

**[DISCUSSION DRAFT]**

110<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R.** \_\_\_\_\_

To amend the Commodity Exchange Act to bring greater transparency and accountability to commodity markets, and for other purposes.

---

IN THE HOUSE OF REPRESENTATIVES

Mr. PETERSON of Minnesota introduced the following bill; which was referred to the Committee on \_\_\_\_\_

---

**A BILL**

To amend the Commodity Exchange Act to bring greater transparency and accountability to commodity markets, and for other purposes.

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

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Commodity Markets  
5       Transparency and Accountability Act of 2008”.

1 **SEC. 2. DEFINITION OF ENERGY COMMODITY.**

2 (a) DEFINITION OF ENERGY COMMODITY.—Section  
3 1a of the Commodity Exchange Act (7 U.S.C. 1a) is  
4 amended—

5 (1) by redesignating paragraphs (13) through  
6 (34) as paragraphs (14) through (35), respectively;  
7 and

8 (2) by inserting after paragraph (12) the fol-  
9 lowing:

10 “(13) ENERGY COMMODITY.—The term ‘energy  
11 commodity’ means—

12 “(A) coal;

13 “(B) crude oil, gasoline, diesel fuel, jet  
14 fuel, heating oil, and propane;

15 “(C) electricity;

16 “(D) natural gas; and

17 “(E) any other substance that is used as  
18 a source of energy, as the Commission, in its  
19 discretion, deems appropriate.”.

20 (b) CONFORMING AMENDMENTS.—

21 (1) Section 2(c)(2)(B)(i)(II)(cc) of the Com-  
22 modity Exchange Act (7 U.S.C.  
23 2(c)(2)(B)(i)(II)(cc)) is amended—

24 (A) in subitem (AA), by striking “section  
25 1a(20)” and inserting “section 1a(21)”; and

1 (B) in subitem (BB), by striking “section  
2 1a(20)” and inserting “section 1a(21)”.

3 (2) Section 13106(b)(1) of the Food, Conserva-  
4 tion, and Energy Act of 2008 is amended by striking  
5 “section 1a(32)” and inserting “section 1a”.

6 (3) Section 402 of the Legal Certainty for  
7 Bank Products Act of 2000 (7 U.S.C. 27) is amend-  
8 ed—

9 (A) in subsection (a)(7), by striking “sec-  
10 tion 1a(20)” and inserting “section 1a”; and

11 (B) in subsection (d)—

12 (i) in paragraph (1)(B), by striking  
13 “section 1a(33)” and inserting “section  
14 1a”; and

15 (ii) in paragraph (2)(D), by striking  
16 “section 1a(13)” and inserting “section  
17 1a”.

18 **SEC. 3. SPECULATIVE LIMITS AND TRANSPARENCY OF OFF-**  
19 **SHORE TRADING.**

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

22 “(e) FOREIGN BOARDS OF TRADE.—

23 “(1) IN GENERAL.—The Commission may not  
24 permit a foreign board of trade to provide to the  
25 members of the foreign board of trade or other par-

1 participants located in the United States direct access  
2 to the electronic trading and order matching system  
3 of the foreign board of trade with respect to an  
4 agreement, contract, or transaction in an energy or  
5 agricultural commodity that settles against any price  
6 (including the daily or final settlement price) of 1 or  
7 more contracts listed for trading on a registered en-  
8 tity, unless—

9 “(A) the foreign board of trade—

10 “(i) makes public daily trading infor-  
11 mation regarding the agreement, contract,  
12 or transaction that is comparable to the  
13 daily trading information published by the  
14 registered entity for the 1 or more con-  
15 tracts against which the agreement, con-  
16 tract, or transaction traded on the foreign  
17 board of trade settles; and

18 “(ii) promptly notifies the Commission  
19 of any change regarding—

20 “(I) the information that the for-  
21 eign board of trade will make publicly  
22 available;

