

113TH CONGRESS  
2D SESSION

# H. R. 4996

To require the Commodity Futures Trading Commission to take certain emergency action to eliminate excessive speculation in energy markets.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2014

Ms. DELAURO (for herself, Mr. CICILLINE, Mr. GRIJALVA, and Mr. WELCH) introduced the following bill; which was referred to the Committee on Agriculture

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## A BILL

To require the Commodity Futures Trading Commission to take certain emergency action to eliminate excessive speculation in energy markets.

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 “Energy Markets Emer-  
5 gency Act”.

6 **SEC. 2. ENERGY MARKETS.**

7 (a) FINDINGS.—Congress finds that—

1           (1) the Commodity Futures Trading Commis-  
2           sion was created as an independent agency, in 1974,  
3           with a mandate—

4                   (A) to enforce and administer the Com-  
5           modity Exchange Act (7 U.S.C. 1 et seq.);

6                   (B) to ensure commodities market integ-  
7           rity;

8                   (C) to protect commodities market users  
9           from fraud and abusive trading practices; and

10                   (D) to prevent and prosecute manipulation  
11           of the price of any commodity in interstate  
12           commerce;

13           (2) Congress has given the Commodity Futures  
14           Trading Commission authority under the Commodity  
15           Exchange Act (7 U.S.C. 1 et seq.) to take necessary  
16           actions to address market emergencies;

17           (3) the Commodity Futures Trading Commis-  
18           sion may use the emergency authority of the Com-  
19           mission with respect to any major market disturb-  
20           ance that prevents the market from accurately re-  
21           flecting the forces of supply and demand for a com-  
22           modity;

23           (4) Congress declared in section 4a of the Com-  
24           modity Exchange Act (7 U.S.C. 6a) that excessive

1 speculation imposes an undue and unnecessary bur-  
2 den on interstate commerce;

3 (5) according to an article published in Forbes  
4 magazine on February 27, 2012, excessive oil specu-  
5 lation “translates out into a premium for gasoline at  
6 the pump of \$.56 a gallon” based on a recent report  
7 from Goldman Sachs;

8 (6) on June 13, 2014—

9 (A) the supply of motor gasoline was high-  
10 er than the supply was on June 12, 2009, when  
11 the national average price for a gallon of reg-  
12 ular unleaded gasoline was just \$2.64; and

13 (B) demand for gasoline in the United  
14 States was lower than demand was on June 12,  
15 2009;

16 (7) on June 23, 2014, the national average  
17 price of regular unleaded gasoline was over \$3.68 a  
18 gallon, the highest price for this time of year since  
19 2008, the year gasoline prices hit an all-time high;

20 (8) excessive oil and gasoline speculation is cre-  
21 ating major market disturbances that prevent the  
22 market from accurately reflecting the forces of sup-  
23 ply and demand; and

24 (9) the Commodity Futures Trading Commis-  
25 sion has a responsibility—

1 (A) to ensure that the price discovery for  
2 oil and gasoline accurately reflects the fun-  
3 damentals of supply and demand; and

4 (B) to take immediate action to implement  
5 strong and meaningful position limits in regu-  
6 lated exchange markets to eliminate excessive  
7 oil speculation.

8 (b) ACTIONS.—Not later than 14 days after the date  
9 of enactment of this Act, the Commodity Futures Trading  
10 Commission shall use the authority of the Commission (in-  
11 cluding emergency powers)—

12 (1) to curb immediately the role of excessive  
13 speculation in any contract market within the jurisdic-  
14 tion of the Commission, on or through which en-  
15 ergy futures or swaps are traded; and

16 (2) to eliminate excessive speculation, price dis-  
17 tortion, sudden or unreasonable fluctuations, or un-  
18 warranted changes in prices, or other unlawful activ-  
19 ity that is causing major market disturbances that  
20 prevent the market from accurately reflecting the  
21 forces of supply and demand for energy commod-  
22 ities.

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