

## S 447

### Prevent Excessive Speculation Act

**Congress:** 111 (2009–2011, Ended)

**Chamber:** Senate

**Policy Area:** Finance and Financial Sector

**Introduced:** Feb 13, 2009

**Current Status:** Read twice and referred to the Committee on Agriculture, Nutrition, and Forestry. (text of measure a

**Latest Action:** Read twice and referred to the Committee on Agriculture, Nutrition, and Forestry. (text of measure as introduced: CR S2337-2340) (Feb 13, 2009)

**Official Text:** <https://www.congress.gov/bill/111th-congress/senate-bill/447>

### Sponsor

**Name:** Sen. Levin, Carl [D-MI]

**Party:** Democratic • **State:** MI • **Chamber:** Senate

### Cosponsors

*No cosponsors are listed for this bill.*

### Committee Activity

Committee	Chamber	Activity	Date
Agriculture, Nutrition, and Forestry Committee	Senate	Referred To	Feb 13, 2009

### Subjects & Policy Tags

#### Policy Area:

Finance and Financial Sector

### Related Bills

*No related bills are listed.*

Prevent Excessive Speculation Act - Amends the Commodity Exchange Act to extend its coverage to specified energy commodities, including: (1) crude oil; (2) natural gas; (3) coal; (4) gasoline, heating oil, diesel fuel, and any other source of energy derived from coal, crude oil, or natural gas; (5) electricity; and (6) renewable biomass-derived fuels.

Prohibits the Commodity Futures Trading Commission (CFTC) from permitting a foreign board of trade providing its members (or other participants subject to CFTC jurisdiction) direct access to its electronic trading and order matching system, unless specified requirements are met.

Authorizes the CFTC to: (1) require recordkeeping by any person either located within the United States or entering trades directly into the trade matching system of a foreign board of trade from the United States; and (2) require a person in the United States or subject to CFTC jurisdiction to limit or liquidate any position on a foreign board of trade to reduce the threat of price manipulation.

Directs the CFTC to convene a working group of international regulators to develop uniform international reporting and regulatory standards to protect energy futures markets from excessive speculation, manipulation, and other trading practices that may pose systemic risks to energy futures markets, countries, and consumers.

Directs the CFTC to establish position limits for energy and agricultural commodities.

Authorizes the CFTC to require or permit a contract market, derivatives transaction execution facility, or electronic trading facility, with respect to a significant price discovery contract, to establish and enforce position accountability.

Authorizes the CFTC to exercise oversight over any disturbance in a commodity market that disrupts its liquidity and price discovery function from accurately reflecting a commodity's supply and demand ("major market disturbance").

Sets forth reporting requirements for covered traders.

Requires the CFTC to identify each large over-the-counter transaction or class of such transactions in order to detect and prevent potential price manipulation of, or excessive speculation in, any contract listed for trading on a registered entity.

Instructs the CFTC to: (1) routinely require detailed reporting from index traders and swap dealers in markets under its jurisdiction; and (2) review the trading practices for index traders in markets under its jurisdiction to ensure that index trading is not adversely impacting the price discovery process.

Requires the CFTC to disaggregate and make public monthly: (1) the number of positions and total value of index funds and other passive, long-only positions in energy and agricultural markets; and (2) data on speculative positions relative to bona fide physical hedgers in such markets.

Directs the CFTC to appoint additional CFTC enforcement employees.

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## **Actions Timeline**

- **Feb 13, 2009:** Introduced in Senate
- **Feb 13, 2009:** Sponsor introductory remarks on measure. (CR S2336-2337)
- **Feb 13, 2009:** Read twice and referred to the Committee on Agriculture, Nutrition, and Forestry. (text of measure as introduced: CR S2337-2340)