brought or continued against manufacturers, distributors, dealers, or importers of firearms or ammunition for damages, injunctive or other relief resulting from the misuse of their products by others.

S. 399

At the request of Mr. COLEMAN, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 399, a bill to amend the Federal Food, Drug, and Cosmetic Act with respect to the sale of prescription drugs through the Internet, and for other purposes.

S. 401

At the request of Mr. HARKIN, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 401, a bill to amend title XIX of the Social Security Act to provide individuals with disabilities and older Americans with equal access to community-based attendant services and supports, and for other purposes.

S. 403

At the request of Mr. ENSIGN, the names of the Senator from Arizona (Mr. MCCAIN) and the Senator from South Carolina (Mr. GRAHAM) were added as cosponsors of S. 403, a bill to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

S. 467

At the request of Mr. DODD, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 467, a bill to extend the applicability of the Terrorism Risk Insurance Act of 2002.

S. 489

At the request of Mr. ALEXANDER, the names of the Senator from South Carolina (Mr. GRAHAM) and the Senator from New Hampshire (Mr. GREGG) were added as cosponsors of S. 489, a bill to amend chapter 111 of title 28, United States Code, to limit the duration of Federal consent decrees to which State and local governments are a party, and for other purposes.

S. 495

At the request of Mr. CORZINE, the names of the Senator from Wisconsin (Mr. KOHL), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Nebraska (Mr. NELSON), the Senator from Minnesota (Mr. DAYTON), the Senator from Indiana (Mr. BAYH), the Senator from California (Mrs. BOXER) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 495, a bill to impose sanctions against perpetrators of crimes against humanity in Darfur, Sudan, and for other purposes.

S. 515

At the request of Mr. BYRD, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Montana (Mr. BURNS) were added as cosponsors of S. 515, a bill to amend title 32, United States Code, to increase the maximum Federal share of the costs of State programs under the National Guard Youth Challenge Program, and for other purposes.

S. 516

At the request of Mr. LIEBERMAN, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 516, a bill to advance and strengthen democracy globally through peaceful means and to assist foreign countries to implement democratic forms of government, to strengthen respect for individual freedom, religious freedom, and human rights in foreign countries through increased United States advocacy, to strengthen alliances of democratic countries, to increase funding for programs of nongovernmental organizations, individuals, and private groups that promote democracy, and for other purposes.

S. 528

At the request of Mr. HARKIN, the names of the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Ohio (Mr. DEWINE) were added as cosponsors of S. 528, a bill to authorize the Secretary of Health and Human Services to provide grants to States to conduct demonstration projects that are designed to enable medicaid-eligible individuals to receive support for appropriate and necessary long-term services in the settings of their choice.

S. 586

At the request of Mr. BOND, the name of the Senator from Missouri (Mr. TALENT) was added as a cosponsor of S. 586, a bill to amend the Internal Revenue Code of 1986 to provide for the proper tax treatment of certain disaster mitigation payments.

S. RES. 69

At the request of Mr. LUGAR, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. Res. 69, a resolution expressing the sense of the Senate about the actions of Russia regarding Georgia and Moldova.

S. RES. 71

At the request of Mr. CRAIG, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. Res. 71, a resolution designating the week beginning March 13, 2005 as ''National Safe Place Week''.

AMENDMENT NO. 70

At the request of Mr. DODD, his name was added as a cosponsor of amendment No. 70 proposed to S. 256, a bill to amend title 11 of the United States Code, and for other purposes.

AMENDMENT NO. 112

At the request of Mr. INOUYE, his name was added as a cosponsor of amendment No. 112 proposed to S. 256, a bill to amend title 11 of the United States Code, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MCCAIN (for himself and Mr. KYL):

S. 588. A bill to amend the National Trails System Act to direct the Secretary of the Interior and the Secretary of Agriculture to jointly conduct a study on the feasibility of designating the Arizona Trail as a national scenic trail or a national historic trail; to the Committee on Energy and Natural Resources.

Mr. MCCAIN. Mr. President, I am pleased to be joined today by Senator KYL in introducing the Arizona Trail Feasibility Study Act. This bill would authorize the Secretaries of Agriculture and Interior to conduct a joint study to determine the feasibility of designating the Arizona Trail as a National Scenic or National Historic Trail. A companion bill is being introduced today in the House of Representatives by Representative KOLBE and rest of the Arizona delegation.

Since 1968, when the National Trails System Act was established, Congress has designated 20 national trails. This legislation is the first step in the process of national trail designation for the Arizona Trail. If the study concludes that designating the Arizona Trail as a part of the national trail system if feasible, subsequent legislation can be introduced to designate the Arizona Trail as either a National Scenic Trail or National Historic Trail.

The Arizona Trail is a beautifully diverse stretch of public lands, mountains, canyons, deserts, forests, historic sites, and communities. The Trail begins at the Coronado National Memorial on the U.S.-Mexico border and ends in the Bureau of Land Management's Arizona Strip District on the Utah border. In between these two points, the Trail winds through some of the most rugged, spectacular scenery in the Western United States.

For the past 10 years, over 16 Federal, State, and local agencies, as well as community and business organizations, have worked to form a partnership to create, develop, and manage the Arizona Trail. Designating the Arizona Trail as a national trail would help streamline the management of the Trail to ensure that this pristine stretch of diverse land is preserved for future generations to enjoy.

The corridor for the Arizona Trail encompasses the wide range of ecological diversity in the State, and incorporates a host of existing trails into one continuous trail. The Arizona Trail extends through seven ecological life zones including such legendary landmarks as the Sonoran Desert and the Grand Canyon. It connects the unique lowland desert flora and fauna in Saguaro National Park and the pine-covered San Francisco Peaks, Arizona's highest mountains at 12,633 feet in elevation. In fact, the Trail route is so topographically diverse that a person can hike from the Sonoran Desert to Alpine forests in one day. The Trail also takes travelers through ranching, mining, agricultural, and developed urban areas, as well as remote and pristine wildlands.

With over 700 miles of the 800-mile trail already completed, the Arizona

Trail is a boon to recreationists. The Arizona State Parks recently released data showing that two-thirds of Arizonans consider themselves trail users. Millions of visitors also use Arizona's trails each year. In one of the fastest-growing states in the U.S., the designation of the Arizona Trail as a National Scenic or National Historic Trail would ensure the preservation of a corridor of open space for hikers, mountain bicyclists, cross-country skiers, snowshoers, eco-tourists, equestrians, and joggers.

I commend the Arizona Trail Association for taking the lead in building a coalition of partners to bring the Arizona Trail from its inception to a nearly completed, multiple-use, non-motorized, long-distance trail. Trail enthusiasts look forward to the completion of the Arizona Trail. Its designation as a national trail would help to protect the natural, cultural, and historic resources it contains for the public to use and enjoy.

I urge my colleagues to support the passage of this legislation.

Mr. KYL. Mr. President, today I am pleased to join with Senator MCCAIN in introducing the Arizona Trail Feasibility Study Act. This bill would authorize the Secretaries of Agriculture and the Interior to conduct a joint study to determine the feasibility and desirability of designating the Arizona Trail as a National Scenic or Historic Trail. A companion bill is being introduced today in the House of Representatives by Representative KOLBE on behalf of the entire Arizona delegation.

In 1968, Congress established the National Trails System to promote the preservation of historical resources and outdoor areas. National scenic and national historic trails may be designated only by an act of Congress. The first step toward national trail designation is the feasibility study process, which this legislation authorizes. When a study recommends a trail for designation, subsequent legislation will be introduced to bring it into the National Trails System.

The Arizona Trail is highly deserving of consideration for national designation. The trail is a roller coaster ride through the wide range of ecological diversity in the State. The Trail corridor begins at the Coronado National Memorial on the U.S. Mexico Border, and winds some 800 miles, ending on the Bureau of Land Management's Arizona Strip District on the Utah Border. As it connects these two points, it invites recreationists to explore the State's most renowned mountains, canyons, deserts and forests, including the Grand Canyon and the Sonora Desert. This trail is unique in that it was developed to maximize the incorporation of already existing public trails into one continuous trail, to showcase some of the most spectacular scenery in the West.

The trail is a partnership of over 16 Federal, State and local agencies, as well as numerous community and business organizations and countless volunteers, to develop and sustain it as a recreational resource for future generations. Authorizing this study and ultimately designating the Arizona Trail as a national trail will help streamline its management, boost tourism and recreation, and preserve a magnificent natural, cultural, and historical experience of the American West.

By Mr. CORNYN (for himself and Mr. LEAHY):

S. 589. A bill to establish the Commission on Freedom of Information Act Processing Delays; to the Committee on the Judiciary.

Mr. CORNYN. Mr. President, on February 16, shortly before the President's Day recess in February, the Senator from Vermont and I introduced the OPEN Government Act of 2005—bipartisan legislation to promote accountability, accessibility, and openness in government, principally by strengthening and enhancing the Federal law commonly known as the Freedom of Information Act.

When I served as Attorney General of Texas, it was my responsibility to enforce Texas's open government laws. I am pleased to report that Texas is known for having one of the strongest set of open government laws in our Nation. And ever since that experience, I have long believed that our federal government could use ''a little Texas sunshine.'' I am thus especially enthusiastic about the OPEN Government Act, because that legislation attempts to incorporate some of the most important principles and elements of Texas law into the federal Freedom of Information Act.

Today, I am pleased to join the Senator from Vermont again, to commence another bipartisan effort to reinforce our national commitment to freedom of information and openness in government. Indeed, this is an especially appropriate time to promote this important cause, because starting this Sunday, America will observe the first-ever national Sunshine Week—a celebration of our nation's founding principles and commitment to freedom of information and openness in government. It is also long past due. It has been nearly a decade since Congress has approved major reforms to the Freedom of Information Act. Moreover, a Senate Judiciary subcommittee hearing that the Senator from Vermont and I will lead next Tuesday morning to examine our open government laws will be the first such hearing since 1992.

The Faster FOIA Act of 2005 would establish an advisory Commission on Freedom of Information Act Processing Delays. The Commission would be charged with reporting to Congress and the President its recommendations for steps that should be taken to reduce delays in the administration of the Freedom of Information Act.

The Commission would be comprised of 16 members. Twelve of them would be appointed by members of Congress—three by the chairman of the Senate Judiciary Committee, three by the chairman of the House Government Reform Committee, and three each by the ranking minority member of the two committees. These four members of Congress would each be required to appoint at least one member to the Commission with experience submitting FOIA requests on behalf of nonprofit research or educational organizations or news media organizations, and at least one member with experience in academic research in the fields of library science, information management, or public access to Government information. The remaining four positions on the Commission would be held by designees of the Attorney General, the Director of the Office of Management and Budget, the Archivist of the United States, and the Comptroller General.

The Commission would be responsible for producing a study to identify methods to reduce delays in the processing of FOIA requests and to ensure the efficient and equitable administration of FOIA throughout the Federal Government. The Commission would also be charged with examining whether the system for charging fees and granting fee waivers under FOIA should be reformed in order to reduce delays in processing fee requests. The report would be due no later than one year after the date of enactment of this Act, and would include recommendations for legislative and administrative action to enhance FOIA performance. The Commission would expire thirty days after the submission of the report.

