

that actually make new leases for oil and gas available to domestic producers. For all the rhetoric from the administration about the need to boost production, it has not asked for enough money in order to bring this about. The result is likely to be further delays and frustration on the part of U.S. oil and gas producers. In the mark that I will present to the committee, we will authorize a higher level of funding for the necessary personnel to make the decisions and to process applications for domestic production.

The area of electricity, as I mentioned earlier in these remarks, is the next major topic that we will take up in the markup. We do need to provide for reliable and diverse electric power generation and distribution sources in the country. Electricity is a central part of modern life. Yet our electric system largely operates on a design that is nearly a century old. There are many problems in our electricity markets that need to be addressed. The problems faced by California and the West earlier this year should be a wakeup call to all of us.

What the electricity crisis in California showed is that the institutions that developed in the last century have not evolved enough to ensure reliable and affordable supplies of electricity. We face a crucial turning point. During the next few years, billions of dollars of investment will be planned and committed to electric generation and transmission. Those investments will have a 30- to 50-year lifespan. Will we put in place a structure to maximize the chances that investments will go to new technologies that will give consumers real choices over their energy use or will Congress, by its inaction, perpetuate obsolete frameworks for managing electricity markets, with the result that we wind up with little improvement in the status quo?

I believe that we in Congress and the President have a great opportunity to be visionary about the future of electricity. A transmission grid that is open to a wide variety of generation options, including distributed generation, will ensure the power quality and efficiency that our 21st century society will need in order to sustain our economic prosperity.

That opportunity creates a great duty on the part of Congress and the President to focus on electricity as a major part of comprehensive energy legislation. Our task must be to build a regulatory structure that has adequate authority to resolve market defects, without interfering unduly in those markets.

I believe we need to move forward now with a legislative solution to these problems. To leave electricity legislation for another day would be to perpetuate an obsolete system that will not provide the reliability, quality, affordability, and choice that consumers will want and need.

The changes that I believe are needed, and that we are going to be trying to address in the chairman's mark, include the following:

First, we will try to clarify who has jurisdiction over regulating electricity transmission in interstate commerce. That is a key part of what the legislation will do. That role is assigned to the Federal Energy Regulatory Commission, or FERC. FERC will be given authority to ensure that all electric transmitting organizations in interstate commerce play by a consistent set of fair rules.

Second, the chairman's mark will give FERC the responsibility for taking the current voluntary system for promoting reliability in electric transmission and making adherence to reliability rules mandatory.

Third, the chairman's mark will give the FERC the tools to ensure that competitive markets work well to provide customers with affordable electricity.

Fourth, the chairman's mark will address the tough issue of siting new transmission facilities. This is something the President has indicated his support for. A national transmission grid is a necessity, but cannot occur without a new approach to transmission planning, expansion, and siting. Federal eminent domain, by itself, is not likely to lead to an effective approach to meeting this need. What is needed is to use federal eminent domain as a backstop to a more cooperative, regionally based approach to transmission and siting issues. Thus, the chairman's mark will rely on regional transmission organizations to do the bulk of transmission planning, expansion and siting. Only if those regional entities are stymied will a federal eminent domain authority be invoked, and that authority will be used only to implement the decisions taken regionally.

The chairman's mark will include a repeal of the 1935 Public Utility Holding Company Act, or PUHCA, but the protections in that act will be replaced by giving FERC jurisdiction over mergers of holding companies that own utilities and over acquisitions of generation assets.

Finally, the chairman's mark will ensure that there is transparent information on market transactions.

As part of a balanced and comprehensive legislative solution, the chairman's mark also includes numerous benefits and protections for consumers, so that we don't repeat the mistakes of telecommunications deregulation. These include an emphasis on ensuring future access by rural, remote, and Indian communities to electricity; protection of consumers from unfair trade practices; and a Public Benefits Fund to ensure that there is a way to fund electricity programs in the public interest.

The chairman's mark also includes a series of provisions to ensure that we

have a greater role in our electricity generating system of the future for renewables and distributed generation, while maintaining the contribution made by existing sources of baseload generation, such as hydropower and nuclear. Among the important tools for making sure we have diversity in our sources of electricity is a renewable portfolio standard, uniform interconnection standards to the electric grid, greater flexibility and predictability to the process of relicensing hydroelectric dams, and a reauthorization of parts of the Price-Anderson Act.

