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 President, I ask unanimous consent that the order for the quorum call be rescinded.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

NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001—Resumed

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 517) to authorize funding for the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes.

Pending:

Daschle/Bingaman further modified pending amendment No. 2917, in the nature of a substitute.

Feinstein amendment No. 2989 (to amendment No. 2917), to provide regulatory oversight over energy trading markets.

Dorgan amendment No. 2993 (to amendment No. 2917), to provide for both training and continuing education relating to electric power generation plant technologies and operations.

Mr. REID. Mr. President, I have conferred with the managers of the bill, and with Senator DASCHLE, on the Feinstein amendment, which is pending. During the break, there was a long conversation with the two managers, and with Senator FEINSTEIN and Senator GRAMM. It is believed it would be in the best interest to set this amendment aside and move to some other matters. Everyone should understand that we have every belief that Senators GRAMM and FEINSTEIN are working in good faith to try to come up with some way to resolve this issue. If in fact they do not, though, Senator DASCHLE has indicated that he would be ready to file a cloture motion on the Feinstein amendment so we can move forward on that. We hope we do not have to do that. I am confident that we will not. But in case we cannot resolve the matter, Senator DASCHLE is ready to file a cloture motion on the Feinstein amendment.

We will ask to move off this important matter dealing with derivatives. The two managers have some amendments they can work on that wouldn't take long at all.

I have spoken to Senator LEVIN. He is going to come and offer an amendment and/or substitute on the provision in the bill that deals with CAFE standards. That should begin in the next 15 minutes or so. Is that in keeping with what the two managers understand?

Mr. BINGAMAN. Mr. President, in response, let me say it is in keeping, and I know the Senator from Idaho is here and ready to offer an amendment. His amendment is acceptable.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, before I make some brief comments on the amendment, I thank the assistant majority leader for allowing us to set aside what is an important but I think contentious amendment if we don't work out the tremendous complication of dealing with derivatives. It is a complex area and we well ought to know what we are doing. Members and staff of the Banking Committee are now working with Senator FEINSTEIN on it. We are hopeful something can be worked out in this area.

I am pleased both sides have agreed to the amendment that I will send to the desk.

Mr. MURKOWSKI. Mr. President, if the Senator from Idaho will yield, Senator LANDRIEU also has an amendment—the hydrogen protection amendment—which we understand has been agreed to. She will offer that amendment after Senator CRAIG's amendment. We hope to dispose of both.

There are two more amendments that we have not agreed to—Senator DOMENICI on spent fuel and Senator LANDRIEU on licensing new reactors. But we can continue to work on those if we can dispose of the two.

I, of course, support Senator CRAIG's amendment as well.

AMENDMENT NO. 2995 TO AMENDMENT NO. 2917

Mr. CRAIG. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside, and the clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG] proposes an amendment numbered 2995 to amendment No. 2917.

Mr. CRAIG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To direct the Secretary of Energy to carry out a program within the Department of Energy to develop advanced reactor technologies and demonstrate new regulatory processes for next generation nuclear power plants)

At the appropriate place in the amendment, insert the following:

SEC. . NUCLEAR POWER 2010.

(a) DEFINITIONS.—In this section:

(1) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

(2) OFFICE.—The term ''Office'' means the Office of Nuclear Energy Science and Technology of the Department of Energy.

(3) DIRECTOR.—The term ''Director'' means the Director of the Office of Nuclear Energy Science and Technology of the Department of Energy.

(4) PROGRAM.—The term ''Program'' means the Nuclear Power 2010 Program.

(b) ESTABLISHMENT.—The Secretary shall carry out a program, to be managed by the Director.

(c) PURPOSE.—The program shall aggressively pursue those activities that will result in regulatory approvals and design completion in a phased approach, with joint government/industry cost sharing, which would allow for the construction and startup of new nuclear plants in the United States by 2010.

(d) ACTIVITIES.—In carrying out the program, the Director shall—

(1) issue a solicitation to industry seeking proposals from joint venture project teams comprised of reactor vendors and power generation companies to participate in the Nuclear Power 2010 program;

(2) seek innovative business arrangements, such as consortia among designers, constructors, nuclear steam supply systems and major equipment suppliers, and plant owner/operators, with strong and common incentives to build and operate new plants in the United States;

(3) conduct the Nuclear Power 2010 program consistent with the findings of A Roadmap to Deploy New Nuclear Power Plants in the United States by 2010 issued by the Near-Term Deployment Working Group of the Nuclear Energy Research Advisory Committee of the Department of Energy;

(4) rely upon the expertise and capabilities of the Department of Energy national laboratories and sites in the areas of advanced nuclear fuel cycles and fuels testing, giving consideration to existing lead laboratory designations and the unique capabilities and facilities available at each national laboratory and site;

(5) pursue deployment of both water-cooled and gas-cooled reactor designs on a dual track basis that will provide maximum potential for the success of both;

(6) include participation of international collaborators in research and design efforts where beneficial; and

(7) seek to accomplish the essential regulatory and technical work, both generic and design-specific, to make possible new nuclear plants within this decade.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out the purposes of this section such sums as are necessary for fiscal year 2003 and for each fiscal year thereafter.

Mr. CRAIG. Mr. President, the amendment authorizes a new program within the Department of Energy called Nuclear Power 2010. The new program was proposed in the administration's fiscal year 2003 budget. Senator MURKOWSKI, Senator LANDRIEU, Senator DOMENICI, and Senator THURMOND are supporters of this effort. We think it is the appropriate direction to go in the development of a new energy package.

The goal of Nuclear Power 2010 is to aggressively pursue activities that will result in the completion of designs for the next generation of nuclear reactors.

This program will also look for ways to reduce the regulatory uncertainties which have been obstacles to the building of new nuclear plants. This program would incorporate cost sharing between government and industry to ensure that the outcome of this program will be not only beneficial but useful to both sides as new designs are developed.

This program will also garner the tremendous creativity of the technical minds within the Department of Energy and our National Laboratories—some great minds that have been sitting somewhat idle in the area of new design and reactor development over the last number of years.

In my home State of Idaho, for example, Argon West was the first ever nuclear effort that lit the first lightbulb. Strangely enough, a lot of folks don't

know that about Idaho. But the reactor that generated that was an experimental breeder reactor. That was well over 50 years ago.

Our National Laboratories have been extensively involved. This reinvolves them. We hope it reinvigorates them.

I think all of us recognize that clean sources of abundant energy are critical for the future of this country. The cleanest is nuclear.

The 2010 amendment is the kind of program that I think sends us in the direction that we want to see our energy base going as an integral part of energy's diverse mix in our country. We believe the 20 percent now made up of current operating reactors will have to go higher in future years as we look at issues of climate change, weather, and, of course, the unpredictable fluctuation in a variety of other energy sources.

That is the purpose and the intent of the amendment. It has been accepted.

I hope this amendment can be voice voted.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, we have reviewed the amendment of the Senator from Idaho, and it certainly is acceptable on this side. I support the amendment. I urge my colleagues to support it. We should add it to the bill.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. THURMOND. Mr. President, I am pleased to cosponsor this amendment and compliment Senator CRAIG for his leadership on this issue and nuclear power in general. This amendment authorizes the Department of Energy's Nuclear Power 2010 initiative, a multiyear program for the Department of Energy to partner with the private sector to explore both Federal and private sites that could host new nuclear plants; to demonstrate the efficiency of and timeliness of key Nuclear Regulatory Commission licensing processes designed to make licensing new plants more efficient, effective and predictable; and to conduct research needed to make the safest and most efficient nuclear plant technologies available in the United States.

I am a strong proponent of nuclear power because it is among the cleanest sources of energy in the world today. Additionally it is reliable, efficient and abundant. Presently, the United States gets approximately 20 percent of its power from nuclear plants. Those plants in operation currently cannot operate indefinitely. Accordingly, in order to maintain the energy production we receive from nuclear power today, the United States will need to build new nuclear facilities.

Fortunately, advanced reactor technologies are now available that are safer, smaller and more capable. As we are all aware, however, bringing new civilian nuclear plants on-line is a lengthy process. Regretfully, considerations such as site selection concerns, licensing impediments, and legal challenges have curtailed new nuclear plants.

In May of last year, I wrote to Vice President CHENEY as head of the President's Energy Task Force. In my letter, I noted how pleased I was to learn that the Administration was committed to developing a comprehensive national energy strategy that would include a renewed consideration of nuclear power. I suggested to the Vice President, that the Administration consider co-locating advanced technology commercial nuclear power production facilities on existing Department of Energy reservations.

Utilizing Department of Energy facilities would mitigate any number of problems associated with building new nuclear plants. To begin with, there is no need to secure new land. In addition to the fact that this is already Federal property, in general, DOE facilities are large isolated areas that are highly secure. Also, individuals living near these locations are usually supportive of nuclear initiatives. They know that having a nuclear facility nearby is not a safety issue. As such, we avoid the ''not in my backyard'' syndrome. Finally, building new nuclear reactors on existing DOE facilities reduces the amount of new infrastructure required as companies would be ''leveraging'' against what already exists at these locations.

The Energy Task Force and Secretary of Energy Spencer Abraham did not require much convincing. The Secretary called upon industry to determine interest in developing advanced technology commercial nuclear plants at DOE locations. I have been advised that a number of proposals were received from some of the top energy companies in the Nation.

When Secretary Abraham unveiled the Nuclear Power 2010 initiative, he announced awards to two nuclear utilities to conduct initial studies of several sites that could eventually host new nuclear plants. In addition to several private sites, the Secretary identified the Department of Energy's Idaho National Engineering and Environmental Laboratory in Idaho, the Savannah River Site in my hometown of Aiken, SC, and the Portsmith site in Ohio as sites to be considered.

These DOE sites were ideal locations to locate nuclear projects fifty years ago. With the right physical characteristics, experienced workforces and supportive local communities, they remain so today. I believe it makes perfect sense to use these existing assets as a platform upon which to expand our civilian nuclear power capabilities.

This initiative is good government and I am pleased that it is included in this package.

Mr. MURKOWSKI. Mr. President, I join Senator BINGAMAN in support of the amendment. It establishes a program within the Department of Energy to aggressively pursue activities that will lead to, hopefully, the development of new nuclear plants.

As we know, nuclear power currently contributes about 20 percent of the total energy produced in this country. France is at about 75 percent; Sweden is at about 46; Japan, 30 percent. So, clearly, this is an amendment that will be an investment in the future. We support the adoption of the amendment. I urge adoption of the amendment.

The PRESIDING OFFICER. If there is no further debate, without objection, the amendment is agreed to.

The amendment (No. 2995) was agreed to.

Mr. MURKOWSKI. I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

AMENDMENT NO. 2993

Mr. DORGAN. Mr. President, yesterday I offered an amendment that subsequently was set aside. It is amendment No. 2993. The amendment is to establish a National Power Plant Operations Technology and Education Center. The amendment, I believe, is noncontroversial.

I know the Senator from Alaska indicated he would accept the amendment. I believe the Senator from New Mexico indicated the same. I ask that it be immediately considered favorably by the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. MURKOWSKI. Reserving the right to object, and I shall not object, my understanding is that we are still examining it. I have no reason to believe there will be an objection, but staff has asked for a little more time.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. MURKOWSKI. Mr. President, in response to Senator DORGAN, we have cleared the amendment. I appreciate his forbearance. We had one question that has been answered satisfactorily. So I urge the Senator to go ahead. I support the adoption of the amendment.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I thank the Senator from Alaska for his courtesy. I ask for the immediate consideration of amendment No. 2993.

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

If there is no further debate on the amendment, without objection, the amendment is agreed to.

The amendment (No. 2993) was agreed to.

Mr. MURKOWSKI. I move to reconsider the vote.

Mr. DORGAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 2996 TO AMENDMENT NO. 2917

Mr. MURKOWSKI. Mr. President, we have one more amendment we would like to resolve on behalf of myself and Senator DASCHLE. This is an amendment covering rural and remote communities. My understanding is, it is cleared on both sides.

I would ask the majority for any comments they may care to make.

Mr. BINGAMAN. Mr. President, we do not object to this amendment. It is supported on this side. I urge that the Senate proceed to dispose of the amendment.

Mr. MURKOWSKI. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Without objection, the clerk will report the amendment.

The bill clerk read as follows:

The Senator from Alaska, [Mr. MURKOWSKI], for himself and Mr. DASCHLE, proposes an amendment numbered 2996.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

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

(The amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. MURKOWSKI. Mr. President, the amendment I am offering on behalf of myself and Senator DASCHLE establishes the Rural and Remote Community Fairness Act. This amendment addresses serious electricity and infrastructure concerns of rural and remote communities. Of particular interest to the amendment's cosponsor, Senator DASCHLE, are the provisions that address the concerns of rural and remote communities that suffer from high outmigration. We have well-established programs for urban areas. And I support them.

These programs were established to help resolve the very real problems found in this Nation's cities. But our rural and remote communities experience equally real problems—and they are not addressed by existing urban programs. They have been left out. Not only are these communities generally ineligible for the existing programs—their unique challenges require a different focus and approach.

The biggest single challenge facing small rural communities is the expense of establishing a modern infrastructure. The existence of a modern infrastructure is necessary for a safe environment and a healthy local economy. There is a real cost in human misery and to the health and welfare of everyone—especially children and elderly—from poor or polluted water or bad housing or an inefficient and expensive power system.

The problems in Alaska are a perfect example: 190 villages have ''unsafe'' sanitation systems; 135 villages still use ''honey buckets'' for waste disposal; and only 31 villages have a fully safe, piped water system.

It is not surprising that Hepatitis B infections in rural Alaska are five times more common than in urban Alaska. Similarly, most small communities and villages in Alaska are not interconnected to an electricity grid and rely upon diesel generators.

Electricity prices in Alaska can be stunningly high. For example: the Manley Utility—77 cents per kilowatt hour; Middle Kuskokwim Electric—61 cents/KWh. But so too can electricity prices in other small communities across our nation. For example: Matinicus Plantation Electric in Maine—30 cents/KWh; Bayfield Electric in Michigan—17 cents/KWh; New Hampshire Electric—15 cents/KWh; Fishers Island in New York—23 cents/KWh.

Compare these prices to the national average of around 7 cents per kilowatt hour—and you can see the problem we need to address.

We just have to do better if we are to bring our rural communities into the 21st century—to enjoy the fruits of economic growth—to have safe drinking water—to have affordable energy.

How will this amendment address these problems?

First, it authorizes $100 million per year for block grants to communities served by utilities who have 10,000 or fewer customers who pay more than 150 percent of the national average retail price for electricity. These small communities may use the grants for infrastructure improvement including weatherization; modernizing their electric system; and assuring safe drinking water and proper waste water disposal.

Second, it authorizes electrification grants of $20 million per year to small, high-cost communities. These grants can be used to increase energy efficiency, lower electricity rates, or provide or modernize electric facilities.

Third, it addresses the problem of high electricity prices in Alaska—a problem that will diminish as new, efficient electric generation can be installed.

Fourth, it addresses the very real problems of communities that have a high rate of out-migration. It provides affordable housing and community development assistance for rural areas with excessively high rates of outmigration and low per-capita income levels. This is a very significant problem for Senator DASCHLE's State of South Dakota.

This amendment makes a significant step toward resolving the critical social, economic and environmental problems faced by our Nation's rural and remote communities.

I encourage my colleagues to support this amendment.

Mr. MURKOWSKI. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. If there is no further debate on the amendment, without objection, the amendment is agreed to.

The amendment (No. 2996) was agreed to.

Mr. REID. I move to reconsider the vote.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, the Senator from Missouri is in the Chamber and ready to speak on the amendment Senator LEVIN and he are intending to offer. The floor is open for their discussion at this point.

The PRESIDING OFFICER. The Senator from Missouri.

AMENDMENT NO. 2997 TO AMENDMENT NO. 2917

(Purpose: To provide alternative provisions to better encourage increased use of alternative fueled and hybrid vehicles.)

Mr. BOND. Mr. President, I appreciate the courtesy of the managers of the bill. Senator LEVIN will be in the Chamber shortly, but I thought I would go ahead and make some remarks prior to the offering of this amendment, which I think is a very significant one.

There are many important issues in an energy bill, but what happens to our automobile economy, what happens to the workers, what happens to the people who buy them, what happens to the people on the highways should be a very important consideration.

I think when you talk about energy and fuel economy standards, the impact on jobs and safety need to be at the top of anyone's list. That is why I am pleased to join my colleague from Michigan, Senator LEVIN, in crafting a commonsense amendment to the energy bill that will increase passenger car and light truck efficiency while protecting jobs, highway safety, and consumer choice.

Before we get into the details of the amendment—and we will be getting into lots of details, probably more than anybody wants to know about corporate average fuel economy—let me just take a moment to review the state of our economy.

A few weeks ago, I was disappointed that the Senate had stalled out on an economic stimulus package. We have been in a recession for months, and although there are signs of a recovery, there are still many Americans without jobs.

Of course, as you know, we did pass a smaller bill to increase the time of payment for unemployment compensation that did have a portion of the stimulus package in it.

Now, what would be the link between higher fuel economy standards and economic recovery and stimulus and jobs? I will tell you.

I have listened to the car manufacturers, the working men and women in the unions who build the cars, and the other impacted groups, and the significantly higher CAFE standard, or the miles per gallon, which will be required for vehicles that are included in Senator DASCHLE's energy bill that he created, without committee action, has a very real likelihood of throwing thousands of Americans out of work, including many of the 221,000 auto workers in Missouri.

That is because the only way for car companies to meet the unrealistic numbers in the underlying amendment is to cut back significantly on making the light trucks, the minivans, and the SUVs that the American consumers want, that the people of my State and the people of the other States want—to carry their children around safely and conveniently, to do their business. If they have jobs in one of the trades, they need minivans and compartment trucks and others to carry their goods. If they are farmers, they need pickup trucks to take care of their livestock and to haul equipment and feed.

I know some in this Chamber believe our fellow Americans cannot be trusted to make the right choice when purchasing a vehicle. But when it comes down to choosing between the consumer and the Government as to who is best to make a choice, I will side with the consumer every time.

I don't pretend to know what is best for each of the 15 million Americans who will be purchasing a new vehicle this year and the ones next year or in the years after. Those who want higher Government CAFE or miles-per-gallon standards always claim to have the best interests of the consumer in mind and always promise that the last thing they want to do is hurt the car manufacturers. Well, they have missed the mark by a mile with language that ended up in the bill before us today.

Proponents portray this CAFE provision, authored by Senator KERRY and others, as reasonable and necessary. I have other words in mind to describe it. It is antisafety, anticonsumer and antijob.

I also have the numbers to consider during this debate. How about 6.6 million. That is the number of Americans employed in direct or spin-off jobs related to the automotive industry. In fact, every State in America is an auto State. We all know that Michigan, Indian, Missouri, and Ohio are big manufacturing States. But even smaller States such as Nebraska, New Hampshire, and Delaware have suppliers and other industries where success and business profitability is directly related to the large car assembly plants in the Nation.

As we struggle to get our economy moving again, we ought to be developing proposals that will increase the number of jobs. Unfortunately, the underlying miles-per-gallon standard in this bill by Senator DASCHLE does just the opposite. It must be removed. It must be replaced.

I recognize there are competing views on this subject. Some of my colleagues prefer to listen to the arguments put forth by those who have never built a vehicle, never visited a plant, or don't even have an elementary understanding of how a car works.

I prefer to listen to those who are actually engaged in the business of making cars, of designing cars, servicing cars, selling cars and trucks. They tell me one consistent message: The CAFE provision is a job killer, a threat to the safety of our friends and families and a mandated market that eliminates consumer choice. For those who say, too bad, we must force Detroit to build more fuel-efficient cars and trucks, do you know that under CAFE it doesn't matter what the companies manufacture and build? It is calculated based on what the consumer buys.

There are over 50 of these high economy models in the showrooms across America today. But guess what. They represent less than 2 percent of total sales. Americans don't want them. You can lead a horse to water; you can't make him drink. You can lead the American consumer to a whole range of fancy, lightweight, long-distance automobiles, but you can't make them buy them.

Meanwhile, consumers from families, soccer moms, farmers, people with teenagers, people with soccer teams, they want the minivans. A constituent of mine, Laura Baxendale in Ballwin, MO, asked:

> Senator, our mini-van is used to transport two soccer teams, equipment and seven players, how would this be possible in a smaller vehicle?

I have to tell Ms. Baxendale, the bad news is they would have to have a string of golf carts. You can see the golf carts going down the highway to soccer practice, maybe two kids in each golf cart. It is not a very safe or efficient way to transport.

Here is a quote from Jeffrey Byrne, of Byrne Farm in Chesterfield, MO:

> As a farmer I do not purchase pickup trucks because of their fuel economy, I purchase them for their practicality.

He buys them because he needs them. He is taking care of his livestock. Did you ever try to put a load of hay in the back of a golf cart? It doesn't make a very big delivery vehicle.

Under the new CAFE numbers, the production of these popular vehicles would need to be curtailed. I don't want to tell a mom and dad in my home State they can't get the SUV they want because Congress decided that would be a bad choice. I don't think that is a sound way to set public policy. After hearing from assembly line workers, farmers, auto dealers, and others directly impacted by Government CAFE standards, I fully believe the appropriate fuel economy standards are best decided by experts within the Department of Transportation who have the technology and the scientific know-how to determine what is feasible to help lead us down the path towards the most efficient, economical, and environmentally friendly standards, rather than by politicians choosing some political number out of the air. We could get in a bidding war, but we are bidding on something we know nothing about—how efficient can engines be made.

Under the Levin-Bond amendment, the experts at the National Highway Transportation Safety Administration are directed to refer to sound science in promulgating an appropriate and feasible increase. Think of that. This would be historic, if this body said we are going to use sound science on a technological issue before us. Senator LEVIN and I believe the time has come. This amendment will strengthen the regulatory process to ensure that the miles per gallon or CAFE levels are accurate and reflect the needs of consumers, the technology development, without undo consequences for safety and jobs.

Ultimately, I do believe science, not politics, should drive the deliberations on the CAFE or miles-per-gallon standards. I would be most interested to see what hard data and solid science our colleagues who have pushed for this 35-mile-an-hour CAFE standard say justifies it, the standard in the bill. I am waiting to see what scientist thinks there is a technology to meet it. I don't believe I would hold my breath because I don't think it exists.

This is, unfortunately, a political number pulled out of thin air. Even worse, it is a number that could have deadly consequences for American drivers and passengers. I have read the 2001 National Academy of Sciences report on the CAFE standard. Let me share with you a key finding about safety and higher standards.

This is a report in USA Today. It says:

> The fatality statistics show that 46,000 people have died because of a 1970s-era push for greater fuel efficiency that has led to smaller cars.

The National Academy of Sciences say:

> In summary, the majority of that committee finds that the downsizing and weight reduction that occurred in the late 1970s and in early 1980s most likely produced between 1,300 and 2,600 crash fatalities and 13,000 to 26,000 serious injuries in 1993.

They estimate that 2,000 people were killed in 1993. I fear that has been replicated every year since. It goes on to say:

> If an increase in fuel economy is effected by a system that encourages either downweighting or the production and sale of more small cars, some additional traffic fatalities would be expected.

That National Academy of Sciences report offers all of us clear guidance and expert scientific analysis as we debate fuel economy levels. I would also point out that the NAS panel was extremely careful to caution its readers that its fuel economy targets were not recommended CAFE goals because they did not weigh considerations such as employment, affordability, and safety.

These are the quotes from the National Academy of Sciences that I have just given you. I will leave it up so my colleagues can read it. I will have a copy of the report on the floor. I am sure everybody will be as fascinated as I have been to read it because it contains important information.

Opponents of our amendment may question how effective the experts at NHTSA will be in leading the new fuel economy standards. Some might prefer that Congress set a political number as we find in the current energy bill. Our amendment takes an approach that, rather than politics and guesswork, hard science and technological feasibility should be the prime consideration in the development of any new CAFE standards.

I will ask that my colleague from Michigan, who is going to describe this amendment, give you the details. I will just say that it is vitally important that we strike the people killing, jobs killing, market killing, CAFE or miles-per-gallon provisions currently in S. 517 because they would only hurt the consumer and do very little for fuel economy. Let's save jobs and save American lives by voting yes on the Levin-Bond amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, first let me thank my good friend from Missouri for the tremendous effort he has put into fashioning this bipartisan approach to increasing fuel economy. He has played an indispensable role. I am very much appreciative of that and, of course, his presentation today.

This bipartisan approach is an alternative to the language in the substitute that is pending, the language which I will refer to as the Kerry-Hollings language. Our amendment is aimed at increasing fuel economy. That is No. 1. We want to increase fuel economy. We want to do it in a way that also allows the domestic manufacturing industry in our U.S. economy to thrive as well. We think we can accomplish both goals. We don't think these are mutually exclusive goals, inconsistent goals, or goals that are in conflict with each other, providing we do it right. If we do it wrong, we will have a very negative effect on the American economy and on manufacturing jobs in America. If we do it wrong, we will not even benefit the environment the way we should. I will get into the right way and the wrong way in a few moments.

We really have a three-point policy that we are talking about—three policies that we want to emphasize in this amendment. First is the need to increase fuel economy in our vehicles. That is policy No. 1.

No. 2, we put a much greater emphasis on incentives to achieve that goal, positive ways of achieving that goal. We do it in a number of ways in this bill. We have a requirement here that the Government purchase a large number of advanced technology vehicles. Government purchases are a way of advancing the way of fuel economy. The Presiding Officer is a member of the Armed Services Committee and may remember that last year in our defense authorization bill we actually put in a requirement that the Defense Department, starting in the year 2005, purchase hybrid vehicles. What this bill does is it applies the same principle to the balance of our Federal Government so that we use the purchasing power, the pulling power, the positive power of Government purchases to provide a market for advanced technology vehicles or hybrids.

We also have a greater emphasis on joint research and development. The administration has proposed an approach, which is a very useful approach, built on what was called the ''partnership for a new generation of vehicles,'' which the last administration put into place, which is based on partnerships between the Federal Government and the private sector in trying to develop new technology. The administration now has talked about moving with greater emphasis on fuel cells—they call it the ''freedom car.''

We would add about 40 percent additional funds to advanced technology research and development between the private sector and the Federal Government. That is the second thing we do in terms of positive incentives to try to achieve greater fuel economy.