The Faster FOIA Act is important legislation to strengthen openness in our Federal Government, and I am pleased to join with the Senator from Vermont once again in furtherance of this cause.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 589

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COMMISSION ON FREEDOM OF INFORMATION ACT PROCESSING DELAYS.

(a) SHORT TITLE.—This Act may be cited as the ''Faster FOIA Act of 2005''.

(b) ESTABLISHMENT.—There is established the Commission on Freedom of Information Act Processing Delays (in this Act referred to as the ''Commission'') for the purpose of conducting a study relating to methods to help reduce delays in processing requests submitted to Federal agencies under section 552 of title 5, United States Code (commonly referred to as the ''Freedom of Information Act'').

(c) MEMBERSHIP.—

(1) IN GENERAL.—The Commission shall be composed of 16 members of whom—

(A) 3 shall be appointed by the chairman of the Committee on the Judiciary of the Senate;

(B) 3 shall be appointed by the ranking member of the Committee on the Judiciary of the Senate;

(C) 3 shall be appointed by the chairman of the Committee on Government Reform of the House of Representatives;

(D) 3 shall be appointed by the ranking member of the Committee on Government Reform of the House of Representatives;

(E) 1 shall be appointed by the Attorney General of the United States;

(F) 1 shall be appointed by the Director of the Office of Management and Budget;

(G) 1 shall be appointed by the Archivist of the United States; and

(H) 1 shall be appointed by the Comptroller General of the United States.

(2) QUALIFICATIONS OF CONGRESSIONAL APPOINTEES.—Of the 3 appointees under each of subparagraphs (A), (B), (C), and (D) of paragraph (1)—

(A) at least 1 shall have experience in submitting requests under section 552 of title 5, United States Code, to Federal agencies, such as on behalf of nonprofit research or educational organizations or news media organizations; and

(B) at least 1 shall have experience in academic research in the fields of library science, information management, or public access to Government information.

(d) STUDY.—The Commission shall conduct a study to—

(1) identify methods that—

(A) will help reduce delays in the processing of requests submitted to Federal agencies under section 552 of title 5, United States Code; and

(B) ensure the efficient and equitable administration of that section throughout the Federal Government; and

(2) examine whether the system for charging fees and granting waivers of fees under section 552 of title 5, United States Code, needs to be reformed in order to reduce delays in processing requests.

(e) REPORT.—Not later than 1 year after the date of enactment of this Act, the Commission shall submit a report to Congress and the President containing the results of the study under this section, which shall include—

(1) a description of the methods identified by the study;

(2) the conclusions and recommendations of the Commission regarding—

(A) each method identified; and

(B) the charging of fees and granting of waivers of fees; and

(3) recommendations for legislative or administrative actions to implement the conclusions of the Commission.

(f) STAFF AND ADMINISTRATIVE SUPPORT SERVICES.—The Comptroller General of the United States shall provide to the Commission such staff and administrative support services, including research assistance at the request of the Commission, as necessary for the Commission to perform its functions efficiently and in accordance with this section.

(g) INFORMATION.—To the extent permitted by law, the heads of executive agencies, the Government Accountability Office, and the Congressional Research Service shall provide to the Commission such information as the Commission may require to carry out its functions.

(h) COMPENSATION OF MEMBERS.—Members of the Commission shall serve without compensation for services performed for the Commission.

(i) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(j) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Commission.

(k) TERMINATION.—The Commission shall terminate 30 days after the submission of the report under subsection (e).

Mr. LEAHY. Mr. President, I am pleased to join my colleague from Texas, Senator JOHN CORNYN, in introducing what is our second cooperative action in this Congress to improve the implementation of the Freedom of Information Act, or FOIA. This bill, called the ''Faster FOIA Act of 2005,'' responds to commonly voiced concerns of FOIA requestors over agency delay in processing requests.

I want to express my appreciation to all of the FOIA officers and other Federal employees who work hard to process FOIA requests quickly and efficiently. I know that many simple requests are filled within a few days, and I understand that complex requests dealing with national security issues can take time for declassification, redaction, or release, as appropriate.

There are, nonetheless, significant delays at many agencies. In 2003, a nongovernmental organization, the National Security Archive, looked into just how long some FOIA requests are left unfulfilled. The group found that the oldest requests dated back to the late 1980s, before the collapse of the Soviet Union. The oldest of these was a request to the FBI for information on the Bureau's activities at the University of California. First filed in November 1987, this request was partially fulfilled in 1996 after extensive litigation. According to the National Security Archive, the documents that were released revealed ''unlawful FBI intelligence activities and the efforts to cover up such conduct.'' After a 2002 article in the San Francisco Chronicle, and inquiries from Senator FEINSTEIN, the Bureau acknowledged that there were at least 17,000 pages of records that still had not been produced. Since then, some data has been released, but the requestor recently told me that he believes more than 15,000 pages remain outstanding.

This is an extreme case, but delays are commonplace. Sometimes slowdowns are caused by poorly managed or decentralized data systems that result in an agency not knowing what documents are located where. Other times, components within a single agency do not effectively communicate with one another, so that no one can say whether a request has been filled or not. Finally, we have heard anecdotal evidence of certain agencies engaging in protracted disputes over fee waivers sought by FOIA requestors. I have worked closely with the Government Accountability Office over the past few years to obtain detailed analysis of how fees are collected and how fee waiver requests are processed. The analysts at GAO have looked long and hard at these issues. I am grateful for their efforts and look forward to the results of their study later this year.

One of the problems faced by GAO, and anyone else who has looked into agency delay, is the lack of comprehensive reporting data. We address this problem in our companion bill, S.94, the Open Government Act, by calling for more detailed reporting from agencies on FOIA processing.

These issues deserve a closer look in the short term, however. In this bill, we propose to establish a commission to review agency delay and to make recommendations for reducing impediments to the efficient processing of requests. The Commission would also examine whether the system for charging fees and granting waivers should be modified.

The Commission would be made up of government and non-governmental representatives with a broad range of experience in both submitting and handling FOIA requests, in information science, and in the development of government information policy.

I understand that many requests are complex and that the resources devoted to agency FOIA processing are often lacking. Our companion bill, S. 394, the Open Government Act, addresses this issue by establishing a FOIA ombudsman requiring the Office of Personnel Management to examine how FOIA can be better implemented at the agency level. If the Commission finds that limited resources are a significant factor in slowing down the fulfillment of requests, then Congress should address the issue by increasing funding levels for FOIA processing.

I want to thank the Senator from Texas for his diligent work and flexibility in crafting a Commission structure that is balanced and fair, and that will bring extraordinary expertise to solving these nettlesome problems. I urge all of our colleagues to support the Faster FOIA Act, which has the potential to help agencies and requestors alike in the service of open government.

By Ms. COLLINS (for herself, Mr. BAYH, Mr. BURR, Mr. SANTORUM, Mr. SCHUMER, Mr. DEWINE, Mr. DURBIN, Mrs. DOLE, Mr. BYRD, Ms. MIKULSKI, Mr. GRAHAM, Mr. LIEBERMAN, Mr. PRYOR, Mrs. LINCOLN, Mr. ROCKEFELLER, Mr. BAUCUS, and Mr. LOTT):

S. 593. A bill to amend title VII of the Tariff Act of 1930 to provide that the provisions relating to countervailing duties apply to nonmarket economy countries; to the Committee on Finance.

Ms. COLLINS. Mr. President, our Nation's manufacturers and their employees can compete against the best in the world, but they cannot compete against nations that provide huge subsidies and other unfair advantages to their producers. I hear from manufacturers in my State time and time again whose efforts to compete successfully in the global economy simply cannot overcome the practices of illegal pricing and subsidies of nations such as

China. The results of these unfair practices are lost jobs, shuttered factories, and decimated communities.

Consider this one example. The American residential wood furniture industry has experienced devastating losses due to surges of unfairly priced furniture imports from China. According to the U.S. Bureau of Labor, 34,700 jobs, or 28 percent of the workforce, have been lost in the U.S. furniture industry since 2000. One furniture manufacturer in Maine, Moosehead Manufacturing, was forced to eliminate a quarter of its employees due to the unfair market conditions it faces.

Unfairly priced imports from China are a leading cause in these job losses. China's wooden bedroom furniture exports to the U.S., which amounted to just $169 million in 1999, reached an estimated $1.2 billion in 2003. By subsidizing investments in furniture manufacturing facilities, China is exploiting the U.S. market to the benefit of its producers and putting our employees at an unfair advantage.

This is why I am introducing the ''Stopping Overseas Subsidies Act,'' a bill I introduced in the 108th Congress. I am pleased to be joined by my good friend and colleague from Indiana, Senator BAYH, who has worked closely with me on this legislation. This bill revises current trade remedy laws to ensure that U.S. countervailing duty laws apply to imports from non-market economies, such as China.

Our Nation's trade remedy laws are intended to give American industries and their employees relief from the effects of illegal trade practices. Unfortunately, some countries in the world choose to cheat instead of compete fairly. In these cases, U.S. industries can file petitions under U.S. trade remedy laws for relief. Under current Commerce Department practice, however, U.S. industries competing with these unfairly advantaged foreign producers can file an anti-subsidy petitions against any market economy—such as Canada or Chile—but not against a non-market economy such as China. As a result, those countries, such as China, that subsidize their industries the most heavily and cause the most injury to U.S. industries and workers are exempt from the reach of American anti-subsidy laws.

It is time that this was changed. It is simply not fair to prevent U.S. industries from seeking redress from these unfair trade practices because our trade remedy laws are outdated.

Over the past two decades, there have been significant economic changes in many of the countries classified as non-market economies. This is particularly true in China, one of our largest trading partners and the country with which the United States currently runs its largest trade deficit.

Beginning in the early 1980's and continuing today, China has undertaken major economic reforms. Today, China's economy is not completely state-controlled. Government price controls on a wide range of products have been eliminated. Many enterprises and even entire industries have been allowed to operate and compete in an economic system that has elements of a free market. And, of course, China has taken steps toward fully integrating into the global trading system by joining the World Trade Organization and by working toward the establishment of a modern commercial, financial, legal, and regulatory infrastructure.

The problem is not China's economic liberalization and modernization. The problem is this: now that China has the capacity to be a key international economic player, the country has repeatedly refused to comply with standard international trading rules and practices. And these violations include the use of subsidies and other economic incentives that are designed to give its producers an unfair competitive advantage.

Perhaps the most glaring subsidy comes in the form of currency manipulation. By keeping the Chinese yuan pegged to the U.S. dollar at artificially low levels, the Chinese undervalue the prices of their exports. Not only does this practice provide their producers with a price advantage, but also it violates International Monetary Fund and WTO rules. The Chinese government also reimburses many enterprises for their operating losses and provides loans to uncreditworthy companies.

Currently, U.S. industries have no direct recourse to combat these unfair practices. They instead must rely upon government-to-government negotiations or on the dispute settlement processes of international organizations such as the WTO. While these channels might eventually lead to relief, it usually takes years to see results—and by that time, that industry could already be decimated.

