Act”.

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

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Sec. 103. Notice and certifications providing additional customer protections.
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TITLE I—CUSTOMER PROTECTIONS

SEC. 101. ENHANCED PROTECTIONS FOR FUTURES CUSTOMERS.

Section 17 of the Commodity Exchange Act (7 U.S.C. 21) is amended by adding at the end the following:

“(t) A registered futures association shall—

“(1) require each member of the association that is a futures commission merchant to maintain
written policies and procedures regarding the main-
tenance of—

“(A) the residual interest of the member, as described in section 1.23 of title 17, Code of Federal Regulations, in any customer seg-
regated funds account of the member, as identi-
fied in section 1.20 of such title, and in any for-
eign futures and foreign options customer se-
cured amount funds account of the member, as identified in section 30.7 of such title; and

“(B) the residual interest of the member, as described in section 22.2(e)(4) of such title, in any cleared swaps customer collateral ac-
count of the member, as identified in section

22.2 of such title; and

“(2) establish rules to govern the withdrawal, transfer or disbursement by any member of the asso-
ciation, that is a futures commission merchant, of the member’s residual interest in customer seg-
regated funds as provided in such section 1.20, in foreign futures and foreign options customer secured amount funds, identified as provided in such section 30.7, and from a cleared swaps customer collateral, identified as provided in such section 22.2.”.
SEC. 102. ELECTRONIC CONFIRMATION OF CUSTOMER FUNDS.

Section 17 of the Commodity Exchange Act (7 U.S.C. 21), as amended by section 101 of this Act, is amended by adding at the end the following:

“(u) A registered futures association shall require any member of the association that is a futures commission merchant to—

“(1) use an electronic system or systems to report financial and operational information to the association or another party designated by the registered futures association, including information related to customer segregated funds, foreign futures and foreign options customer secured amount funds accounts, and cleared swaps customer collateral, in accordance with such terms, conditions, documentation standards, and regular time intervals as are established by the registered futures association;

“(2) instruct each depository, including any bank, trust company, derivatives clearing organization, or futures commission merchant, holding customer segregated funds under section 1.20 of title 17, Code of Federal Regulations, foreign futures and foreign options customer secured amount funds under section 30.7 of such title, or cleared swap customer funds under section 22.2 of such title, to re-
port balances in the futures commission merchant’s section 1.20 customer segregated funds, section 30.7 foreign futures and foreign options customer secured amount funds, and section 22.2 cleared swap customer funds, to the registered futures association or another party designated by the registered futures association, in the form, manner, and interval prescribed by the registered futures association; and

“(3) hold section 1.20 customer segregated funds, section 30.7 foreign futures and foreign options customer secured amount funds and section 22.2 cleared swaps customer funds in a depository that reports the balances in these accounts of the futures commission merchant held at the depository to the registered futures association or another party designated by the registered futures association in the form, manner, and interval prescribed by the registered futures association.”.

SEC. 103. NOTICE AND CERTIFICATIONS PROVIDING ADDITIONAL CUSTOMER PROTECTIONS.

Section 17 of the Commodity Exchange Act (7 U.S.C. 21), as amended by sections 101 and 102 of this Act, is amended by adding at the end the following:

“(v) A futures commission merchant that has adjusted net capital in an amount less than the amount re-
quired by regulations established by the Commission or a self-regulatory organization of which the futures commission merchant is a member shall immediately notify the Commission and the self-regulatory organization of this occurrence.

“(w) A futures commission merchant that does not hold a sufficient amount of funds in segregated accounts for futures customers under section 1.20 of title 17, Code of Federal Regulations, in foreign futures and foreign options secured amount accounts for foreign futures and foreign options secured amount customers under section 30.7 of such title, or in segregated accounts for cleared swap customers under section 22.2 of such title, as required by regulations established by the Commission or a self-regulatory organization of which the futures commission merchant is a member, shall immediately notify the Commission and the self-regulatory organization of this occurrence.

“(x) Within such time period established by the Commission after the end of each fiscal year, a futures commission merchant shall file with the Commission a report from the chief compliance officer of the futures commission merchant containing an assessment of the internal compliance programs of the futures commission merchant.”.
SEC. 104. FUTURES COMMISSION MERCHANT COMPLIANCE.

(a) IN GENERAL.—Section 4d(a) of the Commodity Exchange Act (7 U.S.C. 6d(a)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B);
(2) by inserting “(1)” before “It shall be unlawful”; and
(3) by adding at the end the following new paragraph:

“(2) Any rules or regulations requiring a futures commission merchant to maintain a residual interest in accounts held for the benefit of customers in amounts at least sufficient to exceed the sum of all uncollected margin deficits of such customers shall provide that a futures commission merchant shall meet its residual interest requirement as of the end of each business day calculated as of the close of business on the previous business day.”.

(b) CONFORMING AMENDMENT.—Section 4d(h) of such Act (7 U.S.C. 6d(h)) is amended by striking “Notwithstanding subsection (a)(2)” and inserting “Notwithstanding subsection (a)(1)(B)”.

SEC. 105. CERTAINTY FOR FUTURES CUSTOMERS AND MARKET PARTICIPANTS.

Section 20(a) of the Commodity Exchange Act (7 U.S.C. 24(a)) is amended—
(1) by striking “and” at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting “; and”; and

(3) by adding at the end the following:

“(6) that cash, securities, or other property of the estate of a commodity broker, including the trading or operating accounts of the commodity broker and commodities held in inventory by the commodity broker, shall be included in customer property, subject to any otherwise unavoidable security interest, or otherwise unavoidable contractual offset or netting rights of creditors (including rights set forth in a rule or bylaw of a derivatives clearing organization or a clearing agency) in respect of such property, but only to the extent that the property that is otherwise customer property is insufficient to satisfy the net equity claims of public customers (as such term may be defined by the Commission by rule or regulation) of the commodity broker.”.
TITLE II—COMMODITY FUTURES
TRADING COMMISSION REFORMS

SEC. 201. EXTENSION OF OPERATIONS.

Section 12(d) of the Commodity Exchange Act (7 U.S.C. 16(d)) is amended to read as follows:

“(d) Authorization of Appropriations.—There is authorized to be appropriated $250,000,000 for each of fiscal years 2017 through 2021 to carry out this Act.”.

SEC. 202. CONSIDERATION BY THE COMMODITY FUTURES TRADING COMMISSION OF THE COSTS AND BENEFITS OF ITS REGULATIONS AND ORDERS.

Section 15(a) of the Commodity Exchange Act (7 U.S.C. 19(a)) is amended—

(1) by striking paragraphs (1) and (2) and inserting the following:

“(1) IN GENERAL.—Before promulgating a regulation under this Act or issuing an order (except as provided in paragraph (3)), the Commission, through the Office of the Chief Economist, shall assess and publish in the regulation or order the costs and benefits, both qualitative and quantitative, of the proposed regulation or order, and the proposed
regulation or order shall state its statutory justification.

“(2) CONSIDERATIONS.—In making a reasoned determination of the costs and the benefits, the Commission shall evaluate—

“(A) considerations of protection of market participants and the public;

“(B) considerations of the efficiency, competitiveness, and financial integrity of futures and swaps markets;

“(C) considerations of the impact on market liquidity in the futures and swaps markets;

“(D) considerations of price discovery;

“(E) considerations of sound risk management practices;

“(F) available alternatives to direct regulation;

“(G) the degree and nature of the risks posed by various activities within the scope of its jurisdiction;

“(H) the costs of complying with the proposed regulation or order by all regulated entities, including a methodology for quantifying the costs (recognizing that some costs are difficult to quantify);
“(I) whether the proposed regulation or order is inconsistent, incompatible, or duplicative of other Federal regulations or orders;

“(J) the cost to the Commission of implementing the proposed regulation or order by the Commission staff, including a methodology for quantifying the costs;

“(K) whether, in choosing among alternative regulatory approaches, those approaches maximize net benefits (including potential economic and other benefits, distributive impacts, and equity); and

“(L) other public interest considerations.”;

and

(2) by adding at the end the following:

“(4) JUDICIAL REVIEW.—Notwithstanding section 24(d), a court shall affirm a Commission assessment of costs and benefits under this subsection, unless the court finds the assessment to be an abuse of discretion.”.

SEC. 203. DIVISION DIRECTORS.

Section 2(a)(6)(C) of the Commodity Exchange Act (7 U.S.C. 2(a)(6)(C)) is amended by inserting “, and the heads of the units shall serve at the pleasure of the Commission” before the period.
SEC. 204. OFFICE OF THE CHIEF ECONOMIST.

(a) In General.—Section 2(a) of the Commodity Exchange Act (7 U.S.C. 2(a)) is amended by adding at the end the following:

“(16) Office of the chief economist.—

“(A) Establishment.—There is established in the Commission the Office of the Chief Economist.

“(B) Head.—The Office of the Chief Economist shall be headed by the Chief Economist, who shall be appointed by the Commission and serve at the pleasure of the Commission.

“(C) Functions.—The Chief Economist shall report directly to the Commission and perform such functions and duties as the Commission may prescribe.

“(D) Professional staff.—The Commission shall appoint such other economists as may be necessary to assist the Chief Economist in performing such economic analysis, regulatory cost-benefit analysis, or research any member of the Commission may request.”.

(b) Conforming Amendment.—Section 2(a)(6)(A) of such Act (7 U.S.C. 2(a)(6)(A)) is amended by striking “(4) and (5) of this subsection” and inserting “(4), (5), and (16)”.