A third thing that we would do, we would do it in a separate bill, so that this bill would not be subject to a point of order, or subject to a slip that the House of Representatives might be able to file against it. We do something on the tax credit side. We would significantly enhance the tax credits—tax deductions—that are provided for both advanced technologies and for new technologies. In the provision that is going to be offered, I believe, which has been adopted by the Finance Committee, for electric vehicles, we would increase the existing electric vehicle tax credit up to a maximum of $6,000 for 6 years, beginning this year going through 2007. For fuel cell vehicles, we would establish a tax credit up to a maximum of $11,000 for 8 years, beginning in the year 2004, ending in 2011. For hybrid vehicles, the separate amendment we will be offering would establish a tax credit up to a maximum of $5,000 for hybrid vehicles for 6 years, beginning in 2004.

We also would have a greater emphasis on using tax deductions for infrastructure equipment and infrastructure for fuels and alternative fuels—for hydrogen. We would take the existing tax deductions and make them last longer. We would apply them to a greater range of equipment, and we would also establish a tax credit of up to $30,000 for the cost of installation of alternative fuel and hydrogen distribution equipment, beginning in 2002 and ending in 2007.

There are—in addition to what I have just outlined—some research and development programs that we would emphasize. On diesel research, we would coordinate with the Secretary of Energy on an accelerated R&D program to improve diesel combustion. We would have a fuel cell demonstration program between the Department of Defense and the Department of Energy.

Those, briefly, are the things we would do to create positive incentives, market pull, and partnerships between the Federal Government and the private sector, to try to get us to a greater level of fuel economy.

Our third policy is based on our belief that there are a host of factors that should be considered before the CAFE requirement is adopted. We think there should be a new CAFE requirement. Our provision calls upon the Department of Transportation to increase—that is our word—standards for cars and light trucks based on the consideration of a number of factors. Then we list the factors that we hope the Department of Transportation will consider. They include technological feasibility. That is the only one that is in the bill before us.

The bill says it would take the most advanced technologies, assume they will be incorporated into vehicles, and then do not consider, however, the other factors that we say logically must be considered before a new CAFE standard is adopted, such as cost-effective Government motor vehicle standards on fuel economy. For instance, what is the impact on our tailpipe emission standards?

The need to conserve energy; that is obvious. We all want to do that. That is a goal. The desirability of reducing U.S. dependence on foreign oil, clearly, that is one of our goals. What is the effect on motor vehicle safety? As the Senator from Missouri pointed out, the study of the National Academy of Sciences shows that there is a loss of lives and a significant number of injuries which result when you raise the CAFE standards, as we did some years ago. I will get back to the safety issue in a moment because it is a factor that should be considered. That is all we are saying. We are saying that it is logical and rational to have a process where other factors beside potential technological advances should be considered in setting a new CAFE standard.

The adverse effects of increased fuel economy standards on the relative competitiveness of manufacturers, I will come back to that issue because the CAFE structures had a discriminatory impact on the American auto industry with vehicles just as fuel efficient, I emphasize. I want to spend some time on that issue in a moment.

The American-manufactured vehicles are just as fuel efficient, and they are put in a negative position, vis-a-vis the imports, because of the CAFE structure—the fact that it looks at a fleetwide average rather than looking at class of vehicles compared to class of vehicles.

Instead of saying the same size vehicle will be subject to the same CAFE

standard, the same mileage standard, it lumps together all vehicles of a manufacturer, and the results are, in my judgment, bizarre and costs huge numbers of American jobs without the benefit to the environment.

We would ask the Department of Transportation, during this period of time that we give to them, to consider rulemaking would also take a look at the effect on U.S. employment, the effect on near-term expenditures that are required to meet increased fuel economy standards on the resources available to develop advanced technology.

What is the relationship between requiring short-term gains on the need to make leap-ahead technologies available to us earlier, to make the advanced hybrids available earlier—and I emphasize advanced hybrids available earlier—to make the fuel cells available to us in 10 years instead of 20 years? What is the impact on taking arbitrary numbers requiring the auto industry year by year to meet those standards on what our ultimate goal I hope will be, which is huge reductions in the use of oil by the advanced technologies called advanced hybrids and fuel cells?

Another thing we would require is that the National Research Council, the part of the National Academy of Sciences that reported in a report entitled ''Effectiveness and Impact of Corporate Average Fuel Economy Standards,'' which was issued in January of this year—we would require that report be considered.

I am going to give some quotations, as the good Senator from Missouri did, from that report because we think that report is an important report.

The time line we would give the Department of Transportation is 15 months to complete the rulemaking for light trucks, and 24 months to complete their rulemaking for passenger cars. If they do not complete it, it would be in order, under an expedited process, for Congress to then take up alternatives which could be considered. It at least puts in place a rational system of looking at many criteria which are relevant to the question of where the new standards for fuel economy ought to be instead of arbitrarily picking a number out of the air, having staff, for instance—apparently we are told staff is considering some numbers—and come up with a conclusion that we could impose a 36-mile-per-gallon or a 34-mile-per gallon requirement on the entire fleet, lumping together trucks and passenger cars.

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

Mr. LEVIN. I will be happy to yield at the end of my remarks. I thank the Senator.

Instead of doing that, we should have a rational rulemaking process that is put in place for a fixed period of time that then makes a decision on what the new standards should be. That would be subject to legislative review under existing law, under an expedited process. It can then be vetoed, and under our bill, if there is no report within that fixed period of time, it would then be in order, under the expedited process, to offer alternatives to it.

Those are some of the provisions of our alternative. We think it is a much more rational process. It takes advantage of a rulemaking opportunity where various criteria can be considered, where safety factors can be considered—and I want to get to safety factors in a moment—where we can look at the discriminatory impact on various manufacturers that are put in different positions, put in worse positions. Even though their cars are equal or better in terms of fuel efficiency, they are put in a negative position vis-a-vis their competition.

What is truly bizarre, it seems to me, is it is the American manufacturers that are put in that discriminatory position, that negative position, not based on their efficiency, because we are going to go through that in a minute, but based on the way this CAFE provision is structured. It puts American jobs at risk with no benefit to the environment. It does not help our environment or the air to push somebody into an equally efficient or less efficient imported vehicle than a domestic vehicle that is equally efficient or more efficient. We are not doing anything for the air, and we are costing American jobs.

That is the effect of the CAFE structure. It seems to me, at a minimum, we should ask the Department of Transportation to include in their rulemaking review what are the adverse effects of increased fuel economy standards on the relative competitiveness of manufacturers.

I wish to show a few charts.

This is a chart which I have produced which compares, class by class, some American-made and imported vehicles. This is not a chart which was produced by the auto industry. It was produced by me. It obviously does not include every vehicle, but we believe it makes an important point, which is that American vehicles, class by class, are at least as fuel efficient as foreign vehicles.

This chart shows trucks, pickups, SUVs, and the minivan. Those are the three vehicles we studied.

A similar chart can be made for passenger vehicles. We did not do that because that has not been the focus, but we are perfectly happy to compare numbers on passenger vehicles provided we are comparing apples and apples, providing we are comparing classes of vehicles of the same relative size.

We can also look at passenger vehicles, and we can reach basically the same conclusion. The problem is, if you lump all the different classes of vehicles together, at that point you come up with a system which has a discriminatory impact on some manufacturers, and it is the American manufacturers that carry the brunt of that disparate impact.

Take a look, for instance, at the large SUVs. Ford Expedition gets 15 miles per gallon. GMC Yukon gets 15 miles per gallon. Dodge Durango gets 15 miles per gallon. The Toyota Land Cruiser gets 14 miles per gallon. If people want to choose a Toyota, that is their business, but it seems to me we should not be creating a system which pushes people to imports because Toyota can produce hundreds of thousands of additional Land Cruisers without any negative effect in terms of their bumping up against the CAFE limit when the Land Cruiser is not as fuel efficient as the American vehicles.

Midsize SUVs: Ford Explorer, 17 miles; Chevrolet Trail Blazer, 18 miles; Jeep Liberty, 17 miles; Toyota 4Runner, 17 miles—equal or a little better fuel efficient in case of the Trail Blazer. It is the same with the small SUV, the large pickup, and the small pickup.

We can go through these one by one, but in each case, the U.S. vehicles are either as fuel efficient or slightly more. One can also pick cases where an imported vehicle may be 1 mile per gallon or somewhat more efficient. Those cases will exist if one looks at it enough.

If we look at the entire picture class by class, American vehicles are as fuel efficient as imported vehicles, or in the cases I gave—and in many other cases—more fuel efficient.

We have a situation called CAFE where foreign manufacturers are relatively unconstrained by CAFE because of a fleet mix, not because they are more fuel efficient class by class.

Nothing is gained for the environment if an imported SUV is bought instead of an American-made SUV where the American SUV is at least as fuel efficient as the foreign SUV. Nothing is gained for the air, but a lot of American jobs are lost.

If we look at the opportunity for just one manufacturer—let me back up 1 minute.

This is the impact of a 36-mile-per-gallon combined car/truck standard on five manufacturers. Honda only has to increase theirs by 20 percent; Toyota, 36 percent; GM, 51 percent; Ford, 56 percent; DaimlerChrysler, 59 percent.

Again, I emphasize, because this is the key point, those disparate impacts have nothing to do with the relative fuel efficiencies of the vehicles of the same class. It has to do with the fleet mix.

What we have put in place—I guess the word ''bizarre'' is as close as I can come to it, because this does not do anything for the environment to push people into an imported vehicle which is no more fuel efficient than a domestic.

If people want to buy an imported vehicle, that is their judgment, that is their business, but for us to have a structure which pushes people in that direction because we constrain the number of larger vehicles which the American manufacturers can produce,

although they are equally efficient and many times more efficient in terms of fuel than the imports, it seems to me does not do anything for the environment and it costs American jobs. That is something we should avoid. We ought to take the time to avoid it.

We ought to have a regulatory process where people can look at the disparate impacts on various manufacturers, as well as all of the other criteria which ought to be used, such as vehicle safety.

I will read a couple of statements from the National Academy of Sciences study relative to safety. Page 27: The downsizing and downweighting of the vehicle fleet that occurred during the 1970s and early 1980s still appear to have imposed a substantial safety penalty in terms of lost lives and additional injuries. Page 70: There would have been between 1,300 and 2,600 fewer crash deaths in 1993. That is the year they studied. They picked the year, not me. They picked the year 1993 to look at the impact of CAFE on safety. The National Academy of Sciences said—not the American auto industry, not the insurance industry but the National Academy of Sciences—there would have been between 1,300 and 2,600 fewer crash deaths in 1993 had the average weight and size of the light-duty motor vehicle fleet in that year been that of the mid-1970s.

Similarly, it was estimated there would have been 13,000 to 26,000 fewer moderate-to-critical injuries. These are deaths and injuries that would have been prevented in larger, heavier vehicles given their improvements in vehicle occupant protection and the travel environment that occurred during the intervening years.

In other words—and this is the bottom line for me—these deaths and injuries were one of the painful tradeoffs that resulted from downweighting and downsizing and the resultant improved fuel economy. Painful tradeoffs. Should somebody consider that? Is it worth considering between 1,300 and 2,600 deaths in 1993? That is the typical year they picked. Should that not be at least a factor on the scale?

It is not on the scale in the language that is in the substitute before us. We want to put it on that scale. There is no one of these factors which by itself ought to result in any particular outcome. All of these factors ought to be weighed, but that is not what is in the substitute. In the substitute is a number, arbitrarily selected, which in the judgment of some—and we do not know how, we do not have a committee report to help us through that mine field. All we know is we have a number and then we are told that is reasonable; they can do that.

Look, they can produce vehicles that get 40 miles per gallon. Sure, they can. They can produce electric vehicles which even do better than that. The question is, Are there people who want to buy them? That is always the question. In trying to determine that, do we want to try to factor in what is the cost?

I urge people to take a look at the National Academy of Sciences tables when it comes to costs. They are complicated, they are technical, but they are worth looking at.

Now, the National Academy does not conclude what a new CAFE number should be. We should set the policy, it says, and we are. In this amendment, we are setting the policy. Our policy is, we want to rely more on positive incentives. Our policy is, we want to increase fuel economy. Our policy is, we want to look at a lot of provisions which are relevant to the question of what the new CAFE numbers should be; not just the one factor which the proponents of the language in the substitute rely on, which is potential technological feasibilities, but other factors: costs, safety, adverse effects on relative competitiveness of manufacturer, effect on U.S. employment and the National Research Council's entire report.

I talked about the disparate effects.

The amendment I have made reference to I would now send to the desk on behalf of myself, Senators BOND, STABENOW, and MIKULSKI.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside, and the clerk will report.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for himself, Mr. BOND, Ms. STABENOW, and Ms. MIKULSKI, proposes an amendment numbered 2997 to amendment No. 2917.

Mr. LEVIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. LEVIN. The National Academy of Sciences report also makes some references to these disparate impacts on different manufacturers of CAFE, and this is what they say on page 102: That one concept of equity among manufacturers requires equal treatment of equivalent vehicles made by different manufacturers.

Equal treatment of equivalent vehicles made by different manufacturers seems pretty reasonable to me. This is what they say about that: The current CAFE standards fail this test. If one manufacturer was positioned in the market selling many large passenger cars, thereby was just meeting the CAFE standard, adding a 22-mile-per-gallon car would result in a financial penalty or would require significant improvements of fuel economy for the remainder of the passenger cars.

Then they also say on page 69: A single standard that did not differentiate between cars and trucks would be particularly difficult to accommodate. On page 15: For foreign manufacturers, the standards appear to have served more as a floor towards which their fuel economy descended in the 1990s. This is the result of CAFE. This is the additional sales of large pickups and SUVs which would be allowed under CAFE under today's standard because of the way it is based.

GM, again whose vehicles are equally fuel efficient class by class with their imported competitors: Toyota and Honda, zero. They are up to the limit. Because of the fleet mix, Toyota can sell 312,000 additional, Honda 324,000 additional. If one adds credits which have been built up over the years to that, it reaches, I believe, a million. That is the CAFE system.

Should somebody look at that system? Is that a system which is worth looking at again to see whether or not in fact it has these kinds of disparate impacts?

The National Academy acknowledges that the current CAFE standards fail the test of manufacturers of equivalent vehicles receiving equal treatment.

That ought to be enough, it seems to me, to say we should take another look at the CAFE structure. Someone ought to take another look at it. There ought to be a regulatory process where people can come in, make arguments, where people who have the responsibility to look at all the criteria weigh the criteria, publish a proposed rule for comment, and get comment on it. That is not what is proposed in the substitute. It is proposed we get an arbitrary number and say that is what it will be because some people think that is doable. Some people here, apparently, and some of the outside folks they rely on think that is doable.

That is not a rulemaking process, it seems to me, that looks at all the criteria that need to be looked at when we have something as important as this is for the economy of this country.

I will be happy to answer questions of my friend from Massachusetts if they are still on his mind after I close.

In conclusion, the stakes we have are huge for the environment and for the economy. I have been sensitive to the environment all my life, coming from a State where the environment is absolutely critical, where water and air mean everything. We are in the middle of the greatest batch of fresh water in the world, the Great Lakes. We care deeply about it. We are a State where environment is high on everybody's list.

I will take a back seat—since we are talking about vehicles—to nobody when it comes to my belief we should protect the environment. I believe we can protect the environment in a way which does not negatively impact our economy if we will do it the right way, if we will go at this the right way, with greater emphasis on positive incentives, but greater caution, before we pick a number which we then impose on an industry, particularly when we know from the NAS study that the CAFE system has not been equitable, that it treats equivalent vehicles of different manufacturers in an equal way.

We can fix that—it will take a little time—if we will turn this over, with a fixed calendar and schedule, to a regulatory body which has the responsibility to do this, and then watch them go through a process, issue a regulation, publish that regulation, either adopt it or veto it under existing law, and if they do not comply with the calendar we set for them, we then have an expedited process here to consider alternatives, including those offered by my good friend from Massachusetts and my friend from South Carolina.

I yield the floor.

The PRESIDING OFFICER (Mr. CARPER). The Senator from Michigan.

Ms. STABENOW. Mr. President, I rise this afternoon to strongly support the Levin-Bond-Stabenow-Mikulski amendment.

First, I thank my colleague from Michigan for all his leadership and hard work on this proposal which I believe strikes a balance to be able to bring together the common goals of increasing fuel efficiency and also making sure we are protecting jobs and supporting the growth in the American economy. I support and thank my friend from Missouri for his hard work and leadership on this issue as well.

I begin by saying that this debate is not about whether or not we should increase vehicle fuel efficiency. I agree with Senator KERRY about the importance of creating more fuel efficient cars and SUVs, not only because it would decrease our oil consumption and our dependence on foreign oil, but because of the important benefits it has our environment. What this debate is really about is what is the best way to increase fuel efficiency without having negatively affected U.S. manufacturers and American jobs.

Before I discuss the Kerry-McCain CAFE proposal, I address the myth that the Big Three's vehicles are not as fuel efficient as their foreign competitors. When CAFE was first enacted as a part of the 1975 Energy and Policy Conservation Act over 25 years ago, the Big Three were criticized for lagging behind their foreign competitors by making bigger, less fuel efficient cars. A lot has changed since the CAFE system was first implemented and this is not your mother's Big Three. When you compare foreign and American vehicles that are in the same weight and class, the American vehicles are as fuel efficient, and often more fuel efficient than their foreign counterparts.

For example, the Toyota Camry, one of the most popular cars in Toyota's fleet, is less fuel efficient than all of its Big Three competitor passenger cars we compare. Both the Ford Taurus and the DaimlerChrysler Concord have a city/highway fuel economy of 23 miles per gallon, which is 1 mile per gallon more fuel efficient than the Toyota Camry. The GM Impala has a city/highway fuel economy of 25 miles per gallon—it is 2 miles per gallon more fuel efficient then the Toyota Camry. This is true across the Big Three's fleets—pound for pound, as my colleague from Michigan likes to say, American cars are as fuel efficient as their foreign competitors.

This is true even for the biggest, heaviest American SUV. This chart shows the fuel economy of the largest SUV models, all of which have larger, more powerful engines. All of the Big Three SUVs have better fuel economy than the Toyota Land Cruiser Wagon. The DaimlerChrysler Durango, Ford Expedition, and GM K1500 Suburban have a city/highway fuel economy of 15 miles per gallon, which is 1 mile per gallon more fuel efficient than the Toyota Land Cruiser Wagon.

The question becomes, with all of these more fuel efficient vehicles in their fleets, why does the Big Three have a lower CAFE number than its foreign competitors? It is because the CAFE system does not reflect the real fuel economy of the cars and trucks in an automaker's fleet; instead it really reflects what vehicles consumer purchase. The CAFE number does not reflect the fuel economy improvements of each vehicle; instead CAFE represents the averaged fuel economy of an automaker's entire fleet which depends on how many of each model consumers actually buy. Therefore, an automaker can increase the fuel efficiency of all of their vehicles but still have a declining CAFE average depending on what models sell the most.

For example, over the past 3 years GM has introduced new truck and SUV models that are more fuel efficient than the models they replaced. They are introducing more fuel-efficient trucks and SUV models than the models they replaced. But GM's light truck CAFE number has either remained flat or actually gone down.

This is the bizarre situation that Senator LEVIN talked about. That doesn't make any sense. But in 2000, GM introduced reengineered full-size SUVs—the Chevrolet Tahoe and the GMC Yukon—which have an increased fuel economy of 4 percent over the models they replaced. The more fuel efficient 2000 models sold were 190,000 more than the previous models, but the GM's light truck CAFE number actually decreased because of increased sales of these more fuel-efficient SUVs.

That doesn't make any sense. That is why we are objecting to the current process for CAFE.

Let me talk about another chart.

In model year 2000, GM's combined car and truck CAFE average was 24.2 miles per gallon. For model year 2001, GM made fuel economy improvements to eight different vehicles in their fleet—the Ventura, the Park Avenue, the Bonneville, the Impala, the Grand Prix, the DeVille, and the Aurora. For all of these models, the fuel efficiency numbers went up.

Some of the vehicles had a 17-percent, 19-percent, or 6-percent improvement in fuel economy over the models of the previous years. But do you know what GM's combined car and truck CAFE average was for model year 2001? It was 24.2, the same as model year 2000. GM improved the fuel economy of eight vehicles, and their CAFE numbers stayed the same. How does a system that does not reflect actual improvements in vehicle fuel economy and penalizes automakers for doing the right thing make any sense?

The proposal of Senator KERRY and others builds upon this flawed system and further compounds the anti-competitive and discriminatory impact on our Big Three automakers. Currently, the Big Three automakers make a higher proportion of trucks than cars. Because of their product mix, this CAFE proposal creates impossible fuel economy targets for U.S. automakers without really affecting the foreign competitors, which is a major concern for me.

DaimlerChrysler, for example, has a fleet mix of approximately 65 percent light trucks and 35 percent passenger cars. Assuming we close the so-called SUV loophole and DaimlerChrysler's light truck fleet achieved 28 miles per gallon, its passenger car fleet would have to average over 76 miles per gallon to achieve the 36-mile-per-gallon fleetwide average.

That is the problem with CAFE. However, Honda, which has a fleet mix of approximately 20 percent light trucks and 80 percent passenger cars, would only have to achieve a passenger car fleet average of 38 miles per gallon to achieve that same 36-mile-per-gallon fleetwide average.

There is something wrong with this picture. Furthermore, this CAFE proposal will not guarantee a more fuel-efficient SUV. But it will guarantee that the SUV will be made by Honda or Toyoto instead of an American-made auto company.

I can tell you as someone coming from the great State of Michigan that this is not something the people of my great State want to see happen, nor should we want it to happen nationally. The impact is serious for us in terms of jobs and the economy. Foreign manufacturers already control a large share of U.S. car sales. Trucks and SUVs are the last domestic stronghold, but the same shift to foreign manufacturers is already evident in the truck market.

This CAFE proposal places an anti-competitive cap on how many trucks and SUV's the Big Three can produce, but leaves their foreign competitors unencumbered to expand into the truck and SUV market. Competitors with fewer sales in the truck and SUV market would be able to increase their sales in this area resulting in a transfer of market share, without a net gain in fuel economy. For example, Toyota can produce up to 250,000 more Tundras today, without increasing any vehicle fuel efficiency and without going below the currently mandated CAFE requirements. Imagine how many more Tundras Toyota could build under this CAFE proposal while our American

automakers are restrained from competing in that important market.

These foreign competitors also have more CAFE credits built up from previous model years due to their mainly smaller vehicle mix. By applying these credits to future model years, foreign automakers would be able to further fill the demand for larger vehicles that would be left unmet by the restraints placed on our American automakers. For example, at the end of model year 2001, Toyota has about $140 million in CAFE credits. This would allow Toyota to produce up to 1.1 million Tundras at current CAFE standards before exhausting its built-up credits.

The Kerry-McCain proposal also does not address the pick-up truck problem in any meaningful way. The Kerry-McCain proposal would exempt heavy duty pick-up trucks weighing between 8,500–10,000 pounds, but that is just a restatement of current law because trucks in this weight range are already exempted from CAFE. This proposal fails to address the concerns of farmers, ranchers and other pick-up truck consumers, since the overwhelming majority of pick-up trucks would fall below this 8500 pound limit.

I want to stress that I am not advocating that we protect the Big Three from market competition. I am not supporting a freeze on CAFE standards because I do not believe the Big Three should avoid producing more fuel efficient cars and SUVs.

We are not arguing about a freeze. We are talking about a better way to do this that moves us forward and that gets us to where we all want to go in a way that does not penalize the domestic automakers and cost jobs.

But like a CAFE freeze, this proposal also protects a group from real market competition and thwarts increases in fuel efficiency; however, the group that this proposal protects is not the Big Three, but their foreign competitors like Honda and Toyota.

It is also important to remember that the 36-miles-per-gallon number in this CAFE proposal is not anywhere in the National Academy of Science's report. Even under the optimistic scenarios in the NAS report, which assume that consumers are willing to recover the higher costs of the technology over a 14-year period instead of a 3-year period and assume ''average'' technology costs, only subcompact passenger cars are projected to reach the 36 mpg within the 10–15 year timeframe. Under these optimistic 14-year payback and ''average'' costs projections, the highest level for any light truck, which is for small SUVs—is only 32.6 miles per gallon. This CAFE proposal sets a number that according to the experts at NAS, only a smallest passenger car could meet!

This proposal legislates a market advantage for foreign automakers, while in essence forcing a production cap on our American automakers' most popular vehicles.

The EV–I—an electric car—was produced not 10 minutes from my house in Lansing, MI. That plant was closed because they weren't getting enough volume in production. People weren't buying it. We need to find ways to make that more attractive, which is what our proposal does by helping with infrastructure, bringing the price down, and creating more volume.

Our American automakers will be forced, unfortunately, under the underlying proposal, to respond in a number of undesirable ways to meet this unrealistic overall CAFE number, all of which make them less competitive in the car and light truck market.

First, they will be forced to cut vehicles from their fleets or place a production cap on certain cars, which will result in more layoffs and plant closures, I fear.

For example, if GM addresses the fairly immediate 3-mile-per-gallon increase in the light truck standard by simply eliminating its least fuel-efficient products, seven plants in five States employing 38,000 auto workers and 154,000 auto and supplier jobs would be at risk. And GM's sales volume in the light truck market would be reduced by over 1 million vehicles.

Our U.S. automakers also could be forced to strip their vehicles of features consumers want, such as engine size and power to meet this high CAFE number, giving foreign automakers that will not have to eliminate these features a huge competitive advantage.

Lastly, they could reduce the weight of cars, which will compromise vehicle safety, as has been talked about before, since producing smaller, lightweight vehicles that can perform using low-power, fuel-efficient engines is the most affordable way for automakers to meet the CAFE standards. None of these options are good for our American automakers or for our consumers.

Placing U.S. automakers at a competitive disadvantage by penalizing their most popular vehicles will lead to more layoffs and a weaker U.S. auto industry. And we certainly do not need this at this time or any time. It is apparent to all of us debating this issue that the auto industry is not at its economic strongest right now. Practically every week one of our U.S. automakers announces another round of layoffs. Over the past year, our big three automakers—GM, Ford, and DaimlerChrysler—have announced almost 70,000 layoffs and job cuts and 11 plant closures. That is 70,000 in 1 year. Our domestic automakers have already been severely weakened by the current recession. I fear that the underlying proposal to raise CAFE standards will only exacerbate this problem by placing uncompetitive restrictions on our U.S. automakers without effectively increasing vehicle fuel economy.

In Michigan, over 1 million people are either directly or indirectly employed by our domestic auto industry. While the economic impact is particularly devastating in Michigan, this is not just a Michigan issue. The auto industry is the largest industry in the United States and creates over 6.6 million jobs directly or indirectly.