Unfair market conditions cannot continue to cause our manufacturers to hemorrhage jobs. No state understands this more than my home state of Maine. According to a recent study by the National Association of Manufacturers, on a percentage basis, Maine lost more manufacturing jobs in the previous three years than any other state. This is why organizations such as the Maine Forest Products Council and the Maine Wood Products Association have strongly endorsed my proposal.

The Stopping Overseas Subsidies bill is a bipartisan, bicameral bill that has a broad range of support across many industries and geographical areas. A companion bill is being introduced today in the House by Representatives Phil English of Pennsylvania and Artur Davis of Alabama. Last year, the Senate bill had eighteen cosponsors.

I am proud that over twenty organizations and a number of private companies, representing a range of industries, have endorsed this bill. Some of these organizations include: The American Forest & Paper Association, the National Council of Textile Organizations, the Printing Industries of America, the Steel Manufacturers Association, and the Catfish Farmers of America. Of particular note, the National Association of Manufacturers has endorsed this bill and has listed it as one of its top trade agenda items in 2005.

In addition, the United States Economic and Security Review Commission, a bipartisan organization established by Congress in 2000 to provide recommendations to Congress on the relationship between the United States and China, has endorsed the goals of this bill. In its annual report to Congress in June 2004, the Commission stated, ''U.S. policy currently prevents application of countervailing duty laws to nonmarket economy countries such as China. This limits the ability of the United States to combat China's extensive use of subsidies that give Chinese companies an unfair competitive advantage. The Commission recommends that Congress urge the Department of Commerce to make countervailing duty laws application to nonmarket economies. If Commerce does not do so, Congress should pass legislation to achieve the same effect.''

U.S. industries don't want protection—they want fair competition. Illegal subsidies distort fair competition, regardless of the economic system in which they are used. Our legislation simply levels the playing field by allowing anti-subsidy petitions to be brought against non-market economies in addition to market economies.

Countries such as China want to have all the benefits of engaging in international trading institutions and systems and continue to cheat on the system with no penalties. It is time these countries were held to the same standards as other countries around the world. I ask you to join me in supporting the SOS bill to ensure that all countries are held accountable for their trade practices.

By Mr. SPECTER:

S. 594. A bill to amend section 1114 of title 11, United States Code, to preserve the health benefits of certain retired miners; to the Committee on the Judiciary.

Mr. SPECTER. Mr. President, yesterday during consideration of the Bankruptcy Reform Act of 2005, I offered an amendment regarding a serious matter involving the guaranteed health benefits of retired coal miners and their families. Unfortunately due to an objection to the unanimous consent request for consideration of my amendment, it was not considered. Therefore, to continue my efforts on behalf of our Nation's coal miners, I have elected today to introduce the Retired Coal Miner Health Benefits Preservation Act.

This legislation would reaffirm the commitment stipulated in the Coal Act of 1992, which guaranteed health benefits to retired coal miners and their families and would clarify the lack of authority of the bankruptcy court to

modify or terminate statutory obligations required under Section 9711 of the Coal Act. This legislation is a direct response to a recent bankruptcy court proceeding in which the court determined it had the authority under Section 1114 of the Bankruptcy Code to modify the level of benefits required to be provided under Section 9711 of the Coal Act.

The Coal Act of 1992 mandated coal operators to fulfill their promise to provide their employees and families health benefits and those obligations could not be modified. As an original cosponsor to this legislation, I am intimately aware of its effect on the 14,000 retired coal miners and their dependents in Pennsylvania. Nationally, this Act effects over 60,000 individuals including every State except for Hawaii. These health benefits form a central underpinning for the medical care structure of the coal field communities. The promise of the Coal Act applied to a fixed pool of coal miners that was closed as of 1994.

Additionally, I want to note that there may be some speculation raised by my colleagues in reference to the recent bankruptcy of Horizon Natural Resources. In this particular bankruptcy proceeding, the court concluded that Section 1114 trumped the Coal Act, which is simply not the case. This or other statutory obligations cannot be undermined by the bankruptcy court. Congress intended that Section 1114 be a statutory obligation and not a contractual obligation. Therefore, this egregious court decision unfortunately trumps the true intent of the Coal Act.

Finally, I am aware that my colleague, Senator ROCKEFELLER, offered legislation in the 108th Congress to address this issue and I commend him for it. Today, I am continuing his prodigious work by introducing this legislation which reinforces what Congress intended, which was not to obstruct the statutory requirements of the Coal Act. I urge my colleagues to strongly support this legislation.

By Mr. SANTORUM (for himself, Mr. BAUCUS, Mr. SMITH, Mr. ROCKEFELLER, and Mr. JEFFORDS):

S. 595. A bill to amend the Internal Revenue Code of 1986 to modify the work opportunity credit and the welfare-to-work credit; to the Committee on Finance.

Mr. SANTORUM. Mr. President, I am pleased to join Senator BAUCUS in the reintroduction of the Encouraging Work Act of 2005. The Work Opportunity Tax Credit (WOTC) and Welfare-to-Work Tax Credit (W-t-W) are tax incentives that encourage employers to hire public assistance recipients and other individuals with barriers to employment. The combination of Welfare Reform passed by Congress in 1996 and the assistance to employers found in the WOTC and W-t-W has enabled expanded opportunity for many Americans. Yet more can be done. We were pleased that the Senate JOBS bill passed last year included a permanent WOTC/W-t-W provision along with helpful reforms largely supported by the Administration. Unfortunately, it was only extended in another tax relief bill. Without action by Congress WOTC and W-t-W will expire on January 1, 2006.

Under present law, WOTC provides a 40 percent tax credit on the first $6,000 of wages for those working at least 400 hours, or a partial credit of 25 percent for those working 120–399 hours. W-t-W provides a 35 percent tax credit on the first $10,000 of wages for those working 400 hours in the first year. In the second year, the W-t-W credit is 50 percent of the first $10,000 of wages earned. WOTC and W-t-W are key elements of welfare reform. A growing number of employers use these programs in the retail, health care, hotel, financial services, food, and other industries. These programs have helped over 2,700,000 previously dependent persons to find jobs.

WOTC and W-t-W eligibility is limited to: 1. Recipients of Temporary Assistance to Needy Families (TANF) in 9 of the 18 months ending on the hiring date; 2. individuals receiving Supplemental Security Income (SSI) benefits; 3. disabled individuals with vocational rehabilitation referrals; 4. veterans on food stamps; 5. individuals in households receiving food stamp benefits; 6. qualified summer youth employees; 7. low-income ex-felons; and 8. individuals age 18–24 living in empowerment zones or renewal communities. Eligibility for W-t-W is limited to individuals receiving welfare benefits for 18 consecutive months ending on the hiring date. More than 80 percent of WOTC and W-t-W hires were previously dependent on public assistance programs. These credits are both a hiring incentive—offsetting some of the higher costs of recruiting, hiring, and retaining public assistance recipients and other low-skilled individuals—and a retention incentive, providing a higher reward for those who stay longer on the job.

After eight years of experience with these programs, their value has been well demonstrated. In 2001, the GAO issued a report that indicated that employers have significantly changed their hiring practices because of WOTC. With the resources provided by WOTC, employers have provided job mentors, lengthened training periods, engaged in recruiting outreach, and listed jobs or requested referrals from public agencies or partnerships. WOTC and W-t-W have become a true public-private partnership in which the Department of Labor, the Internal Revenue Service, the states, and employers have forged excellent working relationships.

But the challenges for employers and those looking for better opportunities are real. The job skills of eligible persons leaving welfare are sometimes limited, and the costs of recruiting, training, and supervising low-skilled individuals cause many employers to look elsewhere for employees. WOTC and W-t-W are proven incentives for encouraging employers to seek employees from the targeted groups. Despite the considerable success of WOTC and W-t-W, many vulnerable individuals still need a boost in finding employment. There are several legislative changes that would strengthen these programs, expand employment opportunities for needy individuals, and make the programs more attractive to employers.

Combine WOTC and W-t-W. The Administration's FY 2006 budget proposes to simplify these important employment incentives by combining them into one credit and making the rules for computing the combined credits simpler. The credits would be combined by creating a new welfare-to-work target group under WOTC. The minimum employment periods and credit rates for the first year of employment under the present work opportunity tax credit would apply to W-t-W employees. The maximum amount of eligible wages would continue to be $10,000 for W-t-W employees and $6,000 for other target groups ($3,000 for summer youth). In addition, the second year 50-percent credit under W-t-W would continue to be available for W-t-W employees under the modified WOTC.

Eliminate Requirement to Determine Family Income for Ex-Felons. Under current law, only those ex-felons whose annual family income is 70 percent or less than the Bureau of Labor Statistics lower living standard during the six months preceding the hiring date are eligible for WOTC. The Administration's FY 2006 budget proposes to eliminate the family income attribution rule.

Permanent Extension of WOTC and W-t-W. Permanent extension would provide these programs with greater stability, thereby encouraging more employers to participate, make investments in expanding outreach to identify potential workers from the targeted groups, and avoid the wasteful disruption of termination and renewal. A permanent extension would also encourage the state job services to invest the resources needed to make the certification process more efficient and employer-friendly.

Raise the WOTC age eligibility ceiling from 24 to 39 years of age for members of food stamp households and ''high-risk youth'' living in enterprise zones or renewal communities. Current WOTC eligibility rules heavily favor the hiring of women because single mothers are much more likely to be on welfare or food stamps. Women constitute about 80 percent of those hired under the WOTC program, but men from welfare households face the same or even greater barriers to finding work. Increasing the age ceiling in the ''food stamp category'' would greatly improve the job prospects for many absentee fathers and other ''at risk''

males. This change would be completely consistent with program objectives because many food stamp households include adults who are not working, and more than 90 percent of those on food stamps live below the poverty line.

WOTC and W-t-W are also key elements of welfare reform. Employers in the retail, health care, hotel, financial services, and food industries have incorporated this program into their hiring practices and through these programs, more than 2,700,000 previously dependent persons have found work. A recent report issued by the New York State Department of Labor bears this out in economic terms. Comparing the cost of WOTC credits, taken by New York state employers during the period 1996–2003 (for a total of $192.59 million), with savings achieved through closed welfare cases and reductions in vocational rehabilitation programs and jail spending (for a total of $199.89 million), the State of New York concluded that WOTC provided net benefits to the taxpayers even without taking into account the additional economic benefits resulting from the addition of new wages.

In that regard, the New York State analysis concluded that the roughly $90 million in wages paid to WOTC workers since 1996 generated roughly $225 million in increased economic activity. Perhaps even more importantly, the study found that roughly fifty-eight percent of the TANF recipients who entered private sector employment with the assistance of WOTC stayed off welfare. I mention the New York State study because it is the first of its kind; however, I am certain that similar conclusions would be reached in the Commonwealth of Pennsylvania or any of the other forty-eight states and the District of Columbia. These programs work and do so at a net savings to taxpayers. In fact, over a 7-year period there were more than 110,000 certifications for both WOTC and W-t-W in Pennsylvania, alone enabling many to leave welfare and find private sector work. The legislation is supported by hundreds of employers throughout Pennsylvania and around the country. WOTC and W-t-W have received high praise as well from the federal government. A 2001 GAO study concluded that employers have significantly changed their hiring practices because of WOTC by providing job mentors, longer training periods, and significant recruiting outreach efforts.

