my favorites. His annual report is a must-read for anyone who follows common sense in American business. Warren Buffett, the second wealthiest man in America, said to some Senators: Many people say our policies are class warfare in America today. He said: I have news for you, my class is winning.

He is right, because, quite honestly, the disparity of income in America is worse than it has ever been. This President, with his tax cuts and his policies, has made it worse.

So 4 years later we go back to the same basic Ronald Reagan question: Are you better off now than you were 4 years ago? The answer, quite honestly, for most working Americans, is a resounding no.

Let me address two particular issues that hit most families. I talked about the increase in college tuition costs. You do not need to remind families that if their son or daughter is lucky enough to get into a good school, they will probably be in a position 4 or 5 years later where they are deeply in debt. I have seen it in my family and many others have seen it in theirs. Young people starting out not only have a challenge of finding a good job and a career opportunity but are challenged by what to do with this mountain of debt.

There was a time when the Federal Government helped. There was a time when we had scholarships and loans and grants to help students along so they would not end up more deeply in debt when they graduate from college than many of us were when we bought our first home many years ago.

Over the course of higher education and its cost, we see the gap between the haves and the have-nots is increasing. Over the course of their career, the difference in income between an 18-year-old high school graduate and a 24-year-old college graduate is now more than a million, so it is certainly worth going to school, but college tuition is out of reach for too many American students.

According to the College Board, the 13-percent inflation-adjusted real increase in tuition at public colleges last year was the highest in 30 years. In my State, it is going up. With the weak economy, with the limited resources coming from Washington, with the struggle that many States are having with this recession, which continues to linger, fewer and fewer dollars go into State treasuries and fewer and fewer dollars go from those treasuries to colleges and universities, so they raise tuition.

We are in a recession, losing jobs. Real income is going down and the cost of education is going up. That is a fact. Private school tuition has gone up even higher. Federal assistance has fallen far behind.

In the 1970s, the maximum Pell grant for low-income and working-class families covered about 40 percent of the average cost of going to school. In the 1970s, Pell grants and others helped cover 40 percent. Today, it covers 15 percent. So even the most deserving students from low-income families find the Federal programs are a shadow of what they used to be. They do not provide them the help they need. That means that 48 percent of low-income high school graduates who qualify for college do not go to a 4-year school because they simply do not have the money.

From 1987 to 1999, completion rates on college prep courses for the Nation's poorest students grew by 20 percent. So it means more students are ready for school; they just cannot afford to go to school.

When you look at what we have done on a Federal level time and again, this administration has not provided the helping hand to college students and their families. This President proposed to freeze Pell grants at $4,050 a year for the third year in a row, even though we know the cost of education continues to go up in a double-digit pace. His budget calls for a $823 million increase that merely holds the line on existing grant award levels. He proposes to freeze campus-based aid, cut Perkins loans, and eliminate the LEAP grants. In total, 78,000 students in America will lose grants because of the Bush budget policies, meaning the cost of education is higher and the helping hand from the Federal Government is not going to be there.

Are those families better off today than they were 4 years ago? Is the Bush policy, the budget policy on financing and education, for struggling students, from lower income families, better than it was 4 years ago? By almost every measure, the answer is a resounding no.

We need to get our priorities straight in this country. If we are going to have an American century in the 21st century, as we did in the 20th century, we better focus on students and education. We better make sure that deserving students who want to realize the American dream, many of them the first in their family to be able to go to college, have that chance. They cannot have a chance when the college education has been priced at a level where they cannot afford it, or even worse, graduating with heavy debt. Many of these students cannot pursue the career choice they really want.

How many students graduate wanting to be teachers, good teachers in grade schools and high schools, will be able to realize that dream if they face a mountain of debt? Starting off as a high school or grade school teacher at $30,000 a year, with a pretty limited take home pay, is almost impossible if you have to pay back a mountain of student loans in the process. So they try other things that might make more money and we lose the teacher we need to inspire the next generation.

So when the President makes a decision on budgets to cut back in helping students pay for a college education, it has a ripple effect all the way down the line in terms of new jobs and opportunity, in terms of tomorrow's teachers and nurses, in terms of those who we need to make America the strong nation it needs to be.

Let me also address an issue which is hitting Americans in the pocketbook. Take a look at what has happened to the price of gasoline between when President Bush took office and what it is today. A gallon was $1.47 in 2001 when President Bush came to office. Now it is up to an average of $2.01.

Now look at what is happening with the oil companies that are selling the gasoline. It has been a pretty good year for the oil companies. If you think you are getting pinched at the pump, take a look at what is happening here: For British Petroleum, a 165-percent profit increase; Chevron Texaco, 294 percent; ConcoPhilips—what has happened here—only a 44-percent profit increase. They are falling behind; Exxon Mobil, 125 percent.

