

get this little site, this temporary facility. He will never get the credit. People are thinking we are trying to pull something over on them; we might be hurting people; we are just trying to get it out of one site and hide it someplace else.

There are 85 U.S. Navy ships, I remind everybody one more time, of all sizes, including battleships, aircraft carriers, and some with two nuclear powerplants on them. As we stand right here, they are floating around on the high seas where the water is all fissionable. If you are in this part of the Atlantic, the water will eventually end up over here miles away, and nobody is lodging serious complaints. They may say we don't want the U.S. Navy around for some other reason. And thank God we have them. But they are in ports everywhere. They don't take the nuclear powerplant out before they come into a port. Right? They don't have three kinds of motors around. They may have a couple of auxiliary motors. But the nuclear powerplants are right there on board.

I thought I would just state that part of my statement which I put in the RECORD yesterday because it is so obvious to me that we are being so foolish in tying the ultimate disposition of the high-level waste generated by 20 percent of our electrical powerplants, which are nuclear, to a policy that says unless and until we find a place to put that underground at Yucca—wherever it is in Nevada—forever we will not continue with nuclear power.

I believe it is so shortsighted and based on such an insignificant set of scientific facts that it is almost as if America just wouldn't do something such as that. But we are doing it. There were letters circulating yesterday that the proposal of the Senator from Alaska would not be helpful; in fact, it would hurt people. I don't think I have to repeat. I think I have made the case.

What would the world be doing if in fact nuclear reactors were that unsafe and U.S. Navy ships want to dock to let their Navy men go on shore for a while and then get on with something else? I do not believe they would be saying: Have we found a place to put the nuclear waste that is coming in on that new battleship that you are generating? Have you found a place to put it away forever? I think they would say: Gee, there is no risk at all involved. It is a pretty good venture. We are glad to have you.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, let me thank my good friend from New Mexico, the chairman of the Budget Committee. We had a chart that we used in the debate. That chart showed the 40 States that had the accumulated waste—80 sites in 40 States. I wish I would have added the 85 nuclear ships that are traversing the ocean because the Senator from New Mexico is quite correct. That is something we don't

talk much about. It works. The Navy, obviously, has the expertise that has been developed over a long period of time. When those submarines or surface ships are taken out of active duty, reactors are removed. That waste is taken and stored at various areas in the country. Chicken Little was suggested around here today; the world is coming down. It doesn't have to come down. It is the emotional arguments that prevail without any sound science.

I appreciate the input of my good friend and his commitment to the obligation that remains unresolved.

HEATING OIL PRICES

Mr. MURKOWSKI. Mr. President, I would like to address very briefly a couple of issues. One is the issue of the high cost of heating oil, particularly in the Northeast corridor at this time. I know my colleagues from the Northeast are looking for relief. Perhaps I could enlighten them to some extent on the reasons behind why prices are high and why stocks are low.

I think it is important to recognize a couple of basic facts that underline the whole question; that is, understanding the crude oil and heating oil relationship.

There are some who suggest we have a shortage of crude. That is the reason we have higher prices for heating oil. Factually, however there is no refinery in this country that has been short of a supply of crude oil during this crisis. The problem is the refineries have been cutting a different mix of product. They cut heating oil. They cut gasoline. They cut diesel fuel as well as other hydrocarbons. They have begun to cut other mixes instead of heating oil. So if they change the mix and reduce gasoline for heating oil, that could give some relief, but it may ultimately result in a shortage of gasoline during peak usage in the coming months.

The basic difficulty is coupled with the fact that the inventories were low. That is perhaps the fault of the industry. But while the inventories were low, the crucial problem is the storage areas for these stocks were reduced dramatically. What do I mean by that? I mean the tanks around the metropolitan areas that are conventionally used to store the heating oils, the gasolines, and so forth.

In the case of New York, petroleum bulk storage capacity has declined 15 percent over the past 5 years. Why? According to testimony the other day from New York State officials on heating oils, this is a consequence of tighter environmental controls that suggest these old storage areas are inadequate or a danger to the environment. That may well be the case. However, the reality is we reduced our storage and as a consequence we don't have the inventory of heating oils that we would have had if we had the storage available.

I am not suggesting that people from New York or anywhere else don't need

strong environmental regulations. They do. But we have to understand how we got into this predicament. That is the reason why the inventories are down.

Some say the answer is to open up SPR, a strategic petroleum reserve in Louisiana. We need to recognize we don't have a shortage of crude oil at the refineries, and if we further understand that in SPR there is no heating oil—it is not refined oil, it is crude oil; therefore, by taking oil out of SPR and take it to the refinery, we will displace what the refinery is already refining to accommodate SPR. So we don't have any net gain.

