

HR 3006

Anti-Excessive Speculation Act of 2011

Congress: 112 (2011–2013, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: Sep 21, 2011

Current Status: Referred to the Subcommittee on General Farm Commodities and Risk Management.

Latest Action: Referred to the Subcommittee on General Farm Commodities and Risk Management. (Oct 4, 2011)

Official Text: <https://www.congress.gov/bill/112th-congress/house-bill/3006>

Sponsor

Name: Rep. Welch, Peter [D-VT-At Large]

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

Cosponsors (1 total)

| Cosponsor | Party / State | Role | Date Joined |
|--------------------------------|---------------|------|--------------|
| Rep. DeLauro, Rosa L. [D-CT-3] | D · CT | | Sep 21, 2011 |

Committee Activity

| Committee | Chamber | Activity | Date |
|-----------------------|---------|-------------|-------------|
| Agriculture Committee | House | Referred to | Oct 4, 2011 |

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

| Bill | Relationship | Last Action |
|------------|----------------|---|
| 112 S 1598 | Identical bill | Sep 21, 2011: Read twice and referred to the Committee on Agriculture, Nutrition, and Forestry. |

Anti-Excessive Speculation Act of 2011 - Amends the Commodity Exchange Act to revise the registration requirements for foreign boards of trade. Directs the Commodity Futures Trading Commission (CFTC) to consider whether foreign boards are subject to rules and restrictions prohibiting excessive speculation by governmental authorities that are comparable to the law, regulations, and orders applicable to boards of trade in the United States.

Sets forth a presumption of excessive speculation if the CFTC, using specified criteria, determines that speculative traders in a commodity market have a substantial impact on price discovery.

Establishes individual position limits on energy contracts (referencing the price of crude oil, gasoline, diesel fuel, jet fuel, heating oil, or natural gas) that are applicable to long or short positions. Defines an "excessive speculative position" as a position that affects more than 5% of: (1) the estimated deliverable supply of the same commodity in the spot month, and (2) the open interest in a contract in a single month or all months combined.

Prohibits any person from holding or controlling an excessive speculative position, long or short, in an energy contract in any single market and aggregated across all markets in the spot month, a single month, or all-months combined.

Directs the CFTC to establish aggregate speculative position limits for long energy contracts held by speculators as a class of traders in any single market and in all markets. Requires that such positions be capped at the average annual percentage of long open interest held by speculators in any single energy contract market and in all such markets during the preceding 25-year period (or the period during which the contract has been traded if held for less than the 25-year period).

Excludes bona fide energy hedging from the computation of positions held or controlled by a person. Defines "bona fide energy hedging" as a transaction or position that is proportionate and economically appropriate for the reduction of risks in the conduct and management of a trade or business that produces, processes, merchandises, manufactures, or consumes an energy commodity. Declares that the management of financial risk associated with swaps or other similar contracts, by itself, shall not constitute bona fide hedging.

Actions Timeline

- **Oct 4, 2011:** Referred to the Subcommittee on General Farm Commodities and Risk Management.
- **Sep 21, 2011:** Introduced in House
- **Sep 21, 2011:** Referred to the House Committee on Agriculture.