

The poor or absent measures of quality of care make the effectiveness of the care provided by the clinics, variations between contracts- and VA-operated clinics, and the effect of staffing inequities impossible to judge. VA needs a consistent set of tools that can be employed in outpatient clinics systemwide to obtain meaningful quality of care outcomes.

VICE PRESIDENT'S TORONTO SPEECH ON ENERGY POLICY

Mr. BINGAMAN. Mr. President, on Monday of this week, the Vice President gave a speech in Toronto laying out some of the broad themes of the Administration's developing energy policy.

Some of the points made by the Vice President were valid. I want to comment on some of those. I obviously realize that we are now in the middle of the debate on the Elementary and Secondary Education Act. I intend to come back to the floor either later today or next week to talk about that legislation and to commend the sponsor of it and the Democratic ranking member, Senator KENNEDY. Senator JEFFORDS and Senator KENNEDY have done yeoman's work in putting that legislation together.

I want to take the opportunity this next week to go through that in some detail. But today I wanted to take a few minutes to talk about energy issues since the Vice President is clearly focused on this and is speaking out strongly on it.

I agree with much of what the Vice President has said.

For example:

I agree with him that we face some serious long-term issues in national energy policy.

I agree with him that our response must have comprehensive and long-term focus.

I agree with him that we are very dependent on coal and nuclear power for electricity generation, and this dependence will probably continue into the future.

There are a number of other points, however, where I fear he may have overstated a particular point of view or missed the mark. Let me just cite some of those.

The Vice President seemed to equate energy conservation with rationing for something like rationing. I don't know of anyone advocating energy conservation who supports rationing. He also stated that "some groups are suggesting that government step in to force Americans to consume less energy."

That is certainly not any proposal I have made or seen here in the Congress.

What I think would be helpful to the discussion is perhaps to identify the questions that need to be asked about energy policy as we proceed over the next few weeks with consideration of the energy policies that the administration is going to recommend as well as those that have been introduced here in the Congress.

Let me cite essentially five questions and elaborate on them slightly.

The first question that I believe should be asked is whether the energy policy, the one that the Vice President is going to advocate, or that any of us here are advocating, adequately recognizes the enormous differences between energy markets in the 1970s and 1980s and those that we face today.

Back in the 1970s, there was a lot of talk about eliminating our dependency on foreign imports with increased domestic production through "Project Independence." Electricity markets were local, electricity suppliers were largely confined within State boundaries and regulated by State public utility commissions. Because a State public utility commission could guarantee its utilities fixed rates of return on their investments in infrastructure, such as large nuclear power plants, there was a market for them.

We now face a very different situation. Electricity markets have become regional, and increasingly they are beyond the ability of State public utility commissions to regulate. The nationwide electrical grid is being called upon to transmit large amounts of electrical power across enormous distances, something it was not really designed to do. State regulation of electricity has given way to a system that relies more on market forces, even though electricity markets are far from perfect ones. The old model of a protected and regulated monopoly environment for utility investments in new generation has been transformed into a "wild wild west" of decentralized generation by a welter of new actors.

No where do the changes in energy markets manifest themselves more clearly than in the situation facing energy infrastructure. Attempts to blame Federal environmental regulations for the difficulties of siting and building energy infrastructure are severely off the mark. The most serious obstacle to building new energy infrastructure has been not at the Federal level, though, but at the local level and in capital markets. For example, the Vice President and other Administration officials have often observed over the last several weeks that it has been 20 years since a large refinery has been built in the United States. But the main reason has not been the Clean Air Act. It has been the low rates of return on capital in the refining sector and the refining overcapacity that existed up to a few years ago. You are not going to build a new refinery when there are already too many to serve the market, and up until recently, that was the case.

The need for energy infrastructure has provoked serious local concern and opposition. One example, which has been in the news, is the Longhorn pipeline from the Gulf Coast to El Paso, Texas. It has been tied up for nearly 5 years addressing community opposition to its construction. If the energy industry can't build pipelines in Texas, I don't think we should assume it will be any easier to build them anywhere else.

The result of these factors—economic and local—have been cited at a hearing before the Energy and Natural Resources Committee last week by a witness from ExxonMobil, who testified that our largest U.S.-based oil company does not believe that any new refineries will be built in the United States. He predicted that the only additions to U.S. refining capacity would come from expansions at existing facilities. Expanding that capacity will not be easy regardless of federal policies. Most refineries are located in heavily industrialized areas with significant environmental issues regulated at the State and local levels of government.

