115TH CONGRESS
2D SESSION

S. 2428

To amend the Commodity Exchange Act to exempt certain small entities dealing in foreign exchange that serve small- and medium-sized businesses from certain capital and margin requirements, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 14, 2018

Mr. HATCH introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Commodity Exchange Act to exempt certain small entities dealing in foreign exchange that serve small- and medium-sized businesses from certain capital and margin requirements, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. APPLICABILITY OF CAPITAL AND MARGIN REQUIREMENTS TO COUNTERPARTIES.

Section 4s(e)(4) of the Commodity Exchange Act (7 U.S.C. 6s(e)(4)) is amended—

(1) by striking ‘‘counterparty qualifies’’ and inserting the following: ‘‘counterparty—

"(A) qualifies";

(2) in subparagraph (A) (as so designated), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(B)(i) is a money transmitter (as defined in section 1010.100(ff)(5) of title 31, Code of Federal Regulations) (or any successor regulation)) that—

"(I) is regulated by a State, the District of Columbia, or a territory or possession of the United States for financial adequacy;

"(II) is registered in accordance with section 1022.380 of title 31, Code of Federal Regulations (or any successor regulation); and

"(III) enters only into swaps exclusively for the purpose of offsetting risks generated from foreign currency contracts with an entity that is not a financial end user (as defined in section 23.151 of title 17, Code of Federal Regulations (or any successor regulation)); and "(ii) has total assets of $1,000,000,000 or less on the last day of its most recent fiscal year.".

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