

117TH CONGRESS
1ST SESSION

H. R. 4337

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

IN THE HOUSE OF REPRESENTATIVES

JULY 1, 2021

Mr. AUSTIN SCOTT of Georgia (for himself and Ms. PLASKETT) 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 COMMIS-**
2 **SION TO CONDUCT RESEARCH, DEVELOP-**
3 **MENT, DEMONSTRATION, AND INFORMATION**
4 **PROGRAMS.**

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

7 **“SEC. 18. RESEARCH AND DEVELOPMENT PROGRAMS.**

8 “(a) PROGRAMS.—The Commission, as part of its on-
9 going operations, shall establish and maintain research,
10 development, demonstration, and information programs
11 that further the purposes of this Act, including programs
12 that—

13 “(1) facilitate the understanding by the Com-
14 mission of—

15 “(A) emerging technologies, technological
16 advances, and innovations;

17 “(B) with respect to those technologies,
18 technological advances, and innovations, the po-
19 tential application to, and effect on, the trans-
20 actions and markets under the jurisdiction of
21 the Commission;

22 “(C) associated implications for cybersecu-
23 rity, data security, and systemic risk; and

24 “(D) the economics of markets and market
25 participants by the administration of this Act;

1 “(2) provide an environment where emerging
2 technologies, technological advances, and innovations
3 may be explored by the Commission with developers
4 and potential users to evaluate potential effects on
5 the Commission and the markets under the jurisdic-
6 tion of the Commission;

7 “(3) identify areas where the Commission
8 should adapt its administration of this Act in light
9 of emerging technologies, technological advances,
10 and innovations to benefit the markets under the ju-
11 risdiction of the Commission; and

12 “(4) develop educational and other informa-
13 tional materials for dissemination and use among
14 producers, market-users, and the general public re-
15 garding—

16 “(A) the activities, products, entities and
17 markets regulated under this Act;

18 “(B) emerging technologies, technological
19 advances, and innovations in markets under the
20 jurisdiction of the Commission; and

21 “(C) applicable requirements of this Act
22 and the regulations prescribed under this Act
23 with regard to the subjects described in sub-
24 paragraphs (A) and (B).

25 “(b) RESEARCH AND DEVELOPMENT PLAN.—

1 “(1) IN GENERAL.—The Commission may, after
2 notice and comment, adopt a research and develop-
3 ment plan for a program established under sub-
4 section (a).

5 “(2) CONDITIONS.—A research and develop-
6 ment plan adopted pursuant to paragraph (1) shall
7 identify—

8 “(A) specific areas of interest to the Com-
9 mission;

10 “(B) potential activities the Commission
11 will undertake to investigate an area of interest;
12 and

13 “(C) the means by which the authority de-
14 scribed in subsection (c) will be used in the ap-
15 plicable program established under subsection
16 (a).

17 “(c) OTHER TRANSACTION AUTHORITY.—

18 “(1) IN GENERAL.—Notwithstanding the full
19 and open competition requirements under chapter 33
20 of title 41, United States Code, the Commission may
21 enter into and perform a transaction (other than a
22 standard contract) for the purpose of aiding or fa-
23 cilitating the programs and activities under sub-
24 section (a).

1 “(2) CONDITIONS.—The Commission may enter
2 into a transaction under this subsection only if—

3 “(A) the transaction is used only in fur-
4 therance of a research and development plan es-
5 tablished under subsection (b);

6 “(B) the Commission endeavors to use a
7 competitive process, where appropriate, when
8 determining the parties to the transaction; and

9 “(C) using a standard contract to do so is
10 either not feasible or not appropriate.

11 “(3) POLICIES.—The Commission shall, after
12 notice and comment, establish and publish written
13 policies setting forth the manner and criteria for uti-
14 lizing the authority provided by this subsection.

15 “(d) ACCEPTANCE OF NONMONETARY CONTRIBU-
16 TIONS FOR RESEARCH AND DEVELOPMENT PROGRAMS,
17 PROJECTS, AND ACTIVITIES.—

18 “(1) DEFINITION OF COVERED NONMONETARY
19 CONTRIBUTION.—In this subsection, the term ‘cov-
20 ered nonmonetary contribution’ means a nonmone-
21 tary contribution of provision of access, use of facili-
22 ties, personal property, or services, that is related
23 to—

24 “(A) sharing of research, data, or other in-
25 formation;

1 “(B) public presentations; or

2 “(C) non-commercially available services or
3 systems.