WOTC and W-t-W are not traditional government jobs programs. Instead they are precisely the type of program that we should champion in a time when we need to be fiscally responsible. These are efficient and low cost public-private partnerships that have as their goal to provide a means by which individuals can transition from welfare to a lifetime of work and dignity.

The Work Opportunity Credit and Welfare-to-Work Credit have been successful in moving traditionally hard-to-employ persons off welfare and into the workforce, where they contribute to our economy. However, employer participation in these important programs can be increased, particularly among small and medium-sized employers. This is due to the complexity of the credits and the fact that they are both only temporary provisions of the tax code subject to renewal every year or two. Small, medium, and even some large employers find it difficult to justify developing the necessary infrastructure to administer and participate in these programs when their continued existence beyond one or two years is constantly in question.

This legislation will remedy this problem by combining WOTC and W-t-W into one, more easily administered tax credit, and by making it a permanent part of the tax code. Many organizations including the National Council of Chain Restaurants, National Retail Federation, Food Marketing Institute, National Association of Convenience Stores, National Restaurant Association, American Hotel & Lodging Association, National Roofing Contractors Association, National Association of Chain Drug Stores, American Nursery and Landscape Association, and the American Health Care Association support this legislaiton. Representatives JERRY WELLER R–IL, CHARLES RANGEL D–NY, and PHIL ENGLISH R–PA are introducing identical legislation in the House of Representatives. I urge my colleagues to join us in supporting this legislation.

Mr. BAUCUS. Mr. President, I am pleased to join my colleague, Senator SANTORUM, in introducing legislation to permanently extend and improve upon the Work Opportunity and the Welfare-to-Work tax credits. Last year, I was pleased to successfully add a permanent a extension of these credits to the Senate passed JOBS bill, which combined the credits and made certain improvements. When the expiring tax provisions were considered last year as part of the Working Families Tax Relief bill, I offered an amendment to combine both credits and make them permanent. While this provision was not retained in conference, I was successful in securing an extension of the current program through December 31, 2005. This extension expires at the end of this year so immediate action is needed to make these credits permanent and make several reforms in the programs to improve their effectiveness. These recurring lapses and extensions make administration of this credit burdensome both for the taxpaying employer, who cannot keep track of who is or isn't qualified, and for the IRS, which needs to ensure taxpayers are complying with the ever-shifting law.

Over the past decade, the Work Opportunity Tax Credit, WOTC, and the Welfare-to Work, W-t-W, have helped over 2.2 million public assistance dependent individuals enter the workforce. Both of these important programs are scheduled to expire on December 31, 2005. These hiring tax incentives have clearly demonstrated their effectiveness in helping to level the job selection playing field for low-skilled individuals by providing employers with additional resources to help recruit, select, train and retain individuals with significant barriers to work. Many vulnerable individuals still need a boost in finding employment, and this is particularly critical during periods of high unemployment. The weak economy and rising unemployment give employers many more hiring options because of the larger pool of experienced laid-off workers. Without an extension of these programs, the task of transitioning from welfare-to-work will become even harder for individuals who reach their welfare eligibility ceiling.

Because of the costs involved in setting up and administering a WOTC/W-t-W program, employers have established massive outreach programs to maximize the number of eligible persons in their hiring pool. The States, in turn, have steadily improved the programs through improved administration. WOTC has become an example of a true public-private partnership design to assist the most needy applicants. Without the additional resources provided by these hiring tax incentives, few employers would actively seek out this hard-to-employ population.

WOTC provides employers with a graduated tax credit equal to 25-percent of the first $6,000 in wages for eligible individuals working between 120 hours and 399 hours and a 40-percent tax credit on the first $6,000 in wages for those working over 400 hours. The W-t-W tax credit is geared toward long-term welfare recipients and provides a 35-percent tax credit on the first $10,000 in wages during the first year of employment and a 50-percent credit on the first $10,000 for those who stay on the job a second year.

In my own State of Montana, many businesses take advantage of this program, including large multinational firms and smaller family-owned businesses. Those who truly benefit from the WOTC/W-t-W program, however, are low-income families, under the Food Stamp Program, the Aid to Families with Dependent Children, AFDC, and Temporary Assistance for Needy Families, TANF, programs, and also low-income U.S. Veterans. In Montana, more than 1,000 people were certified as eligible under the WOTC program during an 18-month period, October 2001 through March 2003, including 476 Food Stamp recipients, 475 AFDC/TANF recipients, and 52 U.S. veterans.

The bill we are introducing provides for a permanent program extension of the two credits. After a decade of experience with WOTC and W-t-W, we know that employers do respond to these important hiring tax incentives. Permanent extension would provide these

programs with greater stability, thereby encouraging more employers to participate, make investments in expanding outreach to identify potential workers from the targeted groups, and avoid the wasteful disruption of termination and renewal A permanent extension would also encourage the state job services to invest the resources needed to make the certification process more efficient and employer-friendly.

The bill also includes a proposal to simplify the programs by combining them into one credit and making the rules for computing the combined credits simpler. This would be accomplished by creating a new welfare-to-work target group under WOTC. The minimum employment periods and credit rates for the first year of employment under present work opportunity tax credit would apply to W-t-W employees. The maximum amount of eligible wages would continue to be $10,000 for W-t-W employees. In addition, the second year 50-percent credit under W-t-W would continue to be available for W-t-W employees under the modified WOTC.

Finally, there are other changes in the bill that would extend these benefits to more people and help them find work. Because of the program's eligibility criteria, over 80 percent of those hired are women leaving welfare. Since men are not eligible for TANF benefits unless they are parenting their kids, the fathers of children on welfare receive little help in finding work, even though they often face barriers to work just as women on welfare do. We propose to help absentee fathers find work and provide the resources to assume their family responsibilities by opening up WOTC eligibility to anyone 39 years old or younger in families receiving food stamps or residing in enterprise zones or empowerment communities. Raising the eligibility limits in these two categories will extend eligibility to hundreds of thousands of at-risk men.

I urge my colleagues to support this important piece of legislation.

By Mr. THOMAS:

S. 596. A bill to reform the nation's outdated laws relating to the electric industry, improve the operation of our transmission system, enhance reliability of our electric grid, increase consumer benefits from wholesale electric competition and restore investor confidence in the electric industry; to the Committee on Energy and Natural Resources.

Mr. THOMAS. Mr. President, today, I rise to introduce the ''Electric Transmission and Reliability Enhancement Act of 2005''. It is my intention to build on the competitive wholesale open access policies adopted by the Congress in the 1992 Energy Policy Act. My legislation would extend and improve these open, non-discriminatory access policies; remove antiquated federal statutory barriers that stand in the way of competitive wholesale markets; encourage increased investment in our transmission system and establish enforceable reliability standards to help ensure the continued reliability of the interstate transmission system.

The Congress has been debating how to update the antiquated statutory and regulatory framework governing the electric industry for over eight years. We repeatedly have tried and failed to enact legislation that would provide the right economic signals and regulatory certainty necessary for industry and wholesale market modernization. The loser in all of this has been the consumer, who has been denied the full benefits that access provides to fairly priced, reliable supplies of power. I have come to the conclusion that if we are to legislate successfully, we will have to pare down our wish list to the bare essentials plus those issues necessary for the electric industry to attract the capital it needs to keep our lights on and ensure that customers pay no more for their power than is fair and necessary.

It seems clear that if truly competitive wholesale markets are to exist, there is a need to ensure that all industry participants play by the same rules. While the Federal Energy Regulatory Commission has tried to ensure this, the Commission's tools are limited. Only Congress can give FERC the tools it needs to ensure that all industry participants in competitive wholesale markets play by the same rules.

Under present federal law FERC has no jurisdiction or authority over transmission facilities owned by public power agencies, municipalities and cooperatives. In the West these types of entities own a substantial portion, perhaps as much as half of the interstate electric transmission system. As a matter of fact, in the Western Electric Coordinating Council, an area that encompasses all or part of 11 Western states and parts of Canada, non-FERC jurisdictional facilities account for 52 percent of transmission miles.

My legislation would permit FERC to require certain nonregulated utilities to offer transmission service at comparable rates to those they charge themselves, and on terms and conditions comparable to those applicable to jurisdictional public utilities. Currently nonregulated transmitting utilities would not be subject to the full panoply of FERC regulation under this provision. Instead, a ''light handed'' form of regulation would apply and small nonregulated entities, such as those that sell less than 4,000,000 MW/h per year, would be entirely exempt from these nondiscrimination requirements.

It also seems clear that the Public Utility Holding Company Act is hindering necessary restructuring of the industry and the deployment of capital into an industry that desperately needs it. Investors are deterred simply because they do not want to deal with the PUHCA rules and restrictions. If repealed, utility securities will continue to be regulated by the SEC, FERC and most state commissions. Mergers and acquisitions of jurisdictional assets would still require FERC and state commission approval and review by the Department of Justice, DOJ, and the Federal Trade Commission, FTC. FERC and state commissions would still be able to monitor rates and prevent cross-subsidies.

Despite State progress in administering the Public Utility Regulatory Policies Act of 1978, it is clear that PURPA continues to provide special privileges to certain favored generators at the expense of utilities and their customers. Like PUHCA, PURPA is no longer needed in today's competitive wholesale markets. My legislation prospectively eliminates the mandatory purchase and sell obligations of PURPA.

Over the years the grid has been well protected through voluntary standards established by the North American Electric Reliability Council. NERC's voluntary reliability standards—which are not enforceable—have generally been complied with by the electric power industry. But with the opening of the wholesale power market to competition, our transmission grid is being used in ways for which it was not designed. New system strains are also being created by the break-up of vertically integrated utilities and by the emergence of new market structures and participants. The results of these changes have been an increase in the number and severity of violations of NERC's voluntary rules.

My legislation converts the existing NERC voluntary reliability system into a mandatory reliability system. A North America-wide organization would have the authority to establish and enforce reliability standards, and take into account regional differences. The new reliability organization will be run by market participants, and will be overseen by the FERC in the U.S. The organization will be made up of representatives of everyone who is affected—residential, commercial and industrial consumers; State public utility commissions; independent power producers; electric utilities and others. There is no question that we need a new system to safeguard the integrity of our electric grid. My legislation would do this, using language that was agreed upon in the last Congress by House and Senate conferees for the energy bill.

During the last energy debate, efforts were made to address some of the more egregious behavior and attempted market manipulation by certain entities through legislation. While this area is obviously very complex, we need to address this issue if regulatory gaps truly do exist. I realize my attempt might not be perfect, but I wanted to initiate discussion on this very important topic if in fact regulatory agencies do need additional authority to police and monitor the industry.

My legislation will provide more information on prices of electricity and

transmission availability, outlaw the practice of round trip trading and prohibit reporting of false information for the purpose of manipulating price indices. In addition I've included authority the FERC has requested and that would increase civil and criminal penalties for violation of the Federal Power Act and accelerate the refund effective date to the date of filing of a complaint.

In the end it's about the consumer. It is my hope and vision that this legislation will produce a more reliable and efficient transmission system and that these improvements will result in more dependable and affordable electricity for all consumers.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 596

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Electric Transmission and Reliability Enhancement Act of 2005''.

