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**JOINT RESOLUTION MEMORIALIZING THE UNITED
STATES CONGRESS TO STOP GASOLINE PRICE
MANIPULATION AND TO CLOSE THE ENRON LOOPHOLE**

your Memorialists, the Members of the One Hundred and Twenty-third Legislature of the State of Maine now assembled in the First Special Session, most respectfully present and petition the United States Congress as follows:

WHEREAS, energy prices are reaching an all-time high in the United States and its citizens are especially hard-hit in the State of Maine, as our cold winters are long and many of our citizens use petroleum products to heat their homes; and

WHEREAS, diesel fuel prices for Maine truckers are causing severe economic hardship for this hardworking industry and gasoline fuel prices continue to rise, causing financial hardship to all Maine citizens; and

WHEREAS, it is apparent to the United States Congress and the citizens of Maine that some of the serious factors causing the high prices are excessive trading, speculation and, allegedly, manipulation of the commodities market; and

WHEREAS, the United States Congress passed, in December 2000, at the behest of the American energy company Enron, what is known as "the Enron Loophole" as part of the Commodity Futures Modernization Act of 2000, Appendix E of P.L.106-554, 114 Stat. 2763, and this loophole allows electronic exchanges set up for large traders to operate without any federal oversight; and

WHEREAS, one of the fundamental purposes of futures contracts is to provide price discovery, and those selling or buying commodities in the spot market rely on futures prices to judge amounts to charge or pay for a commodity; and

WHEREAS, since the creation of the futures markets in the agricultural context decades ago, it has been widely understood that, unless properly regulated, the markets may distort the economic fundamental of price discovery through excessive speculation, fraud or manipulation, and the federal Commodity Exchange Act has long been praised as preventing those economic abuses; and

WHEREAS, a recent bipartisan United States Senate report, "The Role of Market Speculation in Rising Oil and Gas Prices: The Need to Put the Cop Back on the Beat," stated that as much as 25% of the cost of a barrel of crude oil may be due to the cost of speculation and profiteering taking place in these unregulated commodities markets; and

WHEREAS, this speculation and profiteering unfairly causes many Maine citizens to pay excessive fuel and gas prices; now, therefore, be it

HP1672, item 1, 123rd Maine State Legislature
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That We, your Memorialists, on behalf of the people we represent, respectfully and strongly urge and request that the United States Congress rein in this excessive energy commodities speculation and enact meaningful reforms of the Commodities Futures Trading Commission, including closing "the Enron Loophole"; and be it further

That suitable copies of this resolution, duly authenticated by the Secretary of State, be transmitted to President of the United States Senate and to the Speaker of the United States House of Representatives, and to each Member of the Maine Congressional Delegation.