4 “(2) AUTHORIZATION.—The Commission may
5 accept and use, on behalf of the United States and
6 in accordance with this subsection, any covered non-
7 monetary contribution.

8 “(3) CONDITIONS.—

9 “(A) IN GENERAL.—A covered nonmone-
10 tary contribution may be accepted pursuant to
11 this subsection only if the covered nonmonetary
12 contribution is in furtherance of a research and
13 development plan established under subsection
14 (b).

15 “(B) LIMITATIONS.—The Commission may
16 not accept a covered nonmonetary contribution
17 if—

18 “(i) conditions inconsistent with appli-
19 cable laws or regulations apply to the cov-
20 ered nonmonetary contribution;

21 “(ii) the covered nonmonetary con-
22 tribution is conditioned on, or will require,
23 the expenditure of appropriated funds not
24 available to the Commission;

1 “(iii) using a standard contract or
2 other transaction authority under sub-
3 section (c) to acquire the covered non-
4 monetary contribution is either feasible or
5 appropriate; or

6 “(iv) acceptance of the covered non-
7 monetary contribution would—

8 “(I) reflect unfavorably on the
9 ability of the Commission to carry out
10 its responsibilities or official duties in
11 a fair and objective manner;

12 “(II) compromise the integrity or
13 the appearance of the integrity of its
14 programs or any official involved in
15 its programs; or

16 “(III) give the endorsement or
17 the appearance of the endorsement by
18 the Commission or Commission staff
19 of the products, services, activities, or
20 policies of the donor.

21 “(C) SOLICITATION PROHIBITION.—

22 “(i) IN GENERAL.—Except as pro-
23 vided in clause (ii), a covered nonmonetary
24 contribution may not be solicited by any

1 Commissioner, employee of, or contractor
2 at the Commission.

3 “(ii) EXCEPTION.—A Commissioner
4 or employee of the Commission may solicit
5 only a covered nonmonetary contribution
6 described in paragraph (1)(B).

7 “(D) DURATION.—To the extent applica-
8 ble, the Commission shall return any covered
9 nonmonetary contribution accepted pursuant to
10 this subsection within 90 days after accepting
11 the covered nonmonetary contribution.

12 “(E) RULES.—The Commission shall, after
13 notice and comment, establish and publish writ-
14 ten rules setting forth the manner and criteria
15 to be used in determining whether a covered
16 nonmonetary contribution meets the conditions
17 of this paragraph.

18 “(4) DISCLOSURE.—Within 30 days after ac-
19 cepting a covered nonmonetary contribution pursu-
20 ant to this subsection, the Commission shall publish
21 in the Federal Register a notice detailing—

22 “(A) the source of the covered nonmone-
23 tary contribution;

24 “(B) the nature of the covered nonmone-
25 tary contribution;

1 “(C) whether the covered nonmonetary
2 contribution was solicited pursuant to para-
3 graph (3)(C)(ii), and if so, by whom; and

4 “(D) the means by which the covered non-
5 monetary contribution meets the conditions set
6 forth in paragraph (3).

7 “(5) SUNSET.—The authority provided in this
8 subsection may not be exercised on or after October
9 1, 2025.

10 “(e) ANNUAL REPORT.—Not later than 60 days after
11 the end of each fiscal year, the Commission shall submit
12 to the Committee on Agriculture, Nutrition, and Forestry
13 of the Senate and the Committee on Agriculture of the
14 House of Representatives a report on all transactions en-
15 tered into under subsection (c) and all covered nonmone-
16 tary contributions accepted under subsection (d) in the fis-
17 cal year, which shall include the following:

18 “(1) A brief description of the subject of each
19 such transaction or covered nonmonetary contribu-
20 tion, with an explanation of—

21 “(A) the potential utility of the transaction
22 or covered nonmonetary contribution to the
23 Commission or the markets regulated by the
24 Commission;

1 “(B) the means by which the transaction
2 or covered nonmonetary contribution fulfills the
3 goals and objectives of the research and devel-
4 opment plan established under subsection (b);
5 and

6 “(C) the status of all related projects.

7 “(2) The information required to be published
8 pursuant to subsection (d)(4).

9 “(3) A description of all sums expended by the
10 Commission in connection with a transaction entered
11 into under subsection (c), and, if readily ascertain-
12 able, the value of any covered nonmonetary contribu-
13 tion accepted under subsection (d).”.

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