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(c) Sense of the Congress.—It is the sense of the Congress that the Commodity Futures Trading Commission should take all appropriate actions to encourage applications for positions in the Office of the Chief Economist from members of minority groups, women, disabled persons, and veterans.

SEC. 205. PROCEDURES GOVERNING ACTIONS TAKEN BY COMMISSION STAFF.

Section 2(a)(12) of the Commodity Exchange Act (7 U.S.C. 2(a)(12)) is amended—

(1) by striking “(12) The” and inserting the following:

“(12) Rules and regulations.—

“(A) In general.—Subject to the other provisions of this paragraph, the”; and

(2) by adding after and below the end the following new subparagraph:

“(B) Notice to Commissioners.—The Commission shall develop and publish internal procedures governing the issuance by any division or office of the Commission of any response to a formal, written request or petition from any member of the public for an exemptive, a no-action, or an interpretive letter and such procedures shall provide that the commis-
sioners be provided with the final version of the
matter to be issued with sufficient notice to re-
view the matter prior to its issuance.”.

SEC. 206. STRATEGIC TECHNOLOGY PLAN.

Section 2(a) of the Commodity Exchange Act (7
U.S.C. 2(a)), as amended by section 204(a) of this Act,
is amended by adding at the end the following:

“(17) STRATEGIC TECHNOLOGY PLAN.—

“(A) IN GENERAL.—Every 5 years, the
Commission shall develop and submit to the
Committee on Agriculture of the House of Rep-
resentatives and the Committee on Agriculture,
Nutrition, and Forestry of the Senate a detailed
plan focused on the acquisition and use of tech-
nology by the Commission.

“(B) CONTENTS.—The plan shall—

“(i) include for each related division
or office a detailed technology strategy fo-
cused on market surveillance and risk de-
tection, market data collection, aggrega-
tion, interpretation, standardization, har-
monization, normalization, validation,
streamlining or other data analytic proc-
esses, and internal management and pro-
tection of data collected by the Commis-
sion, including a detailed accounting of how the funds provided for technology will be used and the priorities that will apply in the use of the funds;

“(ii) set forth annual goals to be accomplished and annual budgets needed to accomplish the goals; and

“(iii) include a summary of any plan of action and milestones to address any known information security vulnerability, as identified pursuant to a widely accepted industry or Government standard, including—

“(I) specific information about the industry or Government standard used to identify the known information security vulnerability;

“(II) a detailed time line with specific deadlines for addressing the known information security vulnerability; and

“(III) an update of any such time line and the rationale for any deviation from the time line.”.
SEC. 207. INTERNAL RISK CONTROLS.

Section 2(a)(12) of the Commodity Exchange Act (7 U.S.C. 2(a)(12)), as amended by section 205 of this Act, is amended by adding at the end the following:

“(C) INTERNAL RISK CONTROLS.—The Commission, in consultation with the Chief Economist, shall develop comprehensive internal risk control mechanisms to safeguard and govern the storage of all market data by the Commission, all market data sharing agreements of the Commission, and all academic research performed at the Commission using market data.”.

SEC. 208. SUBPOENA DURATION AND RENEWAL.

Section 6(c)(5) of the Commodity Exchange Act (7 U.S.C. 9(5)) is amended—

(1) by striking “(5) SUBPOENA.—For” and inserting the following:

“(5) SUBPOENA.—

“(A) IN GENERAL.—For”; and

(2) by adding after and below the end the following:

“(B) OMNIBUS ORDERS OF INVESTIGATION.—

“(i) DURATION AND RENEWAL.—An omnibus order of investigation shall not be
for an indefinite duration and may be re-
newed only by Commission action.

“(ii) DEFINITION.—In clause (i), the
term ‘omnibus order of investigation’
means an order of the Commission author-
izing one of more members of the Commis-
sion or its staff to issue subpoenas under
subparagraph (A) to multiple persons in
relation to a particular subject matter
area.”.

SEC. 209. APPLICABILITY OF NOTICE AND COMMENT RE-
QUIREMENTS OF THE ADMINISTRATIVE PRO-
CEDURE ACT TO GUIDANCE VOTED ON BY
THE COMMISSION.

Section 2(a)(12) of the Commodity Exchange Act (7
U.S.C. 2(a)(12)), as amended by sections 205 and 207
of this Act, is amended by adding at the end the following:

“(D) APPLICABILITY OF NOTICE AND COM-
MENT RULES TO GUIDANCE VOTED ON BY THE
COMMISSION.—The notice and comment re-
quirements of section 553 of title 5, United
States Code, shall also apply with respect to
any Commission statement or guidance, includ-
ing interpretive rules, general statements of pol-
icy, or rules of Commission organization, proce-
procedure, or practice, that has the effect of implementing, interpreting or prescribing law or policy and that is voted on by the Commission.”.

SEC. 210. JUDICIAL REVIEW OF COMMISSION RULES.
The Commodity Exchange Act (7 U.S.C. 1 et seq.) is amended by adding at the end the following:

“SEC. 24. JUDICIAL REVIEW OF COMMISSION RULES.

“(a) A person adversely affected by a rule of the Commission promulgated under this Act may obtain review of the rule in the United States Court of Appeals for the District of Columbia Circuit or the United States Court of Appeals for the circuit where the party resides or has the principal place of business, by filing in the court, within 60 days after publication in the Federal Register of the entry of the rule, a written petition requesting that the rule be set aside.

“(b) A copy of the petition shall be transmitted forthwith by the clerk of the court to an officer designated by the Commission for that purpose. Thereupon the Commission shall file in the court the record on which the rule complained of is entered, as provided in section 2112 of title 28, United States Code, and the Federal Rules of Appellate Procedure.

“(c) On the filing of the petition, the court has jurisdiction, which becomes exclusive on the filing of the
record, to affirm and enforce or to set aside the rule in whole or in part.

“(d) The court shall affirm and enforce the rule unless the Commission’s action in promulgating the rule is found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law; contrary to constitutional right, power, privilege, or immunity; in excess of statutory jurisdiction, authority, or limitations, or short of statutory right; or without observance of procedure required by law.”.

SEC. 211. GAO STUDY ON USE OF COMMISSION RESOURCES.

(a) Study.—The Comptroller General of the United States shall conduct a study of the resources of the Commodity Futures Trading Commission that—

(1) assesses whether the resources of the Commission are sufficient to enable the Commission to effectively carry out the duties of the Commission;

(2) examines the expenditures of the Commission on hardware, software, and analytical processes designed to protect customers in the areas of—

(A) market surveillance and risk detection; and

(B) market data collection, aggregation, interpretation, standardization, harmonization, and streamlining;
(3) analyzes the additional workload undertaken by the Commission, and ascertains where self-regulatory organizations could be more effectively utilized; and

(4) examines existing and emerging post-trade risk reduction services in the swaps market, the notional amount of risk reduction transactions provided by the services, and the effects the services have on financial stability, including—

(A) market surveillance and risk detection;

(B) market data collection, aggregation, interpretation, standardization, harmonization, and streamlining; and

(C) oversight and compliance work by market participants and regulators.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that contains the results of the study required by subsection (a).
SEC. 212. DISCLOSURE OF REQUIRED DATA OF OTHER REGISTERED ENTITIES.

Section 8 of the Commodity Exchange Act (7 U.S.C. 12) is amended by adding at the end the following:

“(j) DISCLOSURE OF REQUIRED DATA OF OTHER REGISTERED ENTITIES.—

“(1) Except as provided in this subsection, the Commission may not be compelled to disclose any proprietary information provided to the Commission, except that nothing in this subsection—

“(A) authorizes the Commission to withhold information from Congress; or

“(B) prevents the Commission from—

“(i) complying with a request for information from any other Federal department or agency, any State or political subdivision thereof, or any foreign government or any department, agency, or political subdivision thereof requesting the report or information for purposes within the scope of its jurisdiction, upon an agreement of confidentiality to protect the information in a manner consistent with this paragraph and subsection (e); or

“(ii) making a disclosure made pursuant to a court order in connection with an
administrative or judicial proceeding brought under this Act, in any receivership proceeding involving a receiver appointed in a judicial proceeding brought under this Act, or in any bankruptcy proceeding in which the Commission has intervened or in which the Commission has the right to appear and be heard under title 11 of the United States Code.

“(2) Any proprietary information of a commodity trading advisor or commodity pool operator ascertained by the Commission in connection with Form CPO–PQR, Form CTA–PR, and any successor forms thereto, shall be subject to the same limitations on public disclosure, as any facts ascertained during an investigation, as provided by subsection (a); provided, however, that the Commission shall not be precluded from publishing aggregate information compiled from such forms, to the extent such aggregate information does not identify any individual person or firm, or such person’s proprietary information.

“(3) For purposes of section 552 of title 5, United States Code, this subsection, and the information contemplated herein, shall be considered a
statute described in subsection (b)(3)(B) of such section 552.

“(4) For purposes of the definition of proprietary information in paragraph (5), the records and reports of any client account or commodity pool to which a commodity trading advisor or commodity pool operator registered under this title provides services that are filed with the Commission on Form CPO–PQR, CTA–PR, and any successor forms thereto, shall be deemed to be the records and reports of the commodity trading advisor or commodity pool operator, respectively.