Our amendment—the Levin-Bond-Stabenow-Mikulski amendment—increases vehicle fuel efficiency without placing anticompetitive restrictions on our U.S. automakers. This amendment helps decrease our fuel consumption and dependence on foreign oil in the short term by increasing CAFE for light trucks and cars. But, most importantly, the amendment looks to the future, which is something we all want to do, and provides the market incentives and investments in developing technologies such as hybrids, fuel cells, and clean diesel vehicles that will really revolutionize the American automobile industry.

The amendment directs the National Highway Traffic Safety Administration to complete a rulemaking to increase fuel efficiency for light trucks within the next 15 months and for passenger cars within the next 24 months, but it also requires NHTSA to consider the flaws that we have been talking about today in the current CAFE system as they do this rulemaking. NHTSA would examine important issues that have been talked about, such as adverse competitive impacts of CAFE on our U.S. automakers, impacts on U.S. employment, technology costs, and necessary lead time, the effects of vehicle safety, and the effects on the environment before setting a CAFE number, not after.

The CAFE proposal in the energy bill puts the cart before the horse, I fear, and sets a 36-mile-per-gallon number before having NHTSA have the opportunity to examine all of these factors.

We need to let the experts at NHTSA do their job. NHTSA is properly equipped to address the fundamental changes that have occurred within the industry over the last several years, and to evaluate our current economic situation, technology, and capabilities regarding a higher CAFE standard.

In the past, Congress has enacted a CAFE freeze preventing NHTSA from moving forward with issuing new CAFE regulations. Now that the freeze has expired, we should not interfere with NHTSA's ability to do its job effectively.

Congress also needs to help automakers move in the right direction instead of pulling them in the wrong direction. Foreign and domestic automakers have already invested millions of dollars in developing cleaner, better technologies. These investments are starting to pay off for the American consumer.

For example, DaimlerChrysler will be producing a hybrid electric Dodge Durango SUV starting in 2003, which will have 20 percent better fuel economy than the conventional Durango, without compromising safety or comfort. A hybrid electric version of the DaimlerChrysler Dodge Ram pickup truck also will go into production in

2004. Ford is currently developing a hybrid Ford Escape SUV which will be capable of being driven more than 500 miles on a single tank of gas.

In addition to these great technological developments, automakers have been working on fuel cell vehicles which could revolutionize the automobile sector within the next 15 years. The CAFE proposal in the energy bill will force automakers to divert funding and research away from these important technological advances and make meeting these incremental CAFE increases a funding and research priority. That is a major concern of mine. They are moving in the right direction. The underlying Kerry proposal would force them to change direction to meet some shorter term goals. This CAFE proposal also locks the automakers into a rigid fuel efficiency plan for the next 10 years, setting back the progress they are making putting these important technologies into place.

Instead of placing restrictions on what our automakers produce, we should be looking for ways to help them introduce these better, cleaner technologies. The Levin-Bond amendment includes these incentives, such as Federal fleet purchase and alternative fuels requirements and a real Federal investment in hybrid, clean diesel, and fuel cell research and development—all the things we know have to happen.

The amendment requires that 10 percent of the light-duty trucks in Federal fleets be hybrid vehicles by 2007, and requires the Federal Government to use alternative fuels in all of their dual-fueled vehicles. The amendment also increases funding for the Freedom Car Initiative for fuel cell vehicles by 40 percent.

Finally, the Levin-Bond alternative includes important consumer tax credits for electric, hybrid, and fuel cell vehicles, which will be offered in a separate amendment. These tax incentives will help create and build market demand for the most efficient hybrid, electric, and fuel cell vehicles, instead of locking automakers into costly incremental CAFE increases.

I urge my colleagues today to vote for the Levin-Bond amendment and support increased fuel efficiency and a vibrant, economically healthy U.S. auto industry.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise as an enthusiastic cosponsor of the Levin-Bond amendment on these CAFE standards.

Our amendment, I believe, provides a strategy for energy conservation while safeguarding American jobs. I believe in energy conservation. I believe it is an absolute national necessity. But I also believe in job conservation—American job conservation.

I believe we can improve the fuel efficiency of our cars without sticking a knife through the hearts of our Nation's auto workers.

I believe we can do it by applying four criteria. These are criteria I know the Presiding Officer has helped develop. We need to achieve real savings in oil consumption. We need to preserve U.S. jobs. And whatever we do must be realizable and achievable. That means giving companies a reasonable lead time to adjust their production, to develop, test, road test—not laboratory test—and implement new technologies. What works well in the lab doesn't always work so great on the beltway.

We also have to create incentives to enable companies to achieve these goals. Incentives are a favorable tax policy. I don't believe the Kerry-McCain proposal meets those criteria, but I do believe the Levin-Bond amendment really does.

In terms of the Kerry-McCain language, as I understand it, it will require a 50-percent increase in CAFE standards to reach 36 miles a gallon by the year 2015, enabling the National Highway Transportation Safety Administration to combine car and truck fleets into one category. You have to listen to that. It would combine car and truck fleets into one category—that means we take apples and oranges and say that fruit salad is the same—creating a single standard for both cars and trucks that would help foreign car manufacturers and penalize U.S. automobile workers for selling vehicles that we Americans are absolutely buying.

Why would this help foreign car makers? When you look at the fuel mileage or the achievement in mileage, European and Japanese automobile companies in various categories roughly achieve the same fuel consumption standards, but foreign manufacturers sell many more small cars. They not only sell small cars, they sell microcars, those really little cars that look as if they are golf carts on wheels. Then when you include their SUVs and light trucks, their average fuel efficiency standard is lower—not because their SUV fuel efficiency standards are lower or that their light trucks are lower, it is because they sell more of these microcars. That is why they are able to comply with higher CAFE standards.

I believe we do need conservation. There is no doubt we need to reduce our dependence on foreign oil. We all acknowledge that half of our oil is imported. A quarter of our oil is imported from the Persian Gulf. We know we need to reduce our dependence. But we could do it through the kinds of recommendations made in the Bond-Levin amendment.

Before I go on to talk about Bond-Levin, let me talk a little bit about the Kerry-Hollings proposal. I know my colleagues have worked very hard on this, and we all share the same national goals. But how we get there I am not so sure is in the national interest.

First, it is unfair to American workers because it gives foreign manufacturers a leg up in the middle of a recession. It is arbitrary, and it is also unattainable, setting very aggressive standards on too short of a time line. And it would limit consumer choice by effectively capping the sales of light trucks. There are other ways to achieve fuel conservation.

I want to come back to the whole idea about foreign car companies producing smaller cars and that is what their customers buy. There is no doubt that Americans are buying these microcars. There is no doubt about it. They are usually younger or older or often a second car in the family. For middle-class families, though, they are not the core car. The core car is an SUV or a minivan. I will talk about that in a minute.

When we talk about, again, achieving those standards, putting everybody and everything in the same category, quite frankly, it is like putting a bagel in with strawberries, and the strawberries are lower in calories and the bagel is not, and saying, we are going to have the average of calorie consumption. Do you follow that? Or raspberries. I think a lot about this amendment—some of it is raspberries.

We need to recognize that over the past decade the U.S. car manufacturers have struggled to meet CAFE requirements across a full line of vehicles in both cars and trucks.

American consumers are really obsessed with safety. This is why many of them are turning to a larger car. The Kerry-McCain amendment does effectively cap the sale of light trucks, since the default level for light trucks is not achieved by any light truck on the road today.

Some people are talking about exempting the light trucks. I am for that. If there is a pickup truck waiver, I am going to vote for it. But very often that is a guy thing, though many women do drive light trucks. But most women are driving minivans and SUVs. A couple years ago, all we who hold elective office were very busy chasing the soccer mom. We wanted the soccer moms' vote. But while we were chasing the soccer moms, the soccer moms were chasing after car companies that made SUVs and minivans. And why do American women love SUVs and minivans? Because they need increased passenger capacity and they want increased safety.

When you are a soccer mom and you are picking up the kids or you are carpooling or have kids with gear, such as the soccer kids, or the lacrosse kids or the ice-skating kids, they come with their own gear. Some children have backpacks as large as a marine going off to Afghanistan. Those mothers need large capacity.

Do you know what else they need? They need passenger safety. They want to have a bulkier car in order to be able to protect their children on these highways and byways that we are now constructing. Anyone who rides the 495 beltway in Washington or 695 in Baltimore knows we face big trucks; we face

road rage. Mothers want to be in the functional civilian equivalent of a Humvee. Why? Because they are scared. They are scared for their children and for their safety. So they go big and they go bulk.

Do we approve of it? Would we like better fuel efficiency? The answer is, absolutely, yes. I know a lot about these minivans because General Motors makes two of them, the Chevy Astro and the GMC Safari, right in my hometown of Baltimore. Right this minute at Broening Highway in Baltimore, there are 1,600 employees working to produce these Astro and Safari vans. In 1 year they make 80,000 vehicles. That keeps 1,600 workers happy and 80,000 consumers happy.

That 1,600 sounds like a lot of jobs. In 1978, we had 7,000 jobs. We have downsized. We have modernized. We have strategized. But we are down close to 6,000 jobs.

I feel very close to these workers. I grew up 4 miles from this plant. My dad had a grocery store. People who worked at General Motors and Bethlehem Steel were not units of production or those who have to give way to displacements in the info age. They were our neighbors; they are our neighbors.

What did we know about the General Motors plant? It was a union job. We knew it offered a good job at good wages and good benefits. We knew they were good neighbors because they sponsored the little leagues and were one of the largest contributors to the United Fund to be able to help others who didn't quite have the good jobs and the good wages that they did.

For our working men, they could actually go to work and not only put in an honest day but get a fair pay back to be able to raise their families and pursue the American dream.

In my hometown of Baltimore among African-American men, when I grew up, Baltimore was a segregated town. But down there at the steel mill in the UAW line, it is where African-American men went to get a decent job. If you were an African-American male in Baltimore, you had two choices where you could have a decent job, decent benefits, and a chance to be able to move up. It was either a civil servant job, such as at the post office, or it was a union job, such as at General Motors. As more and more women came into the workplace, again, for many women, General Motors was the place to go. We employed the ''Norma Raes'' of automobile manufacturing.

We are talking about honest Americans who get up and work hard every day. They wanted the American dream, and they had opportunities. People with European ethnic heritage and people with African-American heritage had a chance to work hard and move up. Many of them had a chance to go on to higher education, and their children did also. But we now have these 1,600, and when this goes, it goes. When this goes, it really goes. There is nothing else there. We can talk about digital harbor or smokestacks and cyberstacks, and we can be cute and clever; but when this goes, it goes forever.

Now, I am on this floor fighting for those people. Do you know why? Their sons are actually the ones who went to Vietnam, the ones who were in Desert Storm, and the ones who are in Afghanistan. During the Vietnam war, there was no draft counseling in that line. Every time America calls, these kinds of workers step forward. Often, their brothers are our firefighters and our police. These are the ordinary Americans who, every day, are willing to step up.

So while we are talking about hybrids, and while we can nibble at our sushi and talk about the future that is going to be ozone-ready, we have to think about who is going to work in this country and where they are going to work. Do we want to give up on our manufacturing base? I don't think so, and I hope not. Whether it is in Detroit, or Maryland, or whether it is other States that employ them—and we are happy to have the Hondas. I have a UAW plant up in western Maryland that is now part-owned by Volvo. We are happy to have them because they honor their contracts.

But I think we ought to start honoring our contract. We ought to have a contract with the American workers. There is something about America we need to remember: That as we defend America from foreign foes, we need to defend America from the loss of jobs to foreign imports, or to something called CAFE, or let's put everybody in the same pot and measure the standards in the same way.

Mr. President, 1,000 workers were recently laid off at General Motors on a temporary shutdown because of a lot of this. I could go on about those workers, but I think I have made my point. Just remember, when these jobs go, they go, and they will never come back. While we are so busy putting everything on a fast track to Mexico, I will tell you that they go to Mexico first, and then they find Mexico too expensive and they go to Central America, and then they go on to China. So we have to start making some tough choices.

We could go on to talk about the other issues, but I know we also need to look at the other alternative. I believe the Levin-Bond amendment is a very sensible alternative. It really works to reduce our dependence on foreign oil, but it also insists that we look at the effect on U.S. employment; that we look at motor vehicle safety; that we look at the cost and lead time for the introduction of new technology. I believe new technologies will help us lead the way.

I think it also gives us an open-ended dodge ball kind of situation because it gives two dates and time lines to the Department of Transportation. It says we have to increase standards for light trucks in 15 months. It says for passenger cars we have to have a rule within 6 months. It also separates out standards for cars and light-duty trucks. Remember, this is one of the crucial aspects of this amendment. It separates out the standards for cars and light-duty trucks. We can compete with anybody in the world. But where you have a disproportionate thing going on in the market, it renders us almost helpless.

The automakers such as DaimlerChrysler have a fleet that is roughly 70 percent light trucks, while manufacturers such as Honda have a fleet that is less than 30 percent light trucks. I believe the Levin-Bond amendment does it very well.

We need tax incentives on electric vehicles, fuel cell vehicles, and hybrid electric vehicles. Everybody likes them. I will see if they work over time. I have seen a lot of these kinds of cars come and go. Some work very well, some sputter and end up in a junkyard clutter. I don't know where they will go, but I will give them the benefit of the doubt. I want to see the technologies road tested more before they are introduced.

I know others want to speak. I believe we can have energy conservation and job conservation, innovative solutions, improved technology, and the setting of realistic goals. That is what Levin-Bond does. When you look at Levin-Bond, you see that it saves energy, jobs, and it saves lives. For those now who are speaking in the Chamber so passionately about energy independence and why it is in our national security interest, I hope we talk about trade adjustment and start standing up for steel and what we need to do to make sure we are steel-independent. I hope we have the same passion in standing up for our steelworkers. I am going to stand up for those hardhats every day any way I can, whether it is in the automobile industry, or whether it is in the steel industry, and so on.

For all of those men and women who, every day, at plant gates shook my hand—and their hands were calloused, and they would go home with bad backs and varicose veins—BARBARA MIKULSKI is on their side, and I hope the rest of the Senate is also.

The PRESIDING OFFICER (Mr. JOHNSON). The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I have listened with great interest to the comments now of a number of my colleagues—each of those who are the sponsors of the Bond-Levin amendment—and I have really listened with interest because the debate that I think the Senate deserves to have right now is one based on the truth, based on the facts, based on science, and based on history. I have heard some of the most remarkable Alice-in-Wonderland comments in the last few minutes that I find it hard to believe we are really talking about the same thing.

Senator BOND suggested that if we don't accept their amendment, people

are going to actually be driven into getting into golf carts—a string of golf carts—which is not a very efficient way for a family to be transported. I heard another comment that we don't want to push people into imported vehicles. Well, of course, we don't.

I just listened to a very appropriate and distinguished speech about workers in this country. I remember with great pride that moment in 1971 when Leonard Woodcock introduced me to the United Auto Workers and I was inducted as a lifetime member. I don't know anybody who runs for office in this country on a getting-rid-of-jobs platform. I don't know anybody who comes to the floor of the Senate suggesting, knowingly—and I hope not negligently and inadvertently—that a plan they are submitting is going to render Americans jobless.

I am here to defend the workers in Detroit, and in other parts of this country, just as much as anybody else. When I hear the notion invoked about who goes to fight our wars and who comes back as veterans and these are the people who work there—I know those people, and you bet I want them to keep working. I believe they can keep working. There is nothing that suggests that somebody in Detroit cannot make a better car than the Japanese. There is nothing to suggest that a Detroit worker, or one in any other part of the country, can't make a better and more efficient car than the Germans. American workers are the best workers, the most productive workers in the world. Those workers are handicapped by choices made by management.

The worker does not decide what the model is going to be. The worker does not decide which car is going to be manufactured and what the changeover date will be. They report every day and go to the floor. They punch in and make the cars that the designers and the executives give them to make, and they do it well.

I proudly drive one of those minivans. I drive a Chrysler minivan. I think it is a terrific car. It is my second one, and I hope to get another one down the road.

Mr. President, let me tell you something: There is nothing in the CAFE standard that makes me believe I will not be able to drive a minivan at any time in the future. Nothing.

What kind of scare tactic is this? Do you want to put the lie to this, Mr. President? Here it is: ''Coming in 2003. The Ford Escape hybrid electric vehicle, the first high-volume, mainstream alternative to the traditional powertrain in nearly 100 years.'' Bill Ford, chairman of the Ford Motor Company.

Congratulations, Mr. Ford. I hope your stock goes up. I hope you will be recognized as the leading CEO in the country for starting to promote efficient vehicles.

The fact is that on its own Web site, the Ford Motor Company says: ''A vehicle''—I want to juxtapose this. I want to read a paragraph from an editorial in Automotive News. It is about the CAFE hearings in the Commerce Committee, at a time when the industry refused to discuss any notion of improving fuel economy.

I point out this editorial in Automotive News:

> Let's get real. It's time for automakers to deal forthrightly with fuel economy issues. These are not the 1970s or 1980s or even the 1990s. To deny or refuse to admit that there is technology that can reduce fuel consumption significantly is ludicrous. The industry's credibility is at stake.

Let me emphasize, this is Automotive News writing that the industry's credibility is at stake. I urge my colleagues not to be intimidated by these hollow threats.

This is what Ford Motor Company says:

> A vehicle that gives you all the room and power you want, but uses half the gasoline.

Half the gasoline. What kind of situation is this? I do not know how many millions of dollars have been spent in the last weeks on television advertising to farmers that you cannot farm in a compact car. Well, no; whatever. Really? I mean, what a phenomenal concept. People believe that? CAFE standards do not even apply to tractors. They do not even apply to heavy trucks now. And if we do our will in the Senate, they probably will not apply to pickup trucks. What are we talking about here?

The chart of the Senator from Michigan is a very selective chart. It does not show all the vehicles in the mix. I will come back to that in a minute.

We heard a threat about safety. We heard a reading from the National Academy of Sciences about safety. That was page 28 of the National Academy of Sciences. Let me read page 70 from the National Academy of Sciences. It says as follows:

> It is technically feasible and potentially economical to improve fuel economy without reducing vehicle weight or size and, therefore, without significantly affecting the safety of motor vehicle travel.

Those workers in Detroit and elsewhere, about whom we all care, can build the cars of the future. They can build a more efficient vehicle. They can build the hybrid electric SUVs with all the room and all the power one would want and twice the mileage if Detroit will choose to ask them to do so.

That is what this debate is about. It is about the future for our country in national security, on environmental issues such as global warming, and even it is about whether or not we intend to be competitive with the Japanese and Germans because, as I will show, the Japanese and Germans are building vehicles that Americans want and increasingly they are growing the marketplace in the United States.

Let me go to that for a moment, if I may. This is a chart—I do not have it blown up—but this is Toyota's North American operation. In fact, in the last years, we reached a peak of automotive employment in the United States in 1999. We have lost a few workers in the last few years, I acknowledge that, but we did it without CAFE standards. One reason is because the companies moved some plants to Mexico. They do not tell you that.

Even while they are doing that, Toyota and Honda are moving plants to the United States. Look at this map. We have Toyota in New York; Toyota in Buffalo, WV; Toyota in Georgetown, KY; Toyota in Columbus, IN; Toyota in Princeton, IN; Toyota in Huntsville, AL; St. Louis and Troy, MO; Newport Beach, CA; Torrance, CA; Ann Arbor, MI; Freemont, CA; Torrance-Gardenia, CA; Long Beach, CA; Whitman, AZ.

The same pattern can be shown for other automakers. Now they are making something like 600,000 vehicles in the United States. What kind of vehicles are they selling in the United States, even though the Big Three continue to dominate the market? I understand that. But you have to look at trends. You have to look at the direction in which you are moving.

In 1975—and I want to go back to this because this is an important part of the context of this debate. This debate is not just about this moment in time. It has a history and we have to balance the choices we face today against the history of where we have traveled.

I want to show this chart, but let me go to the beginning. Motor vehicle miles in the personal automobile vehicle are at the lowest level in 20 years. We are going backwards in fuel efficiency.

My colleagues say: Oh, we are moving up in this direction; we do not need to have a dictate from Congress; we are going to get there because the automobile industry is going to get there without a mandate.

Let me show the record for the last years. From 1988 until the year 2001, of all the new technologies that were developed by the American automobile industry, 53 percent of those new technologies went into horsepower; 18 percent went into acceleration; 19 percent went into weight; minus 8 percent went into fuel efficiency.

We now have cars on the road that can go 140 miles an hour, even though the speed limit is 65, 70, 80 permissibly in some places. One can only go so fast between stoplights in many cities.

Minus 8 percent on fuel efficiency. I like driving a big car, too. I am just like any other American. Indeed, for a number of years, all of us have been forced to think in the defensive way that has been referred to. You see another big car on the road, you get a little intimidated and say: Gee, if I am going to protect my kids, I am going to have a big car on the road, too.

In fact, what has happened in the last years, according to the National Academy of Sciences that the Senator from Michigan quoted is that the Toyotas and the Honda Civics went from weighing about 1,800 pounds up to 2,600

pounds. The Honda Civic grew in weight, and indeed some of the other big SUVs grew also. It is true if a Honda Civic hits a big SUV, your chances of doing well in the Honda Civic are not as great. I understand that.

The older National Academy of Sciences study, which the Senator relies on when he talks about safety, did not include airbags. It did not include the new standards of restraints. It also did not include what we have in our bill, which are rollover standards, because the biggest single problem for Americans in terms of SUVs is rolling over and being crushed because we have no standard for the roof and for the roll capacity of the car. So the fact is these cars can be made efficient and safe at the same time.

They are trying to scare people with this safety standard. I heard one of my colleagues say we have to do this based on science. Well, it is based on science. It is not arbitrary. This is not a figure picked out of the sky, as one of my colleagues has said. This is a figure that is less than many scientific analysis say we can achieve.

I want to make very clear to my colleagues that this is not a vote between the Kerry-Hollings 35-mile-per-gallon standard and the Levin-Bond proposal. The reason it is not that vote is that Senator MCCAIN, Senator COLLINS, Senator SNOWE, Senator GORDON SMITH, and Senator CHAFEE have joined together with Senator FEINSTEIN and others on our side of the aisle with a proposal that alters the current Kerry-Hollings proposal. It is not my preference, but I understand the votes in the Senate, and it is what we need to do to compromise. It will reduce the standard in the bill today to about 32 miles per gallon if the full trading program is used, which I ask my colleagues to think about.

The current fleet average is about 25 miles per gallon. If we cannot go 7 miles per gallon in 13 years, what can we do? That is the vote. This is a vote whether or not we want no standard at all and you turn it over to NHTSA, which has a long reputation of being managed by administrations and by outside interests and not being able to set the standard. It is not even staffed efficiently enough today to be able to do it. The NAS is in fact better staffed and has had more background research than they have done in years, because on the other side of the aisle in 1995 Speaker Gingrich and the Republicans brought a complete prohibition on the ability of the EPA to even analyze what might be the benefits of raising the standards.

That tells you a huge story. It says what you have is an ongoing process by which the industry is fighting against whichever forum might be the least friendly to it. When Congress might do something, they say go to NHTSA if the administration has a handle on NHTSA. When NHTSA might do something, if they are in control of Congress they say go to Congress; Congress ought to do it.

In 1989 and 1990, they specifically said, we really think NHTSA is the proper place to do this. Then lo and behold, the Republicans controlled the House and the Senate in 1995 and Andrew Card, then representing the automobile manufacturers, said, oh, no, we do not think NHTSA is the right place, contrary to what they had said for the last few years. They said, we had better go to Congress.

What we see today is an effort to congressionally implement the same kind of forum shopping for the least standard possible for the least environmental effort possible.

I want to show a little bit more of this history. My colleagues may not be familiar with the background, but let me point to some of the comments of the industry in the last years as we analyze where we are trying to go.

I also want to put in proper perspective what I said about these advertisements. In the last 3 weeks, this is what the industry has said publicly:

> Make no mistake, the Senate proposals would eliminate SUVs, minivans and pickup trucks. If these proposals pass, the only place you will see a light truck is in a museum.

What they said in 1975 was:

> If this proposal becomes law and we do not achieve a significant technological breakthrough to improve mileage, the largest car the industry will be selling in any volume at all will probably be smaller, lighter, and less powerful than today's compact Chevy Nova, and only a small percentage of all models being produced could be that size.

That was the threat in 1975. That was General Motors. Let me read what Chrysler had to say:

> In effect, this bill would outlaw a number of engine lines and car models, including most full-size sedans and station wagons. It would restrict the industry to producing subcompact-size cars, or even smaller ones, within 5 years, even though the Nation does not have the tooling capacity or capital resources to make such a change so quickly.

Did that happen? Did any of this happen?

Then Ford said:

> Many of the temporary standards are unreasonable, arbitrary—

''Arbitrary,'' that is a word we have heard again—

> and technically unfeasible. If we cannot meet them when they are published, we will have to close down.

The fact is, the industry flourished. The industry met the standards, and more people were employed. The industry actually turned around and became competitive.

Our colleague, Senator FRITZ HOLLINGS, helped write these laws. He was in the Senate then. I expect he will be in the Chamber to talk about that experience. Senator HOLLINGS heard these same arguments, and Senator HOLLINGS said then:

> I am not trying to shut you down. I am trying to save your jobs.

That is in fact what happened. I say the same thing to those workers in Detroit about whom we care. We are trying to save jobs in America by making an industry that is so reluctant to embrace change live up to a standard that will make their automobiles competitive. In fact, the National Academy of Sciences says the cost of doing this is saved to the consumer in the gasoline savings over the lifetime of a car. The gasoline savings will save the differential in cost, in addition to which we are prepared to provide a tax credit to people who buy the efficient cars. So we can make up the difference of cost to Detroit. We can make up the difference of cost largely to the consumer if that is what we want to do. This is not a zero sum game of jobs or national security, protecting the environment, reducing our dependence on oil, and being more efficient, and reducing, incidentally, extraordinary costs to our citizens of the air quality that they breathe.

I might add, if we were to do what we are seeking to do, we would cut global warming pollution by 176 metric tons by the year 2025. There is no other effort in the United States of America that is as significantly capable of adding now to the Clean Air Act efforts already in effect than to try to join the world in being responsible about global warming. That is part of what this vote is about.

The scare tactics being used by the industry today are absolutely no different than the scare tactics they used 25 years ago, when there was a completely opposite outcome from what they predicted. Every scientific input and analysis shows you can create net jobs at no net cost to the consumer with no loss of safety. That is the finding of the National Academy of Sciences.

I would love to see a list of what consumer group in America, what environmental group in America, supports Bond-Levin. What consumer group in this country will say safety is compromised? None. Not one. Why? Because they do not support Bond-Levin.

I will tell you why. Let me read a statement from the two important automobile safety groups in America, the Public Citizen and Center for Automobile Safety, are both supporting a CAFE standard.