Finally, a common thread among many of the provisions that I have mentioned in this chamber today and that we will be considering in the bill is perhaps the most important public policy challenges of the 21st century, and that is climate change. Climate change policy and energy policy are inseparably linked, because energy production and the use of energy are leading sources of greenhouse gases that affect the atmosphere. The Senate must ensure that the energy legislation it passes makes a meaningful, positive contribution to dealing with this issue. Many of the provisions that I have already discussed—energy efficiency, the focus on more renewables—make a contribution to this goal. The mark that we will be considering in committee will contain some additional provisions to promote better information and policy on greenhouse gas emissions.

Energy policy is a difficult and complex topic. Getting to a solution that gives America a vibrant energy infrastructure and the right policies for the 21st century will require careful work on complicated issues. Our Nation's future economic prosperity, and the jobs of millions of Americans, are at stake. I hope that the approach taken in the Senate combines a thoughtful analysis of our current energy challenges with a willingness to take some bold policy steps to address those challenges. That certainly is the spirit in which I will be making proposals before the committee.

I look forward to working with all my colleagues in the Senate to produce constructive legislation for the future of our country.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. EDWARDS). The Senator from Ohio.

UNITED STATES-MEXICO ENGAGEMENT: AN UNPRECEDENTED OPPORTUNITY FOR COOPERATION

Mr. DEWINE. Mr. President, earlier today we welcomed to the historic House Chamber President Vicente Fox, the President of Mexico. At this moment, President Bush and President Fox are in my home State of Ohio. They traveled to Toledo, OH, making several visits there. So we welcome both Presidents to our home State.

As an opposition candidate, President Fox's election and inauguration last year overturned 71 years of one-party rule in Mexico, one-party rule domination of the executive branch by the Institutional Revolutionary Party, PRI. That election made history. And today, with his Presidency, and with President Bush in office, we are continuing to make history, as our nations have the unprecedented opportunity to implement positive changes and to create lasting progress for our entire hemisphere.

I say to my colleagues, it is important that we not squander this opportunity, that we not squander this chance. Because of Mexico's critical importance to our Nation and our hemisphere, it was not at all surprising that President Bush chose to travel to Mexico for his first official foreign trip as President.

This week we welcome President Fox to our country. These historic meetings demonstrate the vital nature of our relationship with Mexico and the importance of bilateral cooperation.

I commend both leaders on their ongoing commitment to hemispheric partnership, and look forward to even greater cooperation stemming from this week's meetings.

No one can deny the importance of our involvement with Mexico—our neighbor—a nation with which we share an over 2,000-mile common border.

Additionally, over 21 million Americans living in this country are of Mexican heritage; that is 67 percent, two-thirds of our total U.S.-Hispanic population. Indeed, many people and many issues bind our nations together. It is in the interest of both Mexico and the United States that we make that bond even stronger.

That is why we want to see President Fox succeed. He is off to a good start.

President Fox's election was received as a positive step in Mexico's maturing economy and has fueled new investment in the country, raising expectations for better economic opportunities for the Mexican people. At the same time, Mr. Fox also has raised expectations here in Washington for better opportunities to improve U.S.-Mexico bilateral cooperation on a wide range of issues.

As an advocate of free trade in the Americas, Mr. Fox recognizes that a strong, steady economy in Mexico can be the foundation to help solve many of our shared challenges and advance our mutual interests.

I am confident that President Fox's visit to the United States will advance our growing and strengthening partnership and that both leaders will engage in constructive dialog to promote cooperation, enhance the security and prosperity of both nations, and enable each country to establish mutually agreed-upon goals in at least four

areas: First, economic development and trade; two, the environment; three, immigration; and four, law enforcement and counterdrug policy.

In each of these four areas, both countries should seek to implement realistic and practical steps that will build confidence in our partnership and help set the stage for continued discussions and further progress.

A good demonstration of our relationship's success is the economic cooperation spearheaded by the North American Free Trade Agreement, NAFTA.

Thanks to this partnership, trade between the United States and Mexico now amounts to over \$250 billion annually, making our neighbor to the south now our second largest trading partner behind Canada.

In the last decade, U.S. exports to Mexico have increased over 200 percent, and today 85 percent of Mexico's entire exports go to the United States. However, progress in our partnership cannot occur absent continued progress in Mexico's economy.

Although Mexico is in its fifth consecutive year of recovery following the 1994-1995 peso crisis, improved living standards and economic opportunities have not been felt nationwide in Mexico. In fact, as could be expected, the slowdown in the U.S. economy has also had an impact on Mexico. Lack of jobs and depressed wages are particularly acute in the interior of the country, once you get away from the U.S.-Mexican border in the north. That is even true in President Fox's home state of Guanajuato.

