

108TH CONGRESS
1ST SESSION

H. R. 1255

To amend the Securities Exchange Act of 1934 to prohibit the fraudulent recording of revenue from round trip sales of electric power.

IN THE HOUSE OF REPRESENTATIVES

MARCH 12, 2003

Mr. WALDEN of Oregon (for himself, Mr. DEFazio, Mr. RADANOVICH, and Mrs. BONO) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Securities Exchange Act of 1934 to prohibit the fraudulent recording of revenue from round trip sales of electric power.

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. SHORT TITLE.**

4 This Act may be cited as the “Truth in Electricity
5 Revenue Reporting Act of 2003”.

1 **SEC. 2. FRAUDULENT REPORTING OF ROUND TRIP ELEC-**
2 **TRIC POWER SALES.**

3 Section 18 of the Securities Exchange Act of 1934
4 (15 U.S.C. 78r) is amended by adding at the end the fol-
5 lowing new subsection:

6 “(d) FRAUDULENT REPORTING OF ROUND TRIP
7 ELECTRIC POWER SALES.—For the purposes of sub-
8 section (a), any financial statement or report of an issuer
9 that treats as revenue, but does not treat as an equal ex-
10 pense, any contract or other arrangement directly or indi-
11 rectly to purchase from any person or other entity and
12 subsequently sell to such person or entity, or directly or
13 indirectly to sell to any person or other entity and subse-
14 quently purchase from such person or entity, within any
15 7-day period the same quantity of electric power at whole-
16 sale at the same price, shall be treated as false and mis-
17 leading with respect to a material fact without regard to
18 the amount of such contract.”.

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