

## HR 977

Derivatives Markets Transparency and Accountability Act of 2009

**Congress:** 111 (2009–2011, Ended)

**Chamber:** House

**Policy Area:** Finance and Financial Sector

**Introduced:** Feb 11, 2009

**Current Status:** Placed on the Union Calendar, Calendar No. 223.

**Latest Action:** Placed on the Union Calendar, Calendar No. 223. (Dec 19, 2009)

**Official Text:** <https://www.congress.gov/bill/111th-congress/house-bill/977>

### Sponsor

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**Name:** Rep. Peterson, Collin C. [D-MN-7]

**Party:** Democratic • **State:** MN • **Chamber:** House

Cosponsors (25 total)

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| Rep. Welch, Peter [D-VT-At Large]               | D · VT        |      | Apr 30, 2009 |
| Rep. Andrews, Robert E. [D-NJ-1]                | D · NJ        |      | May 14, 2009 |
| Rep. Higgins, Brian [D-NY-27]                   | D · NY        |      | May 14, 2009 |
| Rep. Michaud, Michael H. [D-ME-2]               | D · ME        |      | Jun 3, 2009  |
| Rep. Shuler, Heath [D-NC-11]                    | D · NC        |      | Jul 20, 2009 |
| Rep. Bright, Bobby [D-AL-2]                     | D · AL        |      | Jul 30, 2009 |
| Rep. Hall, John J. [D-NY-19]                    | D · NY        |      | Jul 30, 2009 |
| Rep. Pascrell, Bill, Jr. [D-NJ-8]               | D · NJ        |      | Jul 30, 2009 |
| Rep. Rahall, Nick J., II [D-WV-3]               | D · WV        |      | Jul 30, 2009 |
| Rep. Wexler, Robert [D-FL-19]                   | D · FL        |      | Jul 30, 2009 |
| Rep. Bishop, Timothy H. [D-NY-1]                | D · NY        |      | Sep 10, 2009 |
| Rep. Cohen, Steve [D-TN-9]                      | D · TN        |      | Sep 17, 2009 |
| Rep. Hodes, Paul W. [D-NH-2]                    | D · NH        |      | Sep 25, 2009 |

Committee Activity

| Committee                    | Chamber | Activity        | Date         |
|------------------------------|---------|-----------------|--------------|
| Agriculture Committee        | House   | Reported By     | Dec 19, 2009 |
| Financial Services Committee | House   | Discharged From | Dec 19, 2009 |
| Judiciary Committee          | House   | Discharged From | Dec 19, 2009 |

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

Derivatives Markets Transparency and Accountability Act of 2009 - Amends the Commodity Exchange Act to prohibit the Commodity Futures Trading Commission (CFTC) from permitting a foreign board of trade to provide its U.S.-located members with access to the CFTC electronic trading system and order matching system with respect to an agreement, contract, or transaction that settles against any price (including the daily or final settlement price) of one or more contracts listed for trading on a registered entity, unless such board meets requirements similar to those imposed upon U.S. exchanges.

Directs the CFTC to: (1) define and classify index traders and swap dealers for purposes of data reporting requirements; and (2) set routine detailed reporting requirements for any positions of such entities in contracts traded on designated contract markets, derivatives transaction execution facilities, foreign boards of trade, and electronic trading facilities with respect to significant price discovery contracts.

Requires the CFTC, to the extent information is available, to disaggregate and make public monthly: (1) the number of positions and total notional value of index funds and other passive, long-only and short-only positions in all markets; and (2) data on speculative positions relative to bona fide physical hedgers in those markets.

Subjects persons involved in derivative and swap transactions, as well as large traders in over-the-counter contracts, to reporting and recordkeeping requirements.

Directs the CFTC to set position limits for any one person with respect to: (1) contracts of sale for future delivery; or (2) options on such contracts or commodities traded on or subject to the rules of a contract market or derivatives transaction execution facility or on an electronic trading facility as a significant price discovery contract.

Directs the CFTC to: (1) appoint a sufficient number of new full-time employees; (2) review prior actions to ensure compliance with this Act; and (3) review over-the-counter markets.

Directs the Government Accountability Office (GAO) to study and report to specified congressional committees on the international regime for regulating the trading of energy commodity futures and derivatives.

Directs the CFTC to assess whether certain derivative, swap, and similar agreements, contracts, or transactions that are fungible with agreements, contracts, or transactions traded on or subject to the rules of any board of trade or electronic trading facility with respect to a significant price discovery contract have the potential to: (1) disrupt the liquidity or price discovery function on a registered entity; (2) cause a severe market disturbance in the underlying cash or futures market; or (3) prevent or otherwise impair the price of a contract listed for trading on a registered entity from reflecting the forces of supply and demand in any market. Authorizes the CFTC, upon a positive finding, to impose position limits.

Authorizes the CFTC to use expedited procedures to carry out this Act.

Makes specified exclusions and exemptions from the Commodity Exchange Act available only for certain transactions settled and cleared through registered derivatives clearing organizations or other regulated entities, including national banks, state member banks, insured state nonmember banks, affiliates of any of these, or corporations chartered to do foreign banking.

Treats as commodities exempt from Commodity Exchange Act coverage: (1) any allowance authorized under law to emit a greenhouse gas; and (2) any credit authorized under law toward the reduction in greenhouse gas emissions or an

increase in carbon sequestration.

Directs the CFTC to enter into a memorandum of understanding with the Secretary of Agriculture which shall ensure that any procedures and protocols developed for a market-based greenhouse gas program are properly constructed and coordinated to maximize credits for carbon sequestration.

Amends the Inspector General Act of 1978 with respect to the Office of Inspector General of the CFTC.

Authorizes the CFTC to: (1) suspend trading of credit default swaps; and (2) initiate and conduct criminal litigation relating to a violation of the Commodity Exchange Act if the Attorney General has declined to do so.

### **Actions Timeline**

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- **Dec 19, 2009:** Reported (Amended) by the Committee on Agriculture. H. Rept. 111-385, Part I.
- **Dec 19, 2009:** Referred sequentially to the House Committee on the Judiciary for a period ending not later than Dec. 19, 2009 for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(k), rule X.
- **Dec 19, 2009:** Committee on Financial Services discharged.
- **Dec 19, 2009:** Committee on Judiciary discharged.
- **Dec 19, 2009:** Placed on the Union Calendar, Calendar No. 223.
- **Feb 12, 2009:** Committee Consideration and Mark-up Session Held.
- **Feb 12, 2009:** Ordered to be Reported (Amended) by Voice Vote.
- **Feb 11, 2009:** Introduced in House
- **Feb 11, 2009:** Referred to House Agriculture
- **Feb 11, 2009:** Referred to the Committee on Agriculture, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
- **Feb 11, 2009:** Referred to House Financial Services