substituted ''such person'' and ''such person's abilities'' for ''he'' before ''has been sponsored'' and ''his abilities'', respectively.

1978—Par. (1). Pub. L. 95–405 struck out ''registered under this chapter'' after ''pool operator''.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 97–444 effective Jan. 11, 1983, see section 239 of Pub. L. 97–444, set out as a note under section 2 of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–405 effective Oct. 1, 1978, see section 28 of Pub. L. 95–405, set out as a note under section 2 of this title.

EFFECTIVE DATE

For effective date of section, see section 418 of Pub. L. 93–463, set out as an Effective Date of 1974 Amendment note under section 2 of this title.

§ 6o–1. Transferred

CODIFICATION

Section, Sept. 21, 1922, ch. 369, § 4q, formerly § 4p, as added Pub. L. 106–554, § 1(a)(5) [title I, § 121], Dec. 21, 2000, 114 Stat. 2763, 2763A–404, and renumbered, which related to special procedures to encourage and facilitate bona fide hedging by agricultural producers, was transferred to section 6q of this title.

§ 6p. Standards and examinations

(a) The Commission may specify by rules and regulations appropriate standards with respect to training, experience, and such other qualifications as the Commission finds necessary or desirable to insure the fitness of persons required to be registered with the Commission. In connection therewith, the Commission may prescribe by rules and regulations the adoption of written proficiency examinations to be given to applicants for registration and the establishment of reasonable fees to be charged to such applicants to cover the administration of such examinations. The Commission may further prescribe by rules and regulations that, in lieu of examinations administered by the Commission, futures associations registered under section 21 of this title, contract markets, or derivatives transaction execution facilities may adopt written proficiency examinations to be given to applicants for registration and charge reasonable fees to such applicants to cover the administration of such examinations. Notwithstanding any other provision of this section, the Commission may specify by rules and regulations such terms and conditions as it deems appropriate to protect the public interest wherein exception to any written proficiency examination shall be made with respect to individuals who have demonstrated, through training and experience, the degree of proficiency and skill necessary to protect the interests of customers, clients, pool participants, or other members of the public with whom such individuals deal.

(b) The Commission shall issue regulations to require new registrants, within six months after receiving such registration, to attend a training session, and all other registrants to attend periodic training sessions, to ensure that registrants understand their responsibilities to the public under this chapter, including responsibilities to observe just and equitable principles of trade, any rule or regulation of the Commission, any rule of any appropriate contract market, derivatives transaction execution facility, registered futures association, or other self-regulatory organization, or any other applicable Federal or state[1] law, rule or regulation.

(Sept. 21, 1922, ch. 369, § 4p, as added Pub. L. 93–463, title II, § 206, Oct. 23, 1974, 88 Stat. 1400; amended Pub. L. 97–444, title II, § 215, Jan. 11, 1983, 96 Stat. 2305; Pub. L. 102–546, title II, § 210(a), Oct. 28, 1992, 106 Stat. 3607; Pub. L. 106–554, § 1(a)(5) [title I, § 123(a)(11)], Dec. 21, 2000, 114 Stat. 2763, 2763A–408.)

CODIFICATION

Another section 4p of act Sept. 21, 1922, was renumbered section 4q and is classified to section 6q of this title.

AMENDMENTS

2000—Subsec. (a). Pub. L. 106–554, § 1(a)(5) [title I, § 123(a)(11)(A)], substituted ''title, contract markets, or derivatives transaction execution facilities'' for ''title or contract markets''.

Subsec. (b). Pub. L. 106–554, § 1(a)(5) [title I, § 123(a)(11)(B)], inserted ''derivatives transaction execution facility,'' after ''contract market,''.

1992—Pub. L. 102–546 designated existing provisions as subsec. (a) and added subsec. (b).

1983—Pub. L. 97–444 substituted ''persons required to be registered with the Commission'' for ''futures commission merchants, floor brokers, and those persons associated with futures commission merchants or floor brokers'' in first sentence, ''customers, clients, pool participants, or other members of the public with whom such individuals deal'' for ''the customers of futures commission merchants and floor brokers'' in last sentence, and in second and third sentences struck out ''as futures commission merchants, floor brokers, and those persons associated with futures commission merchants or floor brokers,'' after ''applicants for registration''.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 97–444 effective Jan. 11, 1983, see section 239 of Pub. L. 97–444, set out as a note under section 2 of this title.

EFFECTIVE DATE

For effective date of section, see section 418 of Pub. L. 93–463, set out as an Effective Date of 1974 Amendment note under section 2 of this title.