As long as enormous disparities in wages and living conditions exist between Mexico and the United States, our Nation will simply not fully realize the potential of Mexico as an export market, nor will we be able to deal adequately with the resulting problems that come about because of that poor economy, because of that great disparity in wealth that brings about illegal immigration, border crime, drug trafficking, and other problems.

In keeping with the market-oriented approach that we started with NAFTA, the United States can take a number of constructive steps to continue economic progress in Mexico and secure its support for a free trade agreement with the Americas, which is something that clearly this administration and this Congress must push.

First, we can bring to Mexico the Overseas Private Investment Corporation, a loan program that also assists U.S. small business investments in many other countries.

Second, we can encourage entrepreneurship in Mexico through increased U.S. funding of microcredit and microenterprise programs, which will encourage small business development.

Third, we should expand the mandate of the North American Development

Bank beyond the current situation where it only extends to the U.S.-Mexico border.

This bank has been a successful source of private-public financing of infrastructure projects along our borders. Extending its authority inland not only would bring good jobs into the interior of Mexico but also would help to develop and further nationalize a transportation and economic infrastructure.

Continued investments in the NADBank also would facilitate greater environmental cooperation between the United States and Mexico through projects geared toward advancing the environmental goals and objectives set forth in NAFTA and also would enhance the overall protection of U.S. and Mexican natural resources.

Both nations need to pursue a joint immigration policy that takes into account the realities of the economic conditions of our countries. At a minimum, President Bush should continue to evaluate the temporary visa program for unskilled workers, which has proven burdensome for U.S. farmers and small business men and women. Any liberalization of this program should be linked to concrete programs to reduce illegal immigration into the United States. This is not going to be an easy issue. We have heard discussion from President Fox and President Bush over the last several days about this. Many Members of Congress have very strong opinions about it. I believe it is important for us to deal with this issue in a practical and rational way.

Additionally, in a quick and simple fix, the administration should eliminate the annual cap on the number of visas issued to Mexican business executives who enter the United States. Currently, the cap stands at 5,500. And under current law, it will be phased out in the year 2004. The United States does not have such a cap for Canada. Repealing the cap now would send a very positive signal to President Fox and to the Mexican people about their nation's value to us as an economic partner.

Further, it is important for the United States to be seen as a partner and resource, as President Fox undertakes his pledge to reform Mexico's entire judicial system.

I have had the opportunity, as I know many Members of the Senate have, to travel to Mexico and see the problems, the inherent problems, historic problems, problems of long standing in regard to the police and the judicial system. It was very insightful and important that today, when President Fox spoke to the Congress, he talked about the need for judicial reform. This is an area where, frankly, for all the problems of this country, we do it very well.

We have the ability to help Mexico. We have the ability to help them in this area. We should continue to do so.

With the law enforcement system in Mexico plagued with inherent corruption and institutional and financial deterioration, President Fox will face numerous challenges.

It is in our interest to help Mr. Fox in his quest, if needed, whether it be through financial or technical assistance. It is in our own interest in the United States that Mexico succeed in this reform because our country cannot reverse effectively the flow of drugs across our common border without the full cooperation and support of our Mexican law enforcement friends. The relationship between our law enforcement—our DEA, FBI, Border Patrol, and their counterparts in Mexico—is so very important. I have watched this over the years, and that relationship has been problematic. But I will say this: I believe it is improving. I believe clearly President Vicente Fox has made this a top priority of his administration. It will not be easy, but we can help.

The issues that impact the United States and Mexico are numerous. It is not going to be easy to resolve these problems. All are important, and each is, in a sense, interrelated with the other. Together they present an enormous task for the Presidents of both countries. Perhaps most important, they are evidence of the enormous importance of Mexico to the future prosperity and security of our country, as well as our entire hemisphere.

I commend President Bush and President Fox for the many advancements they have achieved so far. I encourage them to continue this cooperation and this effort. Together, our nations can, in this historic time, redefine the United States-Mexican relationship and protect and promote prosperity throughout our shared hemisphere.

In conclusion, President Fox mentioned a topic which has been debated on this floor many times and which we have taken up and looked at, and we have thought a lot about it; that is, the drug certification process that we go through as a country every year, where we basically say how well other countries are doing in their antidrug effort and whether they are cooperating with the United States. I think the time is here for us to re-evaluate our law. I think the time is here for us to put a temporary moratorium on this certification process. I think it will help our relationship with Mexico. I think it would help our relationship with other countries. I think the time is appropriate to do this.