23 “(II) the position limits and posi-  
24 tion accountability provisions that the

1 foreign board of trade will adopt and  
2 enforce;

3 “(III) the position reductions re-  
4 quired to prevent manipulation; and

5 “(IV) any other area of interest  
6 expressed by the Commission to the  
7 foreign board of trade; and

8 “(B) the foreign board of trade (or the for-  
9 eign futures authority that oversees the foreign  
10 board of trade)—

11 “(i) adopts position limits (including  
12 related hedge exemption provisions) or po-  
13 sition accountability provisions for specu-  
14 lators for the agreement, contract, or  
15 transaction that are comparable to the po-  
16 sition limits (including related hedge ex-  
17 emption provisions) or position account-  
18 ability provisions adopted by the registered  
19 entity for the 1 or more contracts against  
20 which the foreign board of trade settles;  
21 and

22 “(ii) has the authority to require or  
23 direct market participants to limit, reduce,  
24 or liquidate any position the foreign board  
25 of trade (or the foreign futures authority

1 that oversees the foreign board of trade)  
2 determines to be necessary to prevent or  
3 reduce the threat of price manipulation,  
4 excessive speculation, price distortion, or  
5 disruption of delivery or the cash settle-  
6 ment process.

7 “(2) EXISTING FOREIGN BOARDS OF TRADE.—  
8 Paragraph (1) shall not be effective with respect to  
9 any agreement, contract, or transaction in an energy  
10 commodity executed on a foreign board of trade to  
11 which the Commission had granted direct access  
12 permission prior to the date of enactment of this  
13 subsection until the date that is 180 days after the  
14 date of enactment of this subsection.”.

15 **SEC. 4. DISAGGREGATION OF INDEX FUNDS AND OTHER**  
16 **DATA IN ENERGY AND AGRICULTURE MAR-**  
17 **MARKETS.**

18 Section 4 of the Commodity Exchange Act (7 U.S.C.  
19 6), as amended by section 3 of this Act, is amended by  
20 adding at the end the following:

21 “(f) DISAGGREGATION OF INDEX FUNDS AND OTHER  
22 DATA IN ENERGY AND AGRICULTURE MARKETS.—Sub-  
23 ject to section 8, the Commission shall disaggregate and  
24 make public monthly—

1           “(1) the number of positions and total value of  
2           index funds and other passive, long-only positions  
3           (as defined by the Commission) in energy and agri-  
4           cultural markets; and

5           “(2) data on speculative positions relative to  
6           bona fide physical hedgers in those markets.”.

7   **SEC. 5. DETAILED REPORTING FROM INDEX TRADERS AND**  
8                           **SWAP DEALERS.**

9           Section 4 of the Commodity Exchange Act (7 U.S.C.  
10 6), as amended by sections 3 and 4 of this Act, is amended  
11 by adding at the end the following:

12           “(g) INDEX TRADERS AND SWAP DEALERS REPORT-  
13 ING.—The Commission shall issue a proposed rule defin-  
14 ing and classifying index traders and swap dealers (as  
15 those terms are defined by the Commission) for purposes  
16 of data reporting requirements and setting routine de-  
17 tailed reporting requirements for such entities in futures  
18 markets for exempt and agricultural commodities not later  
19 than 60 days after the enactment of this subsection, and  
20 issue a final rule within 120 days after the enactment of  
21 this subsection.””.

22   **SEC. 6. REPORTING; RECORDKEEPING.**

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

1 (1) by inserting “a” before “futures commission  
2 merchant”; and

3 (2) by inserting “and transactions and positions  
4 traded pursuant to subsection (g), (h)(1), or (h)(2)  
5 of section 2, or any exemption issued by the Com-  
6 mission by rule, regulation or order,” after “United  
7 States or elsewhere,”.