Take a look at gas prices in the city of Chicago, which I am proud to represent. They are well over $2 a gallon in downtown Chicago. In California, I understand they are bumping up against $3 a gallon.

So you ask yourself: What can we do?

First—and Senator WYDEN will spend some time on this issue—why are we filling this Strategic Petroleum Reserve at a faster clip now than ever when the price of petroleum that we are putting into it is at record levels? The second question I need to ask, obviously, is, When is this President going to confront these oil companies about their record profits at the expense of families and businesses? The third and obvious question is, Candidate Bush, candidate George W. Bush, said if he ever faced this, he would get on the phone to OPEC and tell them to stop squeezing American consumers and families and businesses. I guess the telephone line is dead between the White House and Riyadh. He is not calling Saudi Arabia to tell them they have to release more oil to the United States. The President as candidate said he would do it. The President as President refuses to do it. Why? Haven't we done enough for the Middle Eastern nations and the OPEC countries, putting hundreds of thousands of American lives at risk for stability and security in the Middle East? And the President will not pick up the phone to say to them, for goodness' sake, you put our economy at risk when you hold back oil. And that is exactly what they are doing. We need Presidential leadership.

I yield the floor.

The PRESIDING OFFICER (Mr. SMITH). The Senator from Oregon.

GASOLINE PRICING

Mr. WYDEN. Mr. President, I have come to the Senate floor this morning to state, in accord with my policy of publicly announcing any hold that I place on a nominee or a piece of legislation, that I will object to any unanimous consent request for the Senate to take up the President's nominee, Deborah Majoras, to head the Federal Trade Commission.

Gasoline pricing is, of course, one of the most important consumer protection issues that the Federal Trade Commission is responsible for overseeing. The prices for gasoline, of course, are soaring. For years now, the Federal Trade Commission has been waging a campaign of inaction. In three specific areas—increased oil company mergers, refinery shutdowns, and anti-competitive practices—the Federal Trade Commission has simply been AWOL.

Yesterday, after writing to Ms. Majoras, to make sure she knew specifically of my concerns, I met with the nominee to head the Federal Trade Commission. I asked repeatedly if there was even one area—even one area—where she would change existing Federal Trade Commission policy with respect to these practices that are sucking the competitive juices out of gasoline markets across the country. During that conversation not even one example was given of an area that the nominee to head the Federal Trade Commission would change in the gasoline pricing area. It is for that reason that I publicly state today that I am placing a hold on this nominee.

To me, it is absolutely unacceptable for a nominee to chair the Federal Trade Commission to not want to make one specific change in gasoline pricing policy. It is certainly unacceptable to me as a Senator from a State where the average price of gas is now $2.25 a gallon, but it ought to be unacceptable to Senators from every area of the country.

Here are three examples of the record at the Federal Trade Commission that I wish to change:

First, since taking office, the Bush administration has allowed 33 oil industry mergers, totaling $19.5 billion to go through. Not only has the administration not tried to block any of these mergers, they simply have taken a pass in every respect. To be fair, the Clinton Administration also sat on its hands allowing 21 oil mergers to go through while challenging only one.

The Bloomberg News service recently reported on this issue. It is my own view that unchecked oil company mergers are a significant factor in the rising price of gasoline in the country. But the Federal Trade Commission, in the face of this huge wave of mergers, has simply been sitting on their hands, and yesterday, the nominee to head the Federal Trade Commission gave me no indication there would be a change in the policy of the Federal Trade Commission on the merger issue.

Second, a handful of refiners now control most of the gasoline in our markets. The concentration is especially serious on the west and east coasts. Mr. President, 67 percent of the west coast market and 77 percent of the east coast market is controlled by a handful of refiners—just four companies. Along with this increased concentration of refiners, we have seen a drop in the number of refineries at a critical time when clearly we need more refinery capacity, not less.

Now, I have documented evidence—it is up on my Web site—that refinery shutdowns have been implemented not because of competition but to boost profit. Certainly, in my view, the nominee to head the Federal Trade Commission ought to be looking at this issue of refinery capacity. But yet again, the nominee that I met with yesterday was unwilling to state what, if anything, would change with respect to refinery practices.

Third, the Federal Trade Commission has been unwilling to move against anti-competitive practices that the agency has even documented. Here I am talking about redlining, a tool that is used to wall off a community from competition. So, again, as we have seen in the case of oil company mergers, as we have seen in the case of refinery shutdowns, in this third area, anti-competitive practices such as redlining, the Federal Trade Commission is going to stay on the sidelines, apparently, with a new chair.

Most recently, the Federal Trade Commission, through their general counsel, has essentially said that oil companies can price gouge with impunity. It is an extraordinary statement. It was made in the Bloomberg News service, again. But the general counsel of the Federal Trade Commission has basically said oil companies can do whatever they want. They can move unilaterally, raise prices to essentially any level they would want in certain markets.

