

done something evil that can only discredit and damage whatever cause he hopes to advance. That Muslim governments cannot agree on this is shameful evidence of their own moral and political corruption.

And,

The Palestinian national cause will never recover—nor should it—until its leadership is willing to break definitively with the bombers. And Muslim states that support such sickening carnage will risk not just stigma, but their own eventual self destruction.

So either terror ends or full-scale war begins. This is the way I see it.

Hopefully, the world will respond. Despite all that has happened, the United States can and should encourage Israel to sit down at the negotiating table for one final try. We should be responsible to get the Israelis to that table. But if the United States is to do so, the Arab world must also rise to the occasion and exercise this same control over Arafat and the Palestinian terrorists. That should be the responsibility of the Arab world.

I must say I was struck by the unhelpful nature of Ambassador Bandar bin Sultan's recent op-ed piece in the Washington Post. It seems to me if there is ever a time for responsible Arab governments to shut down suicide bombing as an acceptable tactic for anything and push Yasser Arafat into a cease-fire, real negotiations, and a peace plan, that time is now. Both the Saudis and the Egyptians are well known for seeking and destroying terrorists or others who threaten them. But they fail to allow Israel the right to do the same or to destroy the infrastructure that organizes and arms the suicide bomber and recompenses the bomber's family. Suddenly, those who kill and maim Israeli citizens are heroes, as long as it is only Israelis they kill.

Some believe that the Saudis want to have it both ways—support Americans in our war against terror, and support Yasser Arafat as he wages terror. Ambassador Bandar bin Sultan gives credibility to this argument. Any premature withdrawal of Israeli troops before they are able to seek out and destroy the members of the terrorist network must be replaced by a serious commitment of the United States and all moderate Arab States to stop the terrorist bombing. If it is not, then this country's war against terror will be mortally wounded by hypocrisy.

I suggest that Secretary Colin Powell pick up the Saudi peace plan and place it squarely on the table of world opinion, with the following caveats:

1. Withdrawal of Israel to the 1967 borders and agreement to the creation of a Palestinian State, to be conditioned by: A, defensible borders; and, B, a division of Jerusalem along the lines of that proposed by President Clinton at Camp David.

2. A 5-year phaseout of Israeli settlements in the West Bank and the Gaza Strip. This is a difficult pill to swallow, but it is also one that has to be done if there is going to be true peace and the

ability of an Israeli State to stand side by side with the Palestinian State.

3. No physical Palestinian right of return but just compensation as provided for in United Nations Resolution 194.

4. All suicide bombings stop or the agreement is invalidated.

5. A peacekeeping and monitoring of the agreement by the United Nations and/or the United States over the next 5-year period.

If it is true that all Palestinians want is their own state and government, then they shall have it. If it is also true that what they really want is the destruction of the State of Israel, then this will become crystal clear to the world. Israel has a right to live in peace and security, within internationally recognized borders, and only Arab States committed to peace can bring this to a peaceful end.

The ongoing wave of terror threatens the survival of Israel as a free democratic and civilized society, and it risks engulfing the entire Middle East in chaos and war.

Israel must fight against this terror, just as we do, just as surely as the United States must fight and destroy al-Qaida and the other terrorist groups with global reach. And I firmly believe the United States should stand by Israel's side in the quest for peace and security.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

TERRORISM INSURANCE

Mr. NELSON of Florida. Madam President, I wish to speak about truth in politics. Some people would say that is an oxymoron, but it is very much needed in this town. Truth in this town often gets mixed up with the excessive political partisanship that starts to raise its head when the hot contest on an issue arises, and one such issue arose yesterday. The President took a swipe at the majority leader of the Senate over the fact that the majority leader was not bringing up legislation on terrorism insurance when, in fact, if my memory serves me correctly, in the closing hours before the Christmas recess, it was the majority leader who brought up the terrorism insurance bill, and it was objected to by the minority leadership, specifically the senior Senator from Kentucky.

Then yesterday, the Senator from Nevada offered a unanimous consent request to bring up the terrorism insurance bill, and it was objected to by the minority leadership of the Senate.

