

104TH CONGRESS
2D SESSION

H. R. 3891

To amend the Commodity Exchange Act to provide for the regulation of contracts for the purchase or sale of a commodity for future delivery, which are made on or subject to the rules of a board of trade, exchange, or market located outside the United States, when the commodity is deliverable in the United States.

IN THE HOUSE OF REPRESENTATIVES

JULY 24, 1996

Mr. SCHUMER introduced the following bill; which was referred to the
Committee on Agriculture

A BILL

To amend the Commodity Exchange Act to provide for the regulation of contracts for the purchase or sale of a commodity for future delivery, which are made on or subject to the rules of a board of trade, exchange, or market located outside the United States, when the commodity is deliverable in the United States.

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

1 **SECTION 1. REGULATION OF FOREIGN FUTURES CON-**
2 **TRACTS DELIVERABLE IN THE UNITED**
3 **STATES.**

4 (a) **REGULATION OF FOREIGN CONTRACTS DELIVER-**
5 **ABLE IN UNITED STATES.**—Section 4 of the Commodity
6 Exchange Act (7 U.S.C. 6) is amended—

7 (1) in subsection (a), by striking “(other than
8 a contract” and inserting “(subject to subsection
9 (b), other than a contract”;

10 (2) in subsection (b)—

11 (A) by striking “No” in the third sentence
12 and inserting “Except as provided in the next
13 sentence, no”;

14 (B) by adding at the end the following new
15 sentence: “An agreement, contract, or trans-
16 action for the purchase or sale for future deliv-
17 ery of a commodity deliverable in the United
18 States shall be subject to the requirements of
19 subsection (a) notwithstanding the fact that the
20 agreement, contract, or transaction is made on
21 or subject to the rules of a board of trade, ex-
22 change, or market located outside the United
23 States, its territories or possessions.”.

24 (b) **CONFORMING AMENDMENT.**—Section 4b(c) of
25 such Act (7 U.S.C. 6b(c)) is amended by striking “Noth-
26 ing in this section” and inserting “Except with respect

1 to an agreement, contract, or transaction for the purchase
2 or sale for future delivery of a commodity deliverable in
3 the United States, nothing in this section”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall take effect six months after the date of
6 the enactment of this Act and shall apply to agreements,
7 contracts, and transactions for the purchase or sale of
8 commodities for future delivery that are entered into on
9 or after such effective date.

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