

**AMENDMENT TO H.R. 4173**

**OFFERED BY MR. LUCAS OF OKLAHOMA**

At the end of title III, insert the following new section:

1 **SEC. \_\_\_\_ . DEFINITION OF MAJOR SWAP PARTICIPANT.**

2 (a) **IN GENERAL.**—Section 1a of the Commodity Ex-  
3 change Act (7 U.S.C. 1a), as added by the preceding pro-  
4 visions of this Act, is amended by striking all provisions  
5 of the paragraph that contains the definition of “major  
6 swap participant” and inserting the following new para-  
7 graph:

8 “(\_\_\_\_) **MAJOR SWAP PARTICIPANT.**—

9 (A) **IN GENERAL.**—The term ‘major swap  
10 participant’ means any person who is not a  
11 swap dealer, and—

12 (i) maintains a substantial net posi-  
13 tion in outstanding swaps, excluding posi-  
14 tions held primarily for hedging, reducing  
15 or otherwise mitigating its commercial  
16 risk, including operating or balance sheet  
17 risk; or

18 (ii) whose outstanding swaps create  
19 substantial net counterparty exposure that

1           could have serious adverse effects on the  
2           financial stability of the United States  
3           banking system or financial markets.

4           “(B) DEFINITION OF SUBSTANTIAL NET  
5           POSTION.—The Commission shall define by rule  
6           or regulation the term ‘substantial net position’  
7           at a threshold that the Commission determines  
8           prudent for the effective monitoring and over-  
9           sight of entities which are systemically impor-  
10          tant or can significantly impact the financial  
11          system.

12          “(C) A person may be designated a major  
13          swap participant for 1 or more individual types  
14          of swaps.”.

15          (b) EFFECTIVE DATE.—The amendment made by  
16          subsection (a) shall take effect as if included in subtitle  
17          A.

