

115TH CONGRESS
2D SESSION

H. R. 6121

To modernize the authority of the Commodity Futures Trading Commission to conduct research, development, demonstration, and information programs.

IN THE HOUSE OF REPRESENTATIVES

JUNE 14, 2018

Mr. AUSTIN SCOTT of Georgia (for himself, Mr. MARSHALL, Mr. GOODLATTE, and Mr. SOTO) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To modernize the authority of the Commodity Futures Trading Commission to conduct research, development, demonstration, and information programs.

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 Futures
5 Trading Commission Research and Development Mod-
6 ernization Act”.

1 **SEC. 2. MODERNIZATION OF AUTHORITY OF THE COM-**
2 **MODITY FUTURES TRADING COMMISSION TO**
3 **CONDUCT RESEARCH, DEVELOPMENT, DEM-**
4 **ONSTRATION, AND INFORMATION PRO-**
5 **GRAMS.**

6 Section 18 of the Commodity Exchange Act (7 U.S.C.
7 22) is amended to read as follows:

8 **“SEC. 18. RESEARCH, DEVELOPMENT, AND DEMONSTRA-**
9 **TION OF FINANCIAL TECHNOLOGY.**

10 “(a) **AUTHORITY.**—The Commission shall establish
11 and maintain, as part of its ongoing operations, research,
12 development, demonstration, and information programs
13 that further the purposes and objectives of this Act, in-
14 cluding programs that—

15 “(1) facilitate the understanding by the Com-
16 mission of emerging financial, regulatory, and com-
17 pliance technologies, the potential applications of the
18 technologies to the transactions and markets regu-
19 lated by the Commission, and associated implications
20 for cybersecurity, data security, and systemic risk;

21 “(2) inform the Commission of important tech-
22 nological advances and innovations affecting markets
23 regulated by the Commission;

24 “(3) provide an environment where techno-
25 logical advances and innovations may be explored by
26 developers, potential users, and the Commission to

1 evaluate potential benefits to the Commission and
2 the markets regulated by the Commission;

3 “(4) identify areas where the Commission
4 should adapt its administration of this Act to facili-
5 tate technological advances and innovations that
6 would benefit the markets regulated by the Commis-
7 sion;

8 “(5) improve the administration of this Act by
9 the Commission by identifying technological ad-
10 vances and innovations, and developing novel tools
11 that are not generally available from traditional ven-
12 dors for use by the Commission, or any division or
13 office of the Commission; and

14 “(6) develop educational and other informa-
15 tional materials regarding derivatives trading, tech-
16 nological advances and innovations in markets regu-
17 lated by the Commission, and applicable require-
18 ments of this Act and the regulations prescribed
19 under this Act.

20 “(b) AUTHORIZED MEANS.—Notwithstanding any
21 other provision of law, the Commission may do the fol-
22 lowing to accomplish the goals described in subsection (a):

23 “(1) OTHER TRANSACTION AUTHORITY.—The
24 Commission may enter into and perform a trans-
25 action (other than a standard contract) with any

1 agency or instrumentality of the United States, or
2 with any State, territory, or possession of the United
3 States, or with any political subdivision thereof, or
4 with any person, firm, association, corporation, edu-
5 cational institution, self-regulatory organization, for-
6 eign government, international organization or other
7 entity, on such terms and conditions as the Chair-
8 man of the Commission deems appropriate, if—

9 “(A) the transaction is only used for a goal
10 described in subsection (a);

11 “(B) the Commission endeavors to use a
12 competitive process, where appropriate, when
13 determining the parties to the transaction; and

14 “(C) the Chairman makes a written deter-
15 mination that using a standard contract to do
16 so is either not feasible or not appropriate.

17 “(2) GIFT ACCEPTANCE AUTHORITY.—

18 “(A) IN GENERAL.—During the 5-year pe-
19 riod that begins with the date of the enactment
20 of this section, the Commission may solicit, ac-
21 cept, and utilize any contribution, provision of
22 access, gift, or donation of tangible or intan-
23 gible property or service that the Chairman
24 deems appropriate, from any agency or instru-
25 mentality of the United States, or any State,

1 territory, or possession of the United States, or
2 any political subdivision thereof, or any person,
3 firm, association, corporation, educational insti-
4 tution, self-regulatory organization, foreign gov-
5 ernment, international organization, or other
6 entity, if—

7 “(i) the property or service is used
8 only for a goal described in subsection (a);
9 and

10 “(ii) the Chairman makes a written
11 determination that accepting the contribu-
12 tion, provision of access, gift, or donation
13 is consistent with fulfilling the goal, and
14 that using a standard contract or other
15 transaction to do so is either not feasible
16 or not appropriate.

17 “(B) SUNSET.—The authority provided by
18 subparagraph (A) may not be exercised on or
19 after October 1, 2023.

20 “(c) ANNUAL REPORT.—Not later than 60 days after
21 the end of each fiscal year, the Commission shall submit
22 to the Committee on Agriculture, Nutrition, and Forestry
23 of the Senate and the Committee on Agriculture of the
24 House of Representatives a report on all transactions en-
25 tered into, and all contributions, provisions of access, gifts,

1 or donations accepted, under subsection (b), which shall
2 describe the following with respect to each such trans-
3 action, contribution, provision of access, gift, or donation:

4 “(1) A brief description of the subject of the
5 transaction, contribution, provision of access, gift, or
6 donation, with an explanation of its potential utility
7 to the Commission or the markets regulated by the
8 Commission, and the status of all related projects.

9 “(2) The reasons why it was not feasible or ap-
10 appropriate to use a standard contract with respect to
11 that subject.

12 “(3) In the case of a transaction other than a
13 contribution, provision of access, gift, or donation,
14 an explanation of the Commission’s efforts to use a
15 competitive process, or the reasons why such a proc-
16 ess was not appropriate.

17 “(4) A description of all sums expended by the
18 Commission in connection with a transaction and, if
19 readily ascertainable, the value of any contribution,
20 provision of access, gift, or donation.”.

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