This is what they say: The auto industry is using an outdated, inaccurate, and hypocritical argument about safety to try to derail stronger corporate average fuel economy standards. Public Citizen and the Center for Auto Safety have long been two of the strongest voices calling for safer vehicles in the United States. We do not believe that stricter fuel economy standards must cost lives, and we know that a strong fuel economy bill can save lives by changing the nature of America's vehicle fleet.

How does it change the nature of America's vehicle fleet? Very simply: It reverses this trend where all the technology goes into horsepower and acceleration—for cars that already go

twice the speed limit—and puts some of it into weight and fuel efficiency so you actually reduce the largest weight and size. You do not have to give up any capacity within a car. A minivan will stay a minivan. It will still take soccer moms to soccer games. It can still be filled up with whatever the legal number of kids is, and dogs, and all of the paraphernalia of sports. But guess what. It will get to the soccer game costing less money. It will get to the soccer game in a way that repays the cost of the car over the lifetime and may even create greater savings, and savings when our standards for rollover and safety are adopted.

This is the most bogus argument I have ever heard in my life. The history of this issue proves it is.

Honda, in its testimony before the Senate Commerce Committee, said the following: Honda concurs with the dissenting opinion expressed in the National Academy of Sciences report that the data is insufficient to conclude any safety compromise by smaller vehicles. The level of uncertainty about fuel economy-related safety issues is much higher than stated in the record. Significantly, existing studies do not address the safety impact of using lightweight materials without reducing size, especially for vehicles with advanced safety technologies.

I might add that we specifically looked for a rollover proposal that would greatly improve the safety standard.

The other day in the Washington Post there was an analysis by the Washington Post that said the threats of the industry are false. That is the language of the Washington Post.

Although any increase in gas mileage inevitably will come at a cost—

And I have acknowledged that there is some increase in cost—

the estimates of the National Academy are $500 to $2,000 over the period of time.

But the notion that the bill would rid American highways of SUVs and pickup trucks, as some auto industry ads explicitly claim, is false.

I ask unanimous consent that the Washington Post article ''Fuel Economy Turns Emotional'' be printed in the RECORD.

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

[From the Washington Post, Mar. 10, 2002]

DEBATE ON FUEL ECONOMY TURNS EMOTIONAL

With a hearty shove from Detroit, Senate opponents of a bill to raise automotive fuel economy standards—part of broader energy legislation now on the Senate floor—are painting the measure in apocalyptic terms, sketching dire consequences for the nation's armada of SUVs and minivans.

Senate Minority Leader Trent Lott (R-Miss.) calls the proposal—by Sens. John F. Kerry (D-Mass.) and John McCain (R-Ariz.)—an example of ''nanny government'' that would deprive him of the SUV he uses to haul around his three grandchildren.

Sen. Don Nickles (R-Okla.) whose wife drives a Nissan Pathfinder, warns that higher fuel standards will force such drastic reductions in vehicle size and weight that traffic fatalities will increase ''by the thousands.''

And Sen. Zell Miller (D-Ga.) believes the legislation should at least make an exception for pickups, which he described as the ''think tank of rural America'' because ''more problems have been solved on the tailgates of pickup trucks after a long day's work than have been solved anywhere.''

Such emotive language is typical of the unfolding Senate debate on the legislation, which would raise average fuel economy standards for the American automobile fleet from 24 miles per gallon to 36 miles per gallon by 2015. As described by opponents, the measure is an elitist assault on a cherished national birthright that would compromise safety, limit consumer choice and impose undue hardships on Americans who have come to depend on big, powerful vehicles for work and play, especially in rural areas.

As is often the case when Washington debates policy, however, emotions and symbols are getting more attention than substance. Although any increase in gas mileage inevitably will come at a cost, the notion that the bill would rid American highways of SUVs and pickup trucks—as some auto industry ads explicitly claim—is false.

''The fact of the matter is, you might have to use some of this improved fuel efficiency to improve economy rather than increasing performance, but certainly it doesn't mean that you couldn't have an SUV,'' said Adrian Lund, chief operating officer of the Insurance Institute for Highway Safety and a member of a blue-ribbon panel that studied the issue for the National Academy of Sciences last year.

Paul Portney, chairman of the panel and president of the think tank Resources for the Future, called the legislation ''somewhat aggressive.'' But he said it was ''roughly consistent with what the academy identified as being technologically possible, economically affordable and consistent with the desire of consumers for passenger safety.''

He added, ''There are technologies out there that would make it possible, if given enough time, like 10 to 15 years, for [manufacturers] to meet these standards without decreasing the size of the cars or increasing the price too much.''

Those on the other side of the debate, of course, have also been known to gloss over inconvenient data. As the legislation is structured, for example, manufacturers could chose to improve fuel economy not only by technology but also by cutting weight, which could make vehicles less safe, Lund said.

In similar vein, raising the Corporate Average Fuel Economy, or CAFE, standard would force manufacturers to divert resources into fuel efficiency at the expense of performance improvements sought by consumers, such as better acceleration or new dashboard gadgets like on-board computers and satellite navigation systems.

''There are exaggerated claims on both sides,'' Portney said. ''It's certainly not the case that we can ambitiously boost fuel economy and laugh all the way to the bank doing it. It diverts car companies from doing things they would otherwise do.''

But the trade-offs associated with higher fuel economy standards may be less burdensome than some in the auto industry, or Congress, would suggest. For example, the higher purchase cost of a fuel-efficient vehicle would likely be offset by lower gasoline costs over time.

Nor is it clear that stiffer mileage rules would compromise safety. Last month, a consulting firm hired by Honda Motor Co. reported that reducing the weight of cars and light trucks by 100 pounds would actually improve safety, albeit by a ''small and statistically insignificant'' margin. The finding contradicted an earlier finding by the National Highway Traffic Safety Administration that higher mileage standards—and lower vehicle weights—had added to highway deaths.

Such nuances get short shrift in industry ad campaigns. The Coalition for Vehicle Choice, which is backed by the three major auto manufacturers, is running print ads in New Hampshire urging voters to contact their senators on behalf of ''the endangered SUV and pickup.'' The ad shows a snowmobile blasting through a drift above the caption, ''Without SUVs, you're looking at one expensive piece of garage furniture.''

''Imaging climbing an icy mountain, towing your snowmobile, but instead of driving a pickup or an SUV, you're driving a compact car,'' the ad says. ''That's what you could be forced to do, if some U.S. senators get their way.''

A similar ad—paid for by groups such as the U.S. Chamber of Commerce and the National Automobile Dealers Association—shows a forlorn looking man next to an SUV, a canoe strapped to the roof and two small girls sitting on the hood. ''We work hard all year so our family can go fishing and camping together,'' the ads says. ''We couldn't do it without our SUV.''

Many of those arguments were repeated almost verbatim last week on the Senate floor. Lott said the CAFE measure would rob him of quality time with his grandchildren because he likes ''them to be able to ride in the same vehicle with me.''

As it happens, Lott is already doing his part for conservation. He drives Honda CRV, one of the smallest and most fuel-efficient SUVs on the market.

Mr. KERRY. Mr. President, in 1972, 1973, and 1990, each time the auto industry has said: We cannot do this.

They said it about seatbelts. They said it about laminated windshields. They have said it about every single requirement, each time Congress has agreed we ought to try to do these things. This is not arbitrary. Congress has made decisions about safety, fuel efficiency.

We invited Ambassador Stuart Eizenstat to testify before our committee. In 1975, Mr. Eizenstat was the domestic policy adviser to President Carter. He was part of the team that developed the first CAFE standards. His testimony speaks very directly to this issue. I will quote from his testimony. He said: In spite of the obvious merits of the standards, the American automobile manufacturers were opposed to the regulations. I remember their opposition well. In my role as domestic policy adviser to President Carter, I was part of the team that developed the first CAFE standards. Those standards set the fuel economy levels for the period 1977 to 1985, starting at 18 miles per gallon in 1977 and rising to 27.5 in 1985.

He said: I specifically remember a meeting in the Cabinet office with President Carter and the heads of the Big Three automobile manufacturers: Ford, General Motors, and Chrysler, in which all three strongly opposed the imposition of fuel economy standards. They claimed their companies lacked the technology to reach the standard that the administration had in mind.

Does that sound familiar? Yet once the CAFE standards were implemented, all three companies met and exceeded the standards.

I can imagine the pressure you are under from those same companies and others as you consider raising the standards. But as you embark on this process, I strongly urge you to recall our experiences in developing the first set of CAFE standards. You should feel confident that the automobile manufacturers do have the ability to achieve and, in fact, surpass whatever standards you set.

I believe Ambassador Eizenstat has proven himself to be an enormously capable negotiator, and very studious, and I think most people would agree one of the most thoughtful contributors to positive dialog in the political process in this country. He said we should do this; we can do this. He testified before the committee, as, I might add, did countless other entities in this country that were affected one way or the other by the potential of this change.

Mr. MCCAIN. Will the Senator yield?

Mr. KERRY. I am happy to yield.

Mr. MCCAIN. Is it true, in the view of the Senator from Massachusetts, that various claims have been made over the past several years, particularly back in the 1970s, the last time CAFE standards were increased, in fact, these comments were tantamount to the end of Western civilization as we know it? Is there a strange similarity between those comments made in the 1970s and those made today? Has the Senator noticed that?

Let me give an example, Daimler-Benz senior vice president, from the New York Times: We are facing a radical and unrealistic proposal. The proponents are being dishonest. You cannot get 35 miles per gallon and still have sport utility vehicles and minivans.

Bill Burke, the No. 3 man at Ford, in June 1976: In a year to 18 months, I see a rising demand at the small end. It will be pretty hard for any but pint-size cars to get that kind of mileage.

Mr. Morrison, GM spokesman, said it would be virtually impossible to meet standards resembling that. We will have to tear our product line up.

In 1974, a Ford representative said before the Senate Commerce Committee, on which Senator KERRY and I serve, that CAFE will require the Ford product to consist of either all sub-Pinto-sized vehicles or some types of vehicles ranging from a subcompact to perhaps a Maverick.

The spokesman for the Alliance of Automobile Manufacturers said that if these proposals pass, the only place you will see a light truck is in a museum.

Is there a haunting similarity between those comments made back in the 1970s and today that the Senator from Massachusetts may have detected at the same time the Ford Motor Company advertises a 40-mile-per-gallon SUV by the year 2003? Does the Senator find a certain irony in these historical perspectives on this issue?

Mr. KERRY. Mr. President, let me say to the distinguished Senator from Arizona that each and every one of those comments is just a mirror image of the comments being made by the industry today.

As I mentioned before the Senator came to the floor, I read an editorial which came from one of the automotive magazines that specifically said the industry's credibility is on the line and that they have to get serious.

I met with some of the industry's representatives. I talked to Mr. Ford on the telephone for a few minutes. I said I thought it would be good if we tried to get together and do something thoughtfully.

I asked the industry this question: Is it possible for you to agree that you could get 1 mile per gallon over the next 30 years? They absolutely refused to acknowledge they could get 1 mile per gallon. Why? Because they simply want this issue to go over to NHTSA where they believe they have the ability to have more impact and control the outcome.

The Senator's question is right on point. These are the exact same scare tactics.

The Senator from Missouri came down here and suggested that people and soccer moms will have to drive in a long line of golf carts because they could not drive their minivans. With all due respect to the Senator from Missouri, that is one of the most ridiculous things I have ever heard in my life. The fact is, Ford Motor Company has an ad showing the SUV with all the room and all the power. A soccer mom could get in it and get 40 miles to the gallon, and a minivan can drive with the same engine, or even a better one.

In Europe today, they are making diesel engines that get 40 or 50 miles to the gallon. Shame on the United States. Our automobiles aren't able to give our drivers that kind of gas savings and performance. Why not? We are anxious to try to get our cars that kind of mileage. I want a UAW worker producing that car ahead of some worker in Germany or in Japan. I want our automobile industry to be the industry that is selling those vehicles. The workers in Detroit ought to be rising up not about CAFE standards; they ought to be knocking on the doors of the executives and saying: Why aren't we building better cars, bigger cars, and cars with more improved fuel efficiency? You could build a bigger car—even bigger than the ones we have today.

Incidentally, some Suburbans, one of the biggest vehicles of all, doesn't come under the CAFE standards right now. You can buy all the Suburbans you want. You can buy a heavy duty truck that is under the exemptions.

Mr. MCCAIN. Mr. President, will the Senator yield for another question?

One of the aspects of this issue that has to some degree been ignored in our desire for comfort and convenience for the American people is the issue of health aspects. I wonder if the Senator from Massachusetts is familiar with the problem that we have in my home State of Arizona, particularly in the valley where 3 million people reside in the sixth largest city in America. The Arizona Republic, a few days ago on March 9, had an editorial entitled ''Legislature Must Attack Brown Clouds.'' It said:

We've always known the Valley's Brown Cloud is ugly and unhealthy. Now we know it can be deadly.

A new study indicates that years of breathing that haze of particulate pollution will significantly raise a person's risk of dying of lung cancer and heart attack.

For lung cancer,the risk is the same as living with a cigarette smoker, according to a report published this week in the Journal of the American Medical Association. The study, funded by the National Institute of Environmental Health Sciences, is compelling because of its breadth: Researchers followed half a million people across the country over two decades.

While the Valley has made strides in reducing carbon monoxide and ozone pollution, we've had trouble getting a handle on pollution from airborne particles.

No, it's not just desert dust. The most dangerous particles are much smaller, 2.5 microns or less, so tiny that it takes at least 28 to equal the diameter of a human hair. These ultra-small particles, which wreak havoc by penetrating deep into the lungs, come from combustion.

In the East and Midwest, the biggest culprits for such particulate pollution are coal-burning power plants. So it's worrisome that the Bush administration is considering changes in the rules for power plant expansion that could bring increased emissions.

Here in the Valley, as elsewhere in the West, a big part of our particulate pollution spews out of tailpipes.

I am not sure. I wonder if the Senator from Massachusetts thinks it is fair for us to address this issue of emission standards without discussing at length the abundance of information concerning health risks to the American people. I have a chart here on sources of carbon monoxide. In Phoenix, AZ, on the road, Mobile, it is 64 percent.

There is another article that I have here of February 1, 2002:

Study Links Smog To Rise in Asthma Cases of Children Who Play Outside.

Guess what States, according to this study, generally speaking, have the highest chronic pollution level in the United States. They are Arizona, California, Georgia, Indiana, Michigan, Missouri, New York, North Carolina, Pennsylvania, and Tennessee.

I wonder if the Senators from Michigan and Missouri are concerned about the fact they are on the top 10 list of pollution problems which cause health problems and difficulties to their citizens.

I wonder if the Senator from Massachusetts agrees that there are compelling health issues here that have to be addressed as a result of the fact that we failed to enact simple, fairly easy changes in our emission standards

which would, perhaps, in the case of one study, save between 650 and 1,000 lives just in Phoenix, AZ, alone.

I am curious if the Senator from Massachusetts believes that perhaps we might be neglecting an important factor in the pollution of places such as my home State of Arizona where people were once sent because they had respiratory problems. Now we have pollution problems that are causing risks to people's health. A lot of that pollution is directly related to that, as the Arizona Republic says, ''spewing out of tailpipes.''

Mr. KERRY. Mr. President, I appreciate the question very much. I was not aware actually of the particular study to which the Senator has referred. But I appreciate it enormously because he is absolutely correct that the health issue is one of the most important issues.

I call my colleagues' attention to the fact that the existing CAFE standards—the ones we passed in 1975—cut gasoline use. By cutting that gasoline use, incidentally, we cut almost the amount we were then importing from parts of the gulf. But we reduced the amount of hydrocarbon emissions, which is a key source of smog, and which is a key source of particulates, as the Senator from Arizona has just described, which particularly affects seniors and children. It affects all adults, but particularly we have seen an increase in the rise of asthma among children in the United States because of the quality of air that is being breathed.

Higher gas mileage cars and trucks played a key role in virtually eliminating smog in Denver, which during the 1980s, as everybody knows, had a dangerous level of pollution. Los Angeles also gained enormously. And there is a huge gain in public health for the elderly and all asthma sufferers in the country.

I thank the Senator from Arizona. He is absolutely correct.

(Mr. CORZINE assumed the chair.)

Mr. MCCAIN. Finally, I ask the Senator from Massachusetts if he will yield for another question.

Mr. KERRY. I am happy to yield for another question.

Mr. MCCAIN. I wonder if the Senator from Massachusetts would support a proposal that would force any American family to give up a sport utility vehicle. I would wonder—in fact, I am the proud owner of sport utility vehicles. I wonder if the Senator from Massachusetts would not join all of us in seeking Ford Motor Company to live up to their advertising in developing a 40-mile-per-gallon sport utility vehicle, which I would be one of the first to buy.

Wouldn't we reduce some of this rhetoric that has been going on since the 1970s on the part of the automobile manufacturers? And if my memory serves me correctly, every single step of the way—from CAFE standards, to airbags, to seatbelts—the automobile manufacturers have said they were unable to comply, at least initially, whether it be in safety or whether it be in CAFE standards or any other improvement.

So would the Senator agree with me that if there were any prospect of reducing the options of the American people, if there were any prospect that we were doing anything other than encouraging what is mostly existing technology to be implemented by the automobile manufacturers of America, we would not be proposing this legislation?

The fact is that for every single improvement the automobile industry has made in America, they have been dragged, kicking and screaming, every step of the way. And we have just been over some of those quotes over a period of many years.

So I wonder if the Senator from Massachusetts would respond, again, to the really almost irresponsible charges that have been made, particularly by the manufacturers, about the catastrophic events that might take place, when the fact is, we support strongly the ability of Americans to have a wide choice in their use of conveyance, particularly those of us in the West who travel long distances with our families.

Mr. KERRY. Mr. President, I really welcome that question. I appreciate it from the Senator.

Let me personalize it a little bit.

I drove a Lincoln Navigator until a couple years ago. I got rid of it because of its inefficiency in fuel. I am sorry to say that. I said to the dealer: You really ought to urge the Ford Motor Company to produce a car that is more efficient.

I am proud to say Ford Motor Company is now evidently doing exactly that. I would love to drive one that had the efficiency. My wife drives an SUV. My stepson has an SUV. My daughter is currently driving an SUV.

I have no question but that if we pass a CAFE standard, each and every one of them will continue to be able to drive an SUV. We can all buy an SUV in America that is more efficient, that saves, over the life of the car, the cost of the difference of the technology.

Let me share with the Senator from Arizona that Honda has introduced its Insight. It is a two-seater. It gets about 60 miles per gallon on the highway. It is about to introduce a hybrid Civic, a two-door and a four-door, in 2002. Toyota sells the hybrid Prius. It is a four-door. It gets 48 miles per gallon combined in the United States. There is a minivan in Japan that gets nearly 40 miles per gallon. Within a few years, they are going to sell about 300,000 hybrids globally. They have announced that they are going to be profitable in this field.

I know the Senator from Michigan or some Senator is going to point out that the Ford Motor Company is going to produce at a loss this particular SUV shown in this picture I have in the Chamber. That is true for now because they have just started it. They do not have the market penetration yet. They have not fully developed the marketing, and they have not gained the market share.

So, indeed, it is similar to the Pentagon. When the Pentagon buys only X number of hammers, as we remember, or toilets, they cost tens of thousands of dollars. But if they are mass produced, then you begin to bring the cost down, and particularly if you market effectively.

I think the first CEO in this country who sells to Wall Street the notion that they are going to be profitable selling the cars of the future is going to drive up the stock of that motor company. And they ought to be thinking about how to grab the market share in the most competitive way that is most effective in the long term.

That is what this can do. That is why Ford Motor Company is already advertising the vehicle that ''gives you all the room and power you want''—all the room and power you want—''but uses half the gasoline.'' That is on their Web site today. They are bringing it out next year.

I am confident, with appropriate marketing, just as the Prius, just as Honda and Toyota, they can begin to get profitable very rapidly. But here is the rub: They did not do it back in 1975, until Congress said: This is our national priority. And they are not going to do it now until Congress sets a goal and begins to push the process forward. What we are reaching for as a goal is not an arbitrary goal.

I ask the Senator from Arizona, without losing my right to the floor, if I may, is it not true that we held a series of hearings in the Commerce Committee, with the best scientific experts from across the country, who came and testified before us regarding the ability to do this without losing jobs?

Mr. MCCAIN. To respond to my friend from Massachusetts, indeed they did. I also believe that since the Senator from Massachusetts and I can count votes pretty well, the opponents of what we are trying to do—let's face it, the Levin-Bond amendment basically does nothing to improve fuel efficiency, and that is a fact.

Sooner or later, we will see more and more pictures such as we have seen here in this editorial, which says: ''Valley's Brown Cloud nearly obscures downtown Phoenix from atop South Mountain.'' You will see that in Albuquerque. We already see it in Detroit. We see it in Boston. We see more and more studies of the health risks that air pollution causes to young and old Americans.

I believe that sooner or later our constituents will demand that we rise up and repudiate and rebuke the automobile manufacturers of America, that refuse to be concerned about the health of Americans, much less the problems with our dependency on foreign oil.

And, yes, every objective observer, every environmental group in America,

believes we need to do a lot more than anything that is embodied in the Levin-Bond amendment.

I thank my colleague for his question.

Mr. KERRY. Mr. President, let me share with all of my colleagues—and I particularly call the attention of the Senator from Arizona to this—an article from the Wall Street Journal dated March 7. I ask unanimous consent the full article be printed in the RECORD.

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

[FROM THE WALL STREET JOURNAL, MAR. 7, 2002]

FORD AIMS TO SELL A GAS-ELECTRIC SUV THAT WILL OFFER SIZABLE FUEL EFFICIENCY

(By Norihiko Shirouzu)

DETROIT.—As the Senate gears up to debate the fuel economy of sport-utility vehicles and pickup trucks, a senior Ford Motor Co. executive said the No. 2 auto maker aims to sell ''tens of thousands'' of a small, superfuel-efficient Escape SUV powered by a gasoline-electric ''hybrid'' propulsion system.

Prabhakar Patil, head of Ford's program that aims to launch the Escape hybrid by the end of 2003, said at an auto-industry conference here yesterday that the hybrid Escape isn't intended as a niche vehicle. Ford sees a good chance for the vehicle to become a ''mass-market vehicle,'' he said.

Mr. Patil said that if it was priced today, the Escape hybrid would likely have as much as a 25% price premium over the conventional gasoline-powered Escape, which he said would put the SUV's price tag somewhere around $25,000. The vehicle is expected to deliver nearly 40 miles per gallon of gas in city driving.

Ford's bullish comments about the potential of hybrid vehicles comes amid intensified jockeying in Washington over whether to significantly toughen federal auto-mileage rules.

The National Highway Traffic Safety Administration, which administers the Corporate Average Fuel Economy program, proposed extending for another four years a controversial provision in the rule that lets auto makers get extra credit for building so-called dual-fuel vehicles. Those vehicles can run either on gasoline or on so-called E85, a blend of 85% ethanol and 15% gasoline. NHTSA conceded that the ''vast majority of dual-fuel vehicles rarely operate on alternative fuel''—a fact that has led critics to dub the dual-fuel provision a big loophole in the CAFE rule because it gives auto makers leeway to build more gasoline-thirsty trucks. NHTSA Administrator Jeffrey Runge said that having vehicles that are able to run on E85 ''contributes to domestic energy security'' and ''provides consumers an alternative'' in the event of a gasoline shortage.'' NHTSA proposed extending the dual-fuel credit, which was set to expire with the 2004 auto-model year, to the 2008 model year.

Meanwhile, in the Senate, two Democrats, Sen. John Kerry of Massachusetts and Sen. Ernest Hollings of South Carolina, are nearing an agreement with several Republicans including Sen. John McCain of Arizona on a bipartisan proposal to require cars and light trucks together to average 36 mpg by 2015, according to Senate staffers familiar with the discussion. Today, cars and trucks average about 24 mpg, the lowest level in two decades. Sen. Carl Levin (D., Mich.) and Sen. Kit Bond) (R., Mo.) were finalizing an alterate proposal that would send the CAFE question to the Bush administration's NHTSA.

The auto industry has been pushing for such a move.

Mr. Patil noted that whether Ford can turn a profit with the hybrid Escape, with its costly gas-electric propulsion system, hinges largely on whether the government offers tax incentives on such vehicles. Late last month, President Bush said he wants more tax incentives for hybrid and fuel-cell (of hydrogen-driven) vehicles. Those incentives are provided in the bill the Senate will consider.

Another Ford executive, John Wallace, said in an interview that a $3,000 tax incentive for the purchase of a gas-electric hybrid should ''solve the problem'' and help make the Escape hybrid profitable immediately. ''We welcome tax incentives to get there quickly,'' Mr. Patil said, referring to being profitable with the Escape hybrid.

Mr. Patil said Ford is already ''looking to expand hybrid offerings'' beyond the Escape hybrid. Hybrids are ''the first credible alternative to gasoline engines,'' he said. Other auto makers are also pushing plans to expand the use of hybrid-drive technology. Masatami Takimoto, a senior Japan-based executive for Toyota Motor Corp., said at the Society of Automotive Engineers conference that Toyota hopes to sell 300,000 hybrids a year around the world within the next five years. Toyota's second hybrid for the U.S. market will probably be an SUV. Given the popularity of SUVs in North America, ''I believe it's a good idea'' to make a second hybrid product a SUV in the market here, he said. Toyota currently sells a small hybrid sedan called the Prius. The auto maker sold 15,500 Prius models in the U.S. in 2001. The only other hybrid currently sold in the U.S. in Honda Motor Co.'s two-seater subcompact called the Insight. Honda's second hybrid, a Civic, will arrive in showrooms starting in April.

There are no tax incentives currently on either the Prius or the Insight, and neither model line is profitable in dollar terms.

Mr. Takimoto, who oversees powertrain development in Japan for Toyota, said there is a ''tough battle'' looming between advanced diesel engines and gas-electric hybrid propulsion systems. He believes hybrids are ''proceeding a step ahead'' of diesels and gasoline-powered engines.

A recent J.D. Power & Associates survey of some 5,200 recent new-vehicle buyers found ''a greater willingness to pay for hybrid vehicles than previous believed,'' according to the consulting firm. It said hybrids are ''getting a solid green light'' from consumers. The survey said 30% of the respondents indicated they would ''definitely'' consider a gas-electric hybrid vehicle. J.D. Power said the survey's margin of error was plus or minus 1.5 percentage points.

Mr. KERRY. Mr. President, in this Wall Street Journal article, the headline which reads: ''Ford Aims to Sell a Gas-Electric SUV That Will Offer Sizable Fuel Efficiency,'' the question was asked of somebody at Ford whether they could turn a profit with the hybrid Escape—that is this vehicle shown in the picture I have in the Chamber; it is called the Escape—since it has a more costly system.