TITLE I—TRANSMISSION IMPROVEMENT

SEC. 101. OPEN NON-DISCRIMINATORY ACCESS.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by inserting after section 211 the following:

''OPEN ACCESS BY UNREGULATED TRANSMITTING UTILITIES

''SEC. 211A. (a) Subject to section 212(h), the Commission may, by rule or order, require an unregulated transmitting utility to provide transmission services—

''(1) at rates that are comparable to those that the unregulated transmitting utility charges itself, and

''(2) on terms and conditions (not relating to rates) that are comparable to those under Commission rules that require public utilities to offer open access transmission services and that are not unduly discriminatory or preferential.

''(b) The Commission shall exempt from any rule or order under this subsection any unregulated transmitting utility that—

''(1) sells no more than 4,000,000 megawatt hours of electricity per year;

''(2) does not own or operate any transmission facilities that are necessary for operating an interconnected transmission system (or any portion thereof); or

''(3) meets other criteria the Commission determines to be in the public interest.

''(c) The rate changing procedures applicable to public utilities under subsections (c) and (d) of section 205 are applicable to unregulated transmitting utilities for purposes of this section.

''(d) In exercising its authority under paragraph (1) of subsection (a), the Commission may remand transmission rates to an unregulated transmitting utility for review and revision where necessary to meet the requirements of subsection (a).

''(e) The provision of transmission services under subsection (a) does not preclude a request for transmission services under section 211.

''(f) The Commission may not require a State or municipality to take action under this section that constitutes a private business use for purposes of section 141 of the Internal Revenue Code of 1986 (26 U.S.C. 141).

''(g) For purposes of this subsection, the term 'unregulated transmitting utility' means an entity that—

''(1) owns or operates facilities used for the transmission of electric energy in interstate commerce, and

''(2) is either an entity described in section 201(f) or a rural electric cooperative.''.

SEC. 102. FEDERAL AGENCY COORDINATION.

The Department of Energy shall be the lead agency for conducting environmental review (for purposes of the National Environmental Policy Act of 1969) of the establishment and modification of electric power transmission corridors across federal lands. The Secretary of Energy shall coordinate with Federal agencies, including Federal land management agencies, to ensure the timely completion of environmental reviews pertaining to such corridors and may set deadlines for the completion of such reviews. For purposes of this section, the term ''Federal land management agencies'' means the Bureau of Land Management, the United States Forest Service, the United States Fish and Wildlife Service, and the Department of Defense. For purposes of this section, ''Federal lands'' means all lands owned by the United States except lands in the National Park System or the national wilderness preservation system, or such other lands as the President may designate.

SEC. 103. PRIORITY FOR RIGHTS-OF-WAY ACROSS FEDERAL LANDS.

Section 501 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761) is amended by adding the following new subsection at the end thereof:

''(e) In administering the provisions of this title, the Secretary of the Interior and the Secretary of Agriculture shall each give a priority to applications for rights of way for electric power transmission corridors.''.

SEC. 104. ELECTRIC RELIABILITY STANDARDS.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by inserting the following new section at the end thereof:

''SEC. 215. ELECTRIC RELIABILITY.

''(a) DEFINITIONS.—For purposes of this section—

''(1) The term 'bulk-power system' means—

''(A) facilities and control systems necessary for operating an interconnected electric energy transmission network (or any portion thereof); and

''(B) electric energy from generation facilities needed to maintain transmission system reliability.

The term does not include facilities used in the local distribution of electric energy.

''(2) The terms 'Electric Reliability Organization' and 'ERO' mean the organization certified by the Commission under subsection (c) the purpose of which is to establish and enforce reliability standards for the bulk-power system, subject to Commission review.

''(3) The term 'reliability standard' means a requirement, approved by the Commission under this section, to provide for reliable operation of the bulk-power system. The term includes requirements for the operation of existing bulk-power system facilities and the design of planned additions or modifications to such facilities to the extent necessary to provide for reliable operation of the bulk-power system, but the term does not include any requirement to enlarge such facilities or to construct new transmission capacity or generation capacity.

''(4) The term 'reliable operation' means operating the elements of the bulk-power system within equipment and electric system thermal, voltage, and stability limits so that instability, uncontrolled separation, or cascading failures of such system will not occur as a result of a sudden disturbance or unanticipated failure of system elements.

''(5) The term 'Interconnection' means a geographic area in which the operation of bulk-power system components is synchronized such that the failure of one or more of such components may adversely affect the ability of the operators of other components within the system to maintain reliable operation of the facilities within their control.

''(6) The term 'transmission organization' means a regional transmission organization, independent system operator, independent transmission provider, or other transmission organization finally approved by the Commission for the operation of transmission facilities.

''(7) The term 'regional entity' means an entity having enforcement authority pursuant to subsection (e)(4).

''(b) JURISDICTION AND APPLICABILITY.—(1) The Commission shall have jurisdiction, within the United States, over the ERO certified by the Commission under subsection (c), any regional entities, and all users, owners and operators of the bulk-power system, including but not limited to the entities described in section 201(f), for purposes of approving reliability standards established under this section and enforcing compliance with this section. All users, owners and operators of the bulk-power system shall comply with reliability standards that take effect under this section.

''(2) The Commission shall issue a final rule to implement the requirements of this section not later than 180 days after the date of enactment of this section.

''(c) CERTIFICATION.—Following the issuance of a Commission rule under subsection (b)(2), any person may submit an application to the Commission for certification as the Electric Reliability Organization (ERO). The Commission may certify one such ERO if the Commission determines that such ERO—

''(1) has the ability to develop and enforce, subject to subsection (e)(2), reliability standards that provide for an adequate level of reliability of the bulk-power system;

''(2) has established rules that—

''(A) assure its independence of the users and owners and operators of the bulk-power system, while assuring fair stakeholder representation in the selection of its directors and balanced decisionmaking in any ERO committee or subordinate organizational structure;

''(B) allocate equitably reasonable dues, fees, and other charges among end users for all activities under this section;

''(C) provide fair and impartial procedures for enforcement of reliability standards through the imposition of penalties in accordance with subsection (e) (including limitations on activities, functions, or operations, or other appropriate sanctions);

''(D) provide for reasonable notice and opportunity for public comment, due process, openness, and balance of interests in developing reliability standards and otherwise exercising its duties; and

''(E) provide for taking, after certification, appropriate steps to gain recognition in Canada and Mexico.

''(d) RELIABILITY STANDARDS.—(1) The Electric Reliability Organization shall file each reliability standard or modification to a reliability standard that it proposes to be made effective under this section with the Commission.

''(2) The Commission may approve by rule or order a proposed reliability standard or modification to a reliability standard if it determines that the standard is just, reasonable, not unduly discriminatory or preferential, and in the public interest. The Commission shall give due weight to the technical expertise of the Electric Reliability Organization with respect to the content of a proposed standard or modification

to a reliability standard and to the technical expertise of a regional entity organized on an Interconnection-wide basis with respect to a reliability standard to be applicable within that Interconnection, but shall not defer with respect to the effect of a standard on competition. A proposed standard or modification shall take effect upon approval by the Commission.

''(3) The Electric Reliability Organization shall rebuttably presume that a proposal from a regional entity organized on an Interconnection-wide basis for a reliability standard or modification to a reliability standard to be applicable on an Interconnection-wide basis is just, reasonable, and not unduly discriminatory or preferential, and in the public interest.

''(4) The Commission shall remand to the Electric Reliability Organization for further consideration a proposed reliability standard or a modification to a reliability standard that the Commission disapproves in whole or in part.

''(5) The Commission, upon its own motion or upon complaint, may order the Electric Reliability Organization to submit to the Commission a proposed reliability standard or a modification to a reliability standard that addresses a specific matter if the Commission considers such a new or modified reliability standard appropriate to carry out this section.

''(6) The final rule adopted under subsection (b)(2) shall include fair processes for the identification and timely resolution of any conflict between a reliability standard and any function, rule, order, tariff, rate schedule, or agreement accepted, approved, or ordered by the Commission applicable to a transmission organization. Such transmission organization shall continue to comply with such function, rule, order, tariff, rate schedule or agreement accepted approved, or ordered by the Commission until—

''(A) the Commission finds a conflict exists between a reliability standard and any such provision;

''(B) the Commission orders a change to such provision pursuant to section 206 of this part; and

''(C) the ordered change becomes effective under this part. If the Commission determines that a reliability standard needs to be changed as a result of such a conflict, it shall order the ERO to develop and file with the Commission a modified reliability standard under paragraph (4) or (5) of this subsection.

''(e) ENFORCEMENT.—(1) The ERO may impose, subject to paragraph (2), a penalty on a user or owner or operator of the bulk-power system for a violation of a reliability standard approved by the Commission under subsection (d) if the ERO, after notice and an opportunity for a hearing—

''(A) finds that the user or owner or operator has violated a reliability standard approved by the Commission under subsection (d); and

''(B) files notice and the record of the proceeding with the Commission.

''(2) A penalty imposed under paragraph (1) may take effect not earlier than the 31st day after the Electric Reliability Organization files with the Commission notice of the penalty and the record of proceedings. Such penalty shall be subject to review by the Commission, on its own motion or upon application by the user, owner or operator that is the subject of the penalty filed within 30 days after the date such notice is filed with the Commission. Application to the Commission for review, or the initiation of review by the Commission on its own motion, shall not operate as a stay of such penalty unless the Commission otherwise orders upon its own motion or upon application by the user, owner or operator that is the subject of such penalty. In any proceeding to review a penalty imposed under paragraph (1), the Commission, after notice and opportunity for hearing (which hearing may consist solely of the record before the Electric Reliability Organization and opportunity for the presentation of supporting reasons to affirm, modify, or set aside the penalty), shall by order affirm, set aside, reinstate, or modify the penalty, and, if appropriate, remand to the Electric Reliability Organization for further proceedings. The Commission shall implement expedited procedures for such hearings.

''(3) On its own motion or upon complaint, the Commission may order compliance with a reliability standard and may impose a penalty against a user or owner or operator of the bulk-power system, if the Commission finds, after notice and opportunity for a hearing, that the user or owner or operator of the bulk-power system has engaged or is about to engage in any acts or practices that constitute or will constitute a violation of a reliability standard.

''(4) The Commission shall establish regulations directing the ERO to enter into an agreement to delegate authority to a regional entity for the purpose of proposing reliability standards to the ERO and enforcing reliability standards under paragraph (1) if—

''(A) the regional entity is governed by an independent, balanced stakeholder, or combination independent and balanced stakeholder board;

''(B) the regional entity otherwise satisfies the provisions of subsection (c)(1) and (2); and

''(C) the agreement promotes effective and efficient administration of bulk-power system reliability.

The Commission may modify such delegation. The ERO and the Commission shall rebuttably presume that a proposal for delegation to a regional entity organized on an Interconnection-wide basis promotes effective and efficient administration of bulk-power system reliability and should be approved. Such regulation may provide that the Commission may assign the ERO's authority to enforce reliability standards under paragraph (1) directly to a regional entity consistent with the requirements of this paragraph.

