

For example, since the end of September, the average daily unemployment claims for Florida have risen by 55 percent, translating into approximately 50,000 more Floridians applying for unemployment benefits. That is mind-boggling. That is staggering.

The unemployment rate in Florida is expected to peak at 6.1 percent next summer. The latest State forecast anticipates 120,000 lost jobs by the end of June, with an additional 115,000 jobs lost in the following fiscal year. And that is only in one State, my State of Florida.

So these statistics show that we still need help, a tremendous amount of it. As we speak today, Florida's State Legislature is meeting in the capital city of Tallahassee once again, trying to rewrite the State budget to make up for more than \$1.3 billion in lost revenue, while also trying to fund rising unemployment claims and skyrocketing assistance needs of those, the least fortunate among us.

So while it is entirely possible that we have already seen the worst of our economic drops—I certainly hope that is the case—the ramifications of these losses will be felt by Florida and many other States for many months and possibly for years to come.

There is no time to waste. We must pass a stimulus package as soon as possible. The substance of that package is clearly the very sticking point where we have substantive disagreement among lawmakers, not only in the Senate but at the other end of the hall in the House of Representatives. There is significant disagreement between that body and this body. Yet there are still many areas on which we can agree: increasing unemployment benefits, helping the unemployed maintain their health insurance, helping our States ride out a recession with fewer Federal spending cuts. At the same time, we must provide assistance to our smaller and medium-sized businesses, and to those sectors that have been hardest hit in these difficult times. Those are the things we can agree on, and we ought to come together in the stimulus package and make that happen.

Once again, I applaud the continued efforts of the majority leader and the minority leader, the chairman and ranking member of the Finance Committee, Senators BAUCUS and GRASSLEY, for sitting down again today to try to come up with an agreement. Once they come up with that agreement, then we can pass it. We can pass it before we adjourn. We can get it into law—the President has said he will sign it—and we can start to take care of our weakening economy.

MAJOR LEAGUE BASEBALL CONTRACTION

Mr. NELSON of Florida. Mr. President, we have another potential economic devastation in the State of Florida. Lo and behold, major league baseball has voted to eliminate two teams.

The media reports suggest that four teams are on the short list of those that might be dissolved. Lo and behold, two of the four are from Florida—the Florida Marlins and the Tampa Bay Devil Rays—and the other two that are on the list of four are the Montreal Expos and the Minnesota Twins. If any of the four teams currently under consideration for elimination are dissolved—any of those four—the impact to Florida would be significant. Doing so, especially without input from the communities and the regions where the teams are based, would be a mistake.

Baseball made promises to communities in my State that were relied upon by individuals who then built businesses and other assets around the teams. Both Miami and Tampa Bay have invested millions of dollars and years of sweat equity in their teams. Hotels, restaurants, concession vendors, and other hospitality companies, already reeling from the September 11 tragedy, stand to take staggering losses if baseball fails to honor its obligations. Yet the league has completely shut them out of the process, keeping everyone in the dark. The owners got together and made these decisions. They didn't reach out to the communities and get their input.

Take, for example, eliminating the Minnesota Twins, which I suspect would have a great deal of interest to our Senators from the State of Minnesota, and the Montreal Expos, that would have considerable interest to the Senators who border that area. Let me tell you, that would be very troubling for Florida as well because both these teams have a significant minor league presence, and they have wonderful spring training facilities in the State of Florida. Their dissolution would have a direct negative impact on Lee County, which is Fort Myers and Palm Beach County, the city of West Palm Beach where the teams train and play. Many individuals and small businesses in these areas depend on the teams for their livelihood and would be irreparably harmed if the teams folded.

Florida's attorney general, my good friend, Bob Butterworth, explained the problem best when he said "the people of Florida are entitled to some straight answers about the future of major league baseball in this State." That is why I strongly support Attorney General Butterworth's decision to send investigative subpoenas to major league baseball. The people of Florida deserve to know what was said behind closed doors. I applaud the attorney general for taking action so we can get to the bottom of this problem and take whatever additional steps are necessary, including legal action to keep baseball in Florida for many years to come.

It is my understanding we are soon going to have a hearing in the Commerce Committee, on which I have the great privilege to sit as a member, on this particular subject. To be forewarned is to be forearmed. We want some answers in that committee hear-

ing. The league has an obligation to live up to its promises to the people of Florida, and I intend to work ceaselessly to ensure they do.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, Senator CRAIG is here seeking recognition on the pending package that is before us. I yield whatever time he might need for that purpose.

The PRESIDING OFFICER. The Senator from Idaho.

ENERGY POLICY

Mr. CRAIG. Mr. President, I thank the ranking member of the Energy Committee, the Senator from Alaska, Mr. MURKOWSKI, for allowing me this time on the floor.