“(5) For purposes of this section, proprietary information of a commodity trading advisor or commodity pool operator includes sensitive, non-public information regarding—

“(A) the commodity trading advisor, commodity pool operator or the trading strategies of the commodity trading advisor or commodity pool operator;

“(B) analytical or research methodologies of a commodity trading advisor or commodity pool operator;

“(C) trading data of a commodity trading advisor or commodity pool operator; and
“(D) computer hardware or software containing intellectual property of a commodity trading advisor or commodity pool operator;”.}

SEC. 213. ELIMINATION OF CERTAIN LEASING AUTHORITY OF THE COMMISSION.

Section 12(b)(3) of the Commodity Exchange Act (7 U.S.C. 16(b)(3)) is amended—

(1) by striking “including, but not limited to,” and inserting “excluding”; and

(2) by adding at the end the following new sentence: “In the case of an existing lease contract entered into under this paragraph, the Commission may not extend the lease term, but may agree to any other contract modification that does not result in any additional cost to the Federal Government.”.

SEC. 214. REFORM OF THE CUSTOMER PROTECTION FUND.

Section 23(g) of the Commodity Exchange Act (7 U.S.C. 26(g)) is amended—

(1) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking “or fiscal year limitation”; and

(B) in subparagraph (A), by striking “;” and inserting “, without fiscal year limitation;”; and
(C) in subparagraph (B), by striking “thereunder.” and inserting “, the total amount of which shall not exceed $5,000,000 per fiscal year.”;

(2) in paragraph (3)(A), by striking “unless the balance of the Fund at the time the monetary judgment is collected exceeds $100,000,000” and inserting “, but only to the extent that the resulting balance of the Fund does not exceed $50,000,000”; and

(3) by redesignating paragraph (5) as paragraph (6) and inserting after paragraph (4) the following:

“(5) REVERSION TO TREASURY.—Notwithstanding the preceding provisions of this subsection, to the extent the balance of the Fund exceeds $50,000,000, the excess amount shall be deposited in the Treasury of the United States as miscellaneous receipts.”.

TITLE III—END-USER RELIEF

SEC. 301. TRANSACTIONS WITH UTILITY SPECIAL ENTITIES.

Section 1a(49) of the Commodity Exchange Act (7 U.S.C. 1a(49)) is amended by adding at the end the following:

“(E) CERTAIN TRANSACTIONS WITH A UTILITY SPECIAL ENTITY.—
“(i) Transactions in utility operations-related swaps shall be reported pursuant to section 4r.

“(ii) In making a determination to exempt pursuant to subparagraph (D), the Commission shall treat a utility operations-related swap entered into with a utility special entity, as defined in section 4s(h)(2)(D), as if it were entered into with an entity that is not a special entity, as defined in section 4s(h)(2)(C).”.

SEC. 302. UTILITY SPECIAL ENTITY DEFINED.

Section 4s(h)(2) of the Commodity Exchange Act (7 U.S.C. 6s(h)(2)) is amended by adding at the end the following:

“(D) UTILITY SPECIAL ENTITY.—For purposes of this Act, the term ‘utility special entity’ means a special entity, or any instrumentality, department, or corporation of or established by a State or political subdivision of a State, that—

“(i) owns or operates, or anticipates owning or operating, an electric or natural gas facility or an electric or natural gas operation;
“(ii) supplies, or anticipates supplying, natural gas and or electric energy to another utility special entity;

“(iii) has, or anticipates having, public service obligations under Federal, State, or local law or regulation to deliver electric energy or natural gas service to customers;

or

“(iv) is a Federal power marketing agency, as defined in section 3 of the Federal Power Act.”.

SEC. 303. UTILITY OPERATIONS-RELATED SWAP.

(a) Swap Further Defined.—Section 1a(47)(A)(iii) of the Commodity Exchange Act (7 U.S.C. 1a(47)(A)(iii)) is amended—

(1) by striking “and” at the end of subclause (XXI);

(2) by adding “and” at the end of subclause (XXII); and

(3) by adding at the end the following:

“(XXIII) a utility operations-related swap;”.

(b) Utility Operations-Related Swap Defined.—Section 1a of such Act (7 U.S.C. 1a) is amended by adding at the end the following:
“(52) UTILITY OPERATIONS-RELATED SWAP.—

The term ‘utility operations-related swap’ means a swap that—

“(A) is entered into by a utility to hedge or mitigate a commercial risk;

“(B) is not a contract, agreement, or transaction based on, derived on, or referencing—

“(i) an interest rate, credit, equity, or currency asset class;

“(ii) except as used for fuel for electric energy generation, a metal, agricultural commodity, or crude oil or gasoline commodity of any grade; or

“(iii) any other commodity or category of commodities identified for this purpose in a rule or order adopted by the Commission in consultation with the appropriate Federal and State regulatory commissions; and

“(C) is associated with—

“(i) the generation, production, purchase, or sale of natural gas or electric energy, the supply of natural gas or electric energy to a utility, or the delivery of nat-
ural gas or electric energy service to utility customers;

“(ii) fuel supply for the facilities or operations of a utility;

“(iii) compliance with an electric system reliability obligation;

“(iv) compliance with an energy, energy efficiency, conservation, or renewable energy or environmental statute, regulation, or government order applicable to a utility; or

“(v) any other electric energy or natural gas swap to which a utility is a party.”.

SEC. 304. END-USERS NOT TREATED AS FINANCIAL ENTITIES.

(a) In General.—Section 2(h)(7)(C)(iii) of the Commodity Exchange Act (7 U.S.C. 2(h)(7)(C)(iii)) is amended to read as follows:

“(iii) LIMITATION.—Such definition shall not include an entity—

“(I) whose primary business is providing financing, and who uses derivatives for the purpose of hedging underlying commercial risks related to
interest rate and foreign currency exposures, 90 percent or more of which arise from financing that facilitates the purchase or lease of products, 90 percent or more of which are manufactured by the parent company or another subsidiary of the parent company; or

“(II) who is not supervised by a prudential regulator, and is not described in any of subclauses (I) through (VII) of clause (i), and—

“(aa) is a commercial market participant; or

“(bb) enters into swaps, contracts for future delivery, and other derivatives on behalf of, or to hedge or mitigate the commercial risk of, whether directly or in the aggregate, affiliates that are not so supervised or described.”.

(b) Commercial Market Participant Defined.—

(1) In general.—Section 1a of such Act (7 U.S.C. 1a), as amended by section 303(b) of this
Act, is amended by redesignating paragraphs (7) through (52) as paragraphs (8) through (53), respectively, and by inserting after paragraph (6) the following:

“(7) COMMERCIAL MARKET PARTICIPANT.—The term ‘commercial market participant’ means any producer, processor, merchant, or commercial user of an exempt or agricultural commodity, or the products or byproducts of such a commodity.”.

(2) CONFORMING AMENDMENTS.—

(A) Section 1a of such Act (7 U.S.C. 1a) is amended—

(i) in subparagraph (A) of paragraph (18) (as so redesignated by paragraph (1) of this subsection), in the matter preceding clause (i), by striking “(18)(A)” and inserting “(19)(A)”; and

(ii) in subparagraph (A)(vii) of paragraph (19) (as so redesignated by paragraph (1) of this subsection), in the matter following subclause (III), by striking “(17)(A)” and inserting “(18)(A)”.

(B) Section 4(c)(1)(A)(i)(I) of such Act (7 U.S.C. 6(c)(1)(A)(i)(I)) is amended by striking “(7), paragraph (18)(A)(vii)(III), paragraphs
(23), (24), (31), (32), (38), (39), (41), (42),
(46), (47), (48), and (49)” and inserting “(8),
paragraph (19)(A)(vii)(III), paragraphs (24),
(25), (32), (33), (39), (40), (42), (43), (47),
(48), (49), and (50)”.

(C) Section 4q(a)(1) of such Act (7 U.S.C.
6o–1(a)(1)) is amended by striking “1a(9)” and
inserting “1a(10)”.

(D) Section 4s(f)(1)(D) of such Act (7
U.S.C. 6s(f)(1)(D)) is amended by striking
“1a(47)(A)(v)” and inserting “1a(48)(A)(v)”.

(E) Section 4s(h)(5)(A)(i) of such Act (7
U.S.C. 6s(h)(5)(A)(i)) is amended by striking
“1a(18)” and inserting “1a(19)”.

(F) Section 4t(b)(1)(C) of such Act (7
U.S.C. 6t(b)(1)(C)) is amended by striking
“1a(47)(A)(v)” and inserting “1a(48)(A)(v)”.

(G) Section 5(d)(23) of such Act (7 U.S.C.
7(d)(23)) is amended by striking
“1a(47)(A)(v)” and inserting “1a(48)(A)(v)”.

(H) Section 5(e)(1) of such Act (7 U.S.C.
7(e)(1)) is amended by striking “1a(9)” and in-
serting “1a(10)”.
(I) Section 5b(k)(3)(A) of such Act (7 U.S.C. 7a–1(k)(3)(A)) is amended by striking “1a(47)(A)(v)” and inserting “1a(48)(A)(v)”.


(K) Section 21(f)(4)(C) of such Act (7 U.S.C. 24a(f)(4)(C)) is amended by striking “1a(48)” and inserting “1a(49)”.


(i) in subclause (I), by striking “1a(18)(B)(ii)” and inserting “1a(19)(B)(ii)”;

(ii) by striking “1a(18)(B)(ii)” and inserting “1a(19)(B)(ii)”;

and
(ii) in subclause (II), by striking “1a(18)” and inserting “1a(19)”.