''(5) The Commission may take such action as is necessary or appropriate against the ERO or a regional entity to ensure compliance with a reliability standard or any Commission order affecting the ERO or a regional entity.

''(6) Any penalty imposed under this section shall bear a reasonable relation to the seriousness of the violation and shall take into consideration the efforts of such user, owner, or operator to remedy the violation in a timely manner.

''(f) CHANGES IN ELECTRICITY RELIABILITY ORGANIZATION RULES.—The Electric Reliability Organization shall file with the Commission for approval any proposed rule or proposed rule change, accompanied by an explanation of its basis and purpose. The Commission, upon its own motion or complaint, may propose a change to the rules of the Electric Reliability Organization. A proposed rule or proposed rule change shall take effect upon a finding by the Commission, after notice and opportunity for comment, that the change is just, reasonable, not unduly discriminatory or preferential, is in the public interest, and satisfies the requirements of subsection (c).

''(g) RELIABILITY REPORTS.—The Electric Reliability Organization shall conduct periodic assessments of the reliability and adequacy of the bulk-power system in North America.

''(h) COORDINATION WITH CANADA AND MEXICO.—The President is urged to negotiate international agreements with the governments of Canada and Mexico to provide for effective compliance with reliability standards and the effectiveness of the Electric Reliability Organization in the United States and Canada or Mexico.

''(i) SAVINGS PROVISIONS.—(1) The Electric Reliability Organization shall have authority to develop and enforce compliance with reliability standards for only the bulk-power system.

''(2) This section does not authorize the Electric Reliability Organization or the Commission to order the construction of additional generation or transmission capacity or to set and enforce compliance with standards for adequacy or safety of electric facilities or services.

''(3) Nothing in this section shall be construed to preempt any authority of any State to take action to ensure the safety, adequacy, and reliability of electric service within that State, as long as such action is not inconsistent with any reliability standard.

''(4) Within 90 days of the application of the Electric Reliability Organization or other affected party, and after notice and opportunity for comment, the Commission shall issue a final order determining whether a State action is inconsistent with a reliability standard, taking into consideration any recommendation of the Electric Reliability Organization.

''(5) The Commission, after consultation with the Electric Reliability Organization, may stay the effectiveness of any State action, pending the Commission's issuance of a final order.

''(j) REGIONAL ADVISORY BODIES.—The Commission shall establish a regional advisory body on the petition of at least two-thirds of the States within a region that have more than one-half of their electric load served within the region. A regional advisory body shall be composed of one member from each participating State in the region, appointed by the Governor of each State, and may include representatives of agencies, States, and provinces outside the United States. A regional advisory body may provide advice to the Electric Reliability Organization, a regional entity, or the Commission regarding the governance of an existing or proposed regional entity within the same region, whether a standard proposed to apply within the region is just, reasonable, not unduly discriminatory or preferential, and in the public interest, whether fees proposed to be assessed within the region are just, reasonable, not unduly discriminatory or preferential, and in the public interest and any other responsibilities requested by the Commission. The Commission may give deference to the advice of any such regional advisory body if that body is organized on an Interconnection-wide basis.

''(k) APPLICATION TO ALASKA AND HAWAII.—The provisions of this section do not apply to Alaska or Hawaii.''.

TITLE II—ELIMINATION OF COMPETITIVE BARRIERS

Subtitle A—Provisions Regarding the Public Utility Holding Company Act of 1935

SEC. 201. DEFINITIONS.

For the purposes of this subtitle:

(1) The term ''affiliate'' of a company means any company 5 percent or more of the outstanding voting securities of which are owned, controlled, or held with power to vote, directly or indirectly, by such company.

(2) The term ''associate company'' of a company means any company in the same holding company system with such company.

(3) The term ''Commission'' means the Federal Energy Regulatory Commission.

(4) The term ''company'' means a corporation, partnership, association, joint stock company, business trust, or any organized group of persons, whether incorporated or not, or a receiver, trustee, or other liquidating agent of any of the foregoing.

(5) The term ''electric utility company'' means any company that owns or operates facilities used for the generation, transmission, or distribution of electric energy for sale.

(6) The terms ''exempt wholesale generator'' and ''foreign utility company'' have the same meanings as in sections 32 and 33, respectively, of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79z–5, 79z–5b), as those sections existed on the day before the effective date of this subtitle.

(7) The term ''gas utility company'' means any company that owns or operates facilities used for distribution at retail (other than the distribution only in enclosed portable containers or distribution to tenants or employees of the company operating such facilities for their own use and not for resale) of natural or manufactured gas for heat, light, or power.

(8) the term ''holding company'' means—

(A) any company that directly or indirectly owns, controls, or holds, with power to vote, 10 percent or more of the outstanding voting securities of a public utility company or of a holding company of any public utility company; and

(B) any person, determined by the Commission, after notice and opportunity for hearing, to exercise directly or indirectly (either alone or pursuant to an arrangement or understanding with one or more persons) such a controlling influence over the management or policies of any public utility company or holding company as to make it necessary or appropriate for the rate protection of utility customers with respect to rates that such person be subject to the obligations, duties, and liabilities imposed by this subtitle upon holding companies.

(9) The term ''holding company system'' means a holding company, together with its subsidiary companies.

(10) The term ''jurisdictional rates'' means rates established by the Commission for the transmission of electric energy in interstate commerce, the sale of electric energy at wholesale in interstate commerce, the transportation of natural gas in interstate commerce, and the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use.

(11) The term ''natural gas company'' means a person engaged in the transportation of natural gas in interstate commerce or the sale of such gas in interstate commerce for resale.

(12) The term ''person'' means an individual or company.

(13) The term ''public utility'' means any person who owns or operates facilities used for transmission of electric energy in interstate commerce or sales of electric energy at wholesale in interstate commerce.

(14) The term ''public utility company'' means an electric utility company or a gas utility company.

(15) The term ''State commission'' means any commission, board, agency, or officer, by whatever name designated, of a State, municipality, or other political subdivision of a State that, under the laws of such State, has jurisdiction to regulate public utility companies.

(16) The term ''subsidiary company'' of a holding company means—

(A) any company, 10 percent or more of the outstanding voting securities of which are directly or indirectly owned, controlled, or held with power to vote, by such holding company; and

(B) any person, the management or policies of which the Commission, after notice and opportunity for hearing, determines to be subject to a controlling influence, directly or indirectly, by such holding company (either alone or pursuant to an arrangement or understanding with one or more other persons) so as to make it necessary for the rate protection of utility customers with respect to rates that such person be subject to the obligations, duties, and liabilities imposed by this subtitle upon subsidiary companies of holding companies.

(17) The term ''voting security'' means any security presently entitling the owner or holder thereof to vote in the direction or management of the affairs of a company.

SEC. 202. REPEAL OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935.

The Public Utility Holding Company Act of 1935 (15 U.S.C. 79a and following) is repealed, effective 12 months after the date of enactment of this Act.

SEC. 203. FEDERAL ACCESS TO BOOKS AND RECORDS.

(a) IN GENERAL.—Each holding company and each associate company thereof shall maintain, and shall make available to the Commission, such books, accounts, memoranda, and other records as the Commission determines are relevant to costs incurred by a public utility or natural gas company that is an associate company of such holding company and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(b) AFFILIATE COMPANIES.—Each affiliate of a holding company or of any subsidiary company of a holding company shall maintain, and make available to the Commission, such books, accounts, memoranda, and other records with respect to any transaction with another affiliate, as the Commission determines are relevant to costs incurred by a public utility or natural gas company that is an associate company of such holding company and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(c) HOLDING COMPANY SYSTEMS.—The Commission may examine the books, accounts, memoranda, and other records of any company in a holding company system, or any affiliate thereof, as the Commission determines are relevant to costs incurred by a public utility or natural gas company within such holding company system and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(d) CONFIDENTIALITY.—No member, officer, or employee of the Commission shall divulge any fact or information that may come to his or her knowledge during the course of examination of books, accounts, memoranda, or other records as provided in this section, except as may be directed by the Commission or by a court of competent jurisdiction.

SEC. 204. STATE ACCESS TO BOOKS AND RECORDS.

(a) IN GENERAL.—Upon the written request of a State commission having jurisdiction to regulate a public utility company in a holding company system, and subject to such terms and conditions as may be necessary and appropriate to safeguard against unwarranted disclosure to the public of any trade secrets or sensitive commercial information, a holding company or any associate company or affiliate thereof, wherever located, shall produce for inspection books, accounts, memoranda, and other records that—

(1) have been identified in reasonable detail in a proceeding before the State commission;

(2) the State commission determines are relevant to costs incurred by such public utility company; and

(3) are necessary for the effective discharge of the responsibilities of the State commission with respect to such proceeding.

(b) EFFECT ON STATE LAW.—Nothing in this section shall preempt applicable State law concerning the provision of books, accounts, memoranda, or other records, or in any way limit the rights of any State to obtain books, accounts, memoranda, or other records, under Federal law, contract, or otherwise.

(c) COURT JURISDICTION.—Any United States district court located in the State in which the State commission referred to in subsection (a) is located shall have jurisdiction to enforce compliance with this section.

SEC. 205. EXEMPTION AUTHORITY.

(a) RULEMAKING.—Not later than 90 days after the date of enactment of this Act, the Commission shall promulgate a final rule to exempt from the requirements of section 203 any person that is a holding company, solely with respect to one or more—

(1) qualifying facilities under the Public Utility Regulatory Policies Act of 1978;

(2) exempt wholesale generators; or

(3) foreign utility companies.

(b) OTHER AUTHORITY.—If, upon application or upon its own motion, the Commission finds that the books, accounts, memoranda, and other records of any person are not relevant to the jurisdictional rates of a public utility company or natural gas company, or if the Commission finds that any class of transactions is not relevant to the jurisdictional rates of a public utility company, the Commission shall exempt such person or transaction from the requirements of section 203.

SEC. 206. AFFILIATE TRANSACTIONS.

Nothing in this subtitle shall preclude the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to determine whether a public utility company, public utility, or natural gas company may recover in rates any costs of an activity performed by an associate company, or any costs of goods or services acquired by such public utility company, public utility, or natural gas company from an associate company.

SEC. 207. APPLICABILITY.

No provision of this subtitle shall apply to, or be deemed to include—

(1) the United States;

(2) a State or any political subdivision of a State;

(3) any foreign governmental authority not operating in the United States;

(4) any agency, authority, or instrumentality of any entity referred to in paragraph (1), (2), or (3); or

(5) any officer, agent, or employee of any entity referred to in paragraph (1), (2), or (3) acting as such in the course of such officer, agent, or employee's official duty.

SEC. 208. EFFECT ON OTHER REGULATIONS.

Nothing in this subtitle precludes the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to protect utility customers.

SEC. 209. ENFORCEMENT.

The Commission shall have the same powers as set forth in sections 306 through 317 of the Federal Power Act (16 U.S.C. 825e–825p) to enforce the provisions of this subtitle.

SEC. 210. SAVINGS PROVISIONS.

(a) IN GENERAL.—Nothing in this subtitle prohibits a person from engaging in or continuing to engage in activities or transactions in which it is legally engaged or authorized to engage on the date of enactment of this Act, if that person continues to comply with the terms of any such authorization, whether by rule or by order.