First, I do want to say for all of us, and for the record, a special thanks to Senator FRANK MURKOWSKI for the phenomenal leadership effort he has put into the issue of energy and the development of a national energy policy for our country. He truly has been relentless over the last good number of years, not just starting when the lights went out in California but long before that when he and I and others who serve on that important committee in the Senate began to recognize that if we did not start reinvesting in the energy infrastructure of our country, that our Nation would at some point be in trouble.

We have watched, over the last decade, our ramping up of a dependency on foreign oil sources. We began to see a rapid use of the surplus of electrical energy that was out there a decade ago, as our country, through the decade of the 1990s, continued to grow 3 and 4 and 5 percent. No one was really reinvesting in building new generating capacity on the electrical side.

As many know, starting in the mid-1990s we began to encourage the Clinton administration to come forward with a national energy policy, one that dealt with this broad range of issues. We called it the market basket of energy: the oil side, the hydrocarbon side, the coal side, the electrical-generation side, the new technology side. We began to invest in new technologies, in wind and in solar. We put money into fuel cells.

Clearly, over the last good number of years we have advanced many of those technologies, but they are not yet mainstream. They do not yet fill up the market basket of energy, and we are still dominantly reliant on electricity generated by coal, by nuclear, and by hydro. We are still dominantly dependent on hydrocarbons, gases, and, of course, the crude that comes from around the world. We know it is well over 50 percent. We are sometimes 60-percent dependent on someone somewhere else in the world being willing to put their product into the market for us to buy.

The lights began to go out in California about a year and a half ago. It

was a major wake-up call to this country. California being our largest State and being the largest piece of the American economy, we knew that if California faltered and failed it could drag the rest of the economy down with it. I am from Idaho. Our State is part of a regional electrical grid that is dominated by the impact of California action. The State of Oregon, the State of Washington, the State of Montana, parts of Nevada, parts of New Mexico, and parts of Arizona were caught up in the California episode. I use the word "episode" as it relates to California.

As we watched California restructure its electrical system, there was not an economist out there nor a few reasonable observers who knew electricity who said California was doing the right thing. In fact, most said California was doing the wrong thing, and that at some time in the future California would find itself in trouble. That is exactly what happened.

My State of Idaho, being in that grid, began to get in trouble, too. We had the least cost power. We were hydro-based. All of a sudden, our rates started going up.

As a little side note to the rates going up, because we are a hydro-based State and because over the last 2 years the Pacific Northwest has been in a drought, we were in even worse trouble. The energy issue in Idaho became a very strong issue as it grew across this country.

A new President was elected last November. While he talked about education and he talked about compassionate conservatism, in one of the first meetings I had with President George W. Bush, he stood aside those issues and said: The most important issue for our country at this moment in time is the development of a national energy policy and a reduction of the dependency of our country and its consumers and our economy on foreign sources of energy, and I am going to assemble a task force headed by Vice President CHENEY. We are going to make our proposals, and we are going to lead on this issue. We want you to work with us so we can develop a truly national, comprehensive policy.

That was the beginning of a strong effort on the part of the House, the Senate, and the administration to work on the issue of energy.

There are a lot of side stories and a good many side notes to this whole effort. But there is one thing that is very clear in the minds of the American people: That we are not masters of our own destiny when it comes to energy; that we are a phenomenally dependent economy when it comes to an adequate, abundant supply of energy at a reasonably low base price in that economy; when that fails or when those prices go radically up because the market price drives it, our economy is in trouble.

About a year ago, Alan Greenspan said the recession was beginning to appear as a slowing of the economy, and

it was clearly evident that the spike in energy costs would take a full percentage point off the economy and would cost millions of jobs in the economy as business and industry offset their profitability or their costs based on an unbudgeted, rapid increase in the price of energy.

All of those scenarios played themselves out. All of them are extremely important to this country.

The Senate began to work its will. The House began to work its will. Lots of hearings were held. We were beginning to shape and write a bill in the Senate. FRANK MURKOWSKI, LARRY CRAIG, and a good many others had already introduced a bill earlier in the year. Chairman BINGAMAN introduced a bill earlier in the year. There were opposing points of view on energy—not dramatically different but different. That is OK. That is fair. That is the way the process works. But all of them were intended to come back to the Energy Committee in the Senate.

Out of the effort of the Murkowski-Craig bill and the Bingaman bill, we were going to produce a national energy policy bill for the Senate which we planned to do through the months of September and early October after coming back from the August recess. The House had already worked its will with H.R. 4.

The amendment we are offering today is the House product. But it was done before September, during the August recess. The House moved a little more quickly than we did and built a reasonably comprehensive bill to solve the problem I have just in a general way laid out for all of us.

We came back from the August recess. The Senate began its work in the Energy Committee. Of course, the House had already worked its will and sent a very loud message to us, to the President, and to the American people that we could produce a comprehensive bill which included some very controversial but extremely important issues in it, such as exploration in northern Alaska as it dealt with broadening and developing our oil reserves.