SEC. 305. REPORTING OF ILLIQUID SWAPS SO AS TO NOT DISADVANTAGE CERTAIN NON-FINANCIAL END-USERS.

Section 2(a)(13) of the Commodity Exchange Act (7 U.S.C. 2(a)(13)) is amended—

(1) in subparagraph (C), by striking “The Commission” and inserting “Except as provided in subparagraph (D), the Commission”; and

(2) by redesignating subparagraphs (D) through (G) as subparagraphs (E) through (H), respectively, and inserting after subparagraph (C) the following:

“(D) REQUIREMENTS FOR SWAP TRANSACTIONS IN ILLIQUID MARKETS.—Notwithstanding subparagraph (C):

“(i) The Commission shall provide by rule for the public reporting of swap transactions, including price and volume data, in illiquid markets that are not cleared and
entered into by a non-financial entity that
is hedging or mitigating commercial risk in
accordance with subsection (h)(7)(A).

“(ii) The Commission shall ensure
that the swap transaction information re-
ferred to in clause (i) of this subparagraph
is available to the public no sooner than 30
days after the swap transaction has been
executed or at such later date as the Com-
mission determines appropriate to protect
the identity of participants and positions in
illiquid markets and to prevent the elimi-
nation or reduction of market liquidity.

“(iii) In this subparagraph, the term
‘illiquid markets’ means any market in
which the volume and frequency of trading
in swaps is at such a level as to allow iden-
tification of individual market partici-
pants.”.

SEC. 306. RELIEF FOR GRAIN ELEVATOR OPERATORS,
FARMERS, AGRICULTURAL COUNTERPAR-
TIES, AND COMMERCIAL MARKET PARTICI-
PANTS.

The Commodity Exchange Act (7 U.S.C. 1 et seq.)
is amended by inserting after section 4t the following:
“SEC. 4u. RECORDKEEPING REQUIREMENTS APPLICABLE TO NON-REGISTERED MEMBERS OF CERTAIN REGISTERED ENTITIES.

“Except as provided in section 4(a)(3), a member of a designated contract market or a swap execution facility that is not registered with the Commission and not required to be registered with the Commission in any capacity shall satisfy the recordkeeping requirements of this Act and any recordkeeping rule, order, or regulation under this Act by maintaining a written record of each transaction in a contract for future delivery, option on a future, swap, swaption, trade option, or related cash or forward transaction. The written record shall be sufficient if it includes the final agreement between the parties and the material economic terms of the transaction.”.

SEC. 307. RELIEF FOR END-USERS WHO USE PHYSICAL CONTRACTS WITH VOLUMETRIC OPTIONALITY.

Section 1a(48)(B)(ii) of the Commodity Exchange Act (7 U.S.C. 1a(47)(B)(ii)), as so redesignated by section 304(b)(1) of this Act, is amended to read as follows:

“(ii) any purchase or sale of a non-financial commodity or security for deferred shipment or delivery, so long as the transaction is intended to be physically settled, including any stand-alone or embed-
Section 1a(50)(D) of the Commodity Exchange Act (7 U.S.C. 1a(49)(D)), as so redesignated by section 304(b)(1) of this Act, is amended—

(1) by striking all that precedes “shall exempt” and inserting the following:

“(D) Exception.—

“(i) In general.—The Commission”;

and

(2) by adding after and below the end the following new clause:

“(ii) De minimis quantity.—The de minimis quantity of swap dealing described in clause (i) shall be set at a quantity of $8,000,000,000, and may be amended or changed only through a new affirmative action of the Commission undertaken by rule or regulation.”.
SEC. 309. CAPITAL REQUIREMENTS FOR NON-BANK SWAP DEALERS.

(a) COMMODITY EXCHANGE ACT.—Section 4s(e) of the Commodity Exchange Act (7 U.S.C. 6s(e)) is amended—

(1) in paragraph (2)(B), by striking “shall” and inserting the following: “and the Securities and Exchange Commission, in consultation with the prudential regulators, shall jointly”; and

(2) in paragraph (3)(D)—

(A) in clause (ii), by striking “shall, to the maximum extent practicable,” and inserting “shall”; and

(B) by adding at the end the following:

“(iii) FINANCIAL MODELS.—To the extent that swap dealers and major swap participants that are banks are permitted to use financial models approved by the prudential regulators or the Securities and Exchange Commission to calculate minimum capital requirements and minimum initial and variation margin requirements, including the use of non-cash collateral, the Commission shall, in consultation with the prudential regulators and the Securities and Exchange Commission, permit the
use of comparable financial models by
swap dealers and major swap participants
that are not banks.”.

(b) Securities Exchange Act of 1934.—Section
78o–10(e)) is amended—

(1) in paragraph (2)(B), by striking “shall”
and inserting the following: “and the Commodity
Futures Trading Commission, in consultation with
the prudential regulators, shall jointly”; and

(2) in paragraph (3)(D)—

(A) in clause (ii), by striking “shall, to the
maximum extent practicable,” and inserting
“shall”; and

(B) by adding at the end the following:

“(iii) Financial Models.—To the
extent that security-based swap dealers
and major security-based swap participants
that are banks are permitted to use finan-
cial models approved by the prudential reg-
ulators or the Commodity Futures Trading
Commission to calculate minimum capital
requirements and minimum initial and var-
iation margin requirements, including the
use of non-cash collateral, the Commission
shall, in consultation with the Commodity Futures Trading Commission, permit the use of comparable financial models by security-based swap dealers and major security-based swap participants that are not banks.”.

SEC. 310. HARMONIZATION WITH THE JUMPSTART OUR BUSINESS STARTUPS ACT.

Within 90 days after the date of the enactment of this Act, the Commodity Futures Trading Commission shall—

(1) revise section 4.7(b) of title 17, Code of Federal Regulations, in the matter preceding paragraph (1), to read as follows:

“(b) Relief available to commodity pool operators. Upon filing the notice required by paragraph (d) of this section, and subject to compliance with the conditions specified in paragraph (d) of this section, any registered commodity pool operator who sells participations in a pool solely to qualified eligible persons in an offering which qualifies for exemption from the registration requirements of the Securities Act pursuant to section 4(2) of that Act or pursuant to Regulation S, 17 CFR 230.901 et seq., and any bank registered as a commodity pool operator in connection with a pool that is a collective trust fund whose
securities are exempt from registration under the Securities Act pursuant to section 3(a)(2) of that Act and are sold solely to qualified eligible persons, may claim any or all of the following relief with respect to such pool:”;

(2) revise section 4.13(a)(3)(i) of such title to read as follows:

“(i) Interests in the pool are exempt from registration under the Securities Act of 1933, and such interests are offered and sold pursuant to section 4 of the Securities Act of 1933 and the regulations thereunder;”.

SEC. 311. BONA FIDE HEDGE DEFINED TO PROTECT END-USER RISK MANAGEMENT NEEDS.

Section 4a(c) of the Commodity Exchange Act (7 U.S.C. 6a(c)) is amended—

(1) in paragraph (1)—

(A) by striking “may” and inserting “shall”; and

(B) by striking “future for which” and inserting “future, to be determined by the Commission, for which either an appropriate swap is available or”;

(2) in paragraph (2)—
(A) in the matter preceding subparagraph (A), by striking “subsection (a)(2)” and all that follows through “position as” and inserting “paragraph (1) for swaps, contracts of sale for future delivery, or options on the contracts or commodities, a bona fide hedging transaction or position is”; and

(B) in subparagraph (A)(ii), by striking “of risks” and inserting “or management of current or anticipated risks”; and

(3) by adding at the end the following:

“(3) The Commission may further define, by rule or regulation, what constitutes a bona fide hedging transaction, provided that the rule or regulation is consistent with the requirements of subparagraphs (A) and (B) of paragraph (2).”.

SEC. 312. CROSS-BORDER REGULATION OF DERIVATIVES TRANSACTIONS.

(a) Rulemaking Required.—Within 1 year after the date of the enactment of this Act, the Commodity Futures Trading Commission shall issue a rule that addresses—

(1) the nature of the connections to the United States that require a non-United States person to register as a swap dealer or a major swap partici-
pant under the Commodity Exchange Act and the
regulations issued under such Act;

(2) which of the United States swaps require-
ments apply to the swap activities of non-United
States persons and United States persons and their
branches, agencies, subsidiaries, and affiliates out-
side of the United States, and the extent to which
the requirements apply; and

(3) the circumstances under which a United
States person or non-United States person in com-
pliance with the swaps regulatory requirements of a
foreign jurisdiction shall be exempt from United
States swaps requirements.

(b) CONTENT OF THE RULE.—

(1) CRITERIA.—In the rule, the Commission
shall establish criteria for determining that one or
more categories of the swaps regulatory require-
ments of a foreign jurisdiction are comparable to
and as comprehensive as United States swaps re-
quirements. The criteria shall include—

(A) the scope and objectives of the swaps
regulatory requirements of the foreign jurisdic-
tion;

(B) the effectiveness of the supervisory
compliance program administered;
(C) the enforcement authority exercised by
the foreign jurisdiction; and

(D) such other factors as the Commission,
by rule, determines to be necessary or appro-
priate in the public interest.

