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Senate

The Senate met at 12 noon and was called to order by the Honorable MICHAEL B. ENZI, a Senator from the State of Wyoming.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Let us pray.
Gracious God, Sovereign of this Nation and Lord of our lives, You have blessed us to be a vital part of Your blessing to others. As we return from recess, we commit ourselves to be sensitive to the needs of others around us. Show us the people who particularly need encouragement or affirmation. Give us exactly what we should say to uplift them. Free us of preoccupation with ourselves and our own needs. Help us to remember that people will care about what we know when they know that we care about them. May our countenance, words, and actions communicate our caring. Make us good listeners and enable us to hear what people are expressing beneath what they are saying. Most of all, remind us of the power of intercessory prayer. May we claim Your best for people as we pray for them. Especially we pray for those with whom we disagree on issues. Help us to see them not as enemies but as people who will help sharpen our edge. Lift us above petty attitudes and petulant gossip. And fill this Chamber with Your presence and our hearts with Your magnanimous attitude toward others. For You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MICHAEL B. ENZI led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication

to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 5, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MICHAEL B. ENZI, a Senator from the State of Wyoming, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. ENZI thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader.

SCHEDULE

Mr. LOTT. Mr. President, the Senate will be in a period of morning business just for 30 minutes or so now. Then we will recess for the weekly policy lunches to meet. When the Senate reconvenes at 2:15, the education bill will be the pending business. There are a number of pending amendments of significant import. I am sure there will be debate and, hopefully, at least a couple of votes this afternoon, and that we will be able to continue tomorrow, and as long as it takes, to get this very important education reform package completed.

We still have some 300 amendments pending. I would assume that 30 or 40 of those would have to be considered in some form and voted on, maybe even more. So I hope we can make progress on this important legislation today and get an agreement to proceed with it later on this week, no matter what the circumstances may be. We will clarify that schedule later on today or first thing in the morning.

I thank my colleagues for their cooperation.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 12:30 p.m., with Senators permitted to speak therein for not to exceed 10 minutes each.

The Senator from Arizona.

THE ENERGY CRISIS

Mr. KYL. Mr. President, it is likely that soon the Senate will undergo a historic change in leadership. I am concerned about some news reports that the new Democratic leadership may not proceed forthwith to the consideration of an energy bill that the administration very much would like to see us consider. It is my understanding that, at least from news reports, there are some other priorities the new Democratic leadership will probably pursue.

I just want to make it as clear as I can I think we should, as soon as possible, consider the legislative recommendations of President Bush and Vice President CHENEY to deal with this most serious crisis. In fact, I think we saw this past weekend that the President thought it was important enough to travel to California to visit with Governor Davis, who has certainly expressed his views on the importance of the issues facing his State. And his is not the only State that has faced this energy crisis.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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There are a couple of statistics worth noting in this regard. Our energy demands are growing very rapidly while our production side is relatively stagnant. Oil consumption, for example, will grow by over 6 million barrels per day over the next 20 years, but oil production is expected to decline by 1.5 million barrels per day. Natural gas consumption will grow by over 50 percent over the next 20 years, but production will only grow by 14 percent. And electricity demand, which is especially of concern on the west coast and in my region of the country, will rise by 45 percent over the next 20 years. This will require 1,300 to 1,900 new power plants. So we have a big job ahead of us. I think we need to get on with some of the solutions as soon as possible.

There has been some criticism that the President's recommendations are primarily longer term solutions. We will make them even longer term the longer we take to get to them. We will have shorter range solutions the quicker we get to the legislation that is required.

I note that many of the recommendations from the commission the Vice President headed are recommendations that can be effectuated by the administration itself. Twelve can be implemented by Executive action; seventy-three are directives to Federal agencies. For example, the President has already directed Federal entities to reduce consumption by 10 percent, including the military. But there are some 20 recommendations for action by the Congress. These are among the things on which we need to get moving:

The plan of the President to modernize and increase conservation, to diversify energy supply, and modify and expand the infrastructure through which those sources of energy are delivered to the American people, and to strengthen our energy security. This is the core of the set of recommendations.

