

The PRESIDING OFFICER. The objection is heard. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I am very disappointed we cannot get agreement. As the Senator from South Dakota said, there are two major issues. They are not particularly complex issues, but they are ones in which I think it is important for us to be in a position to be able to drive to a resolution. There has been no talk about extraneous matters being brought in. This is simply the four corners of this bill trying to be worked out. The way we have done it historically in this Congress and previous Congresses is to sit down with both bodies in a conference and work it out. I am very disappointed we do not have the opportunity to get that done for this very important bill.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. DASCHLE. I want to make sure the record is clear. We have not actually resolved our differences in the House on a majority of occasions through conference. We have actually done the opposite. We have done what I have suggested we do with this bill. On 51 occasions in the 107th Congress and on 19 occasions so far in the 108th Congress, we have not gone to conference. We have resolved these matters by sending the bill to the House and worked on legislation either in preconference or through negotiation. I am fully prepared to do that again in this case and look forward to working not only with the Senator from Pennsylvania but others who want to see this legislation passed as I do.

I yield the floor.

ORDER OF PROCEDURE

Mr. STEVENS. Mr. President, parliamentary inquiry: What is the status of time now under morning business?

The PRESIDING OFFICER. The majority leader or his designee controls the next 19 minutes 40 seconds. The minority leader has 30 minutes 24 seconds, and he would have the remainder of that time until 11 o'clock.

Mr. STEVENS. Is the time equally divided between now and 11 o'clock?

The PRESIDING OFFICER. It is not now. The majority leader has used some time already. They have remaining 19 minutes.

Mr. STEVENS. The minority used no time?

The PRESIDING OFFICER. That is what the clock reads.

Mr. STEVENS. Very well.

The PRESIDING OFFICER. The minority has used 30 seconds.

Mr. REID. Mr. President, if the Senator will yield, the time Senator DASCHLE used was under leader's time. We have some speakers on our side. We know you have speakers on your side. I think it is pretty clear, based on the conversation on the floor last evening and today between Senator MCCONNELL and this Senator, that not much is going to happen on the bill today.

I ask if the Senator from Alaska wishes to have morning business in addition to what is now left? We would be happy to agree to that. We have three Senators on our side who wish to speak in morning business.

Mr. STEVENS. Mr. President, I ask that the floor management check with the leader, to see if there is any objection to restoring the concept there be 1 hour equally divided.

Mr. REID. I am confident that if there is some problem at a subsequent time we will be happy to take that time away, because I am confident it would not be. So I ask there be—let's make it 11:15, an extra 2 minutes, and the time be equally divided?

Mr. STEVENS. I support that and ask unanimous consent that be the case.

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

Mr. REID. If the Senator would just yield for one other unanimous consent request, on our side we have three speakers. We have Senators SCHUMER, DORGAN, and CARPER on our side—I am sorry, Senators SCHUMER, WYDEN, DORGAN—and Senator CARPER also wishes to speak. I ask the time be equally divided among those four Senators on our side, in the order I have just announced.

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

Mr. STEVENS. Mr. President, it is my understanding the first half of this 1-hour period is under the control of the majority; is that correct?

The PRESIDING OFFICER. The Senator is correct.

The Senator from Alaska.

ENERGY

Mr. STEVENS. Mr. President, the Energy Committee has introduced a revised energy bill. Swift passage of this bill is vital. We should not underestimate the widespread and important consequences that this comprehensive energy legislation will have for the future of our Nation.

American citizens and businesses rely on our ability to stabilize energy prices and provide them with the energy resources they need. Now, in the post-9/11 world, our energy development and production has taken on an additional level of importance. Our national security is dependent upon our ability to decrease our reliance on foreign energy sources, particularly from unstable or unfriendly regimes.

The comprehensive energy policy embodied by this new bill is also critical for ensuring our economic growth. High energy prices impact our economy in many ways, and our ability to stabilize energy prices will have far-reaching consequences for our overall economic health and growth.

