

[DISCUSSION DRAFT]

115<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R.** \_\_\_\_\_

To amend the Securities Exchange Act of 1934 and the Commodity Exchange Act to encourage risk mitigation by excluding all hedging swaps from the swap dealer de minimis threshold, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

M. \_\_\_\_\_ introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Securities Exchange Act of 1934 and the Commodity Exchange Act to encourage risk mitigation by excluding all hedging swaps from the swap dealer de minimis threshold, and for other purposes.

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. ENCOURAGING RISK MITIGATION BY DE MINI-**  
4 **MIS SWAP DEALERS AND SECURITY-BASED**  
5 **SWAP DEALERS.**

6 (a) SECURITIES EXCHANGE COMMISSION.—Not later  
7 than [ \_\_\_\_\_ ] the Securities Exchange Commission

1 shall revise section 240.3a71–1 of title 17, Code of Fed-  
2 eral Regulations, to clarify that in determining whether  
3 a person is a security-based swap dealer, any swap that  
4 the person enters into shall not be considered if the person  
5 enters into the swap for the purpose of offsetting or miti-  
6 gating the person’s commercial risk, including risk that  
7 arises out of or is otherwise connected to such person’s  
8 swap dealing activity or the swap dealing activity of any  
9 other entity controlling, controlled by, or under common  
10 control with such person.

11 (b) COMMODITY FUTURES TRADING COMMISSION.—  
12 Not later than [\_\_\_\_\_] the Commodity Futures Trad-  
13 ing Commission shall revise section 1.3(ggg)(6) of title 17,  
14 Code of Federal Regulations, to clarify that in determining  
15 whether a person is a swap dealer, any swap that the per-  
16 son enters into shall not be considered if the person enters  
17 into the swap for the purpose of offsetting or mitigating  
18 the person’s commercial risk, including risk that arises out  
19 of or is otherwise connected to such person’s swap dealing  
20 activity or the swap dealing activity of any other entity  
21 controlling, controlled by, or under common control with  
22 such person.