Without getting into all of the details, because I only have 5 minutes this morning, let me just say that one of the things that has been proposed is price caps. Price caps, as the President and Vice President have said, are exactly the wrong thing to do. Price caps would keep demand increasing and do nothing to enhance supply. In fact, it would tend to keep supply down because there is nothing for the investor to look forward to if there is a price cap on how much can be charged for the energy that is being produced. And, of course, there is no incentive to conserve if there is a price cap. If prices, on the other hand, are allowed to rise, as they do with gasoline, then people will be more careful about how much they use.

We have seen news reports of people cutting back a little bit on the driving they intend to do this summer. Why? Because there are no price caps on the price of gasoline. People understand that to save money they are going to have to drive less; they are going to have to conserve.

So I do not understand why, on the one hand, we have this drumbeat of comment that we have to conserve our way out of this problem—certainly conservation is an element but not the sole element—and yet, on the other hand, to put in place price caps, which would have exactly the opposite incentive—for people not to conserve but to go ahead and continue to use those electricity supplies. So I think price caps are not the answer. There are other elements of the bill that are.

Finally, a point about some of the criticism of the Vice President and the President. I hope our colleagues will not join in this kind of demagoguery that we have seen from outside the Senate. It is true that both the President and the Vice President have been in the business of producing petroleum products. I do not know why we would be critical of people who know something about the solution coming up with some good ideas. They are, after all, our top two elected leaders. They know something about the problem and its solutions, and neither of them can any longer directly benefit.

So I think this criticism that they know something about the problem and therefore they should not be involved in the solution is very misdirected.

I hope we can focus on solutions rather than ad hominem attacks. After all, there are two kinds of people in the United States: There are producers and consumers. Almost all of us are consumers, and we should be grateful for those who are the producers because they are the ones who make it possible for us to enjoy our great standard of living. They would not be producing if we did not provide the demand for that production. It is the consumers of the country who, in effect, are creating the opportunity for these people to do the demanding.

Some of these critics remind me of kids who think that food comes from the refrigerator or the grocery store.

Obviously, they are unaware of all the work the farmers and the people in between the farmers and the grocery store put in to make those food supplies available. We should not be talking in terms of criticizing the people who are coming up with the solutions simply because they happen to know something about it. I suggest that the new leadership of the Senate, as soon as they possibly can, bring the legislation forward in whatever form because we will all have an opportunity to propose amendments if we don't like its original form.

This is very near a crisis; if it is not a crisis. We have to get on with the solutions. The administration has led the way by its executive directives. It has done all it can do. Now it is time for the Congress to respond. I urge the new leadership of the Senate to join with the administration in a bipartisan effort to begin to consider the solution to our energy problem.

The ACTING PRESIDING pro tempore. The Senator from Nevada.

Mr. REID. Mr. President, I say to my friend, the junior Senator from Arizona, I don't know where he heard that the new Democratic leadership was not going to move forward on energy. We are most happy to move forward on energy.

There are all kinds of problems, as the Senator knows. The President has an energy program he has put forward. There are not many specifics with it, but we should move forward and pass those issues on which we agree. Those issues on which we disagree, we can debate and vote up or down.

The Senator has said what we believe is important. We have to start approaching some of these problems in a bipartisan fashion. We hope that can be done on energy.

There is no question that there is a lot of dialog about energy and, of course, there are all kinds of things being said, such as "the GOP, gas, oil and plutonium." I don't think that gets us anyplace.

There has been a lot of bad news from California, but today there was some good news. The good news is that in California they have already found a way to conserve up to 11 percent of the electricity that they were using. That is significant.

When Vice President CHENEY said that conservation was a good personal habit but it wouldn't do anything to solve the energy crisis, I don't think he really believes that. It may not have come out the way he wanted it. We know there has to be conservation along with anything we do to stimulate production.

One of the criticisms I have—and I think it is a valid criticism—with this administration, I serve on the Energy and Water Development Subcommittee of the Committee on Appropriations. We found in the budget the President gave us, there is almost a 40-percent cut in research and development for renewables. That is something we need to change. We can do that.

In those States in the West—the Senator from Arizona has a State quite similar to Nevada—there are a lot of things that can be done—again, not in the short term bit in the long term—dealing with solar, dealing with wind, and, in the case of Nevada, with geothermal. These are some of the things on which we need to work. Most importantly, we have to work together on this problem.

