

We want to move things along as quickly as possible, as indicated by the statement I just made. But as to H.R. 4986, I object. I say to the leader, there are people who are looking at this, and we hope it can be cleared at an early date.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, if I may comment, as Senator REID mentioned, we hope to move to the Transportation and Agriculture appropriations conference reports. I had hoped one or both of those would be ready today. I believe they are both close to completion. In fact, I am sure the Transportation appropriations conference report is completed, and we should have it, hopefully, early in the morning. Agriculture has been more difficult for obvious reasons: Getting an exact reliable number on what is needed for disasters, but also dealing with issues such as the drug reimportation question and the sanctions issue. They are going to attempt to close that conference this afternoon. We hope to have a vote and be ready for action on tomorrow.

With regard to this particular bill, the foreign sales corporation, I understand there are some reservations, but hopefully we can find a way to consider it.

Mr. MOYNIHAN. Would the majority leader yield for a question?

Mr. LOTT. I do not believe I have the floor, I say to the Senator, but I am sure that Senator REID would yield to the Senator.

Mr. REID. I am happy to yield to my friend from New York who is so interested in this legislation, and who has talked to me about it so many times.

Mr. MOYNIHAN. You say "reservations." Sir, if there are any reservations about the legislation as such, I would hope they would bring them to the attention of Senator ROTH, myself, and others, and the administration.

This is absolutely must do legislation. If we do not do it, we put ourselves at risk of a probable certain outcome—a trade war with Europe. In fact, it would astonish us and injure us, and we will wonder what happened. And nothing need have happened.

It was found that our tax arrangements for foreign sales corporations were in violation of WTO rules. Fine. We said we will produce a different measure that is compliant. The American industry is very happy. We have the bill. All we need to do is pass it. The deadline was October 1. It has been extended to November 1. If we do not do this, we will be remembered as a Congress that did not, and not favorably, sir.

I thank you for bringing it up. I regret there are reservations, but they have nothing to do, that I know of, with the essence of this measure.

Mr. REID. I would say to my friend, I think the statement that the Senator has made should be within earshot of everyone. If there is a problem—and somewhat technical in the minds of some—they should come forward.

Mr. MOYNIHAN. I will stay here all afternoon and evening.

Mr. REID. I am sure the Senator can explain it well. So I invite Senators to do that.

Mr. LOTT. I would like to make clear, if there is a technical amendment, or if there is a germane amendment, we could certainly get an agreement to make that in order.

What bothers me is that earlier on there had been indications that there were unrelated amendments that would ball the Senate up and this bill into protracted debate. What bothers me even more is, as we get closer, hopefully, to the end of the session, the thinking, I guess, would be, well, we will just drop this into something. The opportunity for mischief at that point is endless because if one Senator shows up and objects, we could lose it.

So I know Senator REID will be working on this. But this is something that is important to our country. I assume that the White House also would like to get this done. We need to continue to focus very closely on this piece of legislation.

UNANIMOUS CONSENT REQUEST— H.R. 4868

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 841, H.R. 4868, regarding tariff and trade laws.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I do object.

The PRESIDING OFFICER. Objection is heard.

UNANIMOUS CONSENT REQUEST— H.R. 2884

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 506, H.R. 2884, which extends energy conservation programs under the Energy Policy and Conservation Act through fiscal year 2003. I further ask consent that a substitute amendment at the desk submitted by Senators MURKOWSKI and BINGAMAN be agreed to, the bill be read a third time and passed, as amended, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. REID. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MURKOWSKI addressed the Chair.

Mr. LOTT. Mr. President, I would be glad to yield the floor to Senator MURKOWSKI.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, it is my understanding that the majority leader attempted to get a unanimous consent on the Energy Policy and Conservation Act.

That bill was objected to?

Mr. LOTT. I believe there was objection.

The PRESIDING OFFICER. Objection was heard.

Mr. LOTT. If the Senator would allow me, we have one other unanimous consent request. If we could get that entered into—it has been agreed to—then you would have the floor without the pressure of making a short statement. I think Senator REID would be able to leave the Chamber, too, if he chooses.

