I very much support these provisions. However, I am concerned that the bill doesn't go far enough to address the London loophole. This loophole has allowed for the trading of U.S. energy commodities—such as crude oil—on foreign exchanges without strong oversight from U.S. regulators.

This means that there is no cop on the beat to shield U.S. oil prices from manipulation or excessive speculation when they are traded in foreign markets, like commodities exchanges in London or Shanghai.

The amendment I am proposing would allow CFTC to require foreign boards of trade to register with CFTC, which would give CFTC the enforcement authority it needs. This provision was in President Obama's original proposed financial reform bill, and it is strongly supported by CFTC Chairman Gensler.

First, let me explain what has become known as the London loophole.

As Congress has taken steps to improve regulatory oversight of domestic commodity trading markets, Wall Street traders have increasingly turned to offshore markets to electronically trade U.S. energy futures—in order to evade American market oversight and speculation limits.

This new regulatory loophole earned its nickname—the London loophole—because America's most important crude oil contract—known as West Texas Intermediate—is today traded on the Intercontinental Exchange in London. This contract has what is called a price discovery impact because it is commonly referenced as the standard market price of oil.

The practical implication of this is that U.S. traders can use electronic exchanges based overseas to artificially drive up the prices of U.S. commodities—without any consequences from our Nation's market regulators. This is a major problem.

A 2008 CFTC report found that traders using this London exchange to trade U.S. crude oil futures held positions far larger than would be allowed by American regulators. In fact, from 2006 to 2008 at least one trader position exceeded U.S. speculation limits every single week on the London exchange, and British regulators had done nothing about it.

The good news is that some steps have been taken administratively to address this loophole.

In 2008, the CFTC negotiated an agreement with British regulators to bring greater oversight to American commodities contracts traded in London. The agreement called for speculation limits for the electronic trading of U.S. energy commodities—like crude oil—on foreign exchanges, and required recording-keeping and an audit trail. But CFTC has limited legal authority to enforce this agreement.

Bottom Line: We need to make sure the CFTC can oversee trading of American commodities, whether it happens through a computer server located on Wall Street or in Shanghai.

The Dodd-Lincoln bill currently before us does include some important provisions to help close the London loophole. As drafted, the bill will require foreign boards of trade that provide access to American traders to comply with comparable rules enforced by a foreign regulator, publish trading information daily, supply data to CFTC, and enforce position limits.

However, CFTC may be unable to force a Foreign Board of Trade to comply with these requirements.

This is because the CFTC's current method of overseeing foreign exchanges has tenuous legal underpinnings, due to a Commodity Exchange Act provision forbidding CFTC from ''regulating'' foreign boards of trade.

In many instances, the CFTC can take action against a U.S. trader on a foreign exchange to prevent manipulation or excessive speculation only with the cooperation and consent of the foreign regulator. The other, more controversial option is for the CFTC to completely ban the foreign exchange from all U.S. operations. Not surprisingly, the CFTC often shies away from enforcement, in the face of these regulatory obstacles.

That is why I am offering a proposal to allow CFTC to require foreign boards of trade to register with CFTC, which would give CFTC the enforcement authority it needs.

Here are the benefits of this amendment:

First, the registration process itself would give CFTC the authority to impose appropriate regulatory requirements as a condition of registration.

Second, a formal registration process would assure that foreign boards of trade all follow the same set of rules.

Third, the registration process would provide a much clearer basis for CFTC decisions to refuse or withdraw permission to foreign boards of trade wishing to allow American traders on their exchange.

Finally, and most importantly, all of CFTC's existing enforcement authorities apply to registered entities under the Commodity Exchange Act.

This amendment would therefore allow CFTC to enforce its own statute with regard to foreign exchanges operating in the United States.

This is a very moderate, practical amendment to assure that we give CFTC the authority to enforce the statutory provisions already in the proposed legislation. It would only provide the CFTC with equivalent authority to that held by virtually all foreign futures regulators—including the British.

I have worked for many years to bring about meaningful regulation of the derivatives markets, and that is why I am so pleased that Senators LINCOLN and DODD have brought forward the strongest derivatives regulatory proposal considered by this Congress.