Mexico has a new President. Mexico has a President who has stated that one of his main objectives is the reform of the judicial system, to do away with the corruption in the judiciary, to do away with the problems they have had in the law enforcement realm. So I think the time is right. If we are ever going to do this, the time is right to do

it. I don't think we have a great deal to lose. The current system has not worked very well. It has not accomplished a great deal. So I think the time is ripe now for us to put a temporary moratorium on the certification process.

President Fox, throughout his speech, talked about trust. I think that is the right word. We have to have trust between our two countries. That does not mean we are not going to have disputes. It doesn't mean we are not going to have problems. It doesn't mean these problems are going to be easy to resolve. We know they are not—the immigration problem and the drug problem, just to name a few. We know they are not easy.

I think the right tone was set in today's speech by President Fox.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ENZI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPORT ADMINISTRATION ACT OF 2001—Continued

Mr. ENZI. Mr. President, we are entering the period where we make a few last minute comments before the 4 o'clock vote regarding the Export Administration Act, a process we have been working on for 3 years, a law that expired in 1994, and we have had 12 attempts at change since that time. The last time the law was revised, people were wearing bell bottoms and polyester suits and Jimmy Carter was in office.

It has been time for a change and recognition of that. I ask unanimous consent a letter from the National Association of Manufacturers endorsing the bill and recognizing the need for this be printed in the RECORD.

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

NATIONAL ASSOCIATION OF
MANUFACTURERS,
Washington, DC, September 4, 2001.

Hon. THOMAS A. DASCHLE,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR SENATOR DASCHLE: I am writing on behalf of the 14,000 member companies of the National Association of Manufacturers (NAM) to seek your active support for the passage of S. 149, the Export Administration Act of 2001, without inappropriate amendments that would upset the careful balance in the legislation.

NAM member companies are some of the leading exporters of high-technology products, including computers, telecommunications equipment, semiconductors, chemicals and aerospace equipment. The Export Administration Act, which establishes

broad-ranging exports controls on dual-use products and technologies, will have a direct impact on their business activities in countries around the world.

Our companies take seriously their obligation to protect national security. They devote substantial resources to maintaining internal compliance programs and keeping up to date on the latest export control regulations. In an increasingly competitive global economy, however, Congress should not require excessively burdensome controls that hurt U.S. industry but do little, if anything to enhance national security.

The NAM supports S. 149, as reported by the Banking Committee, because it provides a good balance between U.S. national security and global trade interests. The bill has strong bipartisan support, having been approved by the Banking Committee on a vote of 19 to 1. President Bush has endorsed S. 149, as reported, and his national security advisor has indicated repeatedly that the Administration opposes amendments which would upset the careful balance achieved in the Banking Committee bill.

I strongly urge you to play a leadership role in supporting passage of S. 149 and opposing inappropriate amendments.

Sincerely,

JERRY JASMOWSKI,
President.

Mr. ENZI. I ask unanimous consent a letter received from many of the computer folks, including Dell Computer, IBM Corporation, Intel, Hewlett-Packard, NCR, Motorola, and Unisys, pointing out the need for this legislation, and the fact they are happy with it, be printed in the RECORD.

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

SEPTEMBER 5, 2001.

Hon. MICHAEL B. ENZI,
U.S. Senate, Russell Senate Office Building,
Washington, DC.

DEAR SENATOR: As the Senate begins debate on S. 149, the Export Administration Act of 2001, we strongly urge you to support the bill as it was reported out 19-1 by the Senate Banking Committee and to oppose all restrictive amendments during its floor consideration. Passage of S. 149 will represent an important step forward in the development of an export control system that more effectively accounts for modern developments in technology and international market conditions, while protecting national security.

S. 149 enjoys broad, bipartisan support in Congress, as well as the endorsement of President Bush and his national security team, which opposes amendments that would upset the careful balance achieved in the Banking Committee bill.

Among S. 149's many provisions is one of critical importance to the U.S. computer industry. Section 702(k) would eliminate those provisions in the National Defense Authorization Act for 1998 that lock the President into using a specific metric, known as MTOPS (millions of theoretical operations per second), to establish export control thresholds for computers. Section 702(k) would not eliminate current restrictions on computer exports, but would give the President the authority and flexibility needed to review the MTOPS control system and develop a more modern, effective framework for computer exports. The need for Presidential flexibility in this area is especially clear in light of recent reports by the Center