All of this is at hand when September 11 occurs—a dramatic and horrible time for our country. That incident and all of the preceding events have clearly reshaped the thinking of the American people about a lot of things. But very clearly it has reshaped the thinking of the American people in their attitude towards energy and energy supply.

Let me give you an example. If you polled on the issue of oil exploration in northern Alaska before the September recess, a slight majority of the American people would have said: I don't think so. I don't think we ought to do that. After September 11, a substantial majority—from 40-plus to 60-plus—said: Yes, do it. Do it environmentally safe, but do it because all of a sudden the American people were focused as never before on our weaknesses, our dependency, and our inability to stand alone

and stand firm. We had been struck. We had been hit. Thousands of Americans had been killed.

Guess what. They came out of the Middle East. Guess where the largest supply of oil comes from on which we are dependent. It comes from the Middle East.

Americans said: Why should that be so? Can't we be more independent? Can't we stand alone more strongly? We shouldn't be at risk. We are at risk. We were just struck on our soil, and thousands of Americans died.

That was the thinking, and it was very clear.

Here is an example. This is a poll taken on November 14. Ninety-five percent of Americans say Federal action on energy is important; 72 percent of Americans say passing a bill is a higher priority compared to other actions Congress might take these days.

The American people have elevated the energy policy issue as high as they have elevated airport security, as high as they have elevated antiterrorism, as high as they have elevated anti-biological warfare and anti-chemical warfare. It has become a national priority.

Seventy-three percent of Americans say Congress should make energy a part of President Bush's stimulus package, and 67 percent of Americans say exploration for energy in the United States, including Alaska, should be part of a national energy policy.

Post-September 11, some pollsters said, was the most significant shift in the minds of the American people in the history of modern-day polling. I believe that is true because Americans not only were fearful of what had happened but they began to reassess their own personal security, their families' security, their communities' security, and their States' security, and said: We are not secure.

When I go to the gas pump and I fill my car, I am buying oil from Saddam Hussein. It is true—700,000 barrels of oil a day come out of Iraq, 12 million a day of your consumer dollars. Americans are paying \$4 billion a year to an enemy so that he can further his weapons of mass destruction, so that he can fight a war against us and our friends in the Middle East. Yes, that is the reality of what we are doing. We did not do it consciously. We fell into it. We fell into it because this country has rapidly fallen into greater dependency on energy sources because we refuse to develop our own in a comprehensive, balanced, and environmentally sound way.

Somehow there was this prohibition attitude that said, no, do not go there, even if there is energy there. We will buy it somewhere else. The environment is so valuable you cannot go there, whether it is offshore or onshore across America. What it did for us was open our soft underbelly of dependency to foreign interests, and shame on us for doing so. The American people are now saying that, and they are saying: Congress, change your attitude.

Change your mind. We want to be stronger. We want to stand on our own two feet. We want to be able to supply a reasonable amount of energy for us, for our needs.

New technologies? Absolutely. Alternative sources? Absolutely. But we also know for the next 25 or 30 years we are going to be dominantly dependent on hydrocarbons—gas and oil—we are going to be increasingly dependent on nuclear—and we should be; it is clean, and we ought to be building more nuclear facilities; we can meet our clean air standards if we build nuclear—and we ought to be looking at clean coal technology, and we have lots of coal. All of those things need to get done. There need not be a rush to judgment. There simply needs to be a systematic, methodical approach for dealing with this crisis.

The speech I am giving today is in the backdrop of declining gas prices across America. I am sure there are a few of our critics out there saying: Oh, well, now look. They are rushing to judgment once again. There go those doomsdayers.

What they ought to be saying is, because our economy has fallen almost on its face, there is a lessening demand for energy. We are not using as much in the airlines. We are operating at 60 percent there. Americans are doing less. Industry is doing less. We all know those figures.

This week, for the first time, our agencies declared we were in recession. That is a large part of why we have seen declining usage. So if we have this moment of opportunity to bring more energy on line and lower the costs, it is, and it can be, one of the greatest stimuli to the economy of this country, if we do it and do it right.

That is the scenario. That is where we are at this moment. And throughout all of this, something strange has happened. About a month ago, the majority leader of the Senate, TOM DASCHLE, picked up the phone and called Chairman BINGAMAN and said: Shut your Energy Committee down. I don't want you to mark up a comprehensive energy bill in committee.

Why did he do that? I believe I know, but he has not told me personally. It was an unprecedented action.

In the backdrop of all of this new national attention on the need for a greater sense of strength and energy, the leader of the Senate reaches out to his committee and shuts it down—the very committee that would craft the energy bill. I will tell you why he did it. Times have changed. He was behind the curve. America said explore in Alaska as a part of a comprehensive policy, and he had an environmental political debt to pay, and he is going to pay it. The way to do that is not to allow that vote on the floor, not to allow that vote, when the American fervor of self-reliance is high and when the American fear of foreign dependency is higher. We hope that will settle out, I think he thought. And next

year—next year—sometime we will do a national energy policy and maybe then we can win the vote on ANWR.