Instead of looking for ways to blame the Federal Government for an energy infrastructure problem which has not been of the Federal Government's making, I think we need to look for creative new ways to respond to the challenges of working with State and local communities on these siting issues. Effective mechanisms for greater regional cooperation are critical to ensure adequate infrastructure investments are made on a timely basis to meet energy demand. Coordinated regional efforts on energy infrastructure can reduce the impact on communities by optimizing infrastructure use and reducing price volatility.

If the Vice President's energy policy recognizes this complex reality and starts to address it, then it will be helping the country to make a positive step forward. If the answer from the Vice President's study is simply to try to pit energy needs against environmental protection, then we won't be looking at a comprehensive and balanced energy policy.

The second question to ask of the Vice President's comments this week is how this so-called energy policy that we are envisioning will connect planned actions related to energy with climate change policy.

Science has been developed showing fairly clearly today that there is a connection between human activity and climate change. We may not be able to prove the exact amount of human causation in the global warming that we see, or to model its precise regional impacts. But we know enough now to realize that our ever-increasing emissions of greenhouse gases pose substantial risks both to critical and fragile ecosystems around the world and to future generations of humans. The world will have to deal with the issue, and the United States must be a leading contributor to negotiations on any international framework to address global warming. A leadership role for the United States is required not only because we are a major emitter of greenhouse gases, but also because we have the leading capability to harness science and technology both to understand climate change and to respond to it.

We, as a country, need to have a climate change policy. We need to put in

place some actions to deal with this new science. One part of the positive contributions that the United States has made to international climate change negotiations has been our success in getting flexible, market-based mechanisms and recognition of carbon sinks incorporated into the developing international framework. U.S. industry, particularly in the energy sector, has indicated that these provisions are essential to holding down the eventual energy costs of responding to human-induced climate change. But without the United States as an active insider in the international negotiations, these important flexibility mechanisms will be lost. The decision of the new Bush administration to back away from the Kyoto protocol may doom the flexibility that we have won in the discussions to date. It could also spur other countries to erect new obstacles to American firms wishing to expand into international energy markets, in retaliation for the President's retreat on CO₂.

While negotiations on an international framework to address global warming continue for the next several years, our domestic industry will have to make significant investment decisions on new energy infrastructure. We have no domestic framework on greenhouse gas emissions that would guide or even inform these investment decisions. Addressing these issues up front would reduce business costs and risks. Maintaining our present course would increase the probability of future economic losses and waste in the energy sector.

For these reasons, we need to integrate energy policy and climate change policy. They are inextricably linked—to do one is, by implication, to do the other. U.S. industry deserves to know how we are going to address greenhouse gas emissions before it invests billions of dollars in new energy infrastructure. If the Vice President's answer is that we will do energy policy now and worry about climate change later, then we don't have a truly comprehensive and balanced energy policy.

Mr. President, I do not pretend to have the exact answer for what our global climate change policy should be, but I know we need to have one. We cannot continue to look the other way and pretend that the issue does not exist. So I look forward to seeing what the Vice President recommends in his energy recommendations and how it relates to this climate change issue.

The third question is to ask what kind of balance is being made between increasing production and increasing efficiency. I know there has been some rhetoric in that connection to the effect there needs to be an adequate balance. I do not believe any of the concrete proposals I have seen coming out of the administration or suggested by people from the administration have in them the necessary balance. We know that the Vice President is all for increasing energy supplies, and most peo-

ple would agree that increasing supply is one essential part of the big national energy picture. The Senate Democratic energy bill contains numerous measures to improve energy supplies across the entire spectrum—coal, oil and gas, renewables, and nuclear. The other essential part of the energy picture, though, is increasing efficiency. If we use energy more wisely to attain the same amount of economic output, we improve our economy and reduce the burden that energy infrastructure imposes on local communities.

Since the 1970s, new technologies have increased our nation's productivity in many ways, including our use of energy. Technologies that increase energy efficiency have allowed the U.S. economy today, compared to 20 years ago, to produce the same output with 30 percent less energy. Even greater savings are possible in the future, with appropriate federal leadership.

Consumers really benefit when they get goods and services at cheaper prices because less energy is required to produce them. With that in mind, I was surprised and saddened by the decision at the Department of Energy last month to roll back the proposed efficiency standard for new central air conditioning systems. The rationale given was that the higher standard wasn't cost effective. But the cost-benefit analysis Department of Energy relied upon used average electricity costs from 5 years ago. It is surprising to see the administration, on the one hand, insist that this summer's high electricity costs in the West be passed along to consumers to control peak loads, while in the next breath state that its efficiency policies should be based on the lower electricity costs that prevailed 5 years ago in this country. And if the administration is really worried about the need to build 1300–1900 new power plants, it should realize that its rollback of air-conditioning standards just added 43 more big power plants to whatever number will be needed by 2020.