(2) COMPARABILITY.—In the rule, the Commis-
sion shall—

(A) provide that any non-United States
person or any transaction between two non-
United States persons shall be exempt from
United States swaps requirements if the person
or transaction is in compliance with the swaps
regulatory requirements of a foreign jurisdiction
which the Commission has determined to be
comparable to and as comprehensive as United
States swaps requirements; and

(B) set forth the circumstances in which a
United States person or a transaction between
a United States person and a non-United
States person shall be exempt from United
States swaps requirements if the person or
transaction is in compliance with the swaps reg-
ulatory requirements of a foreign jurisdiction
which the Commission has determined to be
comparable to and as comprehensive as United States swaps requirements.

(3) Outcomes-based comparison.—In developing and applying the criteria, the Commission shall emphasize the results and outcomes of, rather than the design and construction of, foreign swaps regulatory requirements.

(4) Risk-based rulemaking.—In the rule, the Commission shall not take into account, for the purposes of determining the applicability of United States swaps requirements, the location of personnel that arrange, negotiate, or execute swaps.

(5) No part of any rulemaking under this section shall limit the Commission’s antifraud or antimanipulation authority.

(e) Application of the Rule.—

(1) Assessments of foreign jurisdictions.—Beginning on the date on which a final rule is issued under this section, the Commission shall begin to assess the swaps regulatory requirements of foreign jurisdictions, in the order the Commission determines appropriate, in accordance with the criteria established pursuant to subsection (b)(1). Following each assessment, the Commission shall determine, by rule or by order, whether the swaps regu-
latory requirements of the foreign jurisdiction are comparable to and as comprehensive as United States swaps requirements.

(2) Substituted compliance for unassessed major markets.—Beginning 18 months after the date of enactment of this Act—

(A) the swaps regulatory requirements of each of the 8 foreign jurisdictions with the largest swaps markets, as calculated by notional value during the 12-month period ending with such date of enactment, except those with respect to which a determination has been made under paragraph (1), shall be considered to be comparable to and as comprehensive as United States swaps requirements; and

(B) a non-United States person or a transaction between two non-United States persons shall be exempt from United States swaps requirements if the person or transaction is in compliance with the swaps regulatory requirements of any of such unexempted foreign jurisdictions.

(3) Suspension of substituted compliance.—If the Commission determines, by rule or by order, that—
(A) the swaps regulatory requirements of a foreign jurisdiction are not comparable to and as comprehensive as United States swaps requirements, using the categories and criteria established under subsection (b)(1);

(B) the foreign jurisdiction does not exempt from its swaps regulatory requirements United States persons who are in compliance with United States swaps requirements; or

(C) the foreign jurisdiction is not providing equivalent recognition of, or substituted compliance for, registered entities (as defined in section 1a(41) of the Commodity Exchange Act) domiciled in the United States,

the Commission may suspend, in whole or in part, a determination made under paragraph (1) or a consideration granted under paragraph (2).

(d) PETITION FOR REVIEW OF FOREIGN JURISDICTION PRACTICES.—A registered entity, commercial market participant (as defined in section 1a(7) of the Commodity Exchange Act), or Commission registrant (within the meaning of such Act) who petitions the Commission to make or change a determination under subsection (c)(1) or (c)(3) of this section shall be entitled to expedited consideration of the petition. A petition shall include any
evidence or other supporting materials to justify why the petitioner believes the Commission should make or change the determination. Petitions under this section shall be considered by the Commission any time following the enactment of this Act. Within 180 days after receipt of a petition for a rulemaking under this section, the Commission shall take final action on the petition. Within 90 days after receipt of a petition to issue an order or change an order issued under this section, the Commission shall take final action on the petition.

(e) REPORT TO CONGRESS.—If the Commission makes a determination described in this section through an order, the Commission shall articulate the basis for the determination in a written report published in the Federal Register and transmitted to the Committee on Agriculture of the House of Representatives and Committee on Agriculture, Nutrition, and Forestry of the Senate within 15 days of the determination. The determination shall not be effective until 15 days after the committees receive the report.

(f) DEFINITIONS.—As used in this Act and for purposes of the rules issued pursuant to this Act, the following definitions apply:

(1) UNITED STATES PERSON.—The term “United States person”—
(A) means—

(i) any natural person resident in the United States;

(ii) any partnership, corporation, trust, or other legal person organized or incorporated under the laws of the United States or having its principal place of business in the United States;

(iii) any account (whether discretionary or non-discretionary) of a United States person; and

(iv) any other person as the Commission may further define to more effectively carry out the purposes of this section; and

(B) does not include the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, their agencies or pension plans, or any other similar international organizations or their agencies or pension plans.

(2) UNITED STATES SWAPS REQUIREMENTS.—The term “United States swaps requirements” means the provisions relating to swaps contained in
the Commodity Exchange Act (7 U.S.C. 1a et seq.)
that were added by title VII of the Dodd-Frank Wall
Street Reform and Consumer Protection Act (15
U.S.C. 8301 et seq.) and any rules or regulations
prescribed by the Commodity Futures Trading Com-
mission pursuant to such provisions.

(3) FOREIGN JURISDICTION.—The term “for-
eign jurisdiction” means any national or supra-
national political entity with common rules gov-
erning swaps transactions.

(4) SWAPS REGULATORY REQUIREMENTS.—The
term “swaps regulatory requirements” means any
provisions of law, and any rules or regulations pur-
suant to the provisions, governing swaps trans-
actions or the counterparties to swaps transactions.

(g) CONFORMING AMENDMENT.—Section 4(c)(1)(A)
of the Commodity Exchange Act (7 U.S.C. 6(c)(1)(A)) is
amended by inserting “or except as necessary to effectuate
the purposes of the Commodity End-User Relief Act,”
after “to grant exemptions,.”

SEC. 313. EXEMPTION OF QUALIFIED CHARITABLE ORGANI-
ZATIONS FROM DESIGNATION AND REGULA-
TION AS COMMODITY POOL OPERATORS.

(a) EXCLUSION FROM DEFINITION OF COMMODITY
POOL.—Section 1a(11) of the Commodity Exchange Act
(7 U.S.C. 1a(10)), as so redesignated by section 304(b)(1) of this Act, is amended by adding at the end the following:

“(C) EXCLUSION.—The term ‘commodity pool’ shall not include any investment trust, syndicate, or similar form of enterprise excluded from the definition of ‘investment company’ pursuant to section 3(c)(10) or 3(c)(14) of the Investment Company Act of 1940.”.

(b) INAPPLICABILITY OF PROHIBITION ON USE OF INSTRUMENTALITIES OF INTERSTATE COMMERCE BY UNREGISTERED COMMODITY TRADING ADVISOR.—Section 4m of such Act (7 U.S.C. 6m) is amended—

(1) in paragraph (1), in the second sentence, by inserting “: Provided further, That the provisions of this section shall not apply to any commodity trading advisor that is: (A) a charitable organization, as defined in section 3(c)(10)(D) of the Investment Company Act of 1940, or a trustee, director, officer, employee, or volunteer of such a charitable organization acting within the scope of the employment or duties of the person with the organization, whose trading advice is provided only to, or with respect to, one or more of the following: (i) any such charitable organization; or (ii) an investment trust, syndicate or similar form of enterprise excluded from the defi-
nition of ‘investment company’ pursuant to section
3(e)(10) of the Investment Company Act of 1940; or
(B) any plan, company, or account described in sec-
tion 3(e)(14) of the Investment Company Act of
1940, any person or entity who establishes or main-
tains such a plan, company, or account, or any
trustee, director, officer, employee, or volunteer for
any of the foregoing plans, persons, or entities act-
ing within the scope of the employment or duties of
the person with the organization, whose trading ad-
dvice is provided only to, or with respect to, any in-
vestment trust, syndicate, or similar form of enter-
tprise excluded from the definition of ‘investment
company’ pursuant to section 3(e)(14) of the Invest-
ment Company Act of 1940” before the period; and

(2) by adding at the end the following:

“(4) Disclosure Concerning Excluded Charita-
table Organizations.—The operator of or advisor to
any investment trust, syndicate, or similar form of enter-
prise excluded from the definition of ‘commodity pool’ by
reason of section 1a(11)(C) of this Act pursuant to section
3(e)(10) of the Investment Company Act of 1940 shall
provide disclosure in accordance with section 7(e) of the
Investment Company Act of 1940.”.
SEC. 314. SMALL BANK HOLDING COMPANY CLEARING EXEMPTION.

Section 2(h)(7)(C) of the Commodity Exchange Act (7 U.S.C. 2(h)(7)(C)) is amended by adding at the end the following:

“(iv) HOLDING COMPANIES.—A determination made by the Commission under clause (ii) shall, with respect to small banks and savings associations, also apply to their respective bank holding company (as defined in section 2 of the Bank Holding Company Act of 1956), or savings and loan holding company (as defined in section 10 of the Home Owners’ Loan Act of 1933), if the total consolidated assets of the holding company are no greater than the asset threshold set by the Commission in determining small bank and savings association eligibility under clause (ii).”.

SEC. 315. CORE PRINCIPLE CERTAINTY.