But as we crack down on traders in our markets, we must be ever vigilant to assure that traders sitting on Wall Street do not avoid our regulations by trading on electronic exchanges with computer servers in London, or Dubai, or Singapore.

This amendment would improve the London loophole provisions in the Dodd-Lincoln bill, by making those provisions more easily enforceable.

It is the final piece necessary to close the London loophole, ensuring that our government has what it needs to protect American markets from manipulation and excessive speculation, no matter where U.S. energy commodities are traded.

I ask my colleagues to support this amendment.

Mr. DODD. Mr. President, I ask unanimous consent that on Wednesday, May 12, following any leader time, the Senate then resume consideration of S. 3217, and that the time until 10 a.m. be for debate with respect to the following three amendments, with the time equally divided and controlled between the leaders or their designees; that at 10 a.m., the Senate proceed to vote in relation to the amendments in the order listed, with no amendments in order to the amendments prior to a vote, with 2 minutes of debate prior to the succeeding votes and with the succeeding votes limited to 10 minutes: Merkley amendment No. 3962, Corker amendment No 3955, Hutchison-Klobuchar amendment No. 3759, as modified; provided further, that the next two amendments in order would be the Landrieu-Isakson amendment regarding risk retention and the Snowe-Landrieu amendment No. 3918.

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

MORNING BUSINESS

Mr. DODD. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

SECRET HOLDS

• Mr. BYRD. Mr. President, I recently declined to sign a letter that is circulating, in which certain Senators pledge not to place ''secret'' holds on legislation and nominations. The letter features a very broad promise by the signers to refrain from asking the leadership to delay Senate consideration of a matter, without a full public explanation of the request.

When a small minority—often a minority of one—abuses senatorial courtesy and misuses anonymous holds to indefinitely delay action on matters, then I am as adamant as any of my colleagues in insisting that Senators should come to the Senate floor and make their objections known. When abuses of this courtesy have occurred, I have supported efforts by others, and proposed some of my own, to ignore holds after a certain period of time. I am ready to support such efforts again.

But I also believe that there are situations when it is appropriate and even important for Senators to raise a private objection to the immediate consideration of a matter with the leadership and to request a reasonable amount of time to try to have concerns addressed. There are times when Senators put holds on nominations or bills not to delay action but to be notified before a matter is coming to the floor so that they can prepare amendments or more easily plan schedules. These are courtesies afforded to all Senators. In many cases, there is nothing nefarious or diabolical about reasonable requests for holds. Certainly, public disclosures are not necessary every time Senators want to slightly alter the Senate schedule for the coming week. Certainly, public disclosures are not necessary every time Senators request consultation or advanced notification on a matter coming to the floor.

I appreciate that some Senators may be frustrated with what they believe are abuses of the Senate rules, but I also hope that Senators will endeavor to understand—before they suggest pledges or propose less than well-reasoned changes—that the rules, precedents, customs, practices, traditions, and courtesies of the Senate have been forged over hundreds of years and after much trial and experience. After all, the benefit of this experience is to preserve the institutional protection of all Senators and their efforts to fairly represent the people of their States. The Senate is not the House of Representatives and was never intended to function as such. The Senate's purpose is to carefully and critically examine, not to expedite.

Unfortunately, when the Senate rules and customs are abused and Senators become frustrated, it can lead to ill-considered changes, and sometimes the pendulum can swing too far. Let us try to keep the institutional purpose of the Senate uppermost in mind. The Nation certainly requires the extended debate and deliberation that those time-honored rules, precedents, and customs are designed to guarantee.●

LRA DISARMAMENT AND NORTHERN UGANDA RECOVERY ACT

Mr. LEVIN. Mr. President, for more than 20 years, a group called the Lord's Resistance Army, or LRA, has operated in central Africa, perpetrating some of the most horrific acts of violence one can envision. The LRA began as a rebel group saying it drew its guidance from the Ten Commandments, but in the two decades since it began, it has routinely violated those commandments in the most gruesome and unimaginable ways. Its continued campaign of violence calls out for Congress and the United States to act.