(b) EFFECT ON OTHER COMMISSION AUTHORITY.—Nothing in this subtitle limits the authority of the Commission under the Federal

Power Act (16 U.S.C. 791a and following) (including section 301 of that Act) or the Natural Gas Act (15 U.S.C. 717 and following) (including section 8 of that 1 Act).

SEC. 211. IMPLEMENTATION.

Not later than 12 months after the date of enactment of this Act, the Commission shall—

(1) promulgate such regulations as may be necessary or appropriate to implement this subtitle; and

(2) submit to Congress detailed recommendations on technical and conforming amendments to Federal law necessary to carry out this subtitle and the amendments made by this subtitle.

SEC. 212. TRANSFER OF RESOURCES.

All books and records that relate primarily to the functions transferred to the Commission under this subtitle shall be transferred from the Securities and Exchange Commission to the Commission.

SEC. 213. EFFECTIVE DATE.

This subtitle shall take effect 12 months after the date of enactment of this Act.

SEC. 214. CONFORMING AMENDMENT TO THE FEDERAL POWER ACT.

Section 318 of the Federal Power Act (16 U.S.C. 825q) is repealed.

Subtitle B—Provisions Regarding The Public Utility Regulatory Policies Act of 1978

SEC. 215. PROSPECTIVE REPEAL OF SECTION 210.

(a) NEW CONTRACTS.—After the date of enactment of this Act, no electric utility shall be required to enter into a new contract or obligation to purchase or to sell electric energy or capacity pursuant to section 210 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 824a-3).

(b) EXISTING RIGHTS AND REMEDIES NOT AFFECTED.—Nothing in this Act affects the rights or remedies of any party with respect to the purchase or sale of electric energy or capacity from or to a facility determined to be a qualifying small power production facility or a qualifying cogeneration facility under section 210 of the Public Utility Regulatory Policies Act of 1978 pursuant to any contract or obligation to purchase or to sell electric energy or capacity in effect on the date of enactment of this Act, including the right to recover the costs of purchasing such electric energy or capacity.

SEC. 216. RECOVERY OF COSTS.

In order to assure recovery by electric utilities purchasing electric energy or capacity from a qualifying facility pursuant to any legally enforceable obligation entered into or imposed pursuant to section 210 of the Public Utility Regulatory Policies Act of 1978 prior to the date of enactment of this Act, of all costs associated with such purchases, the Commission shall promulgate and enforce such regulations as may be required to assure that no such electric utility shall be required directly or indirectly to absorb the costs associated with such purchases from a qualifying facility. Such regulations shall be treated as a rule enforceable under the Federal Power Act (16 U.S.C. 791a-825r).

SEC. 217. DEFINITIONS.

For purposes of this subtitle, the terms ''Commission'', ''electric utility'', ''qualifying cogeneration facility'', and ''qualifying small power production facility'', shall have the same meanings as provided in the Public Utility Regulatory Policies Act of 1978, and the term ''qualifying facility'' shall mean either a qualifying small production facility or a qualifying cogeneration facility as defined in such Act.

TITLE III—MARKET TRANSPARENCY, ANTI-MANIPULATION AND ENFORCEMENT

Subtitle A—Market Transparency, Anti-Manipulation And Enforcement

SEC. 301. MARKET TRANSPARENCY RULES.

Part II of the Federal Power Act is amended by adding after section 215 as added by this Act the following:

''SEC. 216. MARKET TRANSPARENCY RULES.

''(a) COMMISSION RULES.—Not later than 180 days after the date of enactment of this section, the Commission shall issue rules establishing an electronic information system to provide the Commission and the public with access to such information as is necessary or appropriate to facilitate price transparency and participation in markets subject to the Commission's jurisdiction. Such systems shall provide statistical information about the availability and market price of wholesale electric energy and transmission services to the Commission, State commissions, buyers and sellers of wholesale electric energy, users of transmission services, and the public on a timely basis.

''(b) INFORMATION REQUIRED.—The Commission shall require—

''(1) each regional transmission organization or, where no regional transmission organization is operating, each transmitting utility to provide information about the available capacity of transmission facilities operated by the organization or transmitting utility; and

''(2) each regional transmission organization or broker or exchange to provide aggregate information about the amount and price of physical sales of electric energy at wholesale in interstate commerce it transacts.

''(c) DEFINITION.—For purposes of this section, the term 'broker or exchange' means an entity that matches offers to sell and offers to buy physical sales of wholesale electric energy in interstate commerce.

''(d) PROTECTION OF SENSITIVE INFORMATION.—The Commission shall exempt from disclosure information it determines would, if disclosed, be detrimental to the operation of an effective market.''

SEC. 302. MARKET MANIPULATION.

(a) Part II of the Federal Power Act is amended by adding after section 216 as added by this Act the following:

''SEC. 217. PROHIBITION ON FILING FALSE INFORMATION.

''It shall be a violation of this Act for any person willfully and knowingly to report any information relating to the price of electricity sold at wholesale, which information the person knew to be false at the time of the reporting, to any governmental or nongovernmental entity and with the intent to manipulate the data being compiled by such entity.''

''SEC. 218. PROHIBITION ON ROUND TRIP TRADING.

''(a) PROHIBITION.—It shall be a violation of this Act for any person willfully and knowingly to enter into any contract or other arrangement to execute a ''round-trip trade'' for the purchase or sale of electric energy at wholesale.

''(b) DEFINITION OF ROUND-TRIP TRADE.—For the purposes of this section, the term 'round trip trade' means a transaction, or combination of transactions, in which a person or other entity—

''(1) enters into a contract or other arrangement to purchase from, or sell to, any other person or other entity electric energy at wholesale;

''(2) simultaneously with entering into the contract or arrangement described in paragraph (1), arranges a financially offsetting trade with such other person or entity for the same such electric energy, at the same location, price, quantity and terms so that, collectively, the purchase and sale transactions in themselves result in no financial gain or loss; and

''(3) enters into the contract or arrangement with the intent to deceptively affect reported revenues, trading volumes, or prices.''

SEC. 303. ENFORCEMENT.

(a) COMPLAINTS.—Section 306 of the Federal Power Act (16 U.S.C. 825e) is amended by—

(1) inserting ''electric utility,'' after ''Any person,''; and

(2) inserting ''transmitting utility,'' after ''licensee'' each place it appears.

(b) INVESTIGATIONS.—Section 307(a) of the Federal Power Act (16 U.S.C. 825f(a)) is amended by inserting ''or transmitting utility'' after ''any person'' in the first sentence

(c) REVIEW OF COMMISSION ORDERS.—Section 313(a) of the Federal Power Act (16 U.S.C. 8251) is amended by inserting ''electric utility,'' after ''Any person,'' in the first sentence.

(d) CRIMINAL PENALTIES.—Section 316 of the Federal Power Act (16 U.S.C. 8250) is amended—

(1) in subsection (a), by striking ''$5,000'' and inserting ''$1,000,000'', and by striking ''two years'' and inserting ''five years'';

(2) in subsection (b), by striking ''$500'' and inserting ''$25,000''; and (3) by striking subsection (c).

(e) CIVIL PENALTIES.—Section 316A of the Federal Power Act (16 U.S.C. 8250–1) is amended—

(1) in subsections (a) and (b), by striking ''section 211, 212, 213, or 214'' each place it appears and inserting ''Part II''; and

(2) in subsection (b), by striking ''$10,000'' and inserting ''$1,000,000''.

Subtitle B—Refund Effective Date

SEC. 304. REFUND EFFECTIVE DATE.

Section 206(b) of the Federal Power Act (16 U.S.C. 824e(b)) is amended by—

(1) striking ''the date 60 days after the filing of such complaint nor later than 5 months after the expiration of such 60-day period'' in the second sentence 28 and inserting ''the date of the filing of such complaint nor later than 5 months after the filing of such complaint'';

(2) striking ''60 days after'' in the third sentence and inserting ''of';

(3) striking ''expiration of such 60-day period'' in the third sentence and inserting ''publication date''; and

(4) striking the fifth sentence and inserting in lieu thereof: ''If no final decision is rendered by the conclusion of the 180-day period commencing upon initiation of a proceeding pursuant to this section, the Commission shall state the reasons why it has failed to do so and shall state its best estimate as to when it reasonably expects to make such decision.''

By Mr. INOUYE:

S. 598. A bill to reauthorize provisions in the Native American Housing Assistance and Self-Determination Act of 1996 relating to Native Hawaiian low-income housing and Federal loan guarantees for Native Hawaiian housing; to the Committee on Indian Affairs.

Mr. INOUYE. Mr. President, I rise to introduce a bill to reauthorize Title VIII of the Native American Housing Assistance and Self-Determination Act. Title VIII provides authority for the appropriation of funds for the construction of low-income housing for Native Hawaiians and further provides authority for access to loan guarantees

associated with the construction of housing to serve Native Hawaiians.

Three studies have documented the acute housing needs of Native Hawaiians—which include the highest rates of overcrowding and homelessness in the State of Hawaii. Those same studies indicate that inadequate housing rates for Native Hawaiians are amongst the highest in the Nation.

The reauthorization of Title VIII will support the continuation of efforts to assure that the native people of Hawaii may one day have access to housing opportunities that are comparable to those now enjoyed by other Americans.

I would ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 598

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REAUTHORIZATION.

Section 824 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4243) is amended by striking ''fiscal years'' and all that follows and inserting ''fiscal years 2006 through 2009''.

By Mr. CONRAD:

S. 601. A bill to amend the Internal Revenue Code of 1986 to include combat pay in determining an allowable contribution to an individual retirement plan; to the Committee on Finance.

Mr. CONRAD. Mr. President, today I am introducing legislation to correct an injustice in the Internal Revenue Code that is negatively affecting our troops.

I recently received an e-mail from an active-duty Airman who expressed his dismay that he has been told the law requires him to withdraw the money he had contributed to an IRA previously in the year. Here is what he told me:

I am an active-duty member of the military who has been deployed so much that I have not paid taxes for more than a year now. I also had been contributing to a Roth-IRA. I've been told by tax professionals that I will have to withdraw my contributions because I do not show a taxable income. I've been deployed and put in harm's way many times last year and I am not allowed legally to contribute to an IRA like any other average American.

This is an injustice to the soldiers that work so hard under hard conditions. There are thousands of soldiers that are going to be told to take their IRA contributions out since they have been deployed twelve months. This is a slap in the face for those soldiers who have put themselves in danger.

This injustice results from an unintended, but undeniably unjust, interaction between combat pay and IRA rules. Under IRA contribution rules, you can only contribute to a tax-favored retirement account if you have taxable income for the year. Military personnel deployed for a full calendar year or more, however, may have no taxable income because their earnings while serving in a combat zone are excluded from taxation. These troops are therefore prohibited by law from contributing income to an IRA because, technically, they have not earned taxable income.

This is indeed an injustice. This is no way to treat the men and women who have been deployed to combat zones in Iraq and Afghanistan for long periods of time. Rather than discouraging our troops from saving for retirement, we should take steps to ensure that they have the same access to tax-favored retirement savings programs as the rest of us.