8 (b) REPORTS OF DEALS EQUAL TO OR IN EXCESS  
9 OF TRADING LIMITS.—Section 4i of such Act (7 U.S.C.  
10 6i) is amended—

11 (1) in the first sentence—

12 (A) by inserting “(a)” before “It shall”;  
13 and

14 (B) by inserting “in the United States or  
15 elsewhere, and of transactions and positions in  
16 any such commodity traded pursuant to sub-  
17 section (g), (h)(1), or (h)(2) of section 2, or any  
18 exemption issued by the Commission by rule,  
19 regulation or order” before “, and of cash or  
20 spot”; and

21 (2) by striking all that follows the 1st sentence  
22 and inserting the following:

23 “(b) With respect to agricultural and energy com-  
24 modities, upon special call by the Commission, any person  
25 shall provide to the Commission, in a form and manner



1 and within the period specified in the special call, books  
2 and records of all transactions and positions traded on or  
3 subject to the rules of any board of trade or electronic  
4 trading facility in the United States or elsewhere, or pur-  
5 suant to subsection (d), (g), (h)(1), or (h)(2) of section  
6 2, or any exemption issued by the Commission by rule,  
7 regulation, or order, as the Commission may determine  
8 appropriate to deter and prevent price manipulation or  
9 any other disruption to market integrity or to diminish,  
10 eliminate, or prevent excessive speculation as described in  
11 section 4a(a).

12 “(c) Such books and records described in subsections  
13 (a) and (b) shall show complete details concerning all such  
14 transactions, positions, inventories, and commitments, in-  
15 cluding the names and addresses of all persons having any  
16 interest therein, shall be kept for a period of 5 years, and  
17 shall be open at all times to inspection by any representa-  
18 tive of the Commission or the Department of Justice. For  
19 the purposes of this section, the futures and cash or spot  
20 transactions and positions of any person shall include such  
21 transactions and positions of any persons directly or indi-  
22 rectly controlled by the person.”.

23 (c) CONFORMING AMENDMENTS.—

24 (1) Section 2(g) of such Act (7 U.S.C. 2(g)) is  
25 amended—

1 (A) by inserting “4(g)(a), 4i,” before “5a  
2 (to”;

3 (B) by inserting “, and the regulations of  
4 the Commission pursuant to section 4c(b) re-  
5 quiring reporting in connection with commodity  
6 option transactions,” before “shall apply”.

7 (2) Section 2(h)(2)(A) of such Act (7 U.S.C.  
8 2(h)(2)(A)) is amended to read as follows:

9 “(A) sections 4g(a), 4i, 5b and  
10 12(e)(2)(B), and the regulations of the Com-  
11 mission pursuant to section 4c(b) requiring re-  
12 porting in connection with commodity option  
13 transactions;”.

14 **SEC. 7. TRADING LIMITS TO PREVENT EXCESSIVE SPECU-**  
15 **LATION.**

16 (a) ESTABLISHMENT OF LIMITS.—Section 4a of the  
17 Commodity Exchange Act (7 U.S.C. 6a) is amended—

18 (1) in subsection (a)—

19 (A) by inserting “(1)” after “(a)”;

20 (B) by adding after and below the end the  
21 following:

22 “(2) In accordance with the standards set forth in  
23 paragraph (1), with respect to agricultural and energy  
24 commodities, the Commission shall by rule, regulation, or  
25 order establish limits on the amount of positions that may

1 be held by any person under contracts of sale for future  
2 delivery or under options on such contracts or commodities  
3 traded on or subject to the rules of a contract market or  
4 derivatives transaction execution facility, or on an elec-  
5 tronic trading facility as a significant price discovery con-  
6 tract.