What he failed to recognize was that before the crisis in September, the House had already passed a bill with Alaska exploration in it. It has only increased, since September 11, the attitude toward that kind of exploration.

So because the majority leader of the Senate shut his committee down in an unprecedented act and denied them the right to mark up a bill in the appropriate bipartisan way, we are on the floor today, using a tactic that is procedural and appropriate but somewhat unprecedented when it comes to offering up a major national energy policy.

The bill we would have produced, the bill that Chairman BINGAMAN would have produced had he been allowed to, had he not been forced to shut down his committee, would have been a much stronger bill and a broader bill than the H.R. 4 bill that we have on the floor today, the amendment that we are going to try to attach to railroad retirement because we have been given no other alternative on this critically important issue.

I support railroad retirement. Railroad retirement will be strong if railroads can buy reasonably inexpensive diesel to fuel those big trains out there. But if diesel were to go to \$3 or \$4 a gallon, railroad retirement and the financial stability of the railroads would not be worth much. That is why it is appropriate to put an energy bill that will keep costs to the rails down and costs to the consumer down as it relates to their need for energy and attach it to this legislation.

But the reason we are doing it is because the majority leader of the Senate has denied us no other approach. In fact, he has denied the right of the Senate to work its will, to do what the American people want, what 95 percent of the American people say is now necessary, what 72 percent of the American people now say is a critical priority that ought to be included in President Bush's stimulus package to improve the state of the economy.

And where is our majority leader headed? In the other direction, away from what the American people are asking for, and what our President is pleading with us to get done before we leave town for Christmas.

The Senator from Texas has come to the Chamber and wants to speak. Let me mention just a few other things about a national energy policy.

One item in a comprehensive bill deals with exploration in Alaska—one item—and yet if you listen to the debate or you listen to the critics, you only hear one item: Alaska.

Let me talk about a few other things. H.R. 4, the amendment that we want to put on here, that we are going to be voting on on Monday, reauthorizes Federal energy conservation programs and directs the Federal Government to take leadership in energy conservation with new energy savings goals—

produce more but use less. It means you can have a growth economy and an abundance of energy. It isn't all conservation, and we know it. It expands Federal Energy Savings Performance Contracting authority. It increases Low Income Home Energy Assistance Program—what we call LIHEAP—and Weatherization and State Energy Program authorization levels to meet needs of low-income families. Most of us want that and think it is appropriate. That is a part of it.

It expands the EPA/DOE Energy Star Program and directs the EPA and DOE to determine whether Energy Star labels should be extended to additional products. That is called causing and promoting industries out there to produce instruments and equipment and usages for consumers that consume less energy. That is called conservation.

It directs DOE to set standards for appliances that are on "standby mode" energy use. A lot of energy is being used today by the new high-tech economy. We are asking—and causing by promotion and credit in the marketplace—that industry, as it grows, that it should produce products that consume less energy.

That sounds like a pretty good idea. It reduces light truck fuel consumption by 5 billion gallons over the next 6 years, improves Federal fleet fuel economy, and expands use of hybrid vehicles. That is new technology. Those of our friends who are critics about exploration on the public and private grounds of Americans say: You can lead out of this with just the new technology. We are saying: Let's do both. Let's put the new technologies on line. While the old technologies are being replaced, let the marketplace work and the infrastructure that supplies these new technologies build over time. And it will, as they become viable.

About a year ago I went to Dearborn, MI. I drove a new Ford fuel cell electric car. It was a beautiful car. I had it out on the racetrack, roaring around the track with an engineer. He said: Feel the thrust. He didn't say: Step on the gas, he said: Step on the pedal. There was no gas in that car. It was a hydrogen fuel cell car. I kind of slipped on one corner because it was raining. He said: You better be careful; this car costs \$6 million. I had never driven a \$6 million car. His point was it was a prototype. It is very expensive. As it comes on line in the market and the market expands, the price will go down dramatically.

In order to build an assembly line to produce a hydrogen fuel cell car, it would compete in the market with other cars, but then where would you fuel it? You have to build fueling stations around the country. The gas station that we drive into today is a product of 70 years of building up an industry to supply an American need. Not overnight do we replace that with a new industry that could fuel a hydrogen fuel cell car.

That is my point about working to bring new technologies on line while building the resource of the current technology and the current energy.

I could go on through the long list of items that are in H.R. 4. The point is simple. While the public's attention will be directed toward a single item in a major comprehensive bill, called exploration in northern Alaska, what the rest of the world needs to hear is that there is a lot more to talk about and a lot more to get done.