Most people cannot quite understand that. They think SPR is for heating oil that can be taken out of SPR and distributed, thereby easing the shortage. We cannot do that.

I understand the Secretary of Energy will make an announcement today or very shortly about the administration's efforts regarding high oil prices. Let's look at this because it is important. They will do something more for the Low-Income Housing Energy Assistance Program, which provides money for the low-income areas. That is commendable. However, that does not solve the underlying problem. They will "jawbone" more with the OPEC countries to release more oil. They can release more oil, but will they reduce the price? That is crude oil that had to be refined. They will encourage refiners to make more heating fuels—they might be able to persuade them to do that but it will change the mix and might result in a gasoline shortage this summer.

The interesting thing about the administration's response is, nowhere is there a commitment that we increase our domestic petroleum production to make us less dependent on OPEC pricing policies. That would be contrary to the environmental community who objects to the production domestically of oil and gas. Let me go a step forward. The Vice President said: If I'm elected I will cancel all the OCS leases, oil and gas.

What does he propose we will do? We cannot address what we will do with our nuclear waste. As far as I'm concerned the administration can choke on that waste. That seems to be their only solution.

We have an administration that proposes more new taxes on our domestic oil and gas industry. Think about that. We have a heating oil crisis, we have high prices, there are barges in transit and ships coming over from Europe with heating oil. That may help. We cannot move the crude oil out of SPR fast enough. We cannot get it to refineries that have any unused capacity. And we don't have adequate storage to store the reserves.

If you want to debate that issue, as chairman of the Energy and Natural Resources Committee I will try to work with Members. But let's be realistic and try to understand what the problem is and not fool the public.

If anyone saw the Coast Guard cutter grinding through the ice on the Hudson River to try and clear the waterways for the heating supplies to be delivered, they would have a better understanding and appreciation of some of the real problems.

I want to work with my colleagues to try and address this but let's make sure we understand the realities associated with that. I have a problem with our continued dependence on jawboning the Middle East countries. Our friend Saddam Hussein is now producing nearly 2 million barrels a day. The consequences of that, in view of the fact we fought a war not so long ago, suggests that our energy policies are inconsistent, to say the least.

We talked about the administration's "cure" to encourage more production. The President has proposed \$50 million in new and expanded user fees over 5 years on our domestic oil companies drilling in offshore waters. Is that going to continue to drive production in the United States? It will continue to drive it overseas and increase our reliance on imported oil from foreign shores—and we are 56 percent dependent now. The user fees are included in the administration's fiscal year 2001 budget. According to reports, the fees would raise \$10 million in each of the next 5 years by increasing rental rates on oil leases, among other fees.

In addition, we understand the budget recommends reinstating the oil spill liability trust fund to add 5 cents a barrel excise on both domestic and imported oil. This equals \$350 million per year from all sources.

Once again, instead of encouraging our domestic oil industry, this administration seeks to discourage it wherever possible. The result is that we are 56 percent dependent on foreign oil; and the Mideast, where that oil comes from, where there is a huge abundance of oil, is sitting back nodding their head and smiling as they continue to control the discipline within their cartel not to allow overproduction and a decline in price.

The national energy security of this Nation is at risk as we become more and more dependent on imported oil. We have tremendous domestic reserves in this country if we can only open them. My State of Alaska has produced 20 percent of the crude oil produced in the United States for the last 20 years. If allowed on land in Alaska to use the technology that we have, we can continue not only to produce 20 percent but probably increase that to 30 percent or maybe 40 percent. The alternative is to increase our dependence on imported oil.

Senator LANDRIEU and I have a bill, Senate bill 25, that will try and address a fair return to the coastal impact areas offshore and onshore relative to a reasonable revenue stream that ought to come back to these areas as a consequence of oil and gas development on the outer continental shelf. This is legislation that all coastal States would

share in, whether they have any oil and gas activities. This legislation would benefit the environment but it would put control of how that money is spent—not with a central Federal Government dictate, but with the participation of the States and the local communities. That is the way it has to be.

DISTRIBUTING NEW MONEY FAIRLY

Mr. MURKOWSKI. Mr. President, as a former banker, I must draw attention to what I consider an extraordinary movement by this administration, the Department of Treasury's decision to distribute the U.S. \$1 coin to America's largest retailer, Wal-Mart, in Arkansas.