7 “(3) In establishing the limits required in paragraph  
8 (2), the Commission shall set limits—

9 “(A) on the number of positions that may be  
10 held by any person for the prompt month, each  
11 other month, and the aggregate number of positions  
12 that may be held by any person for all months; and

13 “(B) to the maximum extent practicable, in its  
14 discretion—

15 “(i) to diminish, eliminate, or prevent ex-  
16 cessive speculation as described under this sec-  
17 tion;

18 “(ii) to deter and prevent market manipu-  
19 lation, squeezes, and corners;

20 “(iii) to ensure sufficient market liquidity  
21 for bona fide hedgers; and

22 “(iv) to ensure that the price discovery  
23 function of the underlying market is not dis-  
24 rupted.

1       “(4)(A) Not later than 210 days after the date of  
2 the enactment of this paragraph, the Commission shall  
3 convene advisory groups, as appropriate for each agricul-  
4 tural and energy commodity, consisting of representatives  
5 from—

6           “(i) 2 commercial short hedgers of the actual  
7 physical commodity for future delivery;

8           “(ii) 2 commercial long hedgers of the actual  
9 physical commodity for future delivery;

10          “(iii) 2 non-commercial participants in markets  
11 for commodities for future delivery; and

12          “(iv) a designated contract market or a deriva-  
13 tives transaction execution facility upon which the  
14 commodity for future delivery is traded, or an elec-  
15 tronic trading facility that has a significant price  
16 discovery contract in the commodity.

17       “(B) Not later than 60 days after the date on which  
18 the advisory groups are convened under subparagraph (A),  
19 and annually thereafter, the advisory groups shall submit  
20 to the Commission advisory recommendations regarding  
21 the position limits to be established in paragraph (2) and  
22 a recommendation as to whether the position limits should  
23 be administered directly by the Commission, or by the con-  
24 tract market on which the commodity is listed (with en-

1 enforcement by both the contract market and the Commis-  
2 sion).”; and

3 (2) in subsection (c)—

4 (A) by inserting “(1)” after “(c)”; and

5 (B) by adding after and below the end the  
6 following:

7 “(2) With respect to agricultural and energy com-  
8 modities, for the purposes of contracts of sale for future  
9 delivery and options on such contracts or commodities, a  
10 bona fide hedging transaction or position is a transaction  
11 or position that—

12 “(A)(i) represents a substitute for transactions  
13 to be made or positions to be taken at a later time  
14 in a physical marketing channel;

15 “(ii) is economically appropriate to the reduc-  
16 tion of risks in the conduct and management of a  
17 commercial enterprise; and

18 “(iii) arises from the potential change in the  
19 value of—

20 “(I) assets that a person owns, produces,  
21 manufactures, processes, or merchandises or  
22 anticipates owning, producing, manufacturing,  
23 processing, or merchandising;

24 “(II) liabilities that a person owns or an-  
25 ticipates incurring; or

1 “(III) services that a person provides, pur-  
2 chases, or anticipates providing or purchasing;  
3 or

4 “(B) reduces risks attendant to a position re-  
5 sulting from a transaction that—

6 “(i) was executed pursuant to subsection  
7 (g), (h)(1), or (h)(2) of section 2, or an exemp-  
8 tion issued by the Commission by rule, regula-  
9 tion or order; and

10 “(ii) was executed opposite a counterparty  
11 for which the transaction would qualify as a  
12 bona fide hedging transaction pursuant to para-  
13 graph (2)(A) of this subsection.”.

14 (b) EXPEDITED PROCEDURE.—The Commodity Fu-  
15 tures Trading Commission shall use emergency and expe-  
16 dited procedures (including any administrative or other  
17 procedure as appropriate) to carry out this section.

18 **SEC. 8. MODIFICATIONS TO CORE PRINCIPLES APPLICABLE**  
19 **TO POSITION LIMITS FOR CONTRACTS IN AG-**  
20 **RICULTURAL AND ENERGY COMMODITIES.**

21 (a) CONTRACTS TRADED ON CONTRACT MARKETS.—  
22 Section 5(d)(5) of the Commodity Exchange Act (7 U.S.C.  
23 7(d)(5)) is amended by striking all that follows “adopt”  
24 and inserting “, for speculators, position limitations with  
25 respect to agricultural or energy commodities, and position

1 limitations or position accountability with respect to other  
2 commodities, where necessary and appropriate.”.

