



1997 ASSEMBLY JOINT RESOLUTION 14

January 23, 1997 – Introduced by Representatives OTT, SYKORA, LORGE, HUTCHISON, OTTE, GRONEMUS, SERATTI, OURADA, BAUMGART, HASENOHRL, HAHN, WARD, ZUKOWSKI, SKINDRUD, REYNOLDS, AINSWORTH, DOBYNS, ALBERS, JOHNSRUD, SCHAFFER, KREIBICH, PORTER, GUNDERSON, MUSSEY, VRAKAS, OWENS, GOETSCH, FREESE, URBAN, BALDWIN, LAZICH, OLSEN and HUBLER, cosponsored by Senators ZIEN, A. LASEE, BRESKE, RUDE, C. POTTER, GROBSCHMIDT, PLACHE, MOEN, BUETTNER, WELCH and COWLES. Referred to Committee on Agriculture.

1 **Relating to:** requesting the Commodities Futures Trading Commission and the
2 Federal Trade Commission to reevaluate their regulatory authority over the
3 National Cheese Exchange.

4 Whereas, the National Cheese Exchange provides a cash market for the trading
5 of cheese, and recent studies suggest that the operations of the Exchange may be
6 susceptible to market manipulation; and

7 Whereas, prices established on the National Cheese Exchange constitute the
8 major factor in the establishment of the basic price for milk to be paid to dairy
9 farmers throughout the United States; and

10 Whereas, the National Cheese Exchange is therefore a true national market,
11 and national markets are most appropriately regulated at the federal level; and

12 Whereas, state regulation of the National Cheese Exchange can be easily
13 defeated by relocation of the Exchange to a place outside of Wisconsin; and

14 Whereas, the Commodities Futures Trading Commission and the Federal
15 Trade Commission have previously concluded that they do not have regulatory
16 authority over the National Cheese Exchange, but now appear to be open to the

1 possibility and desirability of federal oversight of this national price-setting
2 mechanism; now, therefore, be it

3 ***Resolved by the assembly, the senate concurring, That*** the Commodities
4 Futures Trading Commission and the Federal Trade Commission are requested to
5 examine and reevaluate the extent of their regulatory authority over the National
6 Cheese Exchange, including the need for any necessary regulatory revisions, for the
7 purpose of extending federal oversight to the Exchange, if at all possible; and, be it
8 further

9 ***Resolved, That*** the assembly chief clerk is directed to send enrolled copies of
10 this joint resolution to Brooksley Elizabeth Born, Chairperson of the Commodities
11 Futures Trading Commission, to Robert Pitofsky, Chairperson of the Federal Trade
12 Commission and to the members of this state's congressional delegation.

13 (END)