I know the Senator from Michigan is going to say, well, this costs more, and it will not turn a profit. Let me just answer that question definitively right now.

Quoting the article:

[A] Ford executive, John Wallace, said in an interview that a $3,000 tax incentive for the purchase of a gas-electric hybrid should ''solve the problem'' and help make the Escape hybrid profitable immediately. ''We welcome tax incentives to get there quickly,'' . . . referring to being profitable with the Escape hybrid.

Mr. President, we have a tax incentive from the Finance Committee. This car can be profitable immediately, according to the Ford Motor Company itself.

I think we really need to start debating reality. The Senator from Michigan has a chart there. The chart shows a number of vehicles. I have a copy of the chart right here. This is a small one of theirs. This chart has large SUV, midsize SUV, small SUV, large pickup, small pickup, minivan. It doesn't show all the rest of the automobile fleet. It just shows the big cars. But even those vehicles may not be fairly represented here.

By not including cars, the chart excludes entire classes of vehicles, and they exclude vehicles within classes. So you don't get an entire fair comparison. Let me give an example. At the subcompact class—this is not included here—the Honda Civic is significantly more efficient at 38 miles per gallon than the General Motors Metro which is at 32 miles per gallon, or the GM Saturn at 30 miles per gallon, or the Ford Escort at 28 miles per gallon. You get a distortion of how the fleet works today.

Secondly, the Big Three, sent the Committee charts similar to this one, and they entirely excluded compact cars in their analysis. In this class of vehicles, there are four Toyota and Honda cars: the Prius, Echo, Civic, and Corolla. They are, on average, significantly more efficient than the closest General Motors, Ford, and Chrysler cars. Toyota sells the Prius at 48 miles per gallon, the Echo at 36 miles per gallon, the Corolla at 33 miles per gallon. Honda sells the Civic at 34 miles per gallon. The closest General Motors car is the Prism at 32 miles per gallon. The closest Ford is the Escort at 29. And the closest DaimlerChrysler is the Neon at 27.

None of this is represented in the charts. The Senator from Michigan says it doesn't make sense to have this system where you have a whole fleet, let's divide it up into these sectors. Let's make an attribute system if that's what is needed. I looked at that because both technology and market mix matter. I am willing to do that, because the Senator is not entirely wrong. Right now, here in the Chamber, let's go to a back room, divide it up into those sectors, give NHTSA the authority to divide up the classes, but let's agree to divide it up with a goal that we are going to reach by a certain point in time. If we did that, we could all have agreement.

But they won't agree to a goal. There is no goal in the Bond-Levin amendment, no goal whatsoever. They want to set up some criteria which can be the subject of lawsuits for years to come, turn it over to NHTSA. And if NHTSA comes up with a 1-mile-per-gallon differential, there is no expedited

procedure, no ability for Congress. All they have to do is come up with something.

It is the artful dodge. It is the great escape—not to do any disservice to the name of Ford's car. It is simply inappropriate to suggest that this does anything. The attributed system the Senator from Michigan talks about is not even in his own bill. There is no requirement that they set up an attributed system.

Why is that true? Because the industry doesn't want it. The industry likes the system they have today. And they testified before our committee that they want to keep the system they have today because the system they have today gives them flexibility. It gives them the ability to choose and to decide what fleet of cars they are going to make. If you had an attributed system, then you would be locked in to what you have to achieve in a particular class and you can't balance other sectors of your fleet against components of that class.

That is why the industry does not want it. It makes for great subterfuge here in the Senate Chamber.

Mr. MCCAIN. Will the Senator yield?

Mr. KERRY. I am delighted to yield for a question.

Mr. MCCAIN. Do you know there is going to be a response from the proponents of the legislation which has already provided some very interesting rhetoric?

I would like to ask the Senator from Massachusetts if he is aware of an article in the Washington Post on Sunday, March 10, entitled ''Debate On Fuel Economy Turns Emotional.'' It starts out by saying:

With a hardy shove from Detroit, Senate opponents of a bill to raise automotive fuel economy standards—part of broader energy legislation now on the Senate floor—are painting the measure in apocalyptic terms, sketching dire consequences for the Nation's armada of SUVs and minivans.

It goes on to quote some of our colleagues, quotes such as ''nanny government''; higher fuel standards will force such drastic reductions in vehicle size and weight that traffic fatalities will increase ''by the thousands.'' Then the article goes on to say—I wonder if the Senator has seen it—

As is often the case when Washington debates policy, however, emotions and symbols are getting more attention than substance. Although any increase in gas mileage inevitably will come at a cost, the notion that the bill would rid American highways of SUVs and pickup trucks—as some auto industry ads explicitly claim—is false.

''The fact of the matter is, you might have to use some of this improved fuel efficiency to improve economy rather than increasing performance, but certainly it doesn't mean that you couldn't have an SUV,'' Adrian Lund, chief operating officer of the Insurance Institute for Highway Safety and a member of a blue-ribbon panel that studied the issue for the National Academy of Sciences last year.

I wonder if the Senator realizes how important that statement is from a chief operating officer of the Insurance Institute for Highway Safety, a member of a blue-ribbon panel that studied the issue for the National Academy of Sciences.

Continuing from the article:

Paul Portney, chairman of the panel and president of think tank Resources for the Future, called the legislation ''somewhat aggressive.'' But he said it was ''roughly consistent with what the academy identified as being technologically possible, economically affordable and consistent with the desire of consumers for passenger safety.''

He added, ''There are technologies out there that would make it possible, if given enough time, like 10 to 15 years, for [manufacturers] to meet these standards without decreasing the size of the cars or increasing the price too much.''

All of us are entitled to our opinion. Everybody is entitled to the rhetoric. That is one of the entertaining things about the floor of the Senate. But when you call in the experts, usually their opinions have some significant weight.

Those on the other side of the debate, of course, have also been known to gloss over inconvenient data. As the legislation is structured, for example, manufacturers could choose to improve fuel economy not only by technology but also by cutting weight.

I hope when Senators decide on this issue, they will listen to the results of scientific studies, listen to the experts who have been involved years and years, as opposed to the rhetoric we see coming out of Detroit, MI, from an organization whose credibility over the years has been sadly strained.

I wonder if the Senator from Massachusetts is aware of these individuals and these findings by a blue-ribbon panel that studied the issue for the National Academy of Sciences as short a time ago as last year.

I thank my colleague for responding.

Mr. KERRY. I thank the Senator from Arizona again. This article is a very important article. He was not here at the time, but I asked unanimous consent, and it is part of the record now in this debate.

What is very significant is that you have neutral people—and the National Academy of Sciences does not try to get into the politics; it is science, and we ought to respect that—who have said point blank that the claims of the automobile industry are false. Americans deserve something better than having some of the major corporations in America lie to them about choices we face in this country. That is what they have been doing.

To hear a Senator come to the floor of the Senate and suggest soccer moms are going to have to get into golf carts and drive down the road in a string of golf carts just defies imagination. It is incredible.

Let me point out to the Senator from Arizona—because I only showed part of the distortion of these charts—the Big Three presented a car assessment to the committee. But, again, they used highly selected vehicles when they did it. They excluded some cars in order to provide a skewed picture. The Big Three car assessment showed the fuel economy of five different 6-cylinder cars—the Ford Taurus, DaimlerChrysler Concorde, Chevrolet Impala, Honda Accord, and the Toyota Camry. The chart showed that the five cars have similar fuel economy.

In the cars, they failed to show that the Honda Accord and Toyota Camry come with a standard 4-cylinder engine. The 6-cylinder engine is an option. The reason is, the technology they have developed allows the Accord and Camry 4-cylinder engines to offer greater performance and fuel economy—so much so that they can compete with the 6-cylinder Ford Taurus, Chrysler Concorde, and Chevrolet Impala. This is demonstrated by the fact that 70 percent of all the Accords sold are 4 cylinder. So they send you the 6-cylinder comparison, but they don't show the car in the same class. They have a smaller engine and more effective technology. Earlier, I showed the technology differentials.

In the technology, Honda and Toyota have used 4-valve cylinder technology. I might add, there are a series of technologies available now. This is very important for our colleagues to focus on. The technology exists today, according to the National Academy of Sciences. The National Academy of Sciences doesn't even take into account hybrid vehicles. It doesn't even take into account diesel injection. It doesn't even take into account fuel cells, which may come on line within the next 13 years, particularly if we pass the components of our legislation to accelerate that.

So if you include hybrid and diesel injection, 35 miles per gallon is a achievable, and more could be done. Ford is telling you that by advertising a car that can get 40 miles per gallon. There it is. It should be the end of the debate. Ford Motor Company should be ending the debate right now because they are telling us we can have a car next year that gets 40 miles per gallon, and the Ford Motor Company has told us it can be profitable right away with a tax credit.

So this is really crunch time for the Senate, I guess; this is basic choice. Are we going to support the concept that the Senate has a national security interest in saving the barrels of oil and reducing dependency on oil, especially our imports from the Persian Gulf by increasing CAFE standards over the next 15, 20 years? Do we want to vote that we ought to have cleaner air to reduce pollution, reduce global warming, reduce lung cancer, to improve the health of asthmatics and of our seniors? Do we want to vote that we can have a car that is competitive with Japan and Germany and allows our workers in Detroit, and elsewhere in this country, to continue to be employed in this Nation in a competitive industry that is moving into the future and offering America the cars of the future?

That is what this vote is about. It is a straightforward vote about the future

of our country in many different regards. I hope our colleagues will simply not be intimidated by this onslaught of money that is buying advertising time to scare Americans based wholly on some fanciful and totally distorted argument that has no basis in science and, most importantly for our debate, in truth.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, I wish to speak for a few minutes on behalf of the position that the Senator from Massachusetts and the Senator from Arizona have articulated and in opposition to this amendment Senator LEVIN and Senator BOND have proposed.

I want to start by asking the real basic question, which may be obvious to a lot of folks, but it seems basic to me, that is, why are we even dealing with the issue of vehicle fuel efficiency as part of an energy bill? Some people might say energy involves drilling wells, not vehicle fuel efficiency. But it seems to me there is an answer to that.

Let me get one of these charts up and I can make the point I am trying to make. This first chart, which I showed earlier in the debate on the energy bill, tries to talk about U.S. oil consumption, because we give a lot of speeches on the Senate floor about how we want to reduce our dependency on foreign oil, we want to be more efficient in our use of foreign oil, we want to consume less.

Well, this is consumption. Millions of barrels of oil are consumed per day in this country. You can see the top line is for total oil demand. The total oil demand has been going up. The line that comes down on the right-hand side of the chart is for the years 2001 and 2002. You can see that the projection for the remainder of the time covered by this chart—up to 2020, the next 18 years—for the remainder of that time oil consumption in the United States is expected to increase very substantially.

You may ask, why is it increasing so much? It is obviously increasing because of the transportation demand. When we talk about the transportation demand, we are talking about gasoline. The oil comes in, we refine it, turn it into gasoline, put it in our cars, our SUVs, and in our trucks, and that is what is driving total oil demand up and up and up. People say, well, why in the world are we importing more than half of the oil that we are consuming?

The truth is, domestic production of oil peaked in 1970. It has been going down ever since. Whether we open ANWR or not, it will continue, over the long term, to go down because we have 3 percent of the world's reserves of oil. So we need to also look—in addition to production—at consumption. That is what this chart tries to do. That is why we are dealing with vehicle fuel efficiency. We are trying to flatten out that top line, total oil demand, so it doesn't increase dramatically, and we are trying to flatten out the transportation demand so it doesn't increase so dramatically, and that will flatten out the top line.

There is another chart I want to show to explain why we are trying to deal with fuel efficiency as part of this bill. Let me put that up. This is a chart that came out of the National Academy of Sciences study, which has been referred to so many times by Senators LEVIN, BOND, MCCAIN, and KERRY. It shows what has happened to passenger and light truck fuel economy between the years 1965 and 2000. You can see that between 1965 and about 1975 nothing happened. The miles per gallon of new passenger and light truck vehicles coming onto the market was just flat. That is the red line and the green line over at the left. They are flat. Then you see a dramatic increase between about 1976 and 1985 or 1986. You see a dramatic increase for the top line, new cars, and the next line down is new light trucks. So you can see that all of those have gone up substantially during that time period.

The real issue, and the important thing about this chart, is what happens from about 1989 until the present. The reality is that we have stagnated. There has been no improvement in this country in corporate average fuel economy for vehicle fuel efficiency since 1989. In fact, for the entire fleet, it has declined. We are actually less efficient in our use of gasoline today than we were in 1989.

That is why it is important as part of a comprehensive energy bill that we try, once again, to address corporate average fuel efficiency; that we, once again, try to put in law some requirement.

What is at stake in this amendment that Senator LEVIN and Senator BOND have brought to the floor? The underlying bill, the bill before us, sets a figure. It tries to say: Let's become more efficient, and here is the goal, here is the target, here is what we need to try to do.

Very simply, what we have in the Levin-Bond amendment is an elimination of that goal, an elimination of that target. It sets up a procedure which kicks the issue back to the administration.

The administration has been very outspoken about the fact that they oppose the provision in our bill. The President has opposed it; the administration has opposed it; the Secretary of Energy opposed it. They do not think we should be mandating anything in law in the way of improved efficiency in cars, trucks, and SUVs.

This amendment would kick it back to the administration, to NHTSA, as it is always referred to—the National Highway Transportation Safety Administration—and have them study this issue and come up with a set of regulations.

Quite frankly, when my colleague, my good friend from Michigan, Senator LEVIN, urged at the beginning of this debate this afternoon that I read his amendment—that is always a dangerous thing to do in the Senate; very few of us read the amendments on which we vote, but I did. I read the amendment.

It has some of the most unusual provisions I have encountered in the Senate. It has what are called expedited procedures. It says, first, if this amendment is adopted, that the Secretary of Transportation would have 6 months to issue proposed CAFE regulations on passenger automobiles. Then he would have 2 years for final regulations to be issued. He would have 15 months to issue final CAFE regulations on nonpassenger automobiles.

If the Secretary goes ahead and issues something in the way of regulations, then that is the end of it. It is pretty clear in the amendment. Those become the law.

If, on the other hand, he fails to meet those deadlines in 2 years from now—2 years from the effective date of the act, so perhaps if we actually pass an energy bill, that might be 2 years from this summer or 2 years from this fall—if the Secretary fails to meet those deadlines, the Congress can pass a bill under expedited procedures to override what the administration has determined.

The expedited procedures dramatically limit what we are able to do. Basically, they tell us what the title of the bill is going to be, for any bill to override the regulations; they tell us precisely that we are limited in the bill to inserting a particular CAFE miles-per-gallon number, and a year, and substituting that for what the administration has come up with, and it limits us to four amendments in the Senate, two to be offered by the majority leader, two to be offered by the minority leader, and four amendments in the House of Representatives.

I have been around here a long time, and I have never seen the ability of the Senate to amend and consider legislation in a flexible way so constrained. That is what the amendment proposes, and that is what Senators will be signing on to if they decide to support the amendment.

I urge any Senator who has an interest in the procedures of the Senate and has concern about limiting the ability of Senators to offer amendments to read the amendment in some detail.

The amendment does, as I say, eliminate any specific number. There is no number as to what CAFE standard we hope to get to in the future.

As I see it, this is something of a test in the Senate as we deliberate on these issues. The test is: Can we, as a country, as a Government, as the Senate, do anything significant to increase fuel efficiency when gas prices are as low as they are?

The last time we acted, let's face it, we acted because there was a real crisis in the Middle East—in the seventies. People were shocked into realizing that dependence on foreign sources of oil

was a problem for us. Today that is not that big a problem. One can buy a tank of gas in Albuquerque for $1.12 a gallon. It is hard to get people worked up about the continued addiction we have to cheap gas under those circumstances. Nobody thinks too much about it.

As to the argument that soccer moms are going to be disadvantaged, the Senator from Massachusetts has talked about that.

I am persuaded that Ford Motor Company can make an SUV that is fuel efficient. They can make a pickup that is fuel efficient. Each of the other major manufacturers can do the same thing. I do believe we need to focus their attention on that as a priority, and that is what the underlying legislation is trying to do.

As to the argument that U.S. manufacturers are going to lose jobs, I think it is sad that we have lost such confidence in U.S. industry and U.S. ingenuity that we are claiming we cannot do this, this is an impossible mountain to climb, our manufacturers cannot possibly be held to this kind of enormous standard.

When President Kennedy challenged the country to put a man on the Moon, it is fortunate we were not tasking the automobile industry to do that. They would have come back, I am sure, and indicated it was just totally impossible.

The country can meet this challenge. We can produce more energy, and we have many provisions in this bill to try to do that. But we can also use the energy we have in a more efficient way, and part of that is through vehicle fuel efficiency. We need to do something significant in this area.

I hope the Levin-Bond amendment is not adopted because it does take the teeth out of the legislation in terms of any real requirement for improved efficiency.

I do not question anyone's motives. I am just telling you that the effect of it will be to essentially say: Status quo is fine; the administration can study this for a couple of years; if the President decides there is something that ought to be changed in current law, he can propose that in regulation; otherwise, Congress should back off.

That is a sad signal to send, and I hope we do not send that message. I urge my colleagues to vote against the amendment when it does come up for a final vote.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I listened to the debate carefully, and I appreciate the points that have been made by my good friend, the chairman of the Energy Committee. I remind all those who are following the debate that it is relatively easy to set targets of achievement, and in this particular bill we have set the year 2013 in which to achieve 35 miles per gallon under CAFE. We are now roughly at 24.

Our past experience with setting these kinds of goals is not very good. The first thing that is wrong with this is, in another 10 or 11 years many of us are not going to be here, so we are not going to be held accountable, because the goals we set today and our ability to achieve them in 10 or 11 years are fraught with an awful lot of inconsistencies based particularly on past history.

The CAFE programs have led to an increase in fleet average fuel economy from 13 miles per gallon in 1975 to 22 miles per gallon in 1987.

The 1987 fleetwide fuel economy stagnated as consumers shifted their purchase patterns to light trucks and SUVs that were covered by the lower CAFE standards.

Starting in 1995, the Congress——

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

Mr. MURKOWSKI. I prefer to go ahead with the rest of my statement. I will be happy to yield for a question upon the completion of my statement.

Starting in 1995, the Congress prevented changes in fuel economy standards for all vehicles. Such restrictions were lifted starting with the model year 2004. In 1992, the Senate marked up a bill with CAFE, I might add, and ANWR, and dropped it in conference. The only thing we got out of that was low-flush toilets. That was the tradeoff: We traded off ANWR and we traded off CAFE and got low-flush toilets, some of which are not quite up to the job.

Tomorrow I will speak a little bit more about this issue. I, again, remind Members of the fallacy of setting goals and not being present to be held accountable.

We are familiar with the amendment, that it would conduct a multiyear rulemaking. It would provide new spending authorizations for advanced vehicle technology research and development and that it would require the Federal Government to purchase hybrid and alternative-fuel vehicles and use alternative fuels. When combined with the considerable tax incentives for advanced fuel technology that is in the finance package, why, what we see in the Levin-Bond amendment offers a sensible way to achieve fuel efficiency gains and reduce our dependence on foreign oil. It does so in a way that would not hurt the U.S. consumer. It would not increase vehicle costs to consumers and protect American jobs as well as American lives.

By comparison, my reading of the underlying Kerry proposal would increase the cost of new trucks and SUVs by as much as $1,200. This is according to the National Academy of Sciences. If we cannot trust them for objectivity, I do not know who we could trust.

It would limit consumer choice by forcing automakers to produce smaller vehicles that do not perform necessarily to all the consumer needs. It would lead to the loss of, as we have seen in the debate, several hundreds of thousands of jobs for hard-working Americans at a time when our economy obviously needs those jobs. It would reduce the rate of economic growth by as much as $170 billion over the next 20 years, according to the Energy Information Administration, and cost several thousand additional deaths and tens of thousands of injuries in the coming decades.

We talk a lot about safety. Common sense dictates that a larger and heavier automobile will be safer in an accident. Yet it is clear there is no possible way to meet the drastic increase in fuel economy requirements proposed by the Kerry amendment without reducing the size and weight of vehicles. That is just a fact.

The Energy Information Administration conducted an analysis of the Kerry proposal. The EIA found the average weight of passenger cars and light trucks produced to meet CAFE standards would be substantially reduced: a decrease of 640 pounds for passenger cars and 850 pounds for light trucks and SUVs. Even with the reasonable assumptions and availability of advanced vehicle technology, this is, in my opinion, a dangerous downsizing of automobiles.

EIA's analysis suggests it is simply impossible to attain 35 miles per gallon by 2015 at any cost. That is a pretty broad statement, ''impossible to attain at any cost.''

To get beyond 30 miles per gallon in that same time frame, even more reduction of weight would be necessary. In study after study, safety experts have concluded that reducing the weight of vehicles leads to higher fatalities and injuries. Using the same relationship used by NHTSA in the studies of automobile size and weight, and passenger injuries, we come up with a recognition that weight reduction resulting from the Kerry CAFE proposal could very likely lead to an additional 15,000 deaths and 65,000 injuries in the next 10 years.

I find it somewhat ironic that some Members of this body who demand environmental regulations regardless, even if one person, one animal, or one plant is threatened, now stand before us with a fuel economy proposal which will undoubtedly kill thousands of American drivers in the coming years because of these lighter cars and injure tens of thousands more.

These are the same Senators who worry about the threat to caribou from exploration activities in ANWR, and I get a little befuddled. Are they the same ones who now propose what a USA Today article in 1993 called ''Death By The Gallon''?

We are all entitled to our opinion, but are we somehow to believe our colleagues want us to, perhaps, put caribou first rather than put people first?

What I have behind me is a chart from the National Academy of Sciences, and I think it deserves to be quoted. This is from July 2001. A review of the CAFE program found the following:

In summary, the majority of the committee finds that the downsizing and weight

reduction that occurred in the late 1970s and early 1980s most likely produced between 1,300 and 2,600 crash fatalities and 13,000 and 26,000 serious injuries in 1993.

Mr. KERRY. Will the Senator yield?

Mr. MURKOWSKI. I will be happy to yield at the conclusion of my statement.

That is 26,000 to 52,000 additional deaths since 1980 and nearly a half a million additional serious injuries due to too-rapid increases in CAFE standards.

Why is this? Well, again we have the National Academy of Sciences, and they said it best. Again, I refer to this chart:

An increase in fuel economy is affected by a system that encourages either downweighting or the production and sale of more small cars. Some additional traffic fatalities would be expected.

EIA's analysis predicts this will happen, even as we fall short of reaching the aggressive 36-mile-per-gallon fleet average. If CAFE standards are increased dramatically over too short a period of time, automakers will have no choice but to downsize and downweight their cars and trucks to meet the standard.

Rather than choosing an arbitrary number, or Senators engaging in a bidding war for the endorsement of—well, I say the environmental lobby, because they are the ones behind this primarily—should we not instead rely on the expertise of the engineers at NHTSA to balance the competing concerns of fuel economy, passenger safety costs, and consumer needs? In spite of our efforts to generate consensus at a town hall meeting that is this Senate debate, this type of technology demands engineers who know what they are talking about.

The Levin-Bond approach lets the experts, not the politicians, determine the maximum feasible fuel economy increase. Not only does the Kerry CAFE proposal put the American driver at risk, but I think it puts our economy at risk as well. It should be obvious that technologies needed to increase fuel economy cost money and increase the purchase price of a vehicle. The EIA estimates a cost increase of $535 per passenger car and $961 for light trucks and SUVs to get to 30.2 miles per gallon. Without a dangerous reduction in weight, the NAS estimates a cost increase of $690 for passenger cars and $1,200 for light trucks and SUVs to reach 30.5 miles per gallon.

If the Kerry proposal is adopted, I think Americans can look forward to getting less car for more money. EIA projects that passenger car horsepower will decline by 24 percent and light truck horsepower, approximately 18 percent. Smaller, less powerful vehicles with fewer features, this is not what the American consumer wants.

That is not reflective of the standard of living we have in this country. Families, especially those with children, want larger and safer vehicles, and most drivers want utility and comfort as well.

Under the Kerry proposal, automakers will be unable to produce minivans and SUVs large enough to meet the needs of the average American family. It is not just families and SUVs. What about a farmer who needs to haul hay? Will he buy a pickup truck with a 4-cylinder engine? Certainly not. What parent driving a carpool will be willing to make multiple trips to pick up half a dozen kids after school? What recreation enthusiast will buy a truck or SUV that will not tow a boat or RV on a weekend vacation? What construction worker, laborer, or contractor will buy a vehicle that requires several trips to haul tools and materials? Without choices for new vehicle purchases, consumers will be far more likely to hold on to their existing vehicles, thereby making fuel economy gains even less and less likely and increase our dependence on foreign oil. The end result will be somewhat catastrophic to our already struggling U.S. auto industry.

The Kerry proposal reduces auto sales by 220,000 in 2010 and 604,000 in 2015. Automakers will also suffer stiff fines, up to $40 billion over the next 20 years for failing to meet new CAFE standards.

Fewer sales suggest reduced profitability. This adds up to fewer jobs. EIA suggests job losses of 207,000 in 2010 and 435,000 in 2015. Shouldn't a good energy policy create jobs rather than destroy them and put people out of work?

This chart shows jobs in the United States auto industry through the country. In Texas there are 318,000. New Mexico has 21,000. Massachusetts has 117,000. Need I say more?

America's auto industry drives the economy in all 50 States, including my home State of Alaska. The automobile industry is one of the Nation's largest, 6.6 million jobs directly or indirectly created. For every autoworker who loses his or her job, seven others are lost in related industries: Steel, iron, textiles, plastic, and so on. Certain States, some whose Senators support this amendment, would be hardest hit. In Michigan, over a million; in Ohio, half a million; in California, 492,000; in Illinois, 312,000; in New York, 274,000. Imagine factories shutting, whole towns wiped out, all the jobs in any of these States eliminated overnight—moved overseas, as foreign automakers gain an increasing share of the U.S. automobile market.

We have quotes from labor businesses, safety experts, and so forth. It is no small wonder that the American workers, the United Auto Workers, AFL–CIO, the American Iron and Steel industry, oppose the Kerry proposal. So does the American Chamber of Commerce, American businesses, the Business Roundtable, the Associated Builders and Contractors. They support Levin-Bond as a way to improve fuel economy without sacrificing hardworking American jobs.

The United Auto Workers say:

It [Kerry-McCain] calls for excessive, discriminatory increases in CAFE standards that would lead to substantial job loss for American workers in the auto industry.

The Chamber of Commerce:

The proposal would dramatically affect the functionality and performance of vans, pickup trucks and sport utility vehicles that businesses and consumers rely upon.