3 (b) **CONTRACTS TRADED ON DERIVATIVES TRANS-**  
4 **ACTION EXECUTION FACILITIES.**—Section 5a(d)(4) of  
5 such Act (7 U.S.C. 7a(d)(4)) is amended by striking all  
6 that follows “adopt” and inserting “, for speculators, posi-  
7 tion limitations with respect to agricultural and energy  
8 commodities, and position limitations or position account-  
9 ability with respect to other commodities, where necessary  
10 and appropriate for a contract, agreement or transaction  
11 with an underlying commodity that has a physically deliv-  
12 erable supply.”.

13 (c) **SIGNIFICANT PRICE DISCOVERY CONTRACTS.**—  
14 Section 2(h)(7)(C)(ii)(IV) of such Act (7 U.S.C.  
15 2(h)(7)(C)(ii)(IV)) is amended by striking “where nec-  
16 essary” and all that follows through “in significant price  
17 discovery contracts” and inserting “for speculators, posi-  
18 tion limitations with respect to significant price discovery  
19 contracts in energy commodities, and position limitations  
20 or position accountability with respect to significant price  
21 discovery contracts in other commodities”.

22 **SEC. 9. CFTC ADMINISTRATION.**

23 (a) **ADDITIONAL COMMODITY FUTURES TRADING**  
24 **COMMISSION EMPLOYEES FOR IMPROVED ENFORCE-**  
25 **MENT.**—Section 2(a)(7) of the Commodity Exchange Act

1 (7 U.S.C. 2(a)(7)) is amended by adding at the end the  
2 following:

3 “(D) ADDITIONAL EMPLOYEES.—As soon  
4 as practicable after the date of enactment of  
5 this subparagraph, the Commission shall ap-  
6 point at least 100 full-time employees (in addi-  
7 tion to the employees employed by the Commis-  
8 sion as of the date of enactment of this sub-  
9 paragraph)—

10 “(i) to increase the public trans-  
11 parency of operations in energy futures  
12 markets;

13 “(ii) to improve the enforcement of  
14 this Act in those markets; and

15 “(iii) to carry out such other duties as  
16 are prescribed by the Commission.”.

17 (b) INSPECTOR GENERAL OF COMMODITY FUTURES  
18 TRADING COMMISSION.—

19 (1) ELEVATION OF OFFICE.—

20 (A) INCLUSION OF CFTC IN DEFINITION OF  
21 ESTABLISHMENT.—Section 11(2) of the Inspec-  
22 tor General Act of 1878 (5 U.S.C. App.) is  
23 amended by striking “or the Export-Import  
24 Bank,” and inserting “, the Export-Import



1 Bank, or the Commodity Futures Trading  
2 Commission,”.

3 (B) EXCLUSION OF CFTC FROM DEFINI-  
4 TION OF DESIGNATED FEDERAL ENTITY.—Sec-  
5 tion 8G(a)(2) of such Act (5 U.S.C. App.) is  
6 amended by striking “the Commodity Futures  
7 Trading Commission,”.

8 (2) TRANSITION.—Until such time as the In-  
9 spector General of the Commodity Futures Trading  
10 Commission is appointed in accordance with section  
11 3 of the Inspector General Act of 1978, the Office  
12 of Inspector General of the Commission shall con-  
13 tinue in effect as provided in such Act before the  
14 date of the enactment of this Act.