REGULATIONS

Section 210(b) of Pub. L. 102–546 provided that: ''The Commodity Futures Trading Commission shall issue the regulations required by section 4p(b) of the Commodity Exchange Act [7 U.S.C. 6p(b)], as added by subsection (a), no later than one hundred and eighty days after the date of enactment of this Act [Oct. 28, 1992].''

§ 6q. Special procedures to encourage and facilitate bona fide hedging by agricultural producers

(a) Authority

The Commission shall consider issuing rules or orders which—

(1) prescribe procedures under which each contract market is to provide for orderly delivery, including temporary storage costs, of any agricultural commodity enumerated in section 1a(4) of this title which is the subject

[1] So in original. Probably should be capitalized.

of a contract for purchase or sale for future delivery;

(2) increase the ease with which domestic agricultural producers may participate in contract markets, including by addressing cost and margin requirements, so as to better enable the producers to hedge price risk associated with their production;

(3) provide flexibility in the minimum quantities of such agricultural commodities that may be the subject of a contract for purchase or sale for future delivery that is traded on a contract market, to better allow domestic agricultural producers to hedge such price risk; and

(4) encourage contract markets to provide information and otherwise facilitate the participation of domestic agricultural producers in contract markets.

(b) Report

Within 1 year after December 21, 2000, the Commission shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the steps it has taken to implement this section and on the activities of contract markets pursuant to this section.

(Sept. 21, 1922, ch. 369, § 4q, formerly § 4p, as added Pub. L. 106–554, § 1(a)(5) [title I, § 121], Dec. 21, 2000, 114 Stat. 2763, 2763A–404; renumbered § 4q, Pub. L. 110–234, title XIII, § 13105(d), May 22, 2008, 122 Stat. 1434, and Pub. L. 110–246, § 4(a), title XIII, § 13105(d), June 18, 2008, 122 Stat. 1664, 2196.)

CODIFICATION

Pub. L. 110–234 and Pub. L. 110–246 both renumbered this section as section 4q of act Sept. 21, 1922. Pub. L. 110–234 was repealed by section 4(a) of Pub. L. 110–246 effective May 22, 2008, the date of enactment of Pub. L. 110–234.

Section was formerly classified to section 6*o*–1 of this title.

§ 7. Designation of boards of trade as contract markets

(a) Applications

A board of trade applying to the Commission for designation as a contract market shall submit an application to the Commission that includes any relevant materials and records the Commission may require consistent with this chapter.

(b) Criteria for designation

(1) In general

To be designated as a contract market, the board of trade shall demonstrate to the Commission that the board of trade meets the criteria specified in this subsection.

(2) Prevention of market manipulation

The board of trade shall have the capacity to prevent market manipulation through market surveillance, compliance, and enforcement practices and procedures, including methods for conducting real-time monitoring of trading and comprehensive and accurate trade reconstructions.

(3) Fair and equitable trading

The board of trade shall establish and enforce trading rules to ensure fair and equitable trading through the facilities of the contract market, and the capacity to detect, investigate, and discipline any person that violates the rules. The rules may authorize—

(A) transfer trades or office trades;

(B) an exchange of—

(i) futures in connection with a cash commodity transaction;

(ii) futures for cash commodities; or

(iii) futures for swaps; or

(C) a futures commission merchant, acting as principal or agent, to enter into or confirm the execution of a contract for the purchase or sale of a commodity for future delivery if the contract is reported, recorded, or cleared in accordance with the rules of the contract market or a derivatives clearing organization.

(4) Trade execution facility

The board of trade shall—

(A) establish and enforce rules defining, or specifications detailing, the manner of operation of the trade execution facility maintained by the board of trade, including rules or specifications describing the operation of any electronic matching platform; and

(B) demonstrate that the trade execution facility operates in accordance with the rules or specifications.

(5) Financial integrity of transactions

The board of trade shall establish and enforce rules and procedures for ensuring the financial integrity of transactions entered into by or through the facilities of the contract market, including the clearance and settlement of the transactions with a derivatives clearing organization.

(6) Disciplinary procedures

The board of trade shall establish and enforce disciplinary procedures that authorize the board of trade to discipline, suspend, or expel members or market participants that violate the rules of the board of trade, or similar methods for performing the same functions, including delegation of the functions to third parties.

(7) Public access

The board of trade shall provide the public with access to the rules, regulations, and contract specifications of the board of trade.

(8) Ability to obtain information

The board of trade shall establish and enforce rules that will allow the board of trade to obtain any necessary information to perform any of the functions described in this subsection, including the capacity to carry out such international information-sharing agreements as the Commission may require.

(c) Existing contract markets

A board of trade that is designated as a contract market on December 21, 2000, shall be considered to be a designated contract market under this section.