The United States is recovering from a recession, but this recovery is threatened by sustained high energy prices which will increase real interest rates, the rate of inflation, and reduce gross domestic product growth.

This first chart shows that situation. I call it to the attention of the Senate. As crude oil prices go up, there are changes in our gross domestic product. We have seen these effects firsthand already. High energy prices, which rose 4.7 percent in January and another 1.7 percent in February, greatly contributed to an increase in consumer prices. The Department of Labor recently announced that those prices jumped .3 percent in February and another .5 percent in March. Consumers are paying more for food, goods, and energy bills. High energy prices are essentially acting as a consumer tax, leaving Americans with less disposable income for travel, home buying, restaurants, retail establishments, and daily living.

Record high gasoline prices only intensify this problem. Gasoline prices rose 8.1 percent in January and an additional 2.5 percent in March. Last week the average price at the gas pump reached \$1.72 per gallon, with California leading at an average of \$2.10 at the pump. These prices are an additional constraint on the consumer spending power. For every 1 cent increase at the pump, we see \$1 billion lost in consumer spending capability.

The rise in fuel prices also greatly impacts our aviation and trucking industry. Our airline industry has lost over \$25 billion in the last 3 years. Sustained high jet fuel costs of \$1 per gallon, which is double that of 1998–1999, continues to hamper the health of our critical transportation industry. High energy prices also prevent job creation for the transportation sector. The Air Transport Association estimates for every \$1 increase in the price of fuel, they could fund 5,300 airline jobs. The increase in these prices is staggering.

Every homeowner in America feels the pressure of high energy prices. Home heating costs for the 2002–2003 season were up 12 percent for natural gas, 7 percent for propane, and 2 percent for electricity. This winter alone, natural gas prices were 60 percent higher than last year—60 percent higher than last year. Estimates show that consumers may pay more than \$200 billion this year in energy costs. This is an enormous and unnecessary burden on our economy.

Overall, it is estimated that since 2000 consumers paid \$111 billion more than they did in the previous 3 years for natural gas alone. This increase cost industrial consumers \$57 billion, commercial customers \$21 billion, and residential consumers \$33 billion.

This second chart shows that situation. We have had job losses throughout the country because of this change in energy prices. Look at that: In California alone, 250,000 jobs. It has had an amazing impact. High energy prices have had a devastating impact on American jobs. Since 2000, when the energy crisis began, we have lost 2.9 million jobs related to the cost of energy. Sustained high energy prices have the potential to lower our gross domestic product, which could cost the U.S. an

additional 770,000 to 2.7 million jobs. The jobs issue is an energy issue. If we want to deal with the jobs issue, we must pass the energy bill.

The industrial energy consumers of America have stated that high energy prices, most in natural gas, contributed to the loss of almost 2.8 million manufacturing jobs. Chart No. 3 deals with this problem. Since 1982, jobs in the oil and gas industry have declined by one-half, from over 700,000 jobs to roughly 330,000 jobs.

As chart No. 4 shows, the chemical industry lost jobs. As gas prices go up, the number of chemical industry jobs goes down. The price of energy is directly related to the loss of jobs in this country.

Since 2000, our chemical industry has lost 85,000 jobs. This industry employs more than 1 million Americans, and 5 million Americans have jobs that depend upon the chemical industry. More of these jobs are threatened as major chemical companies across the United States are closing their factories and moving to countries which provide cheaper natural gas.

This jeopardizes millions of well-paying American jobs that will not be replaced unless we have energy. Moving these industries offshore not only contributes to job losses but it increases our burgeoning trade deficit. Our chemical industry once was a major exporter, generating a \$16 to \$18 billion trade surplus. Last year the chemical industry generated a trade deficit of \$9.6 billion, contributing to an overall U.S. trade deficit of over \$530 billion. That deficit, too, is related to energy availability and the cost of energy.