The AFL–CIO:

The proposed increase is too high and too quick, exceeding even the most optimistic projections by the National Academy of Sciences.

And finally, the Insurance Institute for Highway Safety:

Any fuel conservation measure that increases the use of light cars will do so at a cost of unnecessary crash deaths and injuries.

That is the analysis, Mr. President.

And now national security. If it was clear that the Kerry CAFE proposal would guarantee energy independence or substantially reduce our need for foreign oil, we might be willing to bear its harsh costs. The reality is, CAFE standards have provided few, if any, of the security benefits promised by the proponents. There is little reason to believe that further increases in CAFE will provide any national security benefit.

The CAFE program was introduced 25 years ago with the intention of reducing U.S. oil imports and consumption. Yet today we import more foreign oil than ever and our gasoline consumption is at an all-time high for a very simple reason. We have a high standard of living in this country. We have no other mode of transportation to generate movement of individuals other than oil. The world moves by oil. America moves by oil. The planes do not move in and out of here on hot air.

The reasons are simple. While passenger car fuel economy has doubled and light truck fuel economy has increased by over 50 percent, the CAFE program has had no effect on any other factors that determine our transportation fuel use: the size of the vehicle fleet, which is dictated by our population; how vehicles are driven, including vehicle miles traveled in a calendar year; and the kind of vehicles consumers call for.

In each survey of consumer preferences, safety, performance, comfort, and utility rank above fuel economy in determining what vehicles are preferred. Automakers currently offer 50 different vehicle models that get 30 miles per gallon or better, but the 10 most fuel-efficient vehicles make up only 1½ percent of the sales.

This suggests that the American consumer is making a determination of his or her choice and that choice is not made necessarily on fuel-efficient vehicles but on other considerations: Safety, comfort, and so forth.

As we look at this chart which shows passenger car and light truck sales by State, we can see the States whose 2000 new light truck registrations are 60 percent or over are in the green. These are the western areas that have to drive farther. The blue States are those

whose 2000 new light truck registrations are 50 to 59 percent, and the others are States where new light truck registrations are 49 percent or under. In 36 States, consumers favor light trucks. That is just the harsh reality between passenger cars and light trucks.

Again, it is a matter of choice. Consumers have voted with their wallets. Sales of light trucks and SUVs surpass sales of passenger vehicles in 36 out of 50 States. In 1980, light trucks and SUVs comprised only 17 percent of sales, and now they are more than half. Consumers have chosen performance and features over fuel economy and fuel savings. Analysis suggests this trend will continue.

Even with CAFE, petroleum demands are expected to increase by 25 percent to more than 25 million barrels per day in the year 2020. The actual petroleum saved by higher CAFE standards, according to EIA, is roughly 1.3 million barrels per day, about the same as we can produce from ANWR during the same period. While production of domestic oil from ANWR and Alaska would obviously reduce foreign oil imports, higher CAFE standards may not. Instead of reducing the need for crude oil, high CAFE standards reduce the needs for gasoline and diesel. Rather than reduce our dependence on Persian Gulf crude oil, higher CAFE standards would reduce the needs for import of these products primarily from Canada and the Virgin Islands. Clearly, the national security threat due to our dependence on Middle East oil remains, even with CAFE.

Finally, by fostering the use of advanced vehicle technologies, expanding alternative fuel use, the Levin-Bond approach to fuel economy will reduce our dependence on foreign oil, create hundreds of thousands of new jobs, protect American families and workers from injury or death, provide consumers with vehicle choice they need, and increase economic growth.

In contrast, in my opinion the dramatic and ill-advised increase in CAFE standards proposed in the underlying bill will hardly make a dent in our imports of foreign oil and do nothing to ensure our national security, throw hundreds of people—thousands of people—on the street, out of work, and lead to tens of thousands of new deaths and crippling injuries on the roads of America; deprive workers and small businesses of their vehicles they need to go about their daily lives, and potentially make the difference between economic growth and prosperity or economic gloom and recession.

Clearly, the Levin-Bond amendment is a better way forward to truly improve the economy. I intend to vote for it, and I encourage my colleagues to do the same.

I would like to show one chart in conclusion. This was as a consequence of our discussion earlier about what a difference the increase in domestic production means relative to our overall consumption. I want to go back and show what happened to the Alaska production, represented by the blue line, from 1973 to 1999—clear across the board.

During this period from 1973 to 1999, you see the production of Alaskan oil in blue starts and goes up and comes across. The interesting thing is something happened in 1977. You see that big jump that occurs? What happened is we came on line with Prudhoe Bay. It made a tremendous difference.

What happened in the red chart when we did that? This is what we were importing in the early 1970s. We were importing somewhere in the area of 6 million barrels a day. It suddenly dropped. It dropped dramatically because we increased domestic production in this country.

I am tired of hearing arguments that say, if you bring on oil from ANWR, it will not make a difference. It will make a dramatic difference, and this is proof.

What did we bring on at that time? We brought an additional 2 million barrels on line. That is what we brought in during that period, right in there. When you see the significant drop in the red line, that is why it happened. If we can open up ANWR, we will see the same drop in imported oil. It will not relieve us, but it will make a difference.

I yield for a question to my friend from Massachusetts.

The PRESIDING OFFICER (Mr. REED). The Senator from Massachusetts.

Mr. KERRY. Has the Senator finished?

Mr. MURKOWSKI. Yes.

The PRESIDING OFFICER. The Senator from Alaska yielded for a question to the Senator from Massachusetts.

Mr. KERRY. If the Senator has finished, I want to claim the floor, and then I will ask a question, if I may.

Mr. MURKOWSKI. I will be happy to respond to the question now.

The PRESIDING OFFICER. Does the Senator from Alaska yield the floor?

Mr. MURKOWSKI. No, but I will be happy to yield for a question.

Mr. KERRY. Mr. President, I will ask the Senator a number of questions, if I might.

First, the Senator quoted a study. It is the EIA study. The Senator quoted a study and suggested the study says you cannot reach 35 miles per gallon.

Is the Senator aware that the study did not analyze the Kerry-McCain substitute at all, which seeks to get 36 miles per gallon but with a cushion for trading? Is he aware that was not even analyzed?

Mr. MURKOWSKI. Yes, this Senator was aware of that. We asked for an analysis of the bill as it was at the time of our request.

Mr. KERRY. So in effect we have a proposal on the floor that the study of the Senator does not address at all, or we will have a proposal.

The second question: Is the Senator aware the model he referred to is not a fuel economy model, it is an economic model of the U.S. energy system which has a series of statements about pricing and efficiencies that it does not take into account?

Mr. MURKOWSKI. Account, if I may, of what?

Mr. KERRY. Specifically, I quote from the study. The study says that predicting energy prices depends on events that shape energy markets that are ''random and cannot be anticipated.''

Mr. MURKOWSKI. That should not prevent us from trying to predict future events, should it? I would say that statement, in general terms, is consistent with the reality that the price of fuel is primarily controlled by OPEC through their cartel and they have set a floor and set a ceiling. The floor is $22; the ceiling is $28. They have exceeded that. Any time they have fallen below that, they have quickly reduced the supply and the price has gone up. So that is what controls the price of fuel in this country. It is OPEC.

Mr. KERRY. But it did not take into account what the benefits might be if, in fact, that happened again and we went back to the 1973 situation. So in effect the study does not take into account the potential of that major price differential.

But much more important, is the Senator aware that the list of technology on which the assumption is based, that you cannot meet 35 miles per gallon, is a very different list from the list of technology available under the National Academy of Sciences? And is the Senator also aware that the study assumes that you include all 8,500-pound vehicles, which we do not include? So if you take out the 8,500-pound vehicles, the study of the Senator is completely inapplicable.

Is he aware of that, that we do not have 8,500-pound vehicles in our proposal?

Mr. MURKOWSKI. I don't think the Senator from Massachusetts has offered his bill as yet, so we do not know what is in it. What we do know is the EIA's projections are not statements of what will happen but what might happen, given known technologies, current technology, demography, and the trends in current laws and regulations. We had EIA analyze the proposal as it was at the time of our request, several weeks ago, and before the Senator from Massachusetts made his changes.

I find the argument the Senator from Massachusetts makes on technology to be interesting: on one hand, he is suggesting the technology is likely to occur for vehicle efficiency, but, on the other hand, I am promoting ANWR, saying technology advancements will allow us to do it safely. He dismisses technology on one hand and promotes it on the other. I happen to believe that technology is applicable in both areas.

But what I find objectionable is the idea of setting a goal in the year 2013, or thereabouts, and not being held accountable. It is very easy for Members

to say let's go ahead and vote for the 35 or 36 miles per gallon, because we are not going to be here to be held accountable for it. The experience we had has been disastrous, relative to meeting these goals, because obviously the American public has a certain concern about what they want to buy. It is associated with a standard of living. It is associated with the advancement, obviously, in technology.

Mr. KERRY. Let me say to my friend from Alaska, first of all, I would ask him to speak for himself as to whether or not—I know he does not intend to be here in 12 or 13 years, but a lot of other of my colleagues do.

Second——

Mr. MURKOWSKI. I just might be here.

Mr. KERRY. If I may say to my friend from Alaska, who may be—on this subject of this technology—I completely accept the technology. I am not arguing about the technology availability in Alaska. That has nothing to do with the Alaska argument. It is a question, not about technology, it is a question about good energy policy. That is another debate. It will happen in the next few days. But I say to my friend from Alaska, with respect to technology, these are technologies that are currently available. They are not taken into account in the study.

The National Academy of Sciences has listed these technologies. The study he cites does not even take into account hybrids.

My friend from Illinois has a chart over there—I had it over here earlier—that shows what can happen with hybrids. You bring a hybrid SUV on line and you get double the mileage. The study doesn't even take that into account.

Mr. MURKOWSKI. Let me respond to the last question, if I may. The same National Academy of Sciences study on which the Senator bases his legislative proposal, with new technologies, has estimates of cost and impact as in the EIA study. I think what the Senator is suggesting is the use of additional technologies which EIA believes are not necessarily cost efficient.

Higher CAFE standards means higher costs. Data from the National Academy of Sciences make this clear—$690 more for passenger cars at 33.5 miles per gallon, and $1,260 more for light trucks and SUVs at 27.5 miles per gallon in 2015. The Energy Information Administration clearly says cost is going to be higher—$535 for passenger cars and $961 for light trucks and SUVs.

The Senator from Massachusetts can argue the point, but I suggest he argue with the National Academy of Sciences or EIA.

Mr. KERRY. Mr. President, again there is nothing to argue about with the National Academy of Sciences because they did not take it into account either. But they acknowledge it. They acknowledge they did not take into account hybrids. My colleague has not answered the question.

Mr. MURKOWSKI. The question is a matter of choice for the American public in purchasing these hybrids. They can purchase them now. You can go out and get a car that gets 50 miles per gallon if you wish.

Mr. KERRY. Mr. President, I appreciate the Senator mentioning $1,200. That is an accurate statement of the up side cost that is talked about in the National Academy of Sciences report. They also talk about the low side of $500—so, $500 to $1,200. I accept that. He is absolutely correct. It will cost a little bit more. But what he doesn't say and what they never say is that the savings in gasoline over the life of the car pay for the cost. Moreover, we are prepared to give a tax credit.

Is the Senator aware that Ford Motor Company executive, John Wallace, said in an interview that with a $3,000 tax incentive for the purchase of the gas-electric hybrid, that would solve the problem of profitability and they would be profitable immediately with the Ford Escape? Is the Senator aware that Ford Motor Company says they can be profitable immediately with the tax credit which we are going to pass?

Mr. MURKOWSKI. I wonder if the Senator from Massachusetts is aware that in order for the car to basically amortize the cost of saving gasoline, the individual would have to keep that car about 14 years. The American public is not of a mind to keep a car that long.

Mr. KERRY. That is not my question. With a tax credit, is it profitable immediately?

Mr. MURKOWSKI. One could argue that it is profitable because a tax credit is a subsidy.

Mr. KERRY. That is only to bring it on line. The Senator said you can't be profitable.

Mr. MURKOWSKI. I quoted the National Academy of Sciences, and the Senator from Massachusetts is arguing the point that it wasn't included in his particular amendment.

Mr. KERRY. Actually, the National Academy of Sciences—I have the report right here—says specifically that without the cost, without loss of jobs, and without loss of safety, you can have a car that increases fuel efficiency up to 37 miles per gallon. That is what the National Academy of Sciences says. They don't tell you you have to do that, but they say you can do it. It is technologically feasible today. So you can, in fact, do that.

Mr. MURKOWSKI. I think the Senator from Massachusetts has to be careful in his generalities because the Ford Escape isn't a real SUV. I understand its towing capacity is only 1,000 pounds. That means you can't really tow your boat to where you are going to launch it because it is simply not heavy enough, if indeed it can only tow 1,000 pounds.

The Senator from Massachusetts can argue the point. But it is either fact or fiction. Is the Ford Escape a real SUV, or a mini-SUV, and is it limited to a certain load area?

Mr. KERRY. Mr. President, let me say to the Senator that is their first report. Let me say that over the course of the next 15 years, given the technologies that are available to us, you have the reliability to bring on line a car that can tow any size boat, and the vehicles you need for that fall outside the CAFE standard because of weight—this perfect capacity to have all the towing you want, all the carrying capacity, and all the lift capacity and still drive a more efficient vehicle. But I also want to ask the Senator—he said we are going to lose safety. I want to have the Senator from Illinois have a chance. He mentioned safety.

Mr. MURKOWSKI. Mr. President, I have the floor, as the Senator from Massachusetts is aware.

Mr. KERRY. Mr. President, if I may, the Senator said we will lose the safety. He quoted the National Academy of Sciences. Is the Senator aware that the National Academy of Sciences said specifically on page 70 of the report that it is technically feasible and potentially economic to improve fuel economy without reducing vehicle weight or size, and therefore without significantly affecting the safety of motor vehicle travel?

Is he also aware that the most important entities in this country with respect to safety—Public Citizen and the Center for Auto Safety—are both opposed to the Levin amendment and support the effort to have CAFE standards for a safety basis?

I want the Senator to hear this, if I may.

Mr. MURKOWSKI. I assumed the Senator from Massachusetts was going to ask me a question.

Mr. KERRY. I asked the question. I want to supplement the question. I want to see if the Senator is aware of this finding. This is Public Citizen:

> The industry's primary support for its position comes from a highly controverted study by the National Academy of Sciences, which, in turn, based its conclusions on research by Charles Kahane of the National Highway Traffic Safety Administration.
>
> The data used in the study are from 1993 and, therefore, fails to reflect advances in passenger protection, such as dual airbags and head injury protection.
>
> The study misleadingly held crashworthiness protection constant, despite the fact that many lives could be saved by design changes and cost-effective safety improvements.

Mr. MURKOWSKI. I would be happy to respond.

Mr. KERRY. There are additional findings. In fact, the finding of the National Academy of Sciences is that it would not affect safety. That is, in fact, the current finding.

Mr. MURKOWSKI. If I may respond, this comes from the National Academy of Sciences. It reads as follows:

> Contrary to recommendations, the NAS report says that the proposal establishes both unreasonable targets and unreasonable timetables.

According to the NAS report, technology and changes require a very long

time to be introduced into the manufacturer's product line, which I think paraphrases what the Senator from Massachusetts said because he said it will take time for the minivan, if you will, to evolve into what we would all like, and that is a multipurpose minivan.

They further go on to say that technology changes require a very long time to be introduced. Any policy that is implemented too aggressively—that is, too short a period of time—has the potential to adversely affect manufacturers, their suppliers, their employees, and consumers.

The NAS report says further:

But it is clear that there were more injuries and more fatalities than otherwise would have occurred had the fleet in recent years been as large and heavy as the fleet of the mid-1970's.

Those facts are on the basis of experience.

To the extent that size and weight of the fleet have been constrained by CAFE requirements, the current committee concludes that those requirements have caused more injuries and more fatalities on the road than would otherwise have occurred. Recent increases in vehicle weight, while resulting in some loss of fuel economy, have probably resulted in a reduction of motor vehicle crash deaths and injuries.

This is in the NAS report, page 2–29.

Mr. KERRY. Mr. President, the Senator hasn't answered my question. I agree with that. I know exactly what they say with respect to that. But he hasn't acknowledged that the findings of Public Citizen and the Center for Auto Safety point to the fact that the analysis on which the conclusion was based is flawed because it is not based on current safety capacity. It is not based on dual airbags. It is not based on lighter materials. It is not based on new technology. It is based on what happened in the transition. I want to explain why it happened.

Mr. MURKOWSKI. Isn't it based on a historical evaluation of what has happened? And so it is factual in relationship to actual statistical information.

Mr. KERRY. Let me again say what it relates to.

Specifically, the data used in the study is from 1993—not 2002. It fails to reflect the changes in passenger protection. It doesn't reflect dual airbags. It doesn't reflect what we have in our bill, which is rollover safety. Ten thousand people lost their lives last year because SUVs roll over. They have a 75-pound roof. The car is so heavy that it crushes them. The industry has resisted that protection. For a small cost, you could save those 10,000 lives.

That is in our bill. It is not in their bill.

Mr. MURKOWSKI. Is that portion in the bill?

Mr. KERRY. Yes. This is in our bill. It is introduced. It is on the floor now. You are about to strip it. But that is what is here.

Mr. MURKOWSKI. That is not my understanding. I would appreciate the Senator from Massachusetts advising us just where specifically that is.

Mr. LEVIN. Will the Senator from Alaska yield for a question?

The Senator from Massachusetts is taking the NAS study.

Mr. MURKOWSKI. I noticed that.

Mr. LEVIN. In the same breath, the Senator from Massachusetts says NAS found an increasing safety standard, and that his proposed level will not affect safety. There was no such finding by the NAS.

Would the Senator from Alaska agree?

Would the Senator from Alaska agree that when the NAS said that it is technically feasible and potentially economical to improve fuel economy without reducing vehicle weight or size, and, therefore, without significantly affecting the safety of motor vehicle travel, they were not talking about increasing fuel economy to the Kerry level?

Mr. MURKOWSKI. That is correct.

Mr. LEVIN. They were just simply saying, it is possible to increase fuel economy. You might be able to increase fuel economy by 1 mile per gallon without affecting safety. They did not reach a conclusion there. This line has been quoted——

Mr. KERRY. Will the Senator yield?

The PRESIDING OFFICER. The Senator from Alaska controls the time.

Mr. LEVIN. Mr. President, I am asking the Senator from Alaska a question.

Does the Senator from Alaska agree that the National Academy of Sciences does not specify what increase in CAFE would be possible in a way which does not affect, in a negative way, safety? Would the Senator from Alaska agree with that?

Mr. MURKOWSKI. Absolutely. That is my understanding.

I ask the Senator from Massachusetts, is there a committee report on the proposal, the Kerry proposal? And has the Commerce Committee given any views on the proposal?

Mr. KERRY. No. Mr. President, no there is none.

Mr. MURKOWSKI. Is there a reason why that has not occurred?

Mr. KERRY. Because we ran out of time. The leader made a decision that there was not time for the committee to act. There, clearly, would have been a majority in the committee, but we did not have time because of the schedule of the Senate. And the majority leader made a decision to try to meld it with the energy bill in order to keep his commitment to you, I believe, to bring the energy bill here at the appropriate time after the recess.

Mr. MURKOWSKI. Well, as the Senator from Massachusetts knows, the leadership has seen fit to basically go around the committee process because the Energy and Natural Resources Committee has not met in a markup since October. We had no opportunity to address amendments and bring in debate and develop a consensus. That is why I think it is unfortunate that so much of the process we are going through now is a matter of educating Members. Because it did not occur in the Commerce Committee, it did not occur in the Finance Committee, and it certainly did not occur in the committee of jurisdiction, the Energy and Natural Resources Committee because the majority leader saw fit to pull it from the committee in October.

I think the Senator from Massachusetts is well aware of why it was pulled. It was pulled because we had the votes to vote out an ANWR amendment, which would have put us in a position, as we debate the energy bill, of not having to come up with 60 votes, as the Senator from Massachusetts has threatened in his filibuster statement that he is going to filibuster the ANWR amendment.

But from the standpoint of equity and fairness, what we have not had an opportunity to do within the Energy Committee is to have amendments come up, develop a bill, and vote it out. And it was done for one specific reason. And it was done very early. This was done back in October. So we did not work, in the Energy Committee, on a bill so that we would have a consensus of both Democrats and Republicans as we address some of these complex issues.

So from the standpoint of not having time, we are all in the same boat, only I think it is fair to say the Energy Committee really took it in the shorts, if you will pardon the abbreviation.

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

Mr. MURKOWSKI. For a question.

Mr. KERRY. Mr. President, I ask the Senator, in his memory here—he has been here quite a while—is it not fair and accurate to say that when the Republicans were in control, the majority leader, on a number of different occasions, did exactly the same thing? Is that fair?

Mr. MURKOWSKI. I am so pleased the Senator from Massachusetts——

Mr. KERRY. Is that accurate?

Mr. MURKOWSKI. Has asked that question because it is totally inaccurate. The Republican majority leader——

Mr. KERRY. Is totally inaccurate?

Mr. MURKOWSKI. Has never ever taken away——

Mr. KERRY. Never circumvented?

Mr. MURKOWSKI. May I finish the answer—has never ever taken away the function and responsibility of the committees to meet.

Mr. KERRY. That is not what I asked.

Mr. MURKOWSKI. If the Senator will look up the RECORD, they have never seen, in the 22 years I have been here, an occasion where the majority leader has absolutely forbid the committees to meet. The Republican leader may have moved bills without going through the committee, but never, never, never. So there is a difference. There is a significant difference here.

This is a usurping of the committee process and function by the dictate of

the majority leader because he knew we had the votes to vote out ANWR. That is what is so undemocratic about this process.

Is the Senator from Massachusetts willing to give us an up-down vote on ANWR?

Mr. KERRY addressed the Chair.

Mr. MURKOWSKI. I am asking the question.

Mr. KERRY. I am going to answer. I am asking recognition to be able to do that, Mr. President.

The PRESIDING OFFICER. The Senator from Alaska controls the time, and I believe he has yielded to the Senator for the response.

Mr. KERRY. Mr. President, I would be delighted to answer the question. And, at the same time, may I say to the Senator, look, my question to him was whether or not a majority leader on the other side has circumvented. I did not ask him whether they met or not.

Mr. MURKOWSKI. Because he has never done it.

Mr. KERRY. And he has circumvented.

Mr. MURKOWSKI. He has never done it by pulling the authority——

Mr. KERRY. But he has done it.

Mr. MURKOWSKI. Of the committee of jurisdiction away from the process going on in the committee or forbid the committee from even holding markups for fear they would be somewhat confrontational.

Mr. KERRY. Mr. President, I can't speak to the question of methodology. I simply am asking about the result. My result answer is affirmative.

Mr. MURKOWSKI. If the minority leader were here, he would cite the specific differences. The Senator from Massachusetts can either accept my explanation or not. But factually, what happened is that the committee was forbidden to address any business before the committee. So we have not had any markups. We have not had opportunities to offer amendments.

That did not occur in the Commerce Committee. You had a process. He finally pulled it. It did not occur in the Finance Committee because he finally pulled it. But in the Energy and Natural Resources Committee we were simply forbidden, and that was it.

Mr. KERRY. Mr. President, I think that the assistant majority leader may or may not have a better history of that than I do, but I just want to say something. With respect to—I ask the Senator from Alaska about this. The other day, in the Washington Post, Paul Portney, who is the chairman of the National Academy of Sciences panel that the Senator referred to—and he is the president of the think tank—said that what we are proposing in our bill is—I am quoting—''roughly consistent with what the Academy identified as being technologically possible, economically affordable, and consistent with the desire of consumers for passenger safety.'' Is the Senator aware that the chairman of the panel signed off on that?

Mr. MURKOWSKI. I thought the Senator from Massachusetts was going to respond to my question; which was, Is he going to allow a 50-vote on ANWR? I don't think he addressed that.

Mr. KERRY. I will. Mr. President, let me say pointedly, I have been here now for 18 years. And in the 18 years that I have been here, as the Senator from Alaska knows, there are certain kinds of issues that rise to such a level of both emotional as well as substantive quality and contest that they always require 60 votes.

I have seen time after time on both sides of the aisle—it is just the difficulty here—if you have a contested issue, that is significantly contested on both sides, almost every time here it does not happen unless one side or the other musters 60 votes. It may be regrettable, but many people believe that is one of the great protections of the Senate, so we do not rush to do things that we regret or even as a way of protecting the minority. It is what our forefathers put in place. And I have said that I will exercise that privilege afforded us by the rules of the Senate. And that is what I intend to do on that subject.

Mr. MURKOWSKI. I am glad that the——

Mr. KERRY. May I say, it is not with any disrespect for the Senator from Alaska. I admire his tenacity. I know this means a great deal to him. We just happen to differ. And I think it is an issue that has to be resolved with those 60 votes.

Mr. REID. Will the Senator yield?

Mr. MURKOWSKI. If I may respond to my friend from Massachusetts.

To suggest that we do not want to move into these things too rapidly, this issue has been before this body for many, many years.

Mr. KERRY. I agree.

Mr. MURKOWSKI. It is not a movement of rapidity. We passed opening ANWR in 1995, as the Senator from Massachusetts will recall, and it was vetoed.

Mr. KERRY. Let me say to my friend, I am not saying rapidly. I am saying that sometimes applies.

Mr. MURKOWSKI. It was vetoed by President Clinton. Had we proceeded with it at that time, we would now know what we had. And I think that the Senator from Massachusetts has forgotten one thing. On matters of national security—and certainly national security is an issue, as we look at our situation with Iraq, our dependence on imported oil from Saddam Hussein, the fact that we are enforcing a no-fly zone, risking the lives of men and women—on September 11, we were importing over a million barrels of oil a day from Iraq. We are threatened now relative to the exposure of terrorism from that part of the world. And the Senator from Massachusetts has chosen not to let 50 percent of the Senate make a decision on a matter of national security. He has chosen on his own to filibuster something that has never been done in my understanding of the traditions of the Senate on a matter of national security.

This is what the ANWR issue is. It is the national security of our country because, obviously, as the Senator from Massachusetts knows very well, when there is a shortage of oil, the price goes up. The Senator from Massachusetts would recall in 1973, when we had the Arab oil embargo, when we had the Yom Kippur War, we were 37-percent dependent on imported oil. Today we are 57- to 58-percent dependent. What happened in 1973, we had gas lines around the block. There was frustration. People were blaming government.

I would hope this never happens again, but if it does, I suggest the Senator from Massachusetts will have to reflect on the attitude he proposes to take.