Section 5h(f) of the Commodity Exchange Act (7 U.S.C. 7b–3(f)) is amended—

(1) in paragraph (1)(B), by inserting “except as described in this subsection” after “Commission by rule or regulation”;
(2) in paragraph (2), by amending subpara-
graph (D) to read as follows:

“(D) have reasonable discretion in estab-
lishing and enforcing its rules related to trade
practice surveillance, market surveillance, real-
time marketing monitoring, and audit trail
given that a swap execution facility may offer
a trading system or platform to execute or
trade swaps through any means of interstate
commerce. A swap execution facility shall be re-
sponsible for monitoring trading in swaps only
on its own facility.”;

(3) in paragraph (4)(B), by adding at the end
the following: “A swap execution facility shall be re-
sponsible for monitoring trading in swaps only on its
own facility.”;

(4) in paragraph (6)(B)—

(A) by striking “shall—” and all that fol-
lows through “compliance with the” and insert
“shall monitor the trading activity on its facility
for compliance with any”; and

(B) by adding at the end the following: “A
swap execution facility shall be responsible for
monitoring positions only on its own facility.”;}
(5) in paragraph (8), by striking “to liquidate” and all that follows and inserting “to suspend or curtail trading in a swap on its own facility.”;

(6) in paragraph (13)(B), by striking “1-year period, as calculated on a rolling basis” and inserting “90-day period, as calculated on a rolling basis, or conduct an orderly wind-down of its operations, whichever is greater”; and

(7) in paragraph (15)—

(A) in subparagraph (A), by adding at the end the following: “The individual may also perform other responsibilities for the swap execution facility.”;

(B) in subparagraph (B)—

(i) in clause (i), by inserting “, a committee of the board,” after “directly to the board”;

(ii) by striking clauses (iii) through (v) and inserting the following:

“(iii) establish and administer policies and procedures that are reasonably designed to resolve any conflicts of interest that may arise;

“(iv) establish and administer policies and procedures that reasonably ensure
compliance with this Act and the rules and regulations issued under this Act, including rules prescribed by the Commission pursuant to this section; and”; and

(iii) by redesignating clause (vi) as clause (v);

(C) in subparagraph (C), by striking “(B)(vi)” and inserting “(B)(v)”; and

(D) in subparagraph (D)—

(i) in clause (i)—

(I) by striking “In accordance with rules prescribed by the Commission, the” and inserting “The”; and

(II) by striking “and sign”; and

(ii) in clause (ii)—

(I) in the matter preceding subclause (I), by inserting “or senior officer” after “officer”;

(II) by amending subclause (I) to read as follows:

“(I) submit each report described in clause (i) to the Commission; and”; and

and

(III) in subclause (II), by inserting “materially” before “accurate”.

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SEC. 316. TREATMENT OF FEDERAL HOME LOAN BANK PRODUCTS.

(a) Section 1a(2) of the Commodity Exchange Act (7 U.S.C. 1a(2)) is amended—

(1) in subparagraph (B), by striking “and”;

(2) in subparagraph (C), by striking the period and inserting “; and”; and

(3) by adding at the end the following:

“(D) is the Federal Housing Finance Agency for any Federal Home Loan Bank (as defined in section 2 of the Federal Home Loan Bank Act).”.

(b) Section 402(a) of the Legal Certainty for Bank Products Act of 2000 (7 U.S.C. 27(a)) is amended—

(1) by striking “or” at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting “; or”; and

(3) by adding at the end the following:

“(8) any Federal Home Loan Bank (as defined in section 2 of the Federal Home Loan Bank Act).”.

SEC. 317. TREATMENT OF CERTAIN FUNDS.

(a) Amendment to the Definition of Commodity Pool Operator.—Section 1a(12) of the Commodity Exchange Act (7 U.S.C. 1a(11)), as so redesig-
nated by section 304(b)(1) of this Act, is amended by adding at the end the following:

“(C)(i) The term ‘commodity pool operator’ does not include a person who serves as an investment adviser to an investment company registered pursuant to section 8 of the Investment Company Act of 1940 or a subsidiary of such a company, if the investment company or subsidiary invests, reinvests, owns, holds, or trades in commodity interests limited to only financial commodity interests.

“(ii) For purposes of this subparagraph only, the term ‘financial commodity interest’ means a futures contract, an option on a futures contract, or a swap, involving a commodity that is not an exempt commodity or an agricultural commodity, including any index of financial commodity interests, whether cash settled or involving physical delivery.

“(iii) For purposes of this subparagraph only, the term ‘commodity’ does not include a security issued by a real estate investment trust, business development company, or issuer of asset-backed securities, including any index of such securities.”.
(b) AMENDMENT TO THE DEFINITION OF COMMODITY TRADING ADVISOR.—Section 1a(13) of such Act (7 U.S.C. 1a(12)), as so redesignated by section 304(b)(1) of this Act, is amended by adding at the end the following:

“(E) The term ‘commodity trading advisor’ does not include a person who serves as an investment adviser to an investment company registered pursuant to section 8 of the Investment Company Act of 1940 or a subsidiary of such a company, if the commodity trading advice relates only to a financial commodity interest, as defined in paragraph (12)(C)(ii) of this section. For purposes of this subparagraph only, the term ‘commodity’ does not include a security issued by a real estate investment trust, business development company, or issuer of asset-backed securities, including any index of such securities.”.

SEC. 318. PROCEDURE FOR OBTAINING CERTAIN INTELLECTUAL PROPERTY.

The Commodity Exchange Act (7 U.S.C. 1 et seq.) is amended by inserting after section 4t the following:
“SEC. 4u. PROCEDURE FOR OBTAINING CERTAIN INTEL-
LECTUAL PROPERTY.

“The Commission is not authorized to compel persons
to produce or furnish algorithmic trading source code or
similar intellectual property to the Commission, unless the
Commission first issues a subpoena.”.

SEC. 319. DETERMINATION OF PREDOMINANT ENGAGE-
MENT.

Section 2(h)(7)(C) of the Commodity Exchange Act
(7 U.S.C. 2(h)(7)(C)), as amended by section 314 of this
Act, is amended by adding at the end the following:

“(v) In determining whether a person
is predominantly engaged in a business or
activity for purposes of clause (i)(VIII),
there shall be excluded revenues and assets
that are, or result from, any transaction
that is entered into solely for purposes of
hedging or mitigating commercial risk (as
defined by the Commission for purposes of
subparagraph (A)(ii)).”.

SEC. 320. TREATMENT OF TRANSACTIONS BETWEEN AF-
FILIATES.

Section 1a(48) of the Commodity Exchange Act (7
U.S.C. 1a(47)), as so redesignated by section 304(b)(1)
of this Act, is amended by adding at the end the following:
“(G) Treatments of transactions between affiliates.—

“(i) Exemption from swap rules.—An agreement, contract, or transaction described in subparagraphs (A) through (F) shall not be regulated as a swap under this Act if all of the following apply with respect to the agreement, contract, or transaction:

“(I) Affiliation.—One counterparty, directly or indirectly, holds a majority ownership interest in the other counterparty, or a third party, directly or indirectly, holds a majority ownership interest in both counterparties.

“(II) Financial statements.—The affiliated counterparty that holds the majority interest in the other counterparty or the third party that, directly or indirectly, holds the majority interests in both affiliated counterparties, reports its financial statements on a consolidated basis under generally accepted accounting prin-
ciples or International Financial Reporting Standards, or other similar standards, and the financial statements include the financial results of the majority-owned affiliated counterparty or counterparties.

“(ii) REPORTING REQUIREMENT.—If at least one counterparty to an agreement, contract, or transaction that meets the requirements of clause (i) is a swap dealer or major swap participant, that counterparty shall report the agreement, contract, or transaction pursuant to section 4r, within such time period as the Commission may by rule or regulation prescribe—

“(I) to a swap data repository; or

“(II) if there is no swap data repository that would accept the agreement, contract or transaction, to the Commission.

“(iii) RISK MANAGEMENT REQUIREMENT.—If at least one counterparty to an agreement, contract, or transaction that meets the requirements of clause (i) is a swap dealer or major swap participant, the
agreement, contract, or transaction shall be subject to a centralized risk management program pursuant to section 4s(j) that is reasonably designed to monitor and to manage the risks associated with the agreement, contract, or transaction.

“(iv) VARIATION MARGIN REQUIREMENT.—Affiliated counterparties to an agreement, contract, or transaction that meets the requirements of clause (i) shall exchange variation margin to the extent prescribed under any rule promulgated by the Commission or any prudential regulator pursuant to section 4s(e).

“(v) ANTI-EVASION REQUIREMENT.— An agreement, contract, or transaction that meets the requirements of clause (i) shall not be structured to evade the Dodd-Frank Wall Street Reform and Consumer Protection Act in violation of any rule promulgated by the Commission pursuant to section 721(c) of such Act.”.

SEC. 321. REQUIREMENTS RELATED TO POSITION LIMITS.

(a) IN GENERAL.—Section 4a(a) of the Commodity Exchange Act (7 U.S.C. 6a(a)) is amended—
(1) by striking paragraphs (2), (3), (5), and (6); and
(2) by redesignating paragraphs (4) and (7) as paragraphs (2) and (3), respectively.

(b) BONA FIDE HEDGING TRANSACTION DEFINITION.—Section 4a(c)(2)(A)(i) of such Act (7 U.S.C. 6a(c)(2)(A)(i)) is amended by inserting “normally” before “represents”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this section.

TITLE IV—TECHNICAL CORRECTIONS

SEC. 401. CORRECTION OF REFERENCES.

(a) Section 2(h)(8)(A)(ii) of the Commodity Exchange Act (7 U.S.C. 2(h)(8)(A)(ii)) is amended by striking “5h(f) of this Act” and inserting “5h(g)”.

(b) Section 5c(c)(5)(C)(i) of such Act (7 U.S.C. 7a–2(c)(5)(C)(i)) is amended by striking “1a(2)(i)” and inserting “1a(19)(i)”.