High energy prices are threatening our fertilizer industry. Up to 90 percent of the cost of producing fertilizer is directly linked to the cost of natural gas. Between 2001 and 2003, eight U.S. nitrogen fertilizer manufacturers permanently closed. That is one-fifth—20 percent—of all the United States fertilizer production. Additionally, our ammonia factories are operating at 60 to 65 percent capacity. Why? Because of the cost of natural gas.

The impact of high energy prices is acutely felt by the agriculture community. The energy costs account for 6 percent of farm production costs. Farmers spent between \$1 and \$2 billion more this year to plant crops. In 2003, farmers paid \$350 per ton for fertilizers, more than twice what they paid just 1 year previously. That is a 100-percent or more increase in the cost of fertilizer in 1 year.

The good news is a worsening crisis is avoidable. The United States has the natural resources to increase our energy supply. But inconsistent Government policies discourage exploration, development, and the use of our own natural resources—our own energy resources.

Over 95 percent of undiscovered oil and 40 percent of undiscovered natural gas is located on Federal land. These public resources can secure our energy

needs. Today the Government encourages use of natural gas but discourages exploration and development of domestic natural gas. As a result, most major energy companies, including some which operate in my own State of Alaska, are abandoning the United States and investing in and developing energy resources in other countries.

A recent article shows while the 4 major oil and gas companies realized \$21 billion in cashflow from their U.S. oil and gas activities, they only reinvested \$9.15 billion back into the United States. Less than half of the money they paid was invested here to increase the supply of gas.

This lack of reinvestment makes us dependent on foreign sources of energy from unstable or unfriendly regimes. More and more we are dependent on foreign sources.

This industry generates jobs and revenues in other countries at our own expense. These new jobs should be American jobs and that energy royalty income should be coming into our Government. The receipts generated by that economic activity would help reduce the deficit, provide new jobs, fund the war on terror, and support many of the domestic programs we cannot fully fund.

Despite the obvious benefits of domestic energy exploration and development, today we rely on foreign imports for over 60 percent of our oil supply. Imagine that. It was about 33 percent at the time of the embargo on oil in the 1970s. Now it is over 60 percent. We are 60 percent reliant on foreign oil, and more people oppose the development of the oil resources on the North Slope of my State. Currently, we also rely on 16 percent for foreign sources for our natural gas supply. Energy imports make up the largest portion of our foreign trade deficit.

This is chart No. 5. It shows the natural gas consumption outlook. In the last 10 years, demand for natural gas has increased by 19 percent, and that number is projected to grow by 50 percent in the next 25 years. Absent a new supply of natural gas, we will likely see a gap of 15 billion cubic feet per day or 6 trillion cubic feet per year in the next 10 years.

This chart shows the difference between our consumption and the projection into the future. We are growing more reliant on foreign sources for our natural gas. We are already 60 percent reliant for oil. This chart shows that as the years go by we are going to be more reliant on foreign sources for natural gas. It will be expensive natural gas. It has to be gasified, transported in cryogenic tankers, and then regasified when it gets here. Our own natural gas is pumped out of the ground and shipped in a pipeline. The costs associated with foreign reliance are going to be staggering. That means more American jobs lost.

The Natural Petroleum Council found that to bridge this gap, \$1.2 trillion dollars must be invested in new ex-

ploration and production in the United States by 2025. Unless we pass an energy bill to bring certainty to American energy policy, that investment will not take place. I repeat: Unless this bill is passed, there will be no new investment in the production and development of oil and gas resources in the United States.

The high impact of energy prices can be seen at all levels of our economy. High energy prices have produced job losses, trade deficits, and constraints on consumer spending and economic growth. But the most disturbing aspect of this problem is the fact that Congress has been debating comprehensive legislation since 2001. I don't think we have passed a real energy bill in 12 years. We are squabbling here in Congress while high energy prices burn our economy and destroy American jobs.

In April of 2002, the Senate passed H.R. 4, the Energy Policy Act of 2002, by a vote of 88-11. Then the bill died in conference.