15 **SEC. 10. REVIEW OF PRIOR ACTIONS.**

16 Notwithstanding any other provision of the Com-  
17 modity Exchange Act, the Commodity Futures Trading  
18 Commission shall review all appropriate regulations, rules,  
19 exemptions, exclusions, guidance, no action letters, orders,  
20 and other actions taken by or on behalf of the Commission  
21 (including any action taken pursuant to the Commodity  
22 Exchange Act by an exchange, self-regulatory organiza-  
23 tion, or any other registered entity) to ensure that such  
24 prior actions—

1           (1) are in compliance with the provisions of this  
2 Act; and

3           (2) do not promote excessive speculation as de-  
4 scribed in section 4a of the Commodity Exchange  
5 Act with regard to any agreement, contract, or  
6 transaction for future delivery of an agriculture or  
7 energy commodity.

8 **SEC. 11. REVIEW OF OVER-THE-COUNTER MARKETS.**

9           (a) STUDY.—The Commodity Futures Trading Com-  
10 mission shall conduct a study—

11           (1) to determine the efficacy, practicality, and  
12 consequences of establishing position limits for  
13 agreements, contracts, or transactions conducted in  
14 reliance of sections 2(g) and 2(h) of the Commodity  
15 Exchange Act and of any exemption issued by the  
16 Commission by rule, regulation or order, as a means  
17 to deter and prevent price manipulation or any other  
18 disruption to market integrity or to diminish, elimi-  
19 nate, or prevent excessive speculation as described in  
20 section 4a of such Act for physical-based commod-  
21 ities; and

22           (2) to determine the efficacy, practicality, and  
23 consequences of establishing aggregate position lim-  
24 its for similar agreements, contracts, or transactions  
25 for physical-based commodities conducted—

1 (A) on designated contract markets;

2 (B) on derivative transaction execution fa-  
3 cilities; and

4 (C) in reliance of such sections 2(g) and  
5 2(h) and of any exemption issued by the Com-  
6 mission by rule, regulation or order.

7 (b) PUBLIC HEARINGS.—The Commission shall pro-  
8 vide for not less than 2 public hearings to take testimony,  
9 on the record, as part of the fact- gathering process in  
10 preparation of the report.

11 (c) REPORT AND RECOMMENDATIONS.—Not less  
12 than 18 months after the date of the enactment of this  
13 section, the Commission shall provide to the Committee  
14 on Agriculture of the House of Representatives and the  
15 Committee on Agriculture, Nutrition, and Forestry of the  
16 Senate a report that—

17 (1) describes the results of the study; and

18 (2) provides recommendations on any actions  
19 necessary to prevent price manipulation or any other  
20 disruption to market integrity or to diminish, elimi-  
21 nate, or prevent excessive speculation as described in  
22 section 4a of the Commodity Exchange Act for phys-  
23 ical-based commodities, including—

1 (A) any additional statutory authority that  
2 the Commission determines to be necessary to  
3 implement the recommendations; and

4 (B) a description of the resources that the  
5 Commission considers to be necessary to imple-  
6 ment the recommendations.

7 **SEC. 12. STUDIES; REPORTS.**

8 (a) STUDY RELATING TO INTERNATIONAL REGULA-  
9 TION OF ENERGY COMMODITY MARKETS.—

10 (1) IN GENERAL.—The Comptroller General of  
11 the United States shall conduct a study of the inter-  
12 national regime for regulating the trading of energy  
13 commodity futures and derivatives.

14 (2) ANALYSIS.—The study shall include an  
15 analysis of, at a minimum—

16 (A) key common features and differences  
17 among countries in the regulation of energy  
18 commodity trading, including with respect to  
19 market oversight and enforcement standards  
20 and activities;

21 (B) variations among countries with re-  
22 spect to the use of position limits, position ac-  
23 countability levels, or other thresholds to detect  
24 and prevent price manipulation, excessive spec-  
25 ulation, or other unfair trading practices;

1 (C) variations in practices regarding the  
2 differentiation of commercial and noncommer-  
3 cial trading;

4 (D) agreements and practices for sharing  
5 market and trading data among regulatory bod-  
6 ies and among futures authorities and between  
7 futures authorities and the entities that the fu-  
8 tures authorities oversee; and

9 (E) agreements and practices for facili-  
10 tating international cooperation on market over-  
11 sight, compliance, and enforcement.