I wish we would get our facts correct about who is doing what to whom and who is trying to bring legislation out to the floor of the Senate. The fact is that the majority leader, as a number of Senators, thinks there is a legitimate problem as a result of September 11 with regard to being able to insure high-value structures in uncertain times of terrorism. Therefore, to keep the engines of commerce properly oiled

and lubricated, the commodity that is often misunderstood, known as insurance, needs to be provided.

If we are successful in getting the parties to come together and the legislative branch and the executive branch of Government to come together on a bill—this particular legislation that is being talked about has a gross omission; and that is, the consumer needs to be protected from the rates being jacked up so high using terrorism as an excuse. In fact, that is what we are already beginning to see. We are seeing the rates of a number of liability, property, and casualty policies going through the roof as a result of the uncertainty of the climate set about by terrorism.

There is an easy way to handle that, and if this body does get together on a terrorism insurance bill, then clearly it ought to have the protection that, first, the premiums collected for terrorism insurance not be mixed with the premiums collected for liability, fire, theft, slip and fall, and other activities. Why? If an insurance company needs to charge an additional amount for terrorism, and there is no experience or data save for the September 11 experience, we need to know how much is being charged so that the insurance commissioners of the 50 States will be able to build some data and see clearly whether or not the amount of a premium being charged is, in fact, actuarially sound to support the threat of future insurance losses from terrorism.

The commissioners need data and they need experience and the only way, from an accounting standpoint, they can accurately measure that is the premiums for terrorism insurance are kept separate from all other premiums for the normal property and casualty insurance cost.

A second provision that is absolutely essential for the protection of the consumer is that there be a cap on the amount the premium can be raised. Instead of these gargantuan rate hikes that are now occurring—some double and triple the amount that businesses have paid in the past—there could be a much more modest rate hike. If that is not enough or if that is too much on the basis of the experience—in other words, the payout for terrorism losses in the future—the insurance commissioners of the 50 States will be able to have a record they can then figure out whether that is too much or too little.

Instead of taking advantage of the trauma of the climate of September 11, we ought to put a cap in any legislation we pass on the amount the rates can be raised by insurance companies.

Mind you, even though we think this is applicable just to large buildings, football stadiums, or public places that might be on a target list of terrorists, just wait. We are going to see in neighborhoods that happen to be near a nuclear plant the rates for homeowner insurance policies and automobile insurance policies jacked up; thus, all the

more reason why we need to separate the premium that applies just to the terrorism risk, as well as cap it for the initial rate increase to pay for the terrorism insurance.

There is a third protection of the consumer that must be included in any legislation the Congress passes, and that is the prevention of redlining or, in other words, the prevention of saying: I am going to give you terrorism insurance, but I am not going to give you terrorism insurance. In other words, there has to be a mandatory obligation that all policies be able to have the terrorism coverage.

Those three particular points of protection of the consumer must be in legislation that comes out of the Senate and was suggested by the White House yesterday but with no details: Point No. 1, separate the funds from an accounting standpoint so we know how much is going in to the insurance company for the terrorism risk; No. 2, cap the amount initially that can be raised until some experience can be built up and data is available to see if the rate being charged for the terrorism risk is actuarially sound; and, No. 3, have a requirement that there be the mandatory coverage of the terrorism risk so that there cannot be cherry-picking, saying: We will cover you, but we will not cover your policy.

Then the public of America would be well served.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Madam President, I ask unanimous consent that I be permitted to proceed for 5 minutes.

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

Ms. COLLINS. I thank the Chair.

(The remarks of Ms. COLLINS pertaining to the introduction of S. 2077 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:15 p.m.

Thereupon, the Senate, at 12:36 p.m., recessed until 2:15 p.m., and reassembled when called to order by the Presiding Officer (Mr. DURBIN).

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BUNNING. Mr. President, are we in morning business?

The PRESIDING OFFICER. Yes, we are.

U.S. ENERGY POLICY

Mr. BUNNING. Mr. President, I rise today to talk about the current state of energy in our country.