Another area of energy efficiency that cannot be ignored is vehicle fuel efficiency. The Vice President has alluded to the dangers of our increasing dependence on imported oil. Yet that dependence is directly related to our increasing consumption of oil in the transportation sector. The only realistic solution to this problem is to couple efforts to increase domestic production with a concerted effort to reduce fuel use by light duty vehicles—cars, trucks and SUV's. Incentives for hybrid and high efficiency vehicles could be part of a more comprehensive program, but are not adequate by themselves. The Federal fleet, through its choice of vehicles, should be a leader in reversing this trend. All regulatory and non-regulatory mechanisms should be employed to stem demand growth to a level we can manage as a society.

If the Vice President's energy policy does not take a fresh look at the need to improve energy efficiency through

forward-looking standards, then it is probably not a truly balanced and comprehensive energy strategy.

A fourth question is to ask of the Vice President's energy policy—and all of these policies floating around in Congress—is whether one of the greatest national resources we have in America—that is, our capacity for scientific and technological innovation—is being stimulated and engaged to solve our energy problems. So far, the administration, in my view, at least, has failed badly on this score. The 2002 research and development budget proposed by the President for the Department of Energy contains severe cuts for a variety of advanced energy technologies, even in areas, like nuclear energy research, that one would expect would be favored by this administration. There has never been a time when increased investments in energy research and development were more needed, or showed more promise for solving some of our problems. I hope very much that will be changed in the deliberations that result in the task force's report. We need to be increasing these investments across the board—in coal, in nuclear, in renewables, in oil and gas, in energy efficiency, and in the basic science that underpins all of those. If the Vice President's energy policy does not dramatically turn around the cuts being proposed for both energy R&D at the Department of Energy, and find additional funds from outside the Department, then we don't have a truly comprehensive and balanced energy strategy.

The PRESIDING OFFICER. The Senator has used his 10 minutes.

Mr. BINGAMAN. Mr. President, I ask unanimous consent I be yielded an additional 2 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

A final question I believe we all need to ask is whether the proposals address the pressing energy crises that are brewing for this summer and are going to be on the front page of every newspaper.

California and western electricity issues: Problems in the West and projected troubles in other parts of the country—one example, of course, is New York City itself; where shortages are forecast for the summer, meaning that pressure to do something about electricity is mounting. As the market imperfections in California become more and more apparent, a pro-active role for the Federal Energy Regulatory Commission is increasingly indicated. I do believe we need to have action from the Federal Energy Regulatory Commission in the very near future. We should have acted before now to deal with those very real crisis situations around the country. To date, the response of FERC has been a disappointment. More effort has seemed to be expended on blaming California elected officials for their problems than on effectively policing the market. The Federal Government must play a key role

in promoting reliable electricity supplies through FERC and by ensuring wholesale markets are transparent and functioning efficiently.

A second immediate issue that needs attention is the LIHEAP program, the Low Income Home Energy Assistance Program. High energy prices this past winter have left many working families unable to pay their heating bills and are having their utility service cutoff. The Senate has acted to increase the authorization for the Low Income Home Energy Assistance Program but the President's support and action is needed if we are going to put additional funds in this program. I hope it will be addressed by the Vice President's task force. Summer cooling bills will be arriving soon and the states have no funds left to help with those costs either.

Fuel specifications is another issue. The President could act immediately to help sort out the welter of gasoline specifications around the country that has balkanized the fuel market and rendered regions highly vulnerable to shortages of gasoline if a piece of the local energy infrastructure goes down. We saw gasoline price spikes in the Midwest and West Coast last summer because of this problem, and we will likely have similar problems again this summer.

If the Vice President's answer on these specific, pressing needs is that nothing much can be done about these problems this year, and that folks who are unfortunate enough to live in California, or folks who live in a region that is experiencing a gasoline price spike due to lack of availability of the right blend of gasoline, or working class families who cannot pay the high electricity bills for air conditioning, will just have to do without while we are working on some long-term energy fix, then we don't have a truly comprehensive and balanced energy strategy.

In conclusion, there has been a lot of interaction within the administration, perhaps, on this issue, but there has not been interaction between the administration and the Congress, at least that I am aware of, on what the Vice President is getting ready to recommend. By contrast, the Senate is now engaged in discussing an education bill where we did have very intense bipartisan discussions with the administration and among ourselves. Energy, in my view, is important in this country, just as education is important. There are real opportunities for bipartisan progress on the issue of energy as well as in the area of education.