Recently the United Nations uncovered the latest of the LRA's violent acts, the rounding up and massacring of more than 100 innocent villagers in a remote part of the Democratic Republic of the Congo. The New York Times reported on May 1 that U.N. officials had learned of the massacre, which occurred in February. U.N. officials interviewed several witnesses, including one woman whose lips were cut off by LRA rebels, who told the woman she was talking too much.

The LRA's actions were described in brutally clear terms in a recent Human Rights Watch report entitled ''Trail of Death.'' In it Human Rights Watch investigators describe the typical tactics, techniques, and procedures of this terrible group of people:

> The LRA used similar tactics in each village they attacked during their four-day operation: they pretended to be Congolese and Ugandan army soldiers on patrol, reassured people in broken Lingala (the common language of northern Congo) not to be afraid, and, once people had gathered, captured their victims and tied them up. LRA combatants specifically searched out areas where people might gather—such as markets, churches, and water points—and repeatedly asked those they encountered about the location of schools, indicating that one of their objectives was to abduct children. Those who were abducted, including many children aged 10 to 15 years old, were tied up with ropes or metal wire at the waist, often in human chains of five to 15 people. They were made to carry the goods the LRA had pillaged and then forced to march off with them. Anyone who refused, walked too slowly, or who tried to escape was killed. Children were not spared.

The LRA got its start in Uganda, where it has done and continues to do horrific damage. At one time, about 2 million Ugandans were displaced from their homes by LRA violence; the rebels massacred, mutilated and abducted civilians, and forced many into sexual servitude; and an estimated 66,000 Ugandan children were forced to fight for the group.

Uganda is still recovering from the LRA's campaign of violence. Having been forced out of Uganda, LRA bands have moved into neighboring nations, including Sudan, the Democratic Republic of the Congo, and the Central African Republic—countries already ravaged by man-made and natural disasters. As the latest report shows, it is still a grave threat. As John Holmes, the U.N. under secretary general for humanitarian affairs, put it, ''they are still capable of wreaking absolute havoc—and they still do.''

Because of the havoc the LRA has caused across central Africa, I am one of more than 60 Senators who have cosponsored S. 1067, the LRA Disarmament and Northern Uganda Recovery Act, introduced by Senators FEINGOLD and BROWNBACK. The act would require that within 6 months, the United States develop a comprehensive strategy for dealing with the LRA, including an outline of steps to protect the civilian population against LRA violence. The act would authorize funding to provide humanitarian assistance in areas affected by the LRA. And it would provide assistance for reconstruction and for promotion of justice and reconciliation in areas of Uganda recovering from the LRA's depredations.

This legislation would establish, as a matter of policy, a U.S. commitment to working with regional governments to end the conflict in Uganda and surrounding nations by providing support to multilateral efforts to protect civilians, apprehend top LRA leaders and disarm their followers; providing humanitarian assistance to relieve the immense suffering the LRA has caused; and supporting efforts to promote justice and reconciliation in the region affected by LRA violence.

We have delayed too long in enacting this legislation. The Senate passed this important legislation in March, and the House Foreign Affairs Committee favorably reported the bill to the full House last week. I am hopeful that the committee's approval signals the likelihood of approval by the full House soon. I hope our colleagues in the House will move swiftly to pass this legislation and send it to the President for his signature; to do anything less would be a failure to act with the urgency, and the humanity, that the LRA's campaign of terror demands.

Mr. President, I ask unanimous consent that a recent New York Times article on this incident be printed in the RECORD.

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

[From the New York Times, May 1, 2010]

U.N. SAYS CONGO REBELS KILLED SCORES IN VILLAGE

(By Jeffrey Gettleman)

KISANGANI, CONGO—United Nations officials said Saturday that the Lord's Resistance Army rebel force killed up to 100 people in a previously unreported massacre in the remote northeastern corner of this country.

Details are still emerging of exactly what happened. But according to John Holmes, the United Nation's top humanitarian official, the L.R.A. struck a small village in February, two months after it killed more than 300 people from several villages in the surrounding area.

United Nations investigators have spoken with several witnesses and victims of the massacre in February, including two fishermen who said they saw dozens of bodies.