UNANIMOUS CONSENT AGREEMENT—H.J. RES. 110

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to H.J. Res. 110, the continuing resolution, and after the reporting of the joint resolution by the clerk, it be considered under the following agreement, with no amendments or motions in order: 2 hours equally divided between the chairman and the ranking minority member or his designee; 3 hours equally divided between the two leaders or their designees.

I further ask consent that all time be used or considered yielded back by the close of business today, and when the Senate reconvenes on Thursday at 9:30, there be 30 minutes under the control of Senator STEVENS and 60 minutes under the control of Senator BYRD for closing remarks, and at 11 a.m. the bill be read for a third time, and passage of H.J. Res. 110 occur, all without any intervening action or debate, and that this all begin immediately following the statement by Senator MURKOWSKI.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, and I will not object, I say to the leader and to the Presiding Officer, we have a number of people who wish to speak on this matter today. We have the time to do that. If we can work something out with the Senator from Illinois, there are people waiting to speak today on this matter.

Mr. LOTT. I believe the Senator from Illinois understands it will be 6 or 6:15 or thereabouts before he would be able to resume making his statement. So that would give us a couple hours that we could use before that time, and then additional time after that, if it is necessary. So hopefully we can get started right away.

Mr. REID. I say to the leader, through the Chair, the Senator from Illinois has been most gracious today. I know he believes very passionately and strongly about the issue he has been debating. But he has been very cooperative, generous in allowing us to interrupt as long as he did not lose the floor. I extend my appreciation to the Senator from Illinois for allowing us to do that.

Mr. FITZGERALD. I just reserve the right to object.

My understanding is that I will have the floor again at about 6:15.

Mr. LOTT. Or thereabouts. It could be earlier or 5 minutes later, but fully it is our intent to have the Senator from Illinois resume his statement at that time or at about that time.

Mr. FITZGERALD. I thank the leader for his accommodation.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. LOTT. Was there objection?

I believe the request was agreed to.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. I yield the floor.

Mr. MURKOWSKI. I ask unanimous consent, if I may, to proceed off the leader's time on the CR that is before the body.

Mr. REID. Reserving the right to object, Mr. President, I say to my friend, we have a number of Senators who have been waiting for a long time. Will the Senator give us some idea as to how long he will be?

Mr. MURKOWSKI. I will be very short. I imagine I will be 10, 12 minutes.

Mr. REID. Mr. President, I ask unanimous consent that following the statement of the Senator from Alaska the Senator from Illinois be given 10 minutes off the time that has been reserved for Senator BYRD.

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

ENERGY POLICY AND CONSERVATION ACT

Mr. MURKOWSKI. Mr. President, my understanding is that the leader requested unanimous consent to bring up the Energy Policy and Conservation Act, referred to as EPCA, and there was objection raised. I wonder if there—

The PRESIDING OFFICER. The Senator is correct.

Mr. MURKOWSKI. Mr. President, I would hope that my colleagues who have raised an objection to the Senate taking up this legislation would reconsider. This is a very important piece of legislation. It is the reauthorization of the Energy Policy and Conservation Act.

Senator BINGAMAN, who is the ranking member of the Energy and Natural Resources Committee, and myself, as chairman, have worked closely to come together with this compromise legislation. We have worked with the administration.

It is my understanding that the administration supports this legislation, and for good reason: Because the Energy Policy and Conservation Act, initially passed in 1975, deals with issues at hand, issues that are affecting the energy supply in this country, issues that are affecting the price of energy in

this country; and issues that the administration has mandated pass the Congress of the United States, specifically, this body because these issues deal with the domestic oil supply and conservation and the Strategic Petroleum Reserve and the International Energy Program, or IEP, as the agreement stands.

Certain authorities for the Strategic Petroleum Reserve, or SPR, and U.S. participation in the International Energy Program expired in March of this year. The legislation before us would extend these authorizations through September 30, 2003.