On national security items, it is uncalled for to try to establish a filibuster to reflect an individual and a particular group that has milked this issue for virtually all it is worth. I am talking about America's extreme environmental community.

There is absolutely no evidence that ANWR can't be opened safely. And the residents of my State of Alaska happen to support it. The Native residents of Kaktovik, the area that is affected, support it. ANWR can be on-line in a relatively short period of time. It can mean as much in oil coming into this country and being produced as Prudhoe Bay did. That was 20 to 25 percent of the total crude oil produced in the United States for the last 27 years.

Those are the facts. The debate we will have on that issue will take care of it. It certainly is not in the best traditions of the Senate to take a national security interest and mandate a cloture 60 vote point of order. That is what the Senator has chosen to do.

Mr. REID. Will the Senator yield for an announcement to the Senate, without the Senator losing his right to the floor?

Mr. MURKOWSKI. Surely.

Mr. REID. We have had a number of calls in both cloakrooms as to what will happen tonight. We are very close to having a unanimous consent agreement proposed to the Senate that would set up a vote on this matter that is now before the Senate at 11:30 tomorrow morning. We also have recognized Senator MILLER has been waiting to offer his amendment. He would do that after we come in in the morning so we would be able to have the two votes in the morning.

Mr. LEVIN. Mr. President, if the Senator will yield, I had a discussion with Senator MILLER. My understanding was that the debate on his amendment would occur after the disposition of the Levin-Bond amendment.

Mr. REID. That is correct.

Mr. LEVIN. I thank the Senator.

Mr. REID. If I misspoke, I am sorry. We have a lot of people waiting, and we are going to offer a unanimous consent request to set up things in the morning

and tomorrow afternoon. If people would be kind enough when there is a break in the speeches in the next 10 minutes or so, I would like to offer the request so we can move on.

Mr. MURKOWSKI. I thank the majority whip.

The PRESIDING OFFICER. The Senator from Alaska has the floor.

Mr. KERRY. Mr. President, point of personal privilege.

Mr. MURKOWSKI. I yield the floor to Senator BOND.

The PRESIDING OFFICER. The Senator may not yield the floor to another Senator.

Mr. BOND. Mr. President, I had an inquiry to the distinguished deputy majority leader. We have been promised to see a copy of the amendment that is to be offered. Before we agree on the unanimous consent request on this side, we would like to see a copy of that amendment. I wonder if we could be accommodated.

Mr. REID. I say to my friend, we have so ordered the unanimous consent agreement that that should not be a concern to the Senator. None of his rights or privileges would be lost. We will go over that with him prior to offering it.

The PRESIDING OFFICER. The Senator from Missouri now has the floor.

Mr. BOND. Mr. President, I appreciate the chance to address a number of things that have been said on the floor. Before doing that, I would ask if the distinguished majority whip had further comments. I did not mean to cut him off.

Mr. REID. I appreciate that. The Senator certainly has not lost his right to the floor. Tonight anyone who wants to speak on this amendment should talk as long as they want. We have a number of people in the Chamber who wish to talk. Certainly we are going to complete debate on this tonight. That is mainly what the unanimous consent agreement does. It sets up a vote in the morning. So if everyone would be understanding of that, in the immediate future we will offer the request.

Mr. LEVIN. Will the Senator from Missouri yield?

The PRESIDING OFFICER. The Senator from Missouri has the floor.

Mr. BOND. I am happy to yield to the distinguished Senator from Michigan.

Mr. LEVIN. For a question of the majority whip, if I could: Did I understand the majority whip to indicate that the debate on this amendment would be completed tonight under this proposed UC?

Mr. REID. Let me respond to the Senator from Michigan, yes, the debate would be finished tonight. We would have 5 minutes on each side in the morning.

Mr. LEVIN. Prior to the vote?

Mr. REID. Yes.

The PRESIDING OFFICER. The Senator from Missouri has the floor. Does the Senator from Missouri yield for a parliamentary inquiry to the Senator from Illinois?

Mr. BOND. For a parliamentary inquiry, I am happy to do so.

Mr. DURBIN. May I inquire of the Chair, is there any control in a unanimous consent or rule of the Senate relative to the order of speaking as to whether Members will each have a chance to speak once before a Member speaks a second time or what order Members will be recognized?

The PRESIDING OFFICER. There is no controlling unanimous consent at this time with regard to debate on this amendment.

Mr. DURBIN. Could I inquire of my colleague from Missouri if he could give me an indication of how long he wishes to speak?

Mr. BOND. Mr. President, I thank my colleague from Illinois. I have been waiting since about 3:45 because there were a number of points that were raised by my good friend from Massachusetts. He was kind enough to pay attention to some analogies I drew. It is probably going to take me 10 to 15 minutes to correct the RECORD. But I am very sympathetic to the needs of my other colleagues who wish to speak, and I do need to straighten that out. With the Chair's permission, I will go ahead and reclaim my time and begin by making, first, a request.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri has the floor.

Mr. KERRY. I realize that. I am asking if I could ask him just a quick inquiry.

The PRESIDING OFFICER. Does the Senator from Missouri yield for a request of the Senator from Massachusetts?

Mr. BOND. Mr. President, I have enjoyed listening to the Senator's speeches and questions, and I have a number of answers to questions he has already raised. I prefer to answer those questions, and then I shall be happy to entertain such remaining questions. But he has addressed in his statements a number of questions to me. I am looking forward to the opportunity to attempt to answer those questions.

Mr. DURBIN. Will the Senator yield for a unanimous-consent request?

Mr. BOND. Mr. President, unless it is from the majority whip, I would prefer to go on with my statement. I have told the Senators that I would hope to be able to complete this in less than 15 minutes, if I could reclaim the floor.

First, there was a statement by my friend, the Senator from Arizona, that there is nothing going to be done to improve fuel efficiency under the Levin-Bond amendment.

I refer the Senator from Arizona to section 801, the very first page. It directs the Secretary of Transportation to issue new regulations setting forth increased fuel economy standards for automobiles that are determined on the basis of maximum feasible average fuel economy levels, taking into consideration the matters set forth in subsection F. That essentially lists all of the factors included in the National Academy of Sciences study.

Frankly, it says, ''setting forth increased average fuel economy standards.''

There have been questions raised by the Senators from Massachusetts and Arizona as to whether there would be any action by the Department of Transportation. It is important to point out to whoever still remains that Secretary Mineta, in July of 2001, requested that Congress remove riders preventing the Department of Transportation from revising the current CAFE standards.

Once Congress did that, the National Highway Traffic Safety Administration—which I will refer to as NHTSA—moved expeditiously in resuming CAFE rulemaking and published a notice on January 24, and on February 7 issued a request for comment for new CAFE standards for light trucks, requested public input. On February 1, the Secretary sent a letter to Congress urging that DOT be given the necessary authority to reform the CAFE program. The administration has requested an increase in NHTSA's budget to accomplish the development of the new standards and has begun updating its 1997 analysis of vehicle size.

So I think NHTSA, which the National Academy of Sciences study said should move forward, has shown it is willing to do so and that it is anxious to do so.

Now, one other item has been raised. My colleague from Massachusetts had a great line, a wonderful line, saying they had the most efficient workers and the U.S. auto industry can turn out the best cars around but they are forbidden to do so by the ''terrible management.'' It is all the management and the designers. Do you know something, Mr. President. The people saying they don't want those minicars are the consumers. The people who determine what the national auto- and truck-buying public consume are the consumers themselves.

There are some in this body who think we can tell them that it is good for you, eat your spinach—even if you don't like it. They tried to tell them to eat their spinach. They got 50 different small cars that meet very high standards. Yes, by God, some of them are golf carts. I love the golf carts. They are going to be all over the place if we have this absolutely arbitrary 37-mile-per-gallon fleet average, or 35, or whatever they come up with in their secondary amendment. We are going to be driving lots of golf carts because they will make it. But only 1.5 percent of vehicle sales in the United States today—even though there are 50 different models—are of the mini subcompacts that get the very high miles per gallon average.

For those people who want to drive them and want to save gasoline, more power to them. That should be their choice. That should be the consumer's choice. There have been a lot of statements made about the fact that, well, the only arguments against increased

CAFE are from the automakers. There are those of us who are supporting the Levin-Bond amendment who believe that the basis for our concern and for our amendment is the National Academy of Sciences study.

I had my breath taken away by the attacks on the National Academy of Sciences, but I will quote some figures from it.

The Senator from Massachusetts said it is technically feasible and potentially economical to improve fuel economy without reducing vehicle weight or size. It goes on to say that two members of the committee believe it may be possible to improve fuel economy without any implications for safety, even if down-weighting is used. So that statement from the National Academy of Sciences shows that the rest of the members of the panel said it would have an impact on safety.

Furthermore, the committee states that it recognizes the automakers' responses could be biased, but extensive downsizing that occurred after fuel economy requirements established in 1970 suggest that a likelihood of a similar response to further increases in fuel economy requirements must be considered seriously. From this, I repeat the message previously received—that we will be getting into smaller cars that are more dangerous.

Speaking of smaller cars, my colleague from Massachusetts talked about the Escape hybrid electric vehicle. Well, the rest of the story, and what he did not tell you, is that the Escape, which is the basic car, can only tow 1,000 pounds. It is a small front-wheel drive. The hybrid would cost $3,000 to $5,000 more, and it is 1,000 pounds lighter. Now, 1,000 pounds is a significant factor because that is basically what the lower weight of vehicles after the CAFE standards went into effect—what resulted in the roughly 2,000 deaths per year that the National Academy of Sciences foresaw.

There may be some people who want the hybrid electric vehicle. But if I were driving young children in my family around, I don't think I would want to go with a smaller car. There is no assurance that the consumers are going to buy it. That is the problem with some of these command-and-control decisions from Washington. They say that if we direct the manufacturers to build it, then the consumers will buy it. Well, American consumers like to make choices themselves. Sometimes they say we are not going to buy them.

The 10 most fuel-efficient cars in America account for only 1.5 percent of auto sales. In a recent survey of attributes, they show that the consumers value safety, comfort, utility, performance, and fuel economy ranks at the bottom.

In addition, when we talk about the technological improvements, Congress is not making the laws of physics. We are not changing science.

The safety improvements add weight to the vehicles. The heavier the vehicle, the more energy it takes to move it down the road and it results in a decrease in fuel economy.

The National Committee of Sciences report said:

If an increase in fuel economy is affected by a system that encourages either downweighting or the production in sale of more small cars, some additional fatalities would be expected.

In addition, the Senator from Massachusetts said unequivocally that NAS, in its report, said a fleet of 37 miles per gallon could be reached with existing technology and without any loss of jobs.

That is just simply not true. Nobody can find a reference in this wonderful National Academy of Sciences report. I hold it up. It is a little dog eared. I have been looking for the statement cited as gospel by the Senator from Massachusetts. It is not in there. There are not even any fleetwide numbers in the report. Rather, there are cost-efficient fuel economy levels for 10 different subclasses of light-duty vehicles. Nowhere are those numbers sales weighted to yield a fleet average.

Of the six cost-effective scenarios examined by the National Academy of Sciences panel, is there even 1 of the 10 classes estimated to be able to reach that level? There are subcompact and compact cars which under a 3-year payback period could get up to 30 miles per gallon, and the highest light truck value is only 24.7 miles per gallon.

The National Academy of Sciences report in no way suggests that a 37, 35, 32—whatever number you want to give me—is achievable.

Also, my friend from Massachusetts cited a Consumers Union study on possible safety effects. Unfortunately, that CU study used an invalid comparison of vehicle crash death rates published by the Insurance Institute for Highway Safety to suggest that drivers of Honda Civics are at less risk than drivers of Chevrolet Surburbans. The Insurance Institute says:

Such a claim is absurd on the face of it. Plus, the comparison is invalid. The two death rates are not statistically different, as indicated by the confidence bounds we published. Also . . . nonvehicle factors such as use patterns and driver demographics influence vehicle death rates, and these are likely to vary across different vehicle types such as small cars . . . and very large sport utility vehicles.

I ask unanimous consent this letter be printed in the RECORD.

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

INSURANCE INSTITUTE FOR HIGHWAY SAFETY,
Arlington, VA, March 6, 2002.

Hon. CHRISTOPHER BOND,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR BOND: This is in response to your request for reactions to statements in a letter sent by the Consumer Union (CU) to members of the Senate on possible safety effects of pending fuel economy legislation. The CU letter seriously misrepresents the adverse safety consequences of reducing vehicle weights to improve fuel economy.

First, CU uses an invalid comparison of vehicle crash death rates published by the Institute to suggest that drivers of Honda Civics are at less risk than drivers of Chevrolet Suburbans. Such a claim is absurd on the face of it. Plus the comparison is invalid. The two death rates are not statistically different, as indicted by the confidence bounds we published. Also (as noted in our publication) nonvehicle factors such as use patterns and driver demographics influence vehicle death rates, and these are likely to vary across different vehicle types such as small cars (Civics) and very largest sport utility vehicles (Suburbans).

Even though we pointed out to CU the potential influences of nonvehicle factors on the computed death rates, the letter claims that ''when we take all crash factors into account in the real world the Honda Civic had fewer driver fatalities than the Chevrolet Suburban.'' This is a complete misrepresentation. Nonvehicle factors such as use patterns and driver demographics were not taken into account. The claim that ''all crash factors'' were taken into account is wrong. No nonvehicle crash factors were accounted for when the death rates were computed.

Second, the CU letter distorts basic facts concerning occupant safety and vehicle weight. The evidence is overwhelming that the lightest passenger vehicles (which consume less fuel per mile) offer much less protection to their occupants than heavier vehicles (which consume more fuel per mile). It also turns out that the safety benefits to vehicle occupants diminish as vehicles get heavier and heavier, so we don't have to choose the heaviest passenger vehicles to get good crash protection. Still, we should avoid the lightest ones.

It is sometimes claimed that the high crash risks for occupants of light vehicles are entirely due to the adverse consequences of collisions with heavier passenger vehicles and, therefore, it is the heavy vehicles that are the problem. It is correct that heavier vehicles increase the risks for occupants of light vehicles in two-vehicle crashes, but this effect makes only a relatively small contribution to the high risks for light car occupants. Our October 30, 1999 newsletter, *Status Report* (enclosed), pointed out in an article on crash compatibility that almost 60 percent of the deaths of occupants of the lightest cars (<2,500 pounds) occur in single-vehicle crashes, crashes with big trucks, or crashes with three or more vehicles. Two-vehicle crashes with other cars (including other light cars) account for 23 percent of the deaths in light cars, and crashes with sport utility vehicles and pickups of all weights, not just the heaviest ones, account for 15 percent of the deaths of small car occupants.

The high risks for occupants of light cars in crashes are due to the inherent lack of protection these vehicles offer in *all* kinds of crashes. Additional vehicle safety standards cannot offset the higher crash risks for occupants of lightweight vehicles. Such standards may make light vehicles safer, but they also will make heavier vehicles safer, so the disparities in risk will remain.

The laws of physics dictate that light vehicles consume less fuel per mile and are less protective of their occupants in crashes. This means fuel conservation measure that increases the use of light cars will do so at a cost of unnecessary crash deaths and injuries.

Sincerely,

BRIAN O'NEILL,
President.

Mr. BOND. Mr. President, finally, it has been suggested that the Honda

manufacturing motor company is supporting the effort to get the 36 miles per gallon. Today's National Journal Congress Daily on page 9 reports that it opposes the bill sponsored by Senators KERRY and MCCAIN, and it says it supports the measure supported by the distinguished Senator from Michigan and myself.

Honda's representative in Washington said:

The Kerry provision is just too aggressive. Ultimately, NHTSA ought to decide the standard.

The Levin-Bond amendment would do that. For all those who have complained that there is going to be no progress, that it is going to be in the hands of the auto companies, I refer them simply to the Levin-Bond amendment which says that NHTSA must increase fuel economy, it must do so in consideration of the scientific and technological information developed and presented in the National Academy of Sciences proposal.

Their report is called ''The Effectiveness and Impact of Corporate Fuel Economy Standards.'' We are seeking to do something that is rather unusual, and that is to say, use the best science, the best economics, continue to make progress but do not throw hundreds of thousands of people out of work, do not endanger lives, and do not destroy consumer choice.

This is not a command-control economy like the old Soviet Union where we could say we are going to put out one car and that is what you are going to drive. Frankly, American consumers have developed their own tastes. Yes, we are going to push for better technology, but we are not going to tell them that you can only drive a mini subcompact or, as I say to my friend from Massachusetts, a golf cart.

I look forward to continuing the debate tomorrow, and I urge my colleagues to support the Levin-Bond amendment. I am happy to yield the floor.

Mr. REID. Mr. President, I ask unanimous consent that upon the conclusion of debate today with respect to the Levin amendment No. 2997, the amendment be set aside, to recur at 11:30 a.m. tomorrow, Wednesday, March 13; that at that time there be 10 minutes equally divided and controlled in the usual form remaining for debate prior to a vote in relation to the amendment; that upon disposition of the Levin amendment, Senator MILLER be recognized to offer an amendment regarding CAFE and pickup trucks; that there be 10 minutes for debate with respect to the Miller amendment, with 4 minutes controlled by Senator MILLER and 5 minutes under the control of Senator GRAMM of Texas, and the remaining 1 minute under the control of the opponents; that upon the use or yielding back of the time, the Senate vote in relation to the Miller amendment; that upon disposition of the Miller amendment, Senator KERRY or Senator SNOWE, or their designees, be recognized to offer an amendment regarding CAFE; that the Miller and Kerry amendments be in order regardless of the outcome of the vote with respect to the Levin amendment, with no second-degree amendments in order to the Levin or Miller amendments, nor to any language which may be stricken by those two amendments; provided further that if an amendment is not disposed of, then the Senate continue its consideration of that amendment until disposition and then resume the order of this unanimous consent agreement, as previously announced, with no further intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. BOND. Mr. President, reserving the right to object, two things. For the 11:30 a.m. vote, several on this side have asked for more time. So I will respectfully request that that be extended to 20 minutes. I have a basic problem. We still have not seen the amendment that is to be offered by Senators KERRY or SNOWE, and, until we see it, we don't know if the time is adequate. We would like to see that.

Mr. REID. We have provided no time for that. We changed that.

Mr. BOND. OK. Then with the change to 20 minutes equally divided, we have no objection.

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

Mr. REID. If the Senator will yield, the majority leader has asked me to announce that there will be no more rollcall votes tonight. I ask, if the Senator will allow me, that following the statement of the Senator from Missouri, the Senator from Illinois be recognized for up to 25 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Under the previous order, the Senator from Illinois is recognized.

Mr. REID. Mr. President, I know the order allows the Senator from Illinois to speak.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I did speak to my friend from Illinois. I ask unanimous consent that I be allowed to speak for 3 minutes.

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

Mr. REID. Mr. President, first, this Energy Committee has been defamed several times over the last several weeks. There were a number of meetings held. My friend from Alaska said there were no meetings held since October. Nine people have been confirmed, and they had to come out of the committee. That is one example.

I also say this about my friend, JOHN KERRY. Something was said that what he was doing was not supportive of national security. No one should ever talk about JOHN KERRY and national security. He has done more than talk about national security. He put his life on the line in the jungles of Vietnam and was injured. He received a Silver Star, which is a significantly high medal for heroism. JOHN KERRY was a hero in the battles in Vietnam. I have spoken with people who were with him in Vietnam, and the things he did there were very heroic.

JOHN KERRY believes what he is doing deals with the security of this country. I agree with JOHN KERRY.

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois is recognized for up to 25 minutes.

Mr. DURBIN. I thank the Chair. Mr. President, I thank the Senator from Nevada, the majority whip, for propounding this unanimous consent request. I would like to join in this debate. We will talk about a lot of different aspects of the energy bill, but I think this debate on fuel economy standards for automobiles and trucks in America goes to the heart of the issue.

There are many who believe we can discuss the future energy needs of America without engaging the American people; that we can offer to them the false promise and the false hope that we can become close to energy independent without any change in lifestyle, without very many changes in law, and without any sacrifice by business or families or individuals. I am not one of those people.

I believe if we are going to be honest with the American people about our energy challenges in the years ahead, we have to tell them that it is going to call for sacrifice; it is going to call for commitment; it is going to call for an understanding of our role in the world.

The reason I say this is the following: The United States currently imports 51 percent of its oil. That number is expected to increase to 64 percent by the year 2020. Forty-two percent of U.S. oil consumption is used for gasoline for passenger cars and light trucks. It is predicted that passenger fleet consumption will rise to 56 percent by the year 2020.

We cannot have a meaningful and honest discussion about reducing American dependence on foreign oil without addressing the question of fuel efficiency of the passenger cars and light trucks that we drive as Americans.

For the record, my wife and I own a Chrysler product, a Ford product, and a Saturn. With our kids growing up, we have had a variety of cars, mainly American cars, but we do our best to buy American cars.

Some of the things I am talking about are going to reflect on the American automobile industry, and I am sorry if it is taken as a negative comment but I have to get some of these things as part of the record and part of my feelings about this issue.

Let me tell you the history of fuel efficiency in America so you can understand for a moment what we are discussing today.

In 1975, there was a heated debate in Congress about establishing for the

first time in history fuel economy standards for automobiles and trucks manufactured in the United States. At that time, the average fuel efficiency was about 14 miles a gallon for the fleets that were being built primarily by the Big Three in Detroit but by other manufacturers as well.

This Congress decided at that time to dramatically increase the fuel efficiency required of automobile manufacturers to a level of 27.5 miles a gallon by 1985. In a 10-year period of time, we virtually doubled the fuel efficiency of cars and trucks in America. Now, trucks I will have to say were an exception, and because of that exception, which I will allude to later, perhaps it was not the entire fleet taken into consideration, but when it came to automobiles we moved from 14 miles a gallon in 1975 to 27.5 miles a gallon in 1985.

There were many critics who said that was impossible, technologically unachievable, it was going to require Americans to run around in kiddy cars, and that, frankly, it would push manufacturing of automobiles overseas.

If any of these arguments sound familiar, it is the same litany of complaints we have heard today about improving fuel efficiency standards. When one looks back at the history of that debate in 1975, some of the things that were said are nothing short of incredible.

In 1974, a statement before the Senate Commerce Committee from Chrysler Corporation about the new fuel efficiency standard that would move fuel economy from 14 miles a gallon to 27.5 miles:

> In effect, this bill would outlaw a number of engine lines and car models, including most full-size sedans and station wagons. It would restrict the industry to producing subcompact-size cars, or even smaller ones, within 5 years, even though the Nation does not have the tooling capacity or capital resources to make a change so quickly.

Thus spoke Chrysler in 1974 facing the first fuel efficiency standard increase.

General Motors in 1975, published in Oil Daily, said as follows:

> If this proposal becomes law [to increase fuel efficiency] and we do not achieve a significant technological breakthrough to improve mileage, the largest car the industry will be selling at any volume at all will probably be smaller, lighter and less powerful than today's compact Chevy Nova and only a small percentage of all models being produced could be that size.

It is not just the resistance of the Big Three to fuel economy. The Big Three have virtually resisted any efforts to establish new standards for fuel economy, safety, and auto emissions throughout the years. They have been resistant to change.

In 1966, Ford said, when we were imposing national safety standards:

> Many of the temporary standards are unreasonable, arbitrary and technologically unfeasible. If we cannot meet them when they are published, we will have to close down.

That was from Henry Ford II. He was referring to the onerous Government requirements of laminated windshields, seat belts, and other safety requirements.

In 1971, Ford again, and this was Lee Iacocca, who was with Ford at the time:

> The shoulder harnesses, the headrests are a complete waste of money and you can see that safety has really killed all of our business. We are in a downhill slide the likes of which we have never seen in our business, and the Japanese are in the wings ready to eat us alive.

That was Lee Iacocca of Ford Motor Company in 1971 talking about any law requiring safety equipment on automobiles in the United States.

I will not read through all of the quotes on emissions controls. Trust me. Year after year, the Big Three have come before Congress, testified, and stated publicly that any changes in their design and manufacture mandated by law would result in their bankruptcy in the production of vehicles, that Americans would not buy and, frankly, would jeopardize our security as a nation as it shifted jobs overseas.

Despite all of those protests, in 1975 this Congress enacted that law which virtually doubled the fuel economy of cars in the United States. So one might ask then, what happened next? The answer is, absolutely nothing.

Since 1985—for 17 years now—Congress has been unwilling to even address the issue of improving fuel economy of automobiles in the United States. That is an incredible statement, that after 10 years of a dramatic technological breakthrough, doubling fuel economy, for 17 years we have done nothing. And the automobile manufacturers in Detroit have done nothing either. If anything, they have gone in the opposite direction.

The cars that are sold today, particularly SUVs, are less fuel efficient. Of course, as a result of that, our dependence on foreign oil continues to increase.

The premise of those who come before us today and oppose the underlying bill, which improves fuel economy to 36 miles a gallons—35 miles a gallon. I keep getting the numbers confused, but I believe it is 35 miles a gallon. There are three premises behind that. First, those who oppose it would say improved fuel economy is a goal beyond the capacity of American science and technology. We have heard it over and over again. They refer to study after study. They cannot see that we would move from 27.5 miles a gallon as a fleet average to 35 miles a gallon and do that with our ability to bring together the best scientists and those involved in automobile technology. They are very despondent that if Detroit were challenged to meet this goal, they would ever be able to meet it.

Does that sound familiar? Does that not sound like the debate in 1975, when the Big Three came and told us this cannot be done, it is technologically impossible?

The second premise of the opposition to increasing fuel efficiency standards is that the American consumers should not be asked to change their buying habits in any way whatsoever.

Frankly, I think those who take that position are underestimating the people in this country. I think Americans are prepared to accept a change in lifestyle, a change in the vehicles they buy, if we explain to them that if they pay that price, America will come out ahead; we will lessen our dependence on oil coming from Saudi Arabia, from the gulf states, from overseas. We will be able to take positions on foreign policy and on potential battles with other countries based on the fact that we will be less dependent on them.

To me, that makes eminent sense, and I think I could go home to my State, or to virtually any State in this country, and say to people across this country: Americans, we need to gather together. We need to stand united as we have in the last 6 months since September 11. We need to accept the reality that tomorrow's automobile is going to look a little different from today's; tomorrow's truck is going to look a little different, too, but it will be more fuel efficient and it will lessen our dependence on foreign oil.

Is that not a valuable thing for us to do as a nation? I think most Americans would agree. But some would not even bring that question to the American people. They do not want to even raise the possibility or the specter that we would have to change our buying habits.