In July of 2003, after months of intensive debate, the Senate passed H.R. 6, the Energy Policy Act of 2003. However, in November of that year the Senate rejected cloture by a vote of 57-40, 3 votes short of having an energy bill.

We were elected as public officials to improve the lives of American people, to enact laws and to formulate policies designed to ensure the strength and economic viability of our Nation. By failing to enact a comprehensive energy policy for our Nation, we have failed the American people. American businesses and citizens are struggling out of recession and meaningful and sustainable economic recovery. Job creation will only come with stable energy prices, and they will come only if we pass an energy bill and send it to the President.

A comprehensive energy policy is necessary to secure domestic energy security and to support American jobs. Given the negative impact of high energy prices on our Nation, we should act quickly to address this situation.

As I said, the Energy Committee has introduced a revised energy bill which encompasses a comprehensive and balanced natural energy policy. This bill will increase domestic energy supplies, encourage energy conservation, stabilize energy prices, bring certainty to American energy policy for our businesses and consumers, and ensure our energy security. It contains provisions designed to increase oil and gas exploration and development, while at the same time promoting energy conservation and alternative and renewable energy resources. This bill is a jobs bill. It will create more than 800,000 new jobs. Many of those jobs will be the result of a major component of this energy bill, which is authorization for the building of the Alaska natural gas pipeline.

Our gas pipeline will create over 400,000 jobs in and of itself, including 7,000 construction jobs, thousands of manufacturing jobs necessary to create

equipment, and thousands of infrastructure jobs. It will meet approximately 10 percent of our country's natural gas needs. Over 4 billion cubic feet per day will come from Alaska to decrease our dependence on foreign gas and imports of liquefied natural gas. It will generate over \$40 billion in revenue for the American Government, instead of sending that money overseas.

Chart 7 shows the 800,000 energy bill jobs. The renewable fuel standard provision of this new bill will create in and of itself 214,000 new jobs. It is estimated this provision will increase farm revenue by \$51 billion over the next 10 years. This reduces the overall farm payments currently expended by the Federal Government by \$5.9 billion.

In a time when the Federal budget deficit is increasing, it is incredibly important we find some cashflow to offset this spending.

I am still convinced unless Congress acts to ensure greater domestic production of our oil resources, our energy security is jeopardized.

Given the importance of Congress enacting a comprehensive energy policy this year, I urge the Senate to move swiftly to pass this Energy bill. I can think of not one thing the Senate can do to assist the American people more, that will restore American jobs, than acting quickly on the Energy bill that has just been reintroduced.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I agree with the Senator from Alaska. Having worked for several years on this Energy bill, it seems to me there is nothing more timely than to move forward. This is a policy. We think it is for tomorrow, but it is looking forward. It is a balanced policy that has alternative fuels. It has clean air. It has conservation and efficiency, as well as domestic production. We need to do this. I hope we move forward.

IRAQ

Mr. THOMAS. Mr. President, a year ago we started the Iraqi freedom activity. I will talk a little bit about what has been accomplished this past year, to recognize all those who have done so much to have a successful operation there. We are moving toward completion—hopefully not too long in the future, but we have accomplished a great deal. We recognize and thank those who have given so much to continue to fight for freedom, in this case in Iraq and, of course, around the world.

I am sorry this has become so much of a political issue. The fact is, we are talking about finishing a task we started. It is not something that ought to be constantly talked about as a political issue in a Presidential election. Certainly we ought to be talking about some of the successes that have occurred there.

I had the opportunity to visit Iraq and Afghanistan. I was impressed with the things that have been done and are

being done by our troops there, by other Americans there seeking to work for a secular government and freedom in that part of the world. I hope we can be more positive about it than we have been, particularly in the media.

I was especially interested to read an editorial in the newspaper "Wingspan" from Laramie County Community College in Cheyenne, WY. It was partially about a young man named Nathan Span, and written by Ashley Colgan, the co-editor of this college paper. Marine Corporal Nathan Span, at the age of 22, is a two-time war veteran and has only good things to say about the risks he has taken. He was in Operation Enduring Freedom and Operation Iraqi Freedom, and returned home in December of 2003. It was interesting what Ashley had to say.