(c) Section 23(f) of such Act (7 U.S.C. 26(f)) is amended by striking “section 7064” and inserting “section 706”.

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SEC. 402. ELIMINATION OF OBSOLETE REFERENCES TO DEALER OPTIONS.

(a) In General.—Section 4e of the Commodity Exchange Act (7 U.S.C. 6e) is amended by striking subsections (d) and (e) and redesignating subsections (f) and (g) as subsections (d) and (e), respectively.

(b) Conforming Amendments.—

(1) Section 2(d) of such Act (7 U.S.C. 2(d)) is amended by striking ``(g) of'' and inserting ``(e) of''.

(2) Section 4f(a)(4)(A)(i) of such Act (7 U.S.C. 6f(a)(4)(A)(i)) is amended by striking ``, (d), (e), and (g)'' and inserting ``and (e)''.

(3) Section 4k(5)(A) of such Act (7 U.S.C. 6k(5)(A)) is amended by striking ``, (d), (e), and (g)'' and inserting ``and (e)''.

(4) Section 5f(b)(1)(A) of such Act (7 U.S.C. 7b–1(b)(1)(A)) is amended by striking ``, (e), and (g)'' and inserting ``and (e)''.

(5) Section 9(a)(2) of such Act (7 U.S.C. 13(a)(2)) is amended by striking ``through (e)'' and inserting ``and (e)''.

SEC. 403. UPDATED TRADE DATA PUBLICATION REQUIREMENT.

Section 4g(e) of the Commodity Exchange Act (7 U.S.C. 6g(e)) is amended by striking ``exchange'' and inserting ``trade''.
serting “each designated contract market and swap execution facility”.

SEC. 404. FLEXIBILITY FOR REGISTERED ENTITIES.

Section 5c(b) of the Commodity Exchange Act (7 U.S.C. 7a–2(b)) is amended by striking “contract market, derivatives transaction execution facility, or electronic trading facility” each place it appears and inserting “registered entity”.

SEC. 405. ELIMINATION OF OBSOLETE REFERENCES TO ELECTRONIC TRADING FACILITIES.

(a) Section 1a(19)(A)(x) of the Commodity Exchange Act (7 U.S.C. 1a(18)(A)(x)), as so redesignated by section 304(b)(1) of this Act, is amended by striking “(other than an electronic trading facility with respect to a significant price discovery contract)”.

(b) Section 1a(40) of such Act (7 U.S.C. 1a(41)), as so redesignated by section 304(b)(1) of this Act, is amended—

(1) by adding “and” at the end of subparagraph (D); and

(2) by striking all that follows “section 21” and inserting a period.

(e) Section 4a(e) of such Act (7 U.S.C. 6a(e)) is amended—

(1) in the first sentence—
(A) by striking “or by any electronic trading facility”;

(B) by striking “or on an electronic trading facility”; and

(C) by striking “or electronic trading facility” each place it appears; and

(2) in the second sentence, by striking “or electronic trading facility with respect to a significant price discovery contract”.

(d) Section 4g(a) of such Act (7 U.S.C. 6g(a)) is amended by striking “any significant price discovery contract traded or executed on an electronic trading facility or”.

(e) Section 4i of such Act (7 U.S.C. 6i) is amended—

(1) by striking “, or any significant price discovery contract traded or executed on an electronic trading facility or any agreement, contract, or transaction that is treated by a derivatives clearing organization, whether registered or not registered, as fungible with a significant price discovery contract”; and

(2) by striking “or electronic trading facility”.

(f) Section 6(b) of such Act (7 U.S.C. 8(b)) is amended by striking “or electronic trading facility” each place it appears.
(g) Section 12(e)(2) of such Act (7 U.S.C. 16(e)(2)) is amended by striking “in the case of—” and all that follows and inserting “in the case of an agreement, contract, or transaction that is excluded from this Act under section 2(c) or 2(f) of this Act or title IV of the Commodity Futures Modernization Act of 2000, or exempted under section 4(e) of this Act (regardless of whether any such agreement, contract, or transaction is otherwise subject to this Act).”.

SEC. 406. ELIMINATION OF OBSOLETE REFERENCE TO ALTERNATIVE SWAP EXECUTION FACILITIES.

Section 5h(h) of the Commodity Exchange Act (7 U.S.C. 7b–3(h)) is amended by striking “alternative” before “swap”.

SEC. 407. ELIMINATION OF REDUNDANT REFERENCES TO TYPES OF REGISTERED ENTITIES.

Section 6b of the Commodity Exchange Act (7 U.S.C. 13a) is amended in the first sentence by striking “as set forth in sections 5 through 5c”.

SEC. 408. CLARIFICATION OF COMMISSION AUTHORITY OVER SWAPS TRADING.

Section 8a of the Commodity Exchange Act (7 U.S.C. 12a) is amended—

(1) in paragraph (7)—
(A) by inserting “the protection of swaps traders and to assure fair dealing in swaps, for” after “appropriate for”; 

(B) in subparagraph (A), by inserting “swaps or” after “conditions in”; and 

(C) in subparagraph (B), by inserting “or swaps” after “future delivery”; and 

(2) in paragraph (9)—

(A) by inserting “swap or” after “or liq-
uidation of any”; and 

(B) by inserting “swap or” after “margin levels on any”.

SEC. 409. ELIMINATION OF OBSOLETE REFERENCE TO THE

COMMODITY EXCHANGE COMMISSION.

Section 13(c) of the Commodity Exchange Act (7 U.S.C. 13c(c)) is amended by striking “or the Commis-

sec. 410. elimination of obsolete references to der-

ivative transaction execution facilit-

ties.

(a) Section 1a(13)(B)(vi) of the Commodity Ex-
change Act (7 U.S.C. 1a(12)(B)(vi)), as so redesignated by section 304(b)(1) of this Act, is amended by striking “derivatives transaction execution facility” and inserting “swap execution facility”.

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(b) Section 1a(35) of such Act (7 U.S.C. 1a(34)), as so redesignated by section 304(b)(1) of this Act, is amended by striking “or derivatives transaction execution facility” each place it appears.

(c) Section 1a(36)(B)(iii)(I) of such Act (7 U.S.C. 1a(35)(B)(iii)(I)), as so redesignated by section 304(b)(1) of this Act, is amended by striking “or registered derivatives transaction execution facility”.

(d) Section 2(a)(1)(C)(ii) of such Act (7 U.S.C. 2(a)(1)(C)(ii)) is amended—

(1) by striking “, or register a derivatives transaction execution facility that trades or executes,”;

(2) by striking “, and no derivatives transaction execution facility shall trade or execute such contracts of sale (or options on such contracts) for future delivery”; and

(3) by striking “or the derivatives transaction execution facility,”.

(e) Section 2(a)(1)(C)(v)(I) of such Act (7 U.S.C. 2(a)(1)(C)(v)(I)) is amended by striking “, or any derivatives transaction execution facility on which such contract or option is traded,”.
(f) Section 2(a)(1)(C)(v)(II) of such Act (7 U.S.C. 2(a)(1)(C)(v)(II)) is amended by striking “or derivatives transaction execution facility” each place it appears.

(g) Section 2(a)(1)(C)(v)(V) of such Act (7 U.S.C. 2(a)(1)(C)(v)(V)) is amended by striking “or registered derivatives transaction execution facility”.

(h) Section 2(a)(1)(D)(i) of such Act (7 U.S.C. 2(a)(1)(D)(i)) is amended in the matter preceding subclause (I)—

(1) by striking “in, or register a derivatives transaction execution facility”; and

(2) by striking “, or registered as a derivatives transaction execution facility for,”.

(i) Section 2(a)(1)(D)(i)(IV) of such Act (7 U.S.C. 2(a)(1)(D)(i)(IV)) is amended by striking “registered derivatives transaction execution facility,” each place it appears.

(j) Section 2(a)(1)(D)(ii)(I) of such Act (7 U.S.C. 2(a)(1)(D)(ii)(I)) is amended to read as follows:

“(I) the transaction is conducted on or subject to the rules of a board of trade that has been designated by the Commission as a contract market in such security futures product; or”.
(k) Section 2(a)(1)(D)(ii)(II) of such Act (7 U.S.C. 2(a)(1)(D)(ii)(II)) is amended by striking “or registered derivatives transaction execution facility”.

(l) Section 2(a)(1)(D)(ii)(III) of such Act (7 U.S.C. 2(a)(1)(D)(ii)(III)) is amended by striking “or registered derivatives transaction execution facility member”.

(m) Section 2(a)(9)(B)(ii) of such Act (7 U.S.C. 2(a)(9)(B)(ii)) is amended—

(1) by striking “or registration” each place it appears;

(2) by striking “or derivatives transaction execution facility” each place it appears;

(3) by striking “or register”; and

(4) by striking “, registering,”; and

(5) by striking “registration,”.

(n) Section 2(c)(2) of such Act (7 U.S.C. 2(c)(2)) is amended by striking “or a derivatives transaction execution facility”.

(o) Section 4(a)(1) of such Act (7 U.S.C. 6(a)(1)) is amended by striking “or derivatives transaction execution facility” each place it appears.

(p) Section 4(c)(1) of such Act (7 U.S.C. 6(c)(1)) is amended—

(1) by striking “or registered” after “designated”; and
(2) by striking “or derivatives transaction execution facility”.