Senator DORGAN and I have sponsored legislation—in fact, there is an amendment on the education bill, and we also have freestanding legislation—that would cause a joint committee of the House and Senate to be appointed to determine why prices have gone up. Maybe there is a good reason they have gone up. I don't think we should have a witch-hunt. I think it should be an investigation conducted with dignity so the American people could at least say, after we finish, we have done everything we can to find out why the prices are so high.

For example, the Senator and I remember when the price of fuel was so high in the early 1970s. You went to gas stations then and there was no gas. You would wait in line. You would get to the pump and there would be no gas to buy. We don't have that problem now. It doesn't appear to be a problem of supply. Then why are the prices so high?

I hope the Senator from Arizona will look at the legislation the Senator from North Dakota and I are sponsoring dealing with why are the prices so high.

In short, there has certainly been nothing said by any part of the Democratic leadership in the Senate that we were not going to take a look at energy. It is an issue we need to address; we need to do it as soon as we can; and we need to do it in a bipartisan fashion.

Mr. KYL. Mr. President, will the Senator yield for a quick comment?

Mr. REID. I am happy to yield.

Mr. KYL. I appreciate the comments of the Senator. I look forward to working with him in a bipartisan fashion.

I had heard the comments that the Republican leadership was going to take the energy bill up right after the education bill. My understanding is the Democratic leadership intends to take that up at a subsequent date. I think the Patients' Bill of Rights may be the next item taken up. That was the nature of my concern.

As soon as possible, I hope it will be considered. I certainly look forward to working with the Senator from Nevada to find solutions to the problem.

I thank the Senator.

The ACTING PRESIDING pro tempore. The Chair recognizes the Senator from Illinois.

Mr. DURBIN. Mr. President, I seek recognition in morning business to follow up on the issue raised by the Senator from Nevada. I can't think of a bigger issue in terms of the people I represent in the State of Illinois.

A lot of families in Illinois who rely on natural gas to heat their homes saw dramatic increases in their heating bills this past winter. Families of very modest means who budgeted very carefully found their heating bills for last winter were \$1,000 to \$1,500 higher than they had been in the previous year. Very little explanation was forthcoming. A lot of families just had no choice. They turned down the thermostat and the bills still went through the roof.

I ran into a lady who was a domestic housekeeper in a hotel. She worked nights for her family. She said to me that she had budgeted the same amount as last year to heat her home in Chicago. She ended up \$1,000 in debt when it was all over. She is determined to pay off that debt. She is a very hard working person and takes her debts seriously. When you think about that, you just wonder, is this inevitable? Is this the market at work, where we have such wide variations?

I have read a lot—I am sure the Senator from Nevada has as well—about

the energy problem in the West—California and other States—where they have seen dramatic increases in utility bills, electric bills.

The other issue the Senator from Nevada alluded to touches close to home in the Midwest. Last year we had this terrific increase in the price of gasoline. It seemed the Easter holiday was the kickoff for a runup in record-level gasoline prices. Last year we asked the oil companies what happened. Why did you do this? They said: We had this change. We had this reformulated gas to reduce air pollution, and it caught us by surprise. We were not ready for it.

It was kind of hard to understand because it had been more than 8 or 10 years they knew this was coming. They weren't prepared for it. They said: We had pipeline breakdowns, refinery problems. They said: We are sorry that it happened.

It went on for about 6 or 8 weeks. People were paying over \$2 a gallon for gasoline primarily in the upper Midwest but in St. Louis as well. Then the price started coming back down.

Lo and behold, this year exactly the same thing occurred. At Easter it was as though there was another starter's gun, and gasoline prices went through the roof again.

What is odd about it is that the oil companies are seeing no dramatic increase in the price of crude oil. The defenders of the oil companies tell us this is just the market at work. But if you take a look at some of the elements in that market, you can raise some serious questions.

For example, if the price of crude oil is not going up, why is the price of gasoline going up dramatically? Secondly, if this is just a reflection of some problems within the industry, why is it that the oil companies are now experiencing the highest profits in current memory? This is one of the few businesses in the world where you can guess wrong about consumer demand and make more profit. That seems to be what is happening to us in the Midwest.