We desperately need an energy policy that will address the future of our energy use. Now is the time for Congress to get serious about passing a comprehensive energy bill.

I believe that in order to make progress on this energy bill we need to balance conservation and production.

Many of us in the Senate understand that a balanced, sensible energy policy must boost production of domestic energy sources as well as promote conservation. The energy bill before us takes good steps toward striking this balance.

I look forward to the tax ideas coming from the Finance Committee that will further promote conservation and the use of alternative fuels.

However, I still believe that this bill remains too weak on production. More must be done to increase our domestic production if the Senate is going to pass serious energy legislation. Increasing our production of energy is absolutely critical in reducing our dependence on foreign oil.

Right now we depend upon foreign nations and the Middle East for nearly 60 percent of our country's oil supply. As most of us know, gasoline prices have been increasing for the past several weeks. This causes me serious concern especially since the upcoming summer months are when so many families take to the road for their annual vacation.

There are many reasons that gasoline prices are rising. One reason is that OPEC countries have cut their oil production since the end of 2000 by a total of 5 million barrels of oil per day. Another is the increasing volatility in the Middle East.

Gasoline prices have increased more than 25 cents in just the last few weeks. Higher gas prices will place a strain on the American families' budget.

They raise the cost of goods and services, and place an even greater burden on our economy just as it is showing signs of life.

The need to increase our own production of energy is especially true after Saddam Hussein's announcement yesterday that Iraq will cut off oil exports for the next month to protest Israel's actions on the West Bank. He is also calling for an OPEC embargo on all oil sales to America.

Before this announcement, the United States indirectly imported nearly 780,000 barrels of oil a day from Iraq. Saddam's threat pushed the price of oil and gas even higher. I think we need to ask ourselves whether we want to continue our dependence on other countries led by people as dangerous and unpredictable as Saddam Hussein.

Our national security has never been more important, and we must strengthen our energy independence to protect ourselves from madmen like Hussein and the politics of the Middle East.

We are at war, and we continue to face economic uncertainty. Energy is a key factor in both of these struggles, and this means that the Senate absolutely must take a cold, hard look at ANWR.

The issue is too important to play games with. It is too important for politics. Our Nation and our security are at risk.

The rules have changed. We need to stop playing around on this issue and to have a straight up or down vote on ANWR: No bluffs, no posturing, whoever has the most votes wins.

ANWR is the most promising domestic source of energy that we have. I believe it is indispensable to helping reduce our dependence on foreign oil.

Of course there are some in the Senate who are desperate to stop us from opening up ANWR. However, with more than 10 billion barrels of oil recoverable from ANWR, I think we all need to take a clear-headed look at it.

ANWR has the potential to produce over 1 million barrels a day. That is enough oil to replace the volume we currently import from Saudi Arabia or Iraq for more than 25 years. The oil that could be recovered from ANWR could fuel Kentucky's oil needs for the next 80 years.

Drilling in ANWR provisions in the energy bill would make a huge difference for our domestic consumption and would amount to an essential step toward ensuring our national security. We have no choice. We must lessen our reliance on Saddam Hussein and others in the Middle East for our oil by exploring ANWR.

Today the United States produces less than we did in World War II. In 1970, our oil imports constituted only 17 percent of our domestic consumption. That is three-and-a-half times less than what we import today. This dangerous trend must be reversed.

Furthermore, recent advances in technology will enable us to extract oil in ANWR in an environmentally sensitive way.

America's environmental safeguards are the toughest in the world. This means that the drilling operations will be conducted under the most comprehensive environmental regulations.

We all want to protect our environment. If we do not do a better job developing domestic energy, we will continue to rely on foreign oil, oil from other nations. These nations have weaker environmental rules than we do. Under these weaker safeguards, the damage to the environment will be even greater than if we use ANWR.

I also think that our domestic production should be increased through the use of clean coal technology. I am proud to come from a coal state. The energy bill provides a good start at increasing research and development and encouraging the use of clean coal technology.

The proposed tax package will also further increase incentives for the use of clean coal technology. Clean coal is