On this one-year anniversary, I remind people that although the war may be somewhat political, it is not so to the men and women who fought and still fight in Iraq. Americans should remember that at one point we fought for our freedom from oppression, and we also had to seek help. All I ask for Americans to remember is what soldiers in Iraq represent: Freedom.

Ashley goes on to say:

I understand the fear, pain, and confusion but why get angry at what I feel is America's attempt to make the world a better place. Many Americans feel misled and lied to by the administration, but let's keep in mind the greater good for which the soldiers are fighting. Soldiers in Iraq feel they are setting an example of what America will not tolerate from a malicious dictator.

Corporal Span is a young man who just returned from spending part of his life in Iraq and Afghanistan. In the editorial, Span says, "For those who have fought for it, freedom has a taste that the protected will never know."

I will talk a little bit about where we are. Certainly, most recognize this action in Iraq was necessary for a number of reasons. Saddam Hussein's regime harbored and supported terrorists and was consistently an aggravating factor in the Middle East. He had attacked his neighbors and launched wars of aggression. Saddam had a history of possessing and using chemical and biological weapons, in violation of the terms of the cease-fire agreement in 1991 of the Gulf War, and numerous United Nations resolutions.

The best intelligence available at the time showed Saddam Hussein to be a growing threat to the United States. I am pleased the President acted swiftly and decisively before the threat became imminent. The mission in Iraq is critical to winning the global war on terrorism. The war on terrorism remains an aggressive effort to bring not only the perpetrators of September 11 to justice but also those who supported, aided terrorism. This has been policy from day one in Iraq and clearly fits this definition.

The conclusion that Saddam Hussein was hiding chemical and biological weapons while conspiring to rebuild the nuclear program was also reached in the Clinton administration, the

United Nations, and a number of other western governments, including several that actively opposed the war. In fact, regime change in Iraq has been a U.S. policy since 1998. It is clear that some of the prewar intelligence on which decisions may have been made were not complete, perhaps were flawed, but the fact remains the President acted in good faith based on the best intelligence available at the time.

But cynical political efforts, of course, have portrayed the President as deliberately misleading the public and remaining dishonest. Rather than playing the election year politics with this issue, we need to focus on correcting the existing programs, focus on the future and where we are going, and how to complete the task to ensure that our leaders have accurate and reliable information on which to implement policy in the future.

I hope the mission of the September 11 Commission that we hear so much about, the talk about it, what should have been done and was not done—what we ought to do is keep this from happening in the future. That is really the issue. This idea of seeking to assess blame in the past is immaterial. The point is, What can we do differently to avoid something of this kind happening in the future? We all know what is going on with respect to those issues.

Where are we today? Two weeks ago, the Iraqi Governing Council unanimously signed an interim constitution toward a secular government, an amazing change in that part of the world. It guarantees freedom of religion and expression, the right to assemble, to organize political parties, the right to vote, the right to a fair and speedy and open trial. It prohibits discrimination on gender, nationality, religion, and arbitrary arrests and detention.

Of course, what the terrorist enemy fears most is a free and democratic Iraq. Freedom, liberty, and democracy are threats to all that oppose it. They will not see this happen without a fight.

Our challenge is to stay there until we have completed our goals. The situation remains dangerous and volatile. The cost of freedom is high. Thanks to the selfless devotion and hard work of our men and women in uniform, we continue to make definite and visible progress toward a goal of returning a free and stable country to the Iraqi people.

Iraqis are much better off today than they were under Saddam Hussein. The Middle East is more stable and the United States is safer with Saddam out of power. Operation Iraqi Freedom is the right action. We are winning the war in Iraq and the war on terrorism.

I thank those who have participated, those service men and women who have given so much for this kind of freedom to be achieved.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.