Let me close by saying: TOM DASCHLE, 95 percent of the American people are asking you to help us produce a national energy policy. The President and the Republican Senate and 73 percent of the American people are saying: Mr. DASCHLE, allow it to be a part of the economic stimulus package. It is that important. Senator DASCHLE: Why don't you lead us and help us get there instead of blocking us and trying to stop us from getting there?

I yield the floor.

THE PRESIDING OFFICER (Mr. NELSON of Florida). The Senator from Texas is recognized.

MR. GRAMM. Mr. President, let me identify myself with the excellent remarks of our colleague who just spoke. We are going to have an opportunity on Monday to determine whether or not we want to debate energy policy in America and whether we want to deal with the problem of human cloning. That will come on the cloture vote. If cloture is invoked on the railroad retirement bill, those two issues will be sheared off and we won't get an opportunity to vote on them. If cloture is not invoked, we would get an opportunity to vote yes or no on them, and then they would go forward as part of the railroad retirement bill, if they were adopted. I identify myself with the excellent remarks that were given.

I must be getting 300 or 400 calls a day about railroad retirement. I am getting lots of letters—I am not getting the letters; they are coming, and I am going to get them some day when we get through with this anthrax business and I will be able to answer them. It frustrates me.

I would like to try, as briefly as I can today, to explain this issue on railroad retirement at least as I see it. I will try to present the facts. We are all entitled to our own opinion, but we are not all entitled to our own facts.

The first way, the best way to start this discussion is to explain how I became involved in the debate. About a year ago, I had representatives of the rail labor unions and the railroads come to see me to talk to me about a proposal they had to "reform railroad retirement."

I guess other things being the same, I am for reform. But when it became clear that they were talking about taking the sterile assets that are now sitting in a meaningless IOU in the Federal treasury and investing it in stocks and bonds and real wealth, out of

which they were going to be able to pay benefits to railroad retirees, I think it is fair to say that even for an old jaded politician, I was excited about this bill. Into my office came all of these people, representing these major interests, very knowledgeable, very intelligent people who were there to lobby me on behalf of it.

I guess it took me about 5 minutes to figure out that something didn't add up. Let me offer a little information to set the predicate for that.

As everybody who has not been hiding under a rock somewhere for the last 25 years knows, Social Security is in trouble. We have gone from 42 workers per retiree, when we started paying Social Security benefits, to 3.3 workers today per retiree. We are in sheer panic—I am—about what we are going to do as baby boomers start to retire, and we move from 3.3 workers per retiree to 2 workers per retiree.

While I may be the strongest proponent on the planet of taking the Social Security surpluses we have and investing them in real wealth to bring in what Einstein called the most powerful force in the universe, the power of compound interest, I have never claimed, nor has anyone ever claimed, that for the next 25 years that even the best investment program imaginable by the mind of man could enable us to raise Social Security benefits now, to lower the retirement age for Social Security benefits now, or to cut Social Security taxes now.

I have not been here forever, but I didn't just come in on a turnip truck yesterday. I started with this knowledge that in Social Security, with 3.3 workers per retiree, we are looking at dramatic increases in taxes or dramatic reductions in benefits, and maybe both, and that an investment component could mean less in the way of reductions in benefits and less in the way of increases in taxes. But not by any imagination that I have could I have believed that we could with any kind of investment program in Social Security raise benefits today and cut taxes today knowing that in Social Security there is only 3.3 workers per retiree. And yet these people come to my office and tell me that we can have a railroad retirement investment program and that we can immediately slash taxes that are going to fund railroad retirement. We can immediately increase benefits. We can immediately change the retirement age.

We are in the process now of raising the retirement age for Social Security from 65 to 67. And in walk these people saying to me: Look, with this little investment program, we can today change the retirement age in railroad retirement from 62 to 60.

While I wouldn't have believed that for Social Security, let me give one more set of facts. Today in Social Security we have 3.3 workers per retiree. In the railroads, we have one worker per three retirees. The railroad retirement program is in nine times worse

shape than the Social Security program. We have three workers per retiree in Social Security, they have one worker for three retirees in railroad retirement. And yet these people, highly paid, highly intelligent people came in to my office. They were lobbyists. I don't begin to act as if something is wrong with lobbying. The Constitution guaranteed them the right to come make this pitch to me. But with a straight face, they came in my office and said: If you will let us take \$15 billion, we will invest it, we will raise benefits, we will lower the retirement age—and I am not talking about way off in the sweet by and by, I am talking about today—we will raise benefits, we will lower the retirement age to 60, we will cut taxes on the railroads that fund railroad retirement, and it will just be great.

Now, I am sorry to say, I don't know what their pitch was to the 74 Members of the Senate who signed on as cosponsors, but that was their pitch to me. I didn't believe it. And I was right. I will explain to you why I was right. I didn't believe it because it didn't make any sense. And now that we have the railroad retirement board to work out all the numbers, let me tell you what the plan is and then show it in terms of the numbers and talk about the danger it creates.