I am encouraged by the announcement of our colleague, Senator LEVIN of Michigan, who has said that once the leadership change takes place in the Senate, as chairman of the Permanent Subcommittee on Investigations of the Committee on Government Affairs, he would hold a hearing and ask, once and for all, what is behind this; why are families and small businesses faced with these high energy costs that seem to spike out of control, whether it is for the heating bill in your home or for the gasoline in your car? What is it about this market mechanism that you see all the stations in your city in lockstep going up in gasoline prices and coming down, trickling down ever so slowly in that same fashion? This does not sound like competition to me; it sounds like something else is going on.

We have been unable in the last few weeks, despite these energy increases,

to really convince the White House or the Republican-controlled Congress to look into this issue, to investigate it. But if we do not do this in Congress, who will?

Fortunately, Senator LEVIN of Michigan has announced he is going to move forward with a series of investigations as soon as the leadership in the Senate changes. This concern about energy and its future has to take into account problems that families and businesses are facing today.

It is true, we have medium- and long-term energy challenges. There are many issues we need to consider but, honestly, shouldn't we try to address the current problems that people are facing and try to find some relief? Senator LEVIN's call for this hearing is one I support; it is one in which I have joined with Senator DORGAN from North Dakota and others in asking for previously. I hope we can move forward on this matter.

Mr. REID. Will the Senator yield for a question?

Mr. DURBIN. I will be happy to yield.

Mr. REID. I also support Senator LEVIN. Not only will he be chairman of that subcommittee but chairman of the Armed Services Committee. The Armed Services Committee has jurisdiction to find out why oil prices are going up so high anyway because the armed services are some of the world's biggest consumers of oil products.

I said to the junior Senator from Arizona, in the seventies we had long lines, and sometimes one got to the gas pump and there was no gas. There was a shortage of supply. That is not the case now. That is why the Senator from North Dakota and I have called for a joint investigation by the Congress to find out why these prices are priced the way they are. The Senator from Illinois has gone through a number of problems that simply do not make sense.

The Senator has already said what the Senator from Michigan is doing on his subcommittee, and it is important. But does the Senator think this is one of the most important issues to face the American public this decade or last decade or any decade and that a joint investigation is warranted?

Mr. DURBIN. I certainly do. And I thank the Senator from Nevada for his leadership. I was happy to join him on this legislation. What really frustrated many of us was the fact that Congress was unwilling to even look at the issue.

It is something to go back home, whether the home State is Illinois or Nevada, and find people who are telling you real-life stories, tragedies of businesses that have had to cut back in the number of employees and the work they are doing, because of the cost of energy.

I am from a farming State. Illinois, of course, is proud of the fact that it produces so much corn, soybeans, wheat, pork, and beef, but the farmers with whom I have talked face the same thing. It is not just the cost of operating their businesses on the farm but

the cost of fertilizer. All of this is directly linked to the cost of energy.

We can explore and debate future energy policy, but we have to be very honest in dealing with the reality of the challenge facing families today. That is why I am hoping—and I hope the Senator from Nevada agrees with me—that there can be an agreement very soon between the Democrats and Republicans to reorganize this Senate and to move forward.

There are so many issues of importance to this Nation that need to be addressed and addressed quickly. We have before us the whole issue of education. This bill was pending in the Senate before we took up the tax bill, and we will return to it. The sooner the Senate gets organized, the sooner we are in business under the new leadership of the majority leader, TOM DASCHLE, the sooner we can return to issues of education.

There has also been talk about issues involving a Patients' Bill of Rights. That is something which I have supported. It means when your doctor makes a decision for you and your good health, it will not be overruled by an insurance company. That seems pretty basic to me, but we need to pass legislation to make sure the health insurance companies and the HMOs do not go too far and make these medical decisions.

Energy is another issue. We want to work with the President and the White House. We should go to that issue. We should work on it. There are some important issues to be resolved. One of them is whether or not we should drill in Arctic National Wildlife Refuge. This is a piece of real estate in Alaska that is owned by the American people and which has been set aside to be maintained as a wilderness.