I think it is rather ironic that we are out of compliance in the sense of having both these significant issues expire at a time when we have an energy crisis and we have not acted upon them.

I would like to point out several facts about the legislation before us and the need for that legislation.

We have seen a lot of publicity given to the Strategic Petroleum Reserve and the emphasis put on the significance of that as kind of a savings account for oil in case we have an interruption from our supply from overseas, a supply which currently is about 58 percent of our total consumption.

Title I of EPCA provided for the creation of SPR, the Strategic Petroleum Reserve, and set forth the method and circumstances for its drawdown and distribution in the event of a severe energy supply interruption or to fulfill U.S. obligations under the IEP agreement.

The SPR currently contains approximately 570 million barrels of oil and has a total capacity of about 700 million barrels, with a daily drawdown capacity of about 4.1 million barrels per day. At its peak, the SPR contained 592 million barrels of oil. Currently, the SPR contains about 570 million barrels of oil, so there has been a drawdown.

We have seen the action by the President in transferring 30 million barrels out of the SPR to be turned into heating oil. It is rather interesting to note that the formula doesn't necessarily relate to 30 million barrels of heating oil. We will actually get somewhere between 4 and 5 million barrels of heating oil out of 30 million barrels of crude oil, about a 2- to 3-day supply.

As a consequence of the President's action, there is a legitimate question of whether the President had the authority to transfer that oil out of the SPR since the authorization for the Strategic Petroleum Reserve expired March 30 of this year. In any event, there is absolutely no reason why it shouldn't be authorized, regardless of individual attitudes on the appropriateness of drawing the SPR down.

It was created in response to the difficulties faced in 1973, when we experienced the Arab oil embargo. Many of us remember that time. We were outraged. We had gasoline lines around the block and the public was indignant. They blamed everybody—the Government. How could it happen in the

United States that we had run out of gasoline? The concept was simple. At that time, most of us believed America should not be held hostage again to Mideast oil cartels and that this would act as our protection against cutting off our supplies. Unfortunately, we find ourselves in a situation today where our domestic policies have led us to being held hostage by another tyrant. That tyrant in the Mideast is one Saddam Hussein.

Clearly, we are becoming more and more dependent on Saddam Hussein. Currently, 750,000 barrels a day of Saddam Hussein's oil come to the United States. It is even more significant that Saddam Hussein has taken a pivotal role in the oil issue worldwide, because the difference between production capacity and consumption is a little over 1 million barrels a day. In other words, we are producing a little over 1 million barrels more than we can consume, but that is the maximum production. Out of that, Saddam Hussein is contributing almost 3 million barrels a day. So you can see the leverage that Saddam Hussein has. He has already threatened to cut production. He went to the U.N., when they asked for specific programs for repayment of damages associated with his invasion of Kuwait. He said: If you make me do this now, what I am going to do is simply put off any further plans to increase production, and I very well may reduce production.

You can see the leverage he has if he reduces production. What is the world going to do? The price is going to go up, and they are going to pay the price.

So what we have seen today is the reality that the world is consuming just slightly less oil than we are producing. Because of this, we have not been able to build up our supply of inventory against any unexpected supply interruption, which very well could occur. The Mideast is still an area of crisis and controversy.

Here we are, as we approach the fourth quarter of the year, and we have the difference between supply and demand, the knowledge that it is going to tighten even further, and this leads, as I have indicated, to a volatile worldwide oil market.

It is troubling in the United States because we have allowed ourselves to become 58-percent dependent on imported oil, and this has grown dramatically in the past few years. What disturbs me most is the fact that we have become even more dependent on Iraq. As a consequence, it is fair to recognize that with Saddam Hussein now calling the shots in the world energy markets and the United States allowing him to do so, we have basically put in danger the security of Israel.

Make no mistake about it. Every speech he concludes, he concludes with: Death to Israel. It is kind of ironic. Maybe I am oversimplifying our foreign policy, but it seems as though we buy his oil, put it in our airplanes and go over and bomb him. We have had