What must have happened is—and this is just theoretical, but it seems to me this is what happened—our railroads have had problems really since their formation because they got lots of assistance from the Government. They negotiated labor agreements that didn't make sense. They had massive featherbedding. When they started competing against trucks in the 1930s, they were forced to reduce their labor force. So they had this huge number of people, they have huge severance pay packages, and they have very high retirement benefits. So they got in financial troubles.

I am sure that sometime last year, or the year before, somebody with the railroad said: Look, we have over \$15 billion of real assets in the railroad retirement program. You need to realize that railroad retirement has never been self-sufficient; the Federal taxpayer heavily subsidizes it, and there is no private retirement program that could run with the benefits it is paying out, with a trust fund as small as their trust fund. So it has never been self-sustaining; the Government has always been a very heavy contributor to it.

But what must have happened last year, or the year before, is somebody with the railroad said: Wouldn't it be great if we could get some of that money out of that trust fund? We would like to have it.

But they could not figure out, to save their lives, how they could raid the railroad retirement trust fund without the unions going absolutely crazy. So it looks to me as if some really smart lawyer, lobbyist, economist—somebody—came up with the idea that the

railroads should go to the unions and say: Look, if you will let us take \$7.5 billion out of this retirement fund, we will let you take \$7.5 billion out of it, and we will leave the Federal Government on the hook for paying this benefit.

Now that is literally what happened. Today it is typical of the news coverage—and this is an article in the Roanoke Times. I don't know why my clipping service got it. They are talking about my opposition and Senator DOMENICI's and Senator NICKLES', and they say we argue that taxpayers would be left holding the bag because the railroads and the unions want to take the money out of Government funds and invest it.

It is not investing that I am against. It is pilferage that I am against. If they were investing the money, I would be saying hallelujah choruses right here before Christmas. I am for investing it. It is stealing it that I am against.

How can I say such a thing? Let me tell you how. It is true. It is just that simple. What I have done here is taken the data from the railroad retirement board—and I am not a member; this is not my data; these are the facts. According to this line right here on the chart, over the next 25 years the trust fund balance of railroad retirement would look like this under the current system. They are closing in on \$25 billion now, and that would rise over the next 25 years from about \$20 billion to about \$35 billion—still a very modest trust fund for a retirement program the size of railroad retirement. But we rejoice in it.

Now if you listen to the proponents of this bill, they say: Look, all we want to do is take this money and invest it. They assume—and I grant them the assumption because I believe it is true that over the long term they can get 8-percent return on investment. Currently, they are not getting it on government bonds; it is an IOU from the Government itself. It is not really an investment. Investing it would be a good thing. I am for it. Wouldn't you believe that if you were getting no return now, and you had 8 percent after inflation, the value of the trust fund would go up? I mean, what investment can you imagine that—if you were getting an effective zero rate of return today and you started getting 8 percent, don't you think the investment would grow in value? Yes, it should be getting bigger. But what happens, if we adopt this bill, is the trust fund will start falling and will fall dramatically until the emergency provisions of the bill kick in and taxes are automatically raised on the railroads.

What literally happens—and I want people to listen to these figures—under this bill is that the \$15 billion is not invested, it is pilfered. What happens under this bill is that over the next 17 years, despite the fact that we are getting a higher rate of return on the money, the balance actually falls by \$15 billion.

How do you get a higher rate of return and end up with less money? You end up with less money because, before anything is invested, before one penny is invested, we are going to slash taxes on the railroads from 16.1 percent to 14.75 percent to 14.20 to 13.1, and we are going to lower the retirement age for beneficiaries, we are going to cut the time for vesting in pensions in half, and we are going to raise the value of many pensions.

So what we are literally doing is this, if you work out the numbers. If it doesn't smell like a political deal to you thus far, it will when I give you the numbers. How much of the \$15 billion do you think goes to the railroads? How much do you think goes to the employees? You would think, if it were just accidentally distributed by some program, one might get a penny more than the other and it might be a little bit different. Incredibly, over the 17 years, \$7.5 billion of this pension fund goes to the railroads and \$7.5 billion goes to the union members.

Now what happens when suddenly you have a program where, despite the fact that you are getting interest, which you didn't before, over the next 17 years you have \$15 billion less, because before you have invested a penny, you have cut taxes and you have raised benefits—what happens? The program starts having big-time problems. In fact, under their own numbers, what happens is, while the tax rate on the railroads gets down to 13.1 percent by 2004, by 2025, just to cover the portion for which they are liable under this bill, their tax rate would have to be up to 22.1 percent.

The reason this trust fund does not go right through the floor is there is a provision in the bill that says if the trust fund is, for some reason, used up, and the reason is pilferage, that while taxes are being cut on the railroads now and raising benefits now, in the future taxes on the railroads are going to have to be raised to make up the difference, and that tax is capped at 22.1 percent.