There are not many places on Earth that are set aside and maintained as a wilderness. Many of us think, particularly in this fragile ecosystem in Alaska, with the wildlife that is there—some of it is very rare, with species that are not found in other places—that for us to invade that territory to be drilling for oil and gas is to run the risk that we might disturb that balance, and, once having done that, we may face consequences which we cannot repair. The best of intentions of the Congress and the President notwithstanding, Mother Nature and God have decided how certain things will exist.

If we want to bring in the trucks and the pipelines and start drilling away for oil and gas, we should stop and ask the hard question: Is this really our best alternative to find fuel for America's future?

The Arctic National Wildlife Refuge, it is estimated, has 180 days' worth of energy for the United States. Mr. President, 180 days is, of course, almost 6 months, but that represents energy that is taken out of Alaska over a 10-year period. It means a very small part of our energy picture.

Even with drilling in this wilderness and running the risk of disturbing this ecosystem forever, we are still going to find ourselves dependent more than 50 percent on foreign oil and energy to sustain the United States. Many of us think that before we start drilling in wilderness areas such as the Arctic National Wildlife Refuge, we should explore alternatives, including conservation.

I see another Senator on the floor. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

The Senator from Wyoming.

SENATE AGENDA

Mr. THOMAS. Mr. President, I want to talk about the direction the Senate has been taking. Certainly, we have many things to do. We have moved through a number of important issues—the budget and meaningful tax relief. We now move to education and energy.

I have to respond to the comments of the Senator from Illinois on energy and suggest this energy crisis did not just happen in the last 5 months. It is interesting to note that for the past 8 years we have not had an energy policy. We have let ourselves get into a position where we are totally dependent on OPEC and foreign production, and it has put us in this position.

It is also interesting to note that it may not always be a shortage of oil but that refining may have something to do with it. We have not built any new refineries over the last number of years, and the idea of accusing someone of causing the problem—we need to take a look at it.

We have many things to do, there is no question, but we need to deal with domestic production and we need to deal with the transportation of energy. We in Wyoming could produce energy for California if we had a way to get it there. We need refineries to refine gasoline. We need to get away from having to develop 15 types of gasoline. It is easy to get away from the facts and get off into blaming somebody for this behavior.

The Senate needs to move on to education. It has been on this issue for quite a long time. It has not moved. We have had a certain amount of obstruction. When there are still 300 amendments, it is a little hard to talk about wanting to move forward, but perhaps we will be able to do that.

I hope when we do, we take a long look at where we want to be in education. Too often, we get so involved with little issues that are either political or they have to do with one minute thing. The fact is, we do not have a clear vision of what the role of the Federal Government is in education, and we need to define that role.

In elementary and secondary education, the Federal Government provides about 7 percent of the funding. Why should they also provide all the rules and regulations that go with it?

That has been the position many have taken: If we are going to give them any money, then we have to tell them how to do it.

One of the arguments, of course, is how do we help support education, have a policy on education, but allow the differences that exist in the local education facilities.

What is needed in Chugwater, WY, is different from what is needed in Pittsburgh, PA. We have to allow flexibility for local school boards and States.

I hope to take a look at where we want to be and have a vision of where we are going. Of course, we want high-quality education. We want accountability for education. We have to have quality teachers. We need to have choices for families, whether it is charter schools or schools of choice as we have in my hometown. The public schools have a different approach to it. Parents can decide where they want to send their children. These are the items about which we have to have a vision instead of coming out every day and wrestling over something that has very little impact. Where do we want to be 10 years from now or 15 years from now with regard to education.

Our hope as we change leadership—and that is not the end of the world—is that we move to govern and we move to do the things for the American people that we want to see happen over time: Where do we want to be and what is our role in getting there, that we can measure; high standards; we have to have funding that works; increased flexibility for local control; provide options for students. Those ought to be our goals. We should state how we will get there.

I yield the floor.

RECESS

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 12:30 having arrived, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:31 p.m., recessed until 2:16 p.m. and reassembled when called to order by the Presiding Officer (Mr. INHOFE).

Mr. WELLSTONE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate be in a period of morning business until 3 p.m., with Senators speaking for up to 10 minutes each, and that the time be equally divided in the usual form.

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