I hope the administration sees this and puts away some of the hot button issues that are not likely to command support in the Senate, such as the opening of ANWR. They should put those away in favor of proposals that will command broad bipartisan support.

In the end, that may be the strongest indication of whether the administra-

tion wants to pursue a consensus bipartisan energy policy which will serve the interests of the country.

COMMEMORATION OF TAX FREEDOM DAY

Mr. GRASSLEY. Mr. President, I rise today to apprise the Senate of a very distressing development. Today marks Tax Freedom Day, the day when Americans will finally have earned enough money to pay off their tax bills for the year.

This year's Tax Freedom Day marks the longest period Americans have ever had to work to pay their taxes. It is astounding that every hour worked since the beginning of this year will go solely to pay America's tax bills.

The average American is shouldering a heavier tax burden than ever before. This year, Americans will work longer to pay for Government than they will to pay for food, clothing and shelter combined.

Congress has got to put a stop to this. I am pleased to report that Senator BAUCUS and I, and the other members of the Senate Finance Committee, are right now working on a tax cut bill that will provide a real reduction in income taxes. With \$1.35 trillion, we can now produce income tax cuts large enough that working Americans will actually see a difference in their paychecks.

So what has caused the lengthiest Tax Freedom Day in our Nation's history? It was the Federal individual income tax increases enacted in 1993. And here is the proof.

The Tax Foundation is the non-partisan, nonprofit policy group that calculated today's Tax Freedom Day. The Tax Foundation's analysis shows that the Federal tax burden grew by 14 days' pay between 1992 and 2001. That means that because of the 1993 tax increases, Americans now have to work an additional 2 weeks just to meet their Federal tax burden. That is equal to some Americans' vacation pay.

In stark contrast, the Tax Foundation says State and local tax burdens remained virtually unchanged during this period. So the culprit in creating the longest Tax Freedom Day in history is the Federal Government.

The biggest source of Federal revenue is the individual income tax. Over the past decade Federal tax collection levels for payroll taxes, corporate taxes, and all other taxes have been relatively stable. Collections of individual income taxes, however, have soared.

In 1992, tax collections from individual income taxes were 7.7 percent of our gross domestic product. That percentage has risen steadily each year, and as of the year 2000, it was an astounding 10.2 percent of GDP. Individual income taxes now take up the largest share of GDP in history. Even during World War II, collections from individuals were 9.4 percent of GDP, nearly a full percentage point below the current level.

The source of the current and projected tax surpluses is from the huge runups in individual tax collections. And that has given us the lengthiest Tax Freedom Day in our Nation's history.

Yesterday, the members of the Finance Committee met informally to discuss what everyone thinks should be in the tax cut package. I think there was a nearly unanimous agreement that individual income tax rates are simply too high.

Senator BAUCUS and I are working hard to put together a bipartisan tax cut package. I ask Members of the Senate and the American public to support our efforts. Our quest for real tax rate reduction is sincere and urgent. With an uncertain economy and excessive Federal tax collections, America needs action and it needs it now. American taxpayers expect us to deliver tax relief and we must not fail them.

As I stand here today, I pledge to you that as chairman of the Senate Finance Committee, I will do everything in my power to ensure that next year's Tax Freedom Day will not mark the longest period Americans have to work to pay their taxes. And I am confident that my Democratic colleagues will join us in supporting this goal.

SCHOOL VIOLENCE PREVENTION HOT LINE

Mr. LEVIN. Mr. President, the Michigan State Police recently introduced a 24-hour school violence prevention hot line to allow students, parents, teachers and others, to report school violence or suspicious criminal conduct to the State Police. The hot line, 800-815 TIPS, offers young people and others in Michigan a way to reach out to law enforcement anonymously, if desired, and in a non-confrontational environment.

In the past month, students and citizens from across the state have given the State Police approximately 60 tips, including tips about bullying, harassment, sexual assault, as well as tips about knives and guns in school. The State Police then passed these tips on to the appropriate local law enforcement agency for investigation. Michigan is the thirteenth state to implement such a hotline and we hope it will help keep our schools safer for students and teachers.

We also hope that other preventative measures will be taken to keep our schools safer, such as legislative initiatives to keep firearms out of the hands of juveniles and prohibited persons. Together, we can work toward preventing the disturbing number of violent acts in school that we have seen far too much of in the last few years.

U.S.-JORDAN FREE TRADE AGREEMENT

Mr. BAUCUS. Mr. President, I rise today in the Senate to offer a way out of the stalemate we have on trade policy.