Imagine when we have been cutting taxes and increasing benefits and all of a sudden the railroad retirement program is in dire straits and the railroads have to raise the percentage of wages they put into the retirement program from 13.1 percent to 22.1 percent in 3 years, what is going to happen? They are going to run to Congress and say, we are going to go bankrupt. We are going to have to shut down every railroad in America. There is no way we can go from 13.1 percent of our wage bill going into this retirement program in 2019 to 22.1 percent going into it in 2025.

We have let the railroads come in and take \$7.5 billion. We have given the employees \$7.5 billion. The Federal Government is guaranteeing this retirement program now. We get out to 2022, the bottom is falling out of the program, and so the trust fund, which would have been up here, would have

been almost \$40 billion under the current system, but now it is down below \$10 billion.

Remember, they invested the money. They are getting 8 percent, and the trust fund has gone from almost 40 to below 10? How could that happen? Because they are taking money out of the trust fund and giving it to the railroads and giving it to the retirees.

To fill up this gap, let me give a figure. The year is 2026, 25 years from now. Now we have passed a railroad retirement bill that is loved. The railroads are for it. The retirees are for it. The unions are for it. It is wonderful. It has this cloak that says we are going to let them invest this money, but when we look at the numbers they are not investing the money. They are spending the money.

So 2026 comes. We have a crisis in railroad retirement. The taxpayers are guaranteeing it. What kind of payroll tax would there have to be on January 1, 2026, to put the system back where it would have been had we never passed this bill that has 74 cosponsors? Listen to this. Hold your hat. We would have to have a payroll tax of 153 percent of wages on January 1, 2026, to put back the money that has been pilfered out of railroad retirement.

In other words, if a person is paid \$1,500 a month—or say they are being paid \$1,000 a month. I guess they do not hire anybody at \$1,000 a month, but it makes the arithmetic simple. If somebody is being paid \$1,000 a month, \$1,530 would have to be put into railroad retirement from the first paycheck in January of 2026 to get the trust fund balance back to where it would have been before the \$15 billion was stolen.

Does anybody believe that on January 1, 2026, the railroads are going to be able to pay a payroll tax of 153 percent? Nobody believes that. Nobody believes they are going to be able to pay the payroll tax of 22.1 percent, which the bill would require them to pay. Given the figures of the Railroad Retirement Board, if we pass this bill, the amount of money going into the pension fund from the railroads would go down from 16.1 to 14.75, 14.2, 13.1, and it would be at 13.1 in 2019. So we are right here. The bottom is falling out of the program.

The law starts requiring money to be put back. So within a 6-year period, this payroll tax to fund this program has jumped from 13 percent to 22 percent, and we still are nowhere near where we would be if we had never passed this bill. In fact, as I noted, we would have to have a 153-percent payroll tax to get us back to where we were if we had never done this.

That is not going to happen. Neither one of those payroll taxes are going to happen. What is going to happen is we are going to pass this bill and, boy, it is going to be loved. This is consensus. The railroads are for it. The retirees are for it. The workers are for it. It is true, if one looks at the numbers they are taking \$15 billion right out of the

trust fund. But it is a victimless crime, right?

In fact, as one of the railroad executives says in the paper today, "It is our money." It is their money. Well, what if we were taking money out of the Social Security trust fund and giving it away? After all, probably the guy who gets it, it would be their money.

The point is, however, the Federal Government is on the hook to pay these benefits. There is nowhere near enough in the trust fund today to pay the benefits. When we give this \$15 billion away, we are putting the taxpayer on the hook and come 2019, when the bottom falls out, the railroads—I am not going to be here. I do not know how many people are going to be here when it happens, but it is going to happen if we pass this bill. When the bottom falls out, the railroads are going to run in and say, we cannot operate and pay these kinds of taxes.

Nobody is going to say, well, you should have thought about that when you participated in stealing \$15 billion out of this trust fund. They do not say that.

They are going to say, well, look, we cannot let the railroads go broke. So what we are going to do is we are going to have the Federal Government pay an even larger share of the cost of this retirement program.

That is basically where we are. We have a proposal before us that claims it is reforming the program. It claims it is earning interest on the assets of the railroad retirement program. But if it is earning interest, why are the assets going down instead of going up? Because before one penny is invested, before one penny is earned, it slashes the amount of revenue going into the pension fund. It vastly increased the benefits being paid out.

The railroads are for it because they get \$7.5 billion. Railway labor is for it because they get \$7.5 billion. Who pays the \$7.5 billion? The taxpayer.

Let me sum up by noting what we ought to do. I want to state a paradox. America loves consensus. I have to say when I go to my State, the people are sweeter to me now than they have been in a very long time. I think they are because they sense we are pulling together. We had this terrible thing happen on September 11, and I think for about 6 weeks we did have a pretty good consensus, and I was proud of it.