Isn't that extraordinary? The banks have always been the agency for distributing new money and the agency for bringing in mutilated money. But for the first time the Department of Treasury has gone to a retailer, Wal-Mart, headquartered in President Clinton's home State, I might add, and I am told that as a promotion they have cut a deal with General Mills, where there are a few of them in boxes of Cheerios.

The banks are the backbone of our financial system. I cannot understand the logic or the fairness where if you are a banking customer, and your customers want coins, you have to run down to Wal-Mart. A private citizen who orders those new coins from the U.S. Mint I am told can expect a 6 to 8 week delivery time.

I would like to ask the following questions. Who made the decision to give these companies, Wal-Mart particularly, the ability to distribute coins before the banks? I would like to know the name of the person who made that judgment; and what part of Arkansas he was from? Was it a procedure similar to awarding Federal contracts used in choosing Wal-Mart and General Mills? I have sent that letter to Lawrence Summers, and I hope we can get a response very soon.

I yield the floor and encourage everybody who has a box of Cheerios to be sure and shake it because there might be a new dollar in it. Don't go to your bank because they will not have it.

I ask unanimous consent that my letter, and an article that appeared in the Wall Street Journal, be printed in the RECORD.

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

Hon. LAWRENCE SUMMERS,
Secretary, Department of the Treasury, Washington, DC.

DEAR SECRETARY SUMMERS: I am surprised and very concerned about the method the Department of the Treasury has chosen to distribute the U.S. Mint's new one dollar coin. America's largest retailer, Wal-Mart, headquartered in President Clinton's home state, has been given priority over our nation's banks to distribute these coins. I find it hard to believe that any federal agency would deliberately give such a marketing ad-

vantage to a private retailer, let alone the largest retailer in America. Select boxes of General Mills' Cheerios contain the new dollar coins.

According to an article in today's Wall Street Journal, banks, which are the backbone of our financial system do not have this type of ready access to these new coins. Some bankers were quoted as saying they are referring people who want the new coins to Wal-Mart. Moreover, a private citizen who orders these new coins from the U.S. Mint can expect a 6-8 week delivery time.

I would like you to answer the following questions. Who made the decision to give these companies the ability to distribute the coins before banks? Was a procedure similar to the awarding of federal contracts used in choosing Wal-Mart and General Mills?

I look forward to your prompt response.

Sincerely,

FRANK H. MURKOWSKI,
U.S. Senate.

BANKERS ASSAIL MINT FOR DEAL WITH WAL-MART

(By Julia Angwin)

Bank tellers at First State Bank in Middlebury, Ind., have recently been going to unusual lengths to fill their coin drawers. While on lunch break, they would sprint to the local Wal-Mart store to buy the government's newly minted \$1 coin.

"We thought if we could get 50 or 100 coins, then maybe we could give them to our customers," says Sara Baker, the bank officer that organized the tellers.

When a bank goes to Wal-Mart to get its money, something odd is going on. In this case, it's a new strategy the U.S. Mint adopted when it issued the new golden-colored dollar, featuring the image of Native American heroine Sacagawea, at the end of January. Prompted by the flop of the Susan B. Anthony coin 20 years ago, the Mint crafted an agreement with Wal-Mart, the nation's largest retailer, allowing it to essentially have first dibs over most banks on the new coin.

The U.S. Mint says it shipped the coins to 3,000 Wal-Mart and Sam's Club stores and the 12 regional Federal Reserve Banks on the same day, Jan. 27. But it mailed the coins to Wal-Mart, while it sent the coins to the Fed branches by truck. Many community banks are reporting a five-week wait for the coins that they have ordered from the Federal Reserve.

The delay has caused a furor among some bankers, who are embarrassed that they have to send coin-seeking customers to Wal-Mart, and among some business owners, who complain they can't get the coins from banks.

"Wal-Mart doesn't need any more advantages over a little business like mine," said Bill Taylor, owner of Boiling Springs Hardware & Rental in South Carolina, who tried unsuccessfully to get some dollar coins from his local banks.

* * * off an angry letter to the U.S. Mint on behalf of its members, protesting the agreement with Wal-Mart and asking the Mint to speed delivery to community banks of the golden coins. Dubbed the Golden Dollar by the Mint, the new coin is actually made of an alloy of manganese, brass and copper.

"The U.S. Mint has done an end run around the whole banking system," says Ann McKenna, vice president for finance at Tioga State Bank in Spencer, N.Y. "It's very disappointing."

In fact, the Mint planned the Wal-Mart agreement as a way of encouraging U.S. banks to order the new golden dollar coin in larger numbers than their orders for the Susan B. Anthony. And it has worked. The