

of cancelled mortgage debt income is a necessary step to ensure that homeowner retention efforts are not thwarted by tax policy.

This amendment provides a targeted exclusion from taxation for canceled mortgage debt for those individuals most in need of assistance. It covers discharges of indebtedness between January 1, 2007, and January 1, 2010. In addition, the amendment would only apply if the home facing foreclosure is the taxpayer's principal residence and the exclusion is only available on mortgage indebtedness of up to \$1 million.

On a related note, I have introduced S. 2133, the Home Owners "Mortgage and Equity Savings Act," to help distressed homeowners who file for bankruptcy. The amount of a debt forgiven or discharged in bankruptcy is not deemed income. This amendment is important companion legislation in that it would help those who are able to renegotiate their mortgages, or who face foreclosure, but do not go into bankruptcy.

I urge my colleagues to support the Gregg amendment.

Mr. CRAPO. Mr. President, over the past years Congress has wrestled with the question of what was the appropriate level of regulation of futures exchanges and derivative markets. I have been very concerned about the potential efforts to change the manner in which we regulate derivatives or to impact the manner in which derivatives operate in the economy. It is critical that we strike the appropriate balance between protecting consumers and markets from trading abuse while ensuring continued growth and innovation in the U.S. markets.

The President's Working Group on Financial Markets, PWG, has played an important role in this debate by explaining why proposals that we have faced in the last few years for additional regulation of energy derivatives were not warranted, and has urged Congress to be aware of the potential for unintended consequences that would harm America's financial markets.

I have been repeatedly warned by our federal financial regulators that the importance of derivative markets in the U.S. economy should not be taken lightly, as businesses, financial institutions, and investors throughout the economy rely on these risk management tools. Derivatives markets have contributed significantly to our economy's ability to withstand and respond to various market stresses and imbalances.

In September of 2007, the Commodity Futures Trading Commission, CFTC, held a hearing to examine the oversight of trading on regulated futures exchanges or exempt commercial markets. Based on this hearing, the CFTC reported that the current risk-based, tiered regulatory structure has successfully encouraged financial innovation, competition, and modernization. However, the CFTC also found that ad-

ditional oversight was warranted for certain contracts traded on an ECM that serve a significant price discovery function in order to detect and prevent manipulation. The CFTC proposed four legislative recommendations that were endorsed by the PWG.

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It is for this reason that I decided to work with a bipartisan group of Senators who also wanted to address the appropriate level of regulation of futures exchanges and over-the-counter derivative transactions. I want to thank Senate Agriculture Committee Chairman HARKIN, Senate Agriculture Committee Ranking Member CHAMBLISS, Senator FEINSTEIN, Senator SNOWE, Senator LEVIN, and Senator COLEMAN for all their work.

I appreciate their willingness to work off the framework that was endorsed by the PWG and believe this allowed all of us to reach a deal. This was a significant concession to some Senators who have supported an alternative approach, and I would like to thank them for doing so.

In addition, this amendment extends the reauthorization of the CFTC, clarifies the CFTC authority over off-exchange retail foreign currency transactions, clarifies the antifraud authority over principal-to-principal transactions, increases civil and criminal penalties, and makes technical and conforming amendments. These provisions were also largely based off the framework that was endorsed by the PWG letter of November of 2007.

Earlier this week the House Agriculture Committee approved by voice vote a similar measure to reauthorize the Commodity Futures Trading Commission. It is my hope that in a conference the House and Senate will reconcile their differences over the reauthorization period and Zelener related issues.

I strongly believe that Congress needs to reauthorize the CFTC and frankly, so that we can give this agency all the tools it needs to protect investors and promote the futures industry and preserve the integrity of our markets. Moreover, the Senate must act to confirm Walt Lukken as Chairman of the CFTC. He has demonstrated throughout this reauthorization process the strong leadership that is essential to managing an agency. I want to

commend him, his fellow commissioners, and staff for all their tremendous work.

MORNING BUSINESS

Mr. HARKIN. Mr. President, I ask unanimous consent that there now be 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.

CIA DESTRUCTION OF INTERROGATION RECORDINGS

Mr. DURBIN. Mr. President, it seems that every week there is a new revelation about how this administration has engaged in activity that is not consistent with American laws or values when it comes to the issue of torture. Last week, CIA Director Michael Hayden acknowledged that Central Intelligence Agency officials destroyed videotapes of detainees being subjected to so-called "enhanced interrogation techniques." These techniques reportedly include forms of torture like waterboarding. The New York Times reported, "The tapes were destroyed in part because officers were concerned that video showing harsh interrogation methods could expose agency officials to legal risks."

The CIA apparently withheld information about the existence of interrogation videotapes from official proceedings, including the 9/11 Commission and the Federal court hearing the case of Zacarias Moussaoui. General Hayden asserts that the videotapes were destroyed "in line with the law," but it is the Justice Department's role to determine whether the law was broken.

Last week I asked Attorney General Mukasey to investigate whether CIA officials who covered up the existence of these videotapes violated the law. To his credit, the Attorney General has begun a preliminary inquiry.

This week there is a new revelation. The CIA has already acknowledged videotaping interrogations of detainees in CIA custody. Now it appears that there may be videotapes of detainees who the CIA transferred or rendered to other countries to be interrogated.

According to the Chicago Tribune, in February 2003, the CIA detained a man named Abu Omar in Italy. The CIA then took Abu Omar to Egypt and turned him over to the Egyptian government. Abu Omar claims he was tortured and that his Egyptian interrogators recorded, "the sounds of my torture and my cries."

In response to this story, CIA spokesman Paul Gimigliano said he could not "speak to the taping practices of other intelligence services." Notice what he did not say. He did not say whether the CIA is aware of foreign countries recording interrogations of detainees who were transferred to them by the CIA. In fact, if the CIA sends a detainee