Bipartisanship and consensus are not always good things. Let me repeat it because it is a pretty startling statement. Bipartisanship and consensus are not always good things. In fact, the Founders understood checks and balances. When labor and business get together, it is not always in the public interest.

What we have in railroad retirement is literally a proposal to pillage \$15 billion out of the railroad retirement trust fund over the next 17 years, give half of it to the railroads, half to the union, and the taxpayer ends up in a very deep hole in supporting railroad retirement.

They will claim when you hear the debate: But when it goes to hell, the taxes on the railroads are automatically raised. They are, but only up 22.1 percent. To get back in the year 2026 where we would be if we never let the money be taken out, there must be a payroll tax of 153 percent. Obviously, this is not going to happen.

What should we do? First of all, nobody wants to hear this stuff. When all the people came in to our offices, this sounded as if Christmas had come early, so 74 Members of the Senate signed onto it and gave it a big fat kiss. Now nobody wants to know the problem. Nobody wants to fix it. Here is how we can fix it and still dramatically improve the well-being of the railroad and the retirees. Take the \$15 billion and invest it; don't pilfer it, invest it. Then out of the interest that we earn on the investment, once the money is earned, look at strengthening the trust fund, look at these very high taxes railroads have to pay, and look at benefits. But don't go out and spend the money first. Invest the money first, earn on the investment, and then look at using that to make the system safe and sound, first; and then to improve it, second.

I would change the program by requiring, before any taxes are cut, before any benefits are increased, we make the investment and we actually have the money in hand. I do believe there is a very real problem of what we are doing—even if you have the money, and it is clear you don't.

Here is another figure: To just fund the new benefits promised, even with the interest rate you could earn by investing the money, you would have to raise payroll taxes by 6.5 percent more. It would have to be 6.5 percent higher each year, for the next 25 years, just to pay for the lower retirement age, the quicker vesting and the more generous pensions. We are not raising payroll taxes when we increase the benefit; we are lowering them.

We need to fix this bill. We are going to have cloture on it. I hope we have a chance to debate energy, which is a crisis issue, and too human cloning, because I believe the Senate would vote overwhelmingly to at least have a 6-month pause to look at it. That would also give an opportunity to come up with a rational way to improve railroad retirement. This is almost too good to be true, because it is too good to be true. There is no investment scheme that has ever been derived that would let you do what is being done here. If you look at the trust fund, it is clear it is too good to be true because it is not true. I hope, even at this late date, even though people are signed on to this bill, that people will look at it and give us a chance to fix it.

I am going to offer a series of amendments. One of them will say don't cut taxes, don't raise benefits until you have made the investment and earned money to pay it from. Don't just draw down the trust fund, because right now

we have a trust fund. Don't use it up now so we don't have it when retirees need it.

Another amendment I will offer would be to not let the money be taken out of the Social Security trust fund to pay for these new benefits. These are things that need to be addressed.

I have come today to basically explain how it is possible to be against this bill. It appears that everybody is for it, but it is a bad bill. It is a dangerous bill. It is a bill that puts the taxpayer in mortal danger. It is a bill that doesn't make any sense on its face. I don't know how anybody could have ever sold it. I am sure whoever came up with this whole deal of giving half of it to labor, half to management, and selling it to Congress as a reform based on investment—even though the trust fund goes down like a rock—I am sure whoever devised this stuff made millions. And they should have.

The problem is, this isn't some kind of game. This is real public policy. The idea that we would have a bill that will literally pillage the trust fund of railroad retirement funds is a startling thing. This may pass. It probably will pass. I would rather it not pass on my watch. I am going to vigorously oppose it. I hope my colleagues, even at this late date, will look at these things. If somebody wants to debate this, if somebody wants to come over and present their figures, if they will let me know, I will come over and debate them on this subject. However, I haven't seen anybody present the argument for the other side. I believe there is no argument for the other side.

What we are seeing is basically misinformation. The idea that we have railroads saying, "All we want to do is invest the trust fund," when billions of dollars are being taken out of the trust fund despite interest that is supposedly being earned, obviously something is very wrong.

I urge my colleagues, I urge people that follow these issues, to look at these facts, verify what I am saying and raise these issues.

People writing about this in the media, don't be confused. I am not concerned about investing \$15 billion. That is God's work. I am for investing \$15 billion. What is happening, when the trust fund is projected to look like this line, and it is turning out to look like this, that is not investment. That is pillaging. That is taking money out of the trust fund.

We need people to start asking: Why are we doing this when the taxpayer is liable? If they start asking, maybe we can fix it.

I appreciate the indulgence of the Chair. I yield the floor.

The PRESIDING OFFICER (Mr. WYDEN). The Senator from Alaska.

ENERGY POLICY

Mr. MURKOWSKI. Mr. President, let me make sure we know where we are on the legislation before the Senate.