

HOUSE
RESOLUTION No. _____

Introduced by: Grubb, Friend

A HOUSE RESOLUTION to urging the United States Congress to impose measures that will aid American farmers in this transition to market oriented national option trading programs.

Whereas, American agriculture and Indiana farmers are having a difficult time in the transition to market oriented national programs;

Whereas, Risk management tools are being used to help solve the problems;

Whereas, Off trade agriculture options are being considered as an alternative to exchange trade options;

Whereas, The Chicago Board of Trade was established and licensed to prevent abuses and bankruptcies which were happening in the nonregulated sector during this time; and

Whereas, Current perception is that the exchange traded



options and futures are not accomplishing their intended purpose: Therefore,

Be it resolved by the House of Representatives of the
General Assembly of the State of Indiana:

SECTION 1. That the House of Representatives of the Indiana General Assembly encourages the United States Congress to:

- (1) not legalize option trading other than at an exchange;
- (2) review exchange rules and regulations; and
- (3) if non-exchange options are legalized, establish a clearinghouse to ensure contract validity.

SECTION 2. That the Indiana General Assembly encourage the United States Congress to require the Chicago Board of Trade to:

- (1) extend the expiration date of options to be one week before the underlying contract expiration;
- (2) require delivery points to be at producer friendly points so as to insure a reliable correlation between cash grain and futures contract prices;
- (3) reduce exchange fees for data transmission that is public domain; and
- (4) enact any other changes that would enhance producer confidence.

SECTION 3. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to the Agriculture Committees of the United States Senate and House of Representatives, Indiana's Congressional delegation, the National Futures Association, the Commodity Futures Trading Commission, the directors of the Chicago Board of Trade, and the members and chairman of the Agriculture Committee in Illinois, Michigan, Ohio, Iowa, Nebraska, Kansas, Minnesota, and Wisconsin.