(q) Section 4a(a)(1) of such Act (7 U.S.C. 6a(a)(1)) is amended—

(1) by striking “or derivatives transaction execution facilities”; and

(2) by striking “or derivatives transaction execution facility”.

(r) Section 4a(e) of such Act (7 U.S.C. 6a(e)) is amended—

(1) by striking “, derivatives transaction execution facility,” each place it appears; and

(2) by striking “or derivatives transaction execution facility”.

(s) Section 4c(e) of such Act (7 U.S.C. 6c(g)), as so redesignated by section 402(a) of this Act, is amended by striking “or derivatives transaction execution facility” each place it appears.

(t) Section 4d of such Act (7 U.S.C. 6d) is amended by striking “or derivatives transaction execution facility” each place it appears.

(u) Section 4e of such Act (7 U.S.C. 6e) is amended by striking “or derivatives transaction execution facility”.

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(v) Section 4f(b) of such Act (7 U.S.C. 6f(b)) is amended by striking “or derivatives transaction execution facility” each place it appears.

(w) Section 4i of such Act (7 U.S.C. 6i) is amended by striking “or derivatives transaction execution facility”.

(x) Section 4j(a) of such Act (7 U.S.C. 6j(a)) is amended by striking “and registered derivatives transaction execution facility”.

(y) Section 4p(a) of such Act (7 U.S.C. 6p(a)) is amended by striking “, or derivatives transaction execution facilities”.

(z) Section 4p(b) of such Act (7 U.S.C. 6p(b)) is amended by striking “derivatives transaction execution facility,”.

(aa) Section 5c(f) of such Act (7 U.S.C. 7a–2(f)) is amended by striking “and registered derivatives transaction execution facility”.

(bb) Section 5c(f)(1) of such Act (7 U.S.C. 7a–2(f)(1)) is amended by striking “or registered derivatives transaction execution facility”.

(cc) Section 6 of such Act (7 U.S.C. 8) is amended—

(1) by striking “or registered”;

(2) by striking “or derivatives transaction execution facility” each place it appears; and
(3) by striking “or registration” each place it appears.

(dd) Section 6a(a) of such Act (7 U.S.C. 10a(a)) is amended—

(1) by striking “or registered”;
(2) by striking “or a derivatives transaction execution facility”; and
(3) by inserting “shall” before “exclude” the first place it appears.

(ee) Section 6a(b) of such Act (7 U.S.C. 10a(b)) is amended—

(1) by striking “or registered”; and
(2) by striking “or a derivatives transaction execution facility”.

(ff) Section 6d(1) of such Act (7 U.S.C. 13a–2(1)) is amended by striking “derivatives transaction execution facility,.”.

SEC. 411. ELIMINATION OF OBSOLETE REFERENCES TO EMPT BOARDS OF TRADE.

(a) Section 1a(19)(A)(x) of the Commodity Exchange Act (7 U.S.C. 1a(18)(A)(x)), as so redesignated by section 304(b)(1) of this Act, is amended by striking “or an exempt board of trade”.

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(b) Section 12(e)(1)(B)(i) of such Act (7 U.S.C. 16(e)(1)(B)(i)) is amended by striking “or exempt board of trade”.

SEC. 412. ELIMINATION OF REPORT DUE IN 1986.

Section 26 of the Futures Trading Act of 1978 (7 U.S.C. 16a) is amended by striking subsection (b) and redesignating subsection (c) as subsection (b).

SEC. 413. COMPLIANCE REPORT FLEXIBILITY.

Section 4s(k)(3)(B) of the Commodity Exchange Act (7 U.S.C. 6s(k)(3)(B)) is amended to read as follows:

“(B) REQUIREMENTS.—A compliance report under subparagraph (A) shall—

“(i) include a certification that, under penalty of law, the compliance report is materially accurate and complete; and

“(ii) be furnished at such time as the Commission determines by rule, regulation, or order, to be appropriate.”.

SEC. 414. MISCELLANEOUS CORRECTIONS.

(a) Section 1a(13)(A)(i)(II) of the Commodity Exchange Act (7 U.S.C. 1a(12)(A)(i)(II)), as so redesignated by section 304(b)(1) of this Act, is amended by adding at the end a semicolon.
(b) Section 2(a)(1)(C)(ii)(III) of such Act (7 U.S.C. 2(a)(1)(C)(ii)(III)) is amended by moving the provision 2 ems to the right.

c) Section 2(a)(1)(C)(iii) of such Act (7 U.S.C. 2(a)(1)(C)(iii)) is amended by moving the provision 2 ems to the right.

d) Section 2(a)(1)(C)(iv) of such Act (7 U.S.C. 2(a)(1)(C)(iv)) is amended by striking “under or” and inserting “under”.

e) Section 2(a)(1)(C)(v) of such Act (7 U.S.C. 2(a)(1)(C)(v)) is amended by moving the provision 2 ems to the right.

(f) Section 2(a)(1)(C)(v)(VI) of such Act (7 U.S.C. 2(a)(1)(C)(v)(VI)) is amended by striking “III” and inserting “(III)”.

g) Section 2(e)(1) of such Act (7 U.S.C. 2(e)(1)) is amended by striking the second comma.

(h) Section 4(c)(3)(H) of such Act (7 U.S.C. 6(c)(3)(H)) is amended by striking “state” and inserting “State”.

(i) Section 4c(c) of such Act (7 U.S.C. 6c(c)) is amended to read as follows:

“(c) The Commission shall issue regulations to continue to permit the trading of options on contract markets
under such terms and conditions that the Commission
from time to time may prescribe.”.

(j) Section 4d(b) of such Act (7 U.S.C. 6d(b)) is
amended by striking “paragraph (2) of this section” and
inserting “subsection (a)(2)”.

(k) Section 4f(e)(3)(A) of such Act (7 U.S.C.
6f(e)(3)(A)) is amended by striking the first comma.

(l) Section 4f(e)(4)(A) of such Act (7 U.S.C.
6f(e)(4)(A)) is amended by striking “in developing” and
inserting “In developing”.

(m) Section 4f(e)(4)(B) of such Act (7 U.S.C.
6f(e)(4)(B)) is amended by striking “1817(a)” and insert-
ing “1817(a)”.

(n) Section 5 of such Act (7 U.S.C. 7) is amended
by redesignating subsections (c) through (e) as sub-
sections (b) through (d), respectively.

(o) Section 5b of such Act (7 U.S.C. 7a–1) is amend-
ed by redesignating subsection (k) as subsection (j).

(p) Section 5f(b)(1) of such Act (7 U.S.C. 7b–
1(b)(1)) is amended by striking “section 5f” and inserting
“this section”.

(q) Section 6(a) of such Act (7 U.S.C. 8(a)) is
amended by striking “the the” and inserting “the”.

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(r) Section 8a of such Act (7 U.S.C. 12a) is amended in each of paragraphs (2)(E) and (3)(B) by striking “Investors” and inserting “Investor”.

(s) Section 9(a)(2) of such Act (7 U.S.C. 13(a)(2)) is amended by striking “subsection 4c” and inserting “section 4c”.

(t) Section 12(b)(4) of such Act (7 U.S.C. 16(b)(4)) is amended by moving the provision 2 ems to the left.

(u) Section 14(a)(2) of such Act (7 U.S.C. 18(a)(2)) is amended by moving the provision 2 ems to the left.

(v) Section 17(b)(9)(D) of such Act (7 U.S.C. 21(b)(9)(D)) is amended by striking the semicolon and inserting a period.

(w) Section 17(b)(10)(C)(ii) of such Act (7 U.S.C. 21(b)(10)(C)(ii)) is amended by striking “and” at the end.

(x) Section 17(b)(11) of such Act (7 U.S.C. 21(b)(11)) is amended by striking the period and inserting a semicolon.

(y) Section 17(b)(12) of such Act (7 U.S.C. 21(b)(12)) is amended—

(1) by striking “(A)”; and

(2) by striking the period and inserting “; and”.

(z) Section 17(b)(13) of such Act (7 U.S.C. 21(b)(13)) is amended by striking “A” and inserting “a”.
(aa) Section 17 of such Act (7 U.S.C. 21), as amended by sections 101 through 103 of this Act, is amended by redesignating subsection (q), as added by section 233(5) of Public Law 97–444, and subsections (s) through (w) as subsections (r) through (x), respectively.

(bb) Section 22(b)(3) of such Act (7 U.S.C. 25(b)(3)) is amended by striking “of registered” and inserting “of a registered”.

(cc) Section 22(b)(4) of such Act (7 U.S.C. 25(b)(4)) is amended by inserting a comma after “entity”.

SEC. 415. DELAY IN FULL IMPLEMENTATION OF THE FINAL RULE ON OWNERSHIP AND CONTROL REPORTING.

The Commodity Futures Trading Commission may not enforce non-compliance with the final rule titled “Ownership and Control Reports, Forms 102/2S, 40/40S, and 71” (78 FR 69178; November 18, 2013) until the Commission votes to approve a final rule that has been amended to—

(1) provide that the reportable trading volume level shall be at least 300 contracts;

(2) provide that the reporting entity shall not be required to provide natural person controller data; and
(3) provide that the reporting entity is not obligated to supply data that violates foreign privacy laws.

Passed the House of Representatives January 12, 2017.

Attest:

Clerk.
AN ACT

To reauthorize the Commodity Futures Trading Commission, to better protect futures customers, to provide end-users with market certainty, to improve the Commission’s ability to help farmers, ranchers, and end-users manage risks, to help keep consumer costs low, and for other purposes.