The third premise of most of those who oppose improvement on fuel economy and fuel efficiency is the Senate is prepared to abdicate any responsibility to meaningfully reduce American dependence on foreign oil. Trust me. If we will not address fuel efficiency and fuel economy, which we know is going to account for more than half of the oil that will be imported into the United States by the year 2020, then the rest of this conversation about energy is simply eyewash. It is not serious. It is not substantive. It is not going to achieve what America needs: Leadership on energy. Unfortunately, that is where we stand today.

I received a letter from a constituent of mine. He sent it to my office, and I will read it into the RECORD. He is in Chicago, IL. His name is ''Z'' Frank. Those who are from the Chicago area are familiar with him and will know immediately that he is the world's largest Chevrolet dealer, that he is the President of ''Z'' Frank Chevrolet. This man is the largest dealer of Chevrolets and is writing to Members of Congress, all of us, on the issue of fuel efficiency. Keep in mind, the company that makes the cars he sells is opposing an increase in fuel efficiency.

Listen to what Mr. Frank writes to all of us in reference to this debate.

The letter is dated February 25, 2002, and reads as follows:

> I write in support of raising fuel economy standards, as the President of ''Z'' Frank

Chevrolet, having sold well over 1,000,000 Chevrolets. My family has been selling and leasing cars and trucks in Chicago since 1936. Before entering the family business in 1976, I graduated from George Washington University and then the University of Chicago Graduate School of Business. I have been a Chevrolet dealer since 1982 and since then have also held franchises from Oldsmobile, Hyundai, Mazda, Subaru and Volkswagon.

I call on you to support the kerry-hollings fuel economy bill to raise miles per gallon standards to 35 miles per gallon by 2013. Making cars go farther on a gallon of gas is a responsible step to use less oil.

I ask you to support raising CAFE standards as the best way to manage our energy future and encourage automakers to implement fuel saving technologies that are currently available.

Here is why:

1. Auto manufacturers are like the boy who cried wolf. Every time the federal government proposes new regulations, they cry the same story that it will limit choice, make vehicles less safe, cost jobs and hurt the economy. During the same period in the 1980s that fuel economy increased, traffic fatalities fell by half. And when new laws are passed, compliance follows. Now ask yourself, didn't the year 2000 set the all time record for light and medium weight vehicles sales? Even after September 11, car companies have been selling a vast number of vehicles. It doesn't seem to me that regulations have hindered volume or employment so far. Can you remember one instance when the manufacturers' cries of gloom and doom have materialized? I can't.

2. American technological innovation can lead the way to safe, fuel efficient vehicles that sip gas rather than guzzle it. I would like to see General Motors provide me with a competitive high mileage vehicle to sell, and we'll sell it!

3. Fuel-efficient technology can be implemented without jeopardizing safety. Technology such as better engines and transmissions will be the driving force in making more fuel-efficient vehicles. General Motors recently announced that it had technology to improve the engines it uses in the Suburban, their largest SUV, by 25%. Technology, such as air bags and vehicle design, is also a driving force behind vehicle safety. High fuel economy standards can help improve overall safety by encouraging the use of strong but lighter materials in the heaviest vehicles.

4. As technology has improved, performance has consistently improved as well. Competition will continue to improve performance. Under the CAFE system, the pickups and SUVs that have the torque and horsepower needed to haul heavy loads can retain their power. Consumers will continue to love their cars and buy the best cars that their monthly payments will allow.

5. There are real benefits to our environment from raising CAFE standards. Cars, SUVs and other light trucks now consume 8 million barrels of oil every day, and account for 20% of US global warming emissions. High demand for oil also increases the pressure to drill in areas that should be left unspoiled. Raising fuel economy standards will save oil and slash global warming pollution.

6. I have a personal reason for supporting higher CAFE standards. Air pollution is a very serious and growing problem, and my wife, who suffers from asthma, finds it increasingly difficult to breathe. While making cars use less gasoline will not directly reduce air pollution from a car's tailpipe, by cutting gasoline consumption, it will dramatically reduce air pollution that comes from refining, transporting and refueling. Raising CAFE standards will, in fact, help clean the air.

It pains me to be at odds with the manufacturer I represent. For 65 years, my family has been selling cars and trucks—almost 50 of those years, Chevrolets. Selling Chevrolets has been very financially beneficial for my entire family and me. I do not want to be at odds with General Motors and my fellow dealers or threaten my economic future. I want to support my manufacturer—but first, they must give me the vehicles to sell that are in the best interests of our citizens and our country. I believe they can and will do it if required.

Please support the Kerry-Hollings bill as a responsible step towards a better future.

Sincerely,

CHARLES E. FRANK,
President, ''Z'' Frank Chevrolet.

Mr. Frank, in that 2-page letter, summarized the most compelling arguments for Members to have the courage, the political courage, to vote for higher CAFE standards. Here is a man who sells the product. If he believed for a second what we have heard on this floor, that what he would sell would be something American consumers would never buy, he would not write that letter. If he believed for a second this were beyond the technology and ability of American auto manufacturers, he would not have written this letter. But he believes otherwise. And so do I.

Let me put this in historic perspective. From 1975 to 1985, there was a 100-percent increase in fuel efficiency. From 1985 to 2002, no change whatever. We are still stuck with the 1985 standard.

Let me put in perspective what we are debating. The underlying bill wants to move the fuel efficiency standard to 35 or 36 miles per gallon, depending on the amendment before the Senate. And 35 or 36 miles per gallon means we will take the 27.5-gallon fleet average now and raise it by about 30 percent. From 1975 to 1985, we increased fuel efficiency 100 percent. Under the Kerry provision before the Senate, we are asking that in the 30 or 32 years since, Detroit and the automobile manufacturers increase their fuel efficiency by 30 percent.

I am sorry, but I have to say I don't believe that is an ambitious or impossible goal. If I believed for a minute this was beyond the ability of American science and technology, I would throw in the towel, as are those who are opposing the Kerry provision and stand to say we cannot ask America's engineers and scientists to come up with a means over the next 13 or 14 years to improve the fuel efficiency of our vehicles by 30 percent.

But I do not believe that. As I stand today, I know the Congress of 1975, which had the courage to say to automobile manufacturers, you can do 100 percent better in 10 years, was on the right track. There is not a single proposal today that even gets close to setting that kind of ambitious goal. Yet it is doubtful we are going to pass any meaningful fuel efficiency improvement standard as part of this energy bill. That is a sad commentary. It is a sad commentary on our automobile manufacturers. It is a sad commentary on this Congress that we do not have the courage to stand up and do what is right for this country at a time when we know what our dependence on foreign oil means.

If we look at some of the things before the Senate, we understand why the debate is getting out of hand. Look at the Kerry-Hollings provision on increasing fuel efficiency to 35 miles per gallon by 2013—in other words, in 11 years to reach 35 miles per gallon, a 30-percent increase over where it is today.

This charts shows the amount of oil that would be saved, millions of barrels a day; 3.5 million barrels a day would be saved if this were in place.

Look at what the other side argues. They suggest there is a painless way to do this. We have spent more time in this Chamber talking about one piece of Alaskan real estate than any other issue regarding America's energy picture. Senator MURKOWSKI and others stand before the Senate and say the real answer to our problem and dependence on foreign oil is to go ahead and drill in the Arctic National Wildlife Refuge. Look at the savings or production that comes from the Arctic National Wildlife Refuge compared to the savings if we move toward fuel efficiency. It is not even close.

I have numbers which tell the story. The U.S. Geological Survey says there are 3 million barrels of oil in the Arctic National Wildlife Refuge and it will be 8 or 9 years before we can bring it out. We can have several times this amount of savings through automobile and industrial efficiency. That is why we need a strong CAFE provision in this bill. By 2030, the cumulative savings from CAFE reform will be over 18 billion barrels of oil. In other words, the cumulative oil savings from CAFE reform by the year 2030—to the end of this chart—would be 6,000 times the amount of oil we could ever drill out of ANWR according to the U.S. Geological Survey.

It is not an honest debate to say to the American people, keep driving as big a car as you want, do not ask Detroit to come up with anything that is more fuel efficient, no sacrifice to Detroit, no challenge to our technology and science, drive whatever you want, when you want, no questions asked, and do not worry at all about our dependence on foreign oil because we can drill in the Arctic National Wildlife Refuge.

That is what I hear from the other side of the aisle. I think that is a ludicrous position. I don't think that even gets close to squaring with the reality of the challenge we face in America.

So I hope my colleagues, when they consider this debate, will recall what we have been through in this country over the last 20 or 30 years. I hope they will remember the great debate in 1975 where Members of Congress stood up and said to the American people: We are tired of these long lines, waiting at gas stations. We don't want to increase our dependence on foreign oil. We are going to put a challenge out.

They put that challenge out and the sad reality is, foreign automobile manufacturers rose to the challenge, and Detroit fought them all the way.

There was an old saying. When Congress passed the 1975 law, the Japanese automobile manufacturers went out and hired a team of engineers to comply with the new standards that had been imposed on them by Washington and the Big Three in Detroit went out and bought a team of lawyers to fight the new standards in court.

I don't know how true that is. But I tell you, I think we can do a lot better. It is a source of embarrassment to me that the first hybrid vehicles that came on the market in America were produced by foreign automobile manufacturers. We can do a lot better. Detroit obviously will not do it on its own. It needs to have a standard, a goal, and, frankly, a law which says we are going to dramatically improve the automobiles and trucks that we sell in America.

I genuinely believe we can meet this. I genuinely believe we can rise to this challenge. I am not so despondent and negative to believe we have to throw in the towel whenever faced with something that some call as radical as increasing fuel efficiency by 30 percent over the next 11 or 12 years.

That is a modest goal, a very modest goal. But look at the savings for America in reducing our dependence on foreign oil.

Nor do I believe it is unreasonable to say to the American consumer: Yes, that car or truck is going to look a little different in the years to come, but isn't it worth it? Isn't it worth it to know you are doing something? You are driving a brand new car, brand new truck—it looks a little different, may sound a little different—but when it is all said and done, you will still be living in the greatest Nation on Earth, and we are less dependent on that foreign oil and those who produce it —and lead us around by the nose too often when it comes to foreign policy. I don't think that is an unreasonable thing to ask, nor do I think it is unreasonable to ask this Congress to basically say to those special interests groups that have come to us and said stand in the way and stop any improvement in fuel efficiency, that this is not in the national interest.

Mr. FRANK made that point. We have to do what is best for this Nation in the long run, for workers as well as families across the board. And that means supporting a meaningful fuel-efficiency standard which lessens our dependence on foreign oil. The net result will be a better vehicle, more jobs, a safe vehicle; it will be something we are going to be proud of. I hope Congress has the political courage to rise to the occasion.

Unless someone is seeking recognition—the Senator from Michigan? I yield the floor.

The PRESIDING OFFICER (Ms. CANTWELL). The Senator from Michigan.

Mr. LEVIN. Madam President, let me briefly comment on a few of the questions which have been raised here today.

First, in terms of the amendment which is offered, we are requiring that there be an increase in fuel economy. That is No. 1. But what we also say is that there are many factors that need to be considered, including safety factors, before that decision is made.

We list those factors. We list every factor that we can reasonably think of that somebody ought to consider before we arbitrarily adopt a number which is then imposed upon this economy and upon the American public.

We have heard a lot about safety today. I want to read some things from the National Academy of Sciences about safety. This isn't the automobile industry and it is not the opponents of the Levin-Bond amendment. This is the National Academy of Sciences.

It creates a lot of difficulty for the opponents of my amendment because it raises an issue they do not consider. As Senator KERRY from Massachusetts simply said: The National Academy of Sciences says that his proposal, ''will not affect safety.''

Those are the words of Senator KERRY. The National Academy of Sciences says his proposal won't affect safety.

I am afraid that the National Academy of Sciences specifically found that the increase in CAFE, whether you like what we did or do not like what we did back in the 1970's, had an effect on safety. Here is what they said:

> Based on the most comprehensive and thorough analyses currently available, it was estimated in chapter 2 of their study that there would have been between 1,300 and 2,600 fewer crash deaths in 1993—

Which is the year they looked at it

> had the average weight and size of the light duty motor vehicle fleet in that year been that of the mid-1970's. Similarly, it was estimated that there would have been 13,000 to 26,000 fewer moderate to critical injuries.
>
> These are deaths and injuries that would have been prevented with larger heavier vehicles, given the improvement in vehicle occupant protection—

That was raised today: Does this consider the improvements? Yes.

> and travel environment that occurred during the intervening years.

In other words, the National Academy of Sciences study says these deaths and injuries were one of the painful tradeoffs that resulted from downweighting and downsizing, and the resulting improved fuel economy.

Those are difficult words for many people to even consider, but they are words of the National Academy of Sciences. They repeat them in a number of places relative to safety. There is a tradeoff. That was the majority vote of the National Academy of Sciences.

For the Senator from Massachusetts to simply say the National Academy of Sciences said it will not affect safety—referring to his proposal—he is simply wrong.

It was amazing to me that then almost in the same breath he attacked the very findings of the National Academy of Sciences as being flawed. Within 1 minute of each other, those two thoughts were uttered by our good friend from Massachusetts: One, the National Academy of Sciences say the increase in CAFE mandated by his bill won't affect safety; second, that the National Academy of Sciences study, which has been quoted on this floor today, is flawed. Then he goes into the reasons why it is flawed.

My point is actually a simpler one. Somewhere, somebody who has some expertise ought to look at some factors that should go into the decision: What should a new fuel economy standard be? We can do it here arbitrarily. We can say it ought to be 35 miles a gallon, that it is technologically feasible using possible advanced technologies. We can say that without consideration of cost, by the way; without consideration of safety; without consideration of disproportionate impacts on different manufacturers.

We could do that here arbitrarily. Or we can do what this amendment does, which is to say there are a lot of criteria that ought to go into that decision: Technological feasibility, economic practicability, the effect of other Government motor vehicle standards on fuel economy—I want to come back to that in a moment—the need to conserve energy, the desirability of reducing U.S. dependence on foreign oil, the effect on motor vehicle safety, the effects of increased fuel economy on air quality, the adverse effects of increased fuel economy standards on the relative competitiveness of manufacturers, the effect on U.S. employment, the cost and lead time required for introduction of new technologies, the potential for advanced technology vehicles such as hybrid and fuel cell vehicles to contribute to significant fuel savings; the effect of near-term expenditures required to meet increased fuel economy standards on the resources available to develop advanced technology, and the report of the National Research Council, which is the National Academy of Sciences.

Do we want these factors to be considered? Do we think they are relevant? Do we think they should be part of a process that addresses where the new standard should be? It seems to me, yes. It is for 15 months. Under our amendment, we direct the Department of Transportation to—I use this word because it is very important—increase standards for cars and light trucks based on the consideration of those facts.

That is No. 1. Those facts are relevant. They ought to be considered. They are the alternative.

One of the things that the NAS also points out is that if new regulations favor one class of manufacturer over another, they will distribute the cost unevenly and could evoke unintended responses.

On page 69 of the NAS study, they say that in general new regulations should distribute the burden equally among manufacturers unless there is a good reason not to. For example, raising the standard for light trucks to that of cars would be more costly for light truck manufacturers.

The Kerry-Hollings proposal affects manufacturers unequally because it looks at fleet average instead of class average. We have gone into this in some detail today. We have pointed out that if you look at classes of vehicles and compare the light trucks, which we have listed here manufacturer by manufacturer but do it class by class, American-made vehicles are at least as fuel efficient as imports.

Is that relevant? It should be. Even if you decide that you want to have an arbitrary number selected in law now without a committee report, without consideration of any factor except potential technological feasibility—one of 13 factors—if you want to ignore all the others, surely we ought to do it in a way which does not have a discriminatory impact on American manufacturers.

I find it incredible, I find it bizarre, that we would build a system that would not say that equal vehicles by size and manufacturer ought to be treated equally. By the way, that is also what the NAS says.

Here I am quoting them:

That one concept of equity among manufacturers requires equal treatment of equivalent vehicles made by different manufacturers.

The suggestion was made today that this proposal of Senators KERRY and HOLLINGS would have a positive impact on air quality. I am afraid that is inaccurate. Air quality standards are set for all light-duty vehicles on a per-mile basis. So that the amount of any exhaust gases that can be emitted and limited to a fixed amount per mile driven, regardless of the fuel economy of the vehicle, makes no difference. Large vehicles, medium-sized vehicles, or small vehicles all have, under the so-called tier 2 rules, which will soon be in effect, exactly the same requirement relative to emissions that go into the air. All full-sized vehicles, including Ford's Excursion, GM's Suburban, the Dodge Durango, the Toyota Land Cruiser, have to meet the same emissions as a Honda Civic or a Chevy Metro.

Talking about the Chevy Metro, the GM dealer, which was referred to by Senator DURBIN, I presume, had Chevy Metros for sale, and could have sold all they wanted, I assume, since they were a GM and Chevy dealer. Yet the percentage of those small subcompacts that were sold is less than 2 percent of the entire sales of this country. They have been available. They are highly fuel efficient. They have some disadvantages in terms of size. But to suggest, as one Chevy dealer did in a letter that was cited by the Senator DURBIN, that somehow or other General Motors should give to him a fuel-efficient vehicle so he could sell more—2 percent of all of our sales in this country are subcompact, are highly fuel efficient, and with a small number of other disadvantages.

GM provided an electric vehicle, which has much better fuel economy by any kind of a test than any of the proposed vehicles or any other existing vehicles that we have. Yet these vehicles have been, if not a significant disappointment, a serious disappointment. They have had these vehicles. We have probably a dozen vehicles of extremely high fuel economy available for consumers, should they choose to buy those vehicles and should dealers such as the dealer in Chicago choose to or be able to sell those vehicles to their customers.

Just a couple of other points before we finish for the evening:

The NAS does not recommend fuel economy goals. They have said that over and over again. They lay out the facts. We have quoted many of them on our side of this issue. But they say very clearly that the committee cannot emphasize strongly enough that the cost-efficient fuel economy levels they identified are not recommended fuel economy goals.

That is not what they were about. What they were about was to do an analysis of various kinds of technology. What are the possibilities? What they came up with are conclusions which we very much support. We very much rely on them. The amendment of Senator BOND and myself very heavily relies on the NAS study which has been referred to today.

I think a letter from Honda was referred to earlier in the day, the implication being that somehow or other Honda might be supportive of the Kerry-Hollings language. I want to read a Honda document from their government relations folks. It says here that the Levin-Bond amendment requires NHTSA to set new standards for light trucks within 15 months. They support this amendment.

These kinds of technological feasibilities are among the factors considered in setting new standards, and, perhaps most importantly, it says:

We ask you to call your Senators immediately to express your support for what is being called the Levin-Bond amendment, and not support alternative amendments.

They write:

Other Senators may offer amendments, but there are none that meet our criteria better than Levin-Bond.

That is the Honda dealer document to which I am referring. It is quite opposite from the implication which was made earlier this evening that somehow or other Honda was supportive of the arbitrary identification of a particular standard in the Kerry-Hollings language.

Again, Honda specifically said:

We ask you to call your Senators immediately and express your support for what is being called the Levin-Bond amendment.

There was a reference made to Europe: Why can't we do what they do in Europe where there is a much different situation? The small car percentage in Europe is 64 percent. Ours is 24 percent. They obviously do better on fuel economy. But they do better for a number of reasons. Not only do they have three times as many small cars in use, mainly because of the cost of gasoline, which is about 2½ times higher than our gasoline prices, but also they use diesel engines. They have 36 percent diesel engines in Europe. We have about 1 percent here.

The reason they are able to do that is diesel engine standards are very different from ours. Our tier 2 emission standards will not allow the European diesel engine to be used here.

I did not hear supporters of Kerry-Hollings today say they would support the European diesel standard. I would be interested as to whether they would. If they will, that has a very different effect on our air quality.

The emission standards in tier 2, which are very tough, and which are stronger than they are in Europe, and which protect our air cannot be met by the European diesel. Maybe someday they will be, but they cannot yet.

When we heard that argument from the Senator from Arizona about air quality, and about being worried about NO_x and the other components of smog, then what we are talking about is: Are the proponents of the Kerry-Hollings language willing to adopt the European diesel standards which would allow our manufacturers to use diesels of that same quality? That will have a huge impact on CAFE standards and on the CAFE averages of fleets, if our manufacturers can use the European diesel standard. I guarantee you that there would be a huge outcry in this country if there were an effort made to adopt the European diesel standard for American manufacturers and sales here.

To simply say, look, they are doing it in Europe, they are meeting much higher CAFE standards or fleet averages in Europe than they do here, is to completely mix apples and oranges, because the difference, No. 1, in gas prices; and, No. 2, because of the difference in the number of small cars in Europe, mainly because of gas prices, but, most importantly, because of the percentage that diesels have of the market in Europe.

Madam President, I close with this: Senator KERRY, a good friend of the Presiding Officer and myself, suggested that maybe he and I ought to go in a back room—his words—and just adopt CAFE standards class by class for each of these six classes, since I pointed out how discriminatory it is to have one fleet standard for each manufacturer because of the different component makeup of the fleets, and how it is comparing, in a very unfair way, the American automobiles to the imports, and that the only fair way, in my judgment, is to have the same standard fuel economy for the same class vehicle.

Senator KERRY, at that point, suggested—again, his words—I challenge you to go in a back room and set standards for each class.

What he pointed out, accurately, is that our amendment does not set a standard. He wants to set a standard.

My answer to that is, to do so would be to adopt in law six arbitrary standards instead of one—one arbitrary standard for each class.

I do not think we should legislate that way. I think what we ought to do is, at least for a brief period of time—have the people who are designated by law as experts look at all the criteria which are relevant to the setting of fuel economy standards, including safety, impact on jobs, cost, short-term versus long-term benefits, and the other criteria that I mentioned. Then if they do not act within 15 months, we have an expedited process to guarantee that alternatives can be considered by the Congress by under expedited procedures. If they do adopt a regulation that we do not like, under existing law, there is a process called legislative review, under which we can veto that regulation. We have that option after a rational process is pursued.

We can either arbitrarily select a standard now, based on 1 of those 13 criteria—and even that is partial—or we could do something which, it seems to me, is a lot more rational, which is to tell that regulatory agency, which has that responsibility under law: These are our policies. We want you to consider all of these criteria to adopt a rule. If we do not like it, we are going to veto it. If you do not do it, we are going to have an expedited process to consider it.

Madam President, I do not know if there is anybody else who seeks recognition. I see none.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. LEVIN. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

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

MORNING BUSINESS

Mr. LEVIN. Madam President, I ask unanimous consent there now be a period of morning business, with Senators permitted to speak for up to 5 minutes each.

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

ENERGY DERIVATIVES TRAINING

Mr. ENZI. Madam President, I rise to address the issue of derivatives. The name itself would almost put people to sleep; the details of it are very complicated. It is a process that is done by major corporations, which is what brings it to our attention at the moment. Unfortunately, the proposition that is before us is an answer looking for a problem. It is not a solution to what has happened.

Enron has raised many concerns regarding the state of our energy markets. However, as investigations into the collapse of the company are showing, the failure of Enron was likely due to unethical and possibly illegal accounting techniques used by executives at the company. We need to make one thing clear: The trading of energy derivatives had nothing to do with the collapse of Enron. In fact, Enron's trading platform was one of the most lucrative parts of the company.

Enron is not an accounting problem; it is not a business problem. It is probably a fraud problem.

During debate on the Commodities Futures and Modernization Act, we examined extensively the oversight and regulation of energy derivatives. It was done the right way. It was done with hearings, with committee markup, with floor debate. This has been brought directly to the floor. It has bypassed the other processes.

What we concluded using the correct process was the proper amount of oversight for a new and emerging business. We did the debate on the Commodities Futures and Modernization Act, and we examined extensively the oversight and regulation of the energy derivatives—the way it is supposed to be done. What we concluded was the proper amount of oversight for a new and emerging business had been put into law.

If we start to regulate an industry that is in its infancy, we run the risk of stifling competition and reducing the possibility of it reaching its full potential.

Federal Reserve Chairman Alan Greenspan testified last week before the Senate Banking Committee. I want to echo a few of his comments regarding the regulation of energy derivatives.

Chairman Greenspan said it was crucially important that we allow those types of markets to evolve amongst professionals who are most capable of protecting themselves far better than either we, the Fed, CFTC, or the OCC could conceivably do. The important issue is that there is a significant downside if we regulate where we do not have to in this area. Because one of the major—and indeed the primary—areas for regulation and protection of the system is counter-party surveillance—that the individual private parties, looking at the economic events of the status of the people with whom they are doing business. . . . We've got to allow that system to work, because if we step in as government regulators, we will remove a considerable amount of the caution that is necessary to allow those markets to evolve. And while it may appear sensible to go in and regulate, all of our experience is that there is a significant downside when you do not allow counter-party surveillance to function in an appropriate manner.

I think we are glazing the eyes over here, but essentially Mr. Greenspan said it is too early to do anything based on the act that we already did.

Selling derivatives is a way for companies that can't afford risk to pass it on to companies that are willing. We have done that for a long time in the insurance business. This is another form of corporate insurance.

There is no indication that trading of energy derivatives contributed in any way to the collapse of Enron. However, if, in fact, Members think we need to look at legislation in this area, we should examine it in a reasonable process—not by offering on the floor amendments to a newly enacted piece of legislation. I certainly appreciate and respect Members' attention to examining the energy markets, but we should take that through the committee process so Members have a chance to hear testimony and pose questions to experts in this area.

It is a difficult area; it is a complicated area. Supporters of this amendment claim that Enron has such a large market share of this business that they were able to provide undue influence over the energy trading.

To the contrary, during and after the collapse of Enron, there were no interruptions of trading. Other market participants stepped in and assumed volume. There were no price swings or collapses of the energy market. This is a perfect example of market forces working the way they were intended.

The CFMA provided legal certainty for commercial parties not executed on futures exchanges—legal certainty, taking away some of the risk, selling some of the risk. This amendment could be interpreted to cover all transactions between commercial parties conducted either by e-mail or over the phone. The effect of this amendment would likely be decreased market liquidity because of increased legal and transactional uncertainties. Additionally, energy companies may be discouraged from using derivatives to hedge price risks. This could result in more price volatility in energy markets, which will hurt the very consumers the legislation seeks to help.

This amendment would also require electronic trading exchanges to set aside capital, even if they do not participate in trading. For instance, the Intercontinental Exchange allows buyers and sellers of energy derivatives to exchange offers through an electronic program. This exchange is already regulated by the CFTC and gives the CFTC access to its trading screens. This amendment would require the Intercontinental Exchange to set aside capital, even though it only facilitates transactions and does not trade. This requirement could force ICE to cease operations—forcing buyers and sellers of energy derivatives into the over-the-counter market. This is why CFTC Chairman Newsome has said the CFTC does not require this new authority.