12 (3) REPORT.—Not later than 1 year after the  
13 date of enactment of this Act, the Comptroller Gen-  
14 eral shall submit to the Committee on Agriculture of  
15 the House of Representatives and the Committee on  
16 Agriculture, Nutrition, and Forestry of the Senate a  
17 report that—

18 (A) describes the results of the study;

19 (B) addresses whether there is excessive  
20 speculation, and if so, the effects of any such  
21 speculation and energy price volatility on energy  
22 futures; and

23 (C) provides recommendations to improve  
24 openness, transparency, and other necessary  
25 elements of a properly functioning market in a

1           manner that protects consumers in the United  
2           States.

3           (b) STUDY RELATING TO EFFECTS OF NONCOMMER-  
4           CIAL SPECULATORS ON AGRICULTURE AND ENERGY FU-  
5           TURES MARKETS AND AGRICULTURE AND ENERGY  
6           PRICES.—

7           (1) STUDY.—The Comptroller General of the  
8           United States shall conduct a study of the effects of  
9           noncommercial speculators on agriculture and en-  
10          ergy futures markets and agriculture energy prices.

11          (2) ANALYSIS.—The study shall include an  
12          analysis of, at a minimum—

13                 (A) the effect of increased amounts of cap-  
14                 ital in agriculture and energy futures markets;

15                 (B) the impact of the roll-over of positions  
16                 by index fund traders and swap dealers on agri-  
17                 culture and energy futures markets and agri-  
18                 culture and energy prices; and

19                 (C) the extent to which each factor de-  
20                 scribed in subparagraphs (A) and (B) and non-  
21                 commercial speculators—

22                         (i) affect—

23                                 (I) the pricing of agriculture and  
24                                 energy commodities; and

1 (II) risk management functions;  
2 and  
3 (ii) contribute to economically efficient  
4 price discovery.

5 (3) REPORT.—Not later than 2 years after the  
6 date of enactment of this Act, the Comptroller Gen-  
7 eral shall submit to the Committee on Agriculture of  
8 the House of Representatives and the Committee on  
9 Agriculture, Nutrition, and Forestry of the Senate a  
10 report that describes the results of the study.

11 **SEC. 13. PENSION LIMITS ON COMMODITY TRADING.**

12 (a) PENSION FUNDS EXCLUDED FROM DEFINITION  
13 OF ELIGIBLE COMMERCIAL ENTITY.—Section 1a(11) of  
14 the Commodity Exchange Act (7 U.S.C. 1a(11)) is amend-  
15 ed by adding after and below the end the following:

16 “Notwithstanding the preceding sentence, the term  
17 ‘eligible commercial entity’ does not include any  
18 trust forming part of a pension plan (as defined in  
19 section 3 of the Employment Retirement Income Se-  
20 curity Act), or any entity that receives funds from  
21 such a trust, whether foreign or domestic, in order  
22 to engage in an agreement, contract, or transaction  
23 in reliance of sections 2(d), 2(g), and 2(h).”.

24 (b) PENSION FUNDS EXCLUDED FROM DEFINITION  
25 OF ELIGIBLE CONTRACT PARTICIPANT.—Section 1a(12)

1 of such Act (7 U.S.C. 1a(12)) is amended by adding after  
2 and below the end the following:

3 “Notwithstanding the preceding sentence, the term  
4 ‘eligible contract participant’ does not include any  
5 trust forming part of a pension plan (as defined in  
6 section 3 of the Employment Retirement Income Se-  
7 curity Act), or any entity that receives funds from  
8 such a trust, whether foreign or domestic, in order  
9 to engage in an agreement, contract, or transaction  
10 in reliance of sections 2(d), 2(g), and 2(h).”.