I ask my colleagues to join me in correcting this injustice. The bill I am introducing today simply amends the Internal Revenue Code to allow our dedicated military service men and women to contribute to lRAs, regardless of their deployment status.

My bill presents an opportunity for the United States Senate to support retirement savings and our brave military personnel. This is a win-win for all involved. I hope my colleagues will join me in correcting this injustice and send this bill to the President for his quick signature.

By Ms. MIKULSKI (for herself, Mr. BOND, Mrs. CLINTON, Mr. WARNER, Ms. COLLINS, Mr. KENNEDY, Mr. WYDEN, Mr. SARBANES, Mr. JOHNSON, Mr. NELSON of Florida, Ms. LANDRIEU, Ms. STABENOW, Mrs. LINCOLN, Mr. KERRY, Mr. LAUTENBERG, Mr. DAYTON, Mr. KOHL, Mr. LEAHY, Mr. DURBIN, Mrs. BOXER, Mr. DODD, Mr. TALENT, Mr. LIEBERMAN, Mrs. DOLE, Mr. HAGEL, Mr. LUGAR, Mr. COLEMAN, Mrs. MURRAY, Mr. HARKIN, Ms. CANTWELL, Mr. BAYH, and Mr. ROCKEFELLER):

S. 602. A bill to amend the Public Health Service Act to fund breakthroughs in Alzheimer's disease research while providing more help to caregivers and increasing public education about prevention; to the Committee on Finance.

Mr. BOND. Mr. President, I rise today to speak of the life, leadership and the truly remarkable legacy of the 40th President of the United States, Ronald Reagan.

President Reagan was a great communicator with a powerful message. He preached the gospel of hope, freedom and opportunity not just for America but for the world. Reagan was a genuinely optimistic person who brought that spirit of optimism and hope to the American people and to enslaved peoples around the world. He was a man who took disappointment and moved on. He was a man of unfailing good humor, care and thoughtfulness. Even people who disagreed with his policies across the board could not help but like him.

In the U.S., his policies encouraged the return of more tax dollars to average Americans and unfettered entrepreneurship to create jobs and build the economy. Reagan's strong military opposition to the Soviet Union helped bring down the walls that harbored communism and tyranny throughout Eastern Europe and much of the world.

In a letter to the American people in 1994 Ronald Reagan announced he was one of the millions of Americans with Alzheimer's disease. One of the most courageous things Ronald and Nancy Reagan did was to announce publicly that he had Alzheimer's disease. Through their courage and commitment, the former President and his wife, Nancy, changed the face of Alzheimer's disease by increasing public awareness of the disease and of the need for research into its causes and prevention.

In honor of Ronald Reagan, today my colleague Senator MIKULSKI and I are introducing the Ronald Reagan Alzheimer's Breakthrough Act. This bill will increase research for Alzheimer's and increase assistance to Alzheimer patients and their families. This bill will serve as a living tribute to President Reagan and will: 1. Double funding for Alzheimer's Research at the National Institute of Health; 2. increase funding for the National Family Caregiver Support Program from $153 million to $250 million; 3. reauthorize the Alzheimer's Demonstration Grant Program that provides grants to states to fill in gaps in Alzheimer's services such as respite care, home health care, and day care; 4. authorize $1 million for the Safe Return Program to assist in the identification and safe, timely return of individuals with Alzheimer's disease and related dementias who wander off from their caregivers; 5. establish a public education campaign to educate members of the public about prevention techniques that can ''maintain their brain'' as they age, based on the current research being undertaken by NIH; 6. establish a $3,000 tax credit for caregivers to help with the high health costs of caring for a loved one at home; and 7. encourage families to prepare for their long term needs by providing an above-the-line tax deduction for the purchase of long term care insurance.

Ironically it was President Reagan who drew national attention to Alzheimer's for the very first time when he launched a national campaign against Alzheimer's disease some 22 years ago.

In 1983 President Reagan proclaimed November as National Alzheimer's Disease Month. In his proclamation President Reagan said ''the emotional, financial and social consequences of Alzheimer's disease are so devastating that it deserves special attention. Science and clinical medicine are striving to improve our understanding of what causes Alzheimer's disease and how to treat it successfully. Right now, research is the only hope for victims and families.''

Today, approximately 4.5 million Americans have Alzheimer's, with annual costs for this disease estimated to exceed $100 billion. Today there are more than 4.5 million people in the United States with Alzheimer's, and that number is expected to grow by 70 percent by 2030 as baby boomers age.

In my home State of Missouri, alone, there are over 110,000 people with Alzheimer's disease. Based on population growth, unless science finds a way to prevent or delay the onset of this disease, that number will increase to over 130,000 by 2025—that is an 18 percent increase.

In large part due to President Reagan, there has been enormous progress in Alzheimer research—95 percent of what we know we discovered during the past 15 years. There is real potential for major breakthroughs in the next 10 years. Baby boomers could be the first generation to face a future without Alzheimer's disease if we act now to achieve breakthroughs in science.

President and Mrs. Reagan have been leading advocates in the fight against Alzheimer's for more than 20 years, and millions of Americans have been helped by their dedication, compassion and effort to support caregivers, raise public awareness about Alzheimer's disease and increase of nation's commitment to Alzheimer's research.

This bill will serve as a living tribute to President Reagan and will offer hope to all those suffering from the disease today. As we celebrate the life and legacy of Ronald Reagan, we are inspired by his legendary optimism and hope, and today we move forward to confront this expanding public health crisis with renewed vigor, passion, and compassion.

Ms. COLLINS. Mr. President, as the Senate co-chair of the Bipartisan Task Force on Alzheimer's Disease, I am pleased to join Senators BOND and MIKULSKI in introducing the Ronald Reagan Alzheimer's Breakthrough Act of 2005.

Alzheimer's is a devastating disease that takes a tremendous personal and economic toll on both the individual and the family. As someone whose family has experienced the pain of Alzheimer's, I know that there is no more helpless feeling than to watch the progression of this dreadful disease. It is an agonizing experience to look into the eyes of a loved one only to receive a confused look in return.

Ronald Reagan had a profound effect on our Nation in many ways during his Presidency. But what many of us will remember most is the grace and dignity with which he and his wife Nancy faced the final battle against Alzheimer's—the one campaign they knew he wouldn't win.

Ironically, it was President Reagan who first drew national attention to Alzheimer's disease when he launched a national campaign against the disease some 22 years ago. In 1983, President Reagan proclaimed November as National Alzheimer's Disease Month. In his proclamation, President Reagan said: ''The emotional, financial and social consequences of Alzheimer's disease are so devastating that it deserves attention. Science and clinical medicine are striving to improve our understanding of what causes Alzheimer's disease and how to treat it successfully. Right now, research is the only hope for victims and their families.''

An estimated 4.5 million Americans have Alzheimer's disease, more than double the number in 1980. Moreover, Alzheimer's disease costs the United States more than $100 billion a year, primarily in nursing home and other long-term care costs. This figure will only increase exponentially as the baby boom generation ages. As the baby boomers move into the years of highest risk for Alzheimer's disease, a strong and sustained research effort is our best tool to slow down the progression and prevent the onset of this terrible disease.

Our investments in Alzheimer's disease research have begun to pay dividends. Effective treatments for Alzheimer's disease and a possible vaccine are tantalizingly within our grasp. Moreover, if scientists can find a way to delay the onset of this devastating disease for even five years, our Nation will save at least $50 billion in annual health and long-term care costs and an incalculable amount in human suffering.

If we are to keep up the momentum we have established, we must increase our investment in Alzheimer's disease research. Millions of Americans, including the families of Alzheimer patients, are profoundly grateful for our historic accomplishment of doubling funding for biomedical research at the National Institutes of Health. We have made tremendous progress, but more must be done. The bill we are introducing today therefore doubles the authorization levels for Alzheimer's research at the NIH from the current funding level of $700 million to $1.4 million.

In addition to increasing funding for research, our bill provides much needed support for Alzheimer's patients and their families by increasing funding for the National Family Caregiver Support Program and by providing a tax credit of up to $3,000 to help families meet the costs of caring for a loved one with long-term care needs.

The Ronald Reagan Alzheimer's Breakthrough Act of 2005 will serve as a living tribute to President Reagan and will offer hope to all of those suffering from the disease today. It is now time for Congress to pick up the banner and pass this important legislation, and I urge all of my colleagues to sign on as cosponsors.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 79—EXPRESSING THE SENSE OF THE SENATE IN MARKING THE DEDICATION ON MARCH 15, 2005, OF THE EXPANDED MUSEUM COMPLEX AT YAD VASHEM, THE HOLOCAUST MARTYRS AND HEROES REMEMBRANCE AUTHORITY IN ISRAEL, IN FURTHERANCE OF YAD VASHEM'S MISSION TO DOCUMENT THE HISTORY OF THE JEWISH PEOPLE DURING THE HOLOCAUST, TO PRESERVE THE MEMORY AND STORY OF EACH OF THE VICTIMS, IMPART THE LEGACY OF THE HOLOCAUST TO FUTURE GENERATIONS, AND RECOGNIZE THE RIGHTEOUS AMONG THE NATIONS

Mr. CORZINE (for himself and Mr. LAUTENBERG) submitted the following resolution; which was considered and agreed to:

S. RES. 79

Whereas 6,000,000 Jews were slaughtered in the Holocaust solely because of the faith into which they were born;

Whereas the Holocaust is seared into the world's memory as the quintessential expression of the evil of anti-Semitism;

Whereas Yad Vashem has become the world's university devoted to exposing the evil of anti-Semitism;

Whereas Yad Vashem's archives contain the largest and most comprehensive repository of material on the Holocaust in the world, containing 62,000,000 pages of documents, nearly 267,500 photographs, thousands of films and videotaped testimonies of survivors, and the Righteous Among the Nations (non-Jews who risked their lives to save Jewish people during the Holocaust), all accessible to the public;

Whereas those archives are the witness to both inexplicable acts of cruelty and daily acts of courage;

Whereas the history of the Holocaust, as embodied at Yad Vashem, represents the depths to which humanity can descend and the heights to which it can soar;

Whereas to ensure that Holocaust commemorations in future generations among both Jews and non-Jews have relevance and meaning, Yad Vashem has undertaken an extraordinary expansion of its facilities;

Whereas the centerpiece of this expansion is the new Holocaust History Museum building designed by world-renowned architect Moshe Safdie;

Whereas a central role in bringing the Holocaust History Museum to fruition was played by Holocaust survivor Joseph Wilf of New Jersey and his family;

Whereas through this new museum, Yad Vashem honors the lives of the victims and the Righteous Among the Nations in perpetuity;

Whereas the unique buildings and archives of Yad Vashem ensure that we, our children, and their children will never forget; and

Whereas the Israeli Knesset established Yad Vashem in 1953, founded on the biblical injunction set forth in Isaiah, chapter 56, verse 5: ''And to them will I give in my house and within my walls a memorial and a name (a 'yad vashem') . . . an everlasting name which shall not perish,'' and, for more than 50 years, Yad Vashem has steadfastly fulfilled this purpose: Now, therefore, be it

Resolved, That the Senate recognizes—