So this is what I am concerned about: these questions that are specifically under the jurisdiction of the Federal Trade Commission with respect to mergers, with respect to refinery shutdowns, with respect to anti-competitive practices, such as redlining.

I had hoped that the nominee to chair the agency would be willing to make changes. I provided the nominee in advance—in advance of our meeting—the key questions that I went through with her. Yet, despite that, and despite the fact that I asked for even one example of a policy she would change at the Federal Trade Commission, I was given nothing to indicate that the nominee to head the Federal Trade Commission would buck the pernicious trend across this country that is draining the competition out of gasoline markets across America.

For example, I asked Ms. Majoras about the Federal Trade Commission's lack of response to letters I have sent to the Chair requesting the Federal Trade Commission to investigate Shell Oil's plan to close a 70,000-barrel-per-day refinery in Bakersfield, CA. The Federal Trade Commission sent me a two-paragraph response saying they would seriously consider it.

This is an enormously important issue for those of us on the west coast. I see my friend from Nevada on the Senate floor, who has been eloquent with respect to trying to stand up for the consumer on the gasoline issue. The Presiding Officer, who I have the privilege of serving with, has been long concerned about gasoline prices. This Bakersfield shutdown will have enormous and negative ramifications for the people on the west coast.

But while I have heard repeatedly from the agency—and I heard yesterday from the nominee that this ''sounds like a serious issue''—there was no commitment, none, just like the current FTC Chair, to take any specific action. In addition, the nominee pointed out there may even be a potential conflict of interest with respect to the Bakersfield shutdown because of her current law firm responsibilities and the fact that her current firm represents Chevron.

So, Mr. President, I will say, as I have done in the past, that I am going to keep my door open. I am hopeful, in the course of hearings and debates about the future direction of the Federal Trade Commission, that the nominee will shift course from what I heard yesterday. But I will tell you, it is not enough for the agency to continue to say they are ''seriously concerned'' or they are ''monitoring the situation'' or ''they are troubled by the high prices our constituents are paying.'' That is not enough.

When people up and down the west coast of the United States and across the country are getting shellacked by these gasoline prices, in effect, we are seeing consumers clobbered at the pump with dollars from their own pockets, and then taxpayer dollars are used to fill the Strategic Petroleum Reserve at record prices when it is essentially filled.

We need some changes, and we need changes at the top with respect to gasoline pricing policy in this country. That means the Federal Trade Commission has to get off the sidelines. They have to zero in on the three specific areas I mentioned this morning: oil company mergers; refinery shutdowns; and anti-competitive practices, such as redlining.

For far too many years, Federal Trade Commission political appointees have sat on their hands while the anti-competitive practices of the oil industry gouge American consumers at the gas pump. I have given Ms. Majoras a number of opportunities to explain to me what she plans to do differently as a Commissioner, and she has made it abundantly clear that she has no specific plan to energize the FTC to begin fighting for consumers. I don't intend to allow yet another FTC Commissioner collect a $145,00 salary to do nothing while unnaturally high gas prices jeopardize American jobs and American families.

It is my intention to continue to object to Senate consideration of the nominee to head the Federal Trade Commission until that agency is willing to tell the people of our State and the people of this country that there are going to be some changes and there is going to be some competition again in the gasoline markets of our country.

Mr. President, I yield the floor.

EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, how much time remains on the side of the minority?

The PRESIDING OFFICER. There is 3½ minutes.

Mr. REID. Mr. President, we are going to go to the bioshield bill at 11:30. The majority has 45 minutes. We are not going to vote on that until 2 o'clock, anyway. I ask unanimous consent that I be allowed an extra 5 minutes and that the majority also be given 5 minutes.

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

ENERGY

Mr. REID. Mr. President, we have people from the majority coming out here occasionally talking about how important it would be to pass an energy bill. I listened to the President's press secretary yesterday saying: Well, the reason we are not having lower gas prices is because the Democrats won't help with the Energy bill.

This is simply talk. It has absolutely has no merit. All we need to look at is what the administration itself says about the Energy bill. The Department of Energy's Energy Information Administration studied this question and concludes the legislation's incentives to reduce our reliance on foreign oil sources will have a negligible success. The report, prepared by the administration for a Republican Senator, states:

> On a fuel-specific basis, proposals in the [conference report] including changes to production, consumption, imports, and prices are deemed to be negligible.

The bill won't address our energy needs in the future. It won't protect middle-class families who are being gouged with the gas prices we see today. Nevada has the second or third highest gas prices in the country. Gas prices across the Nation have reached alarming levels, especially in Nevada and California. A regular, unleaded gallon of gasoline costs $2.22 in Las Vegas, $2.29 in Reno, while higher blend fuels are at about $2.50 a gallon. I have to say, this was written on Monday. This is 2 days later. I don't know what it is today. But it has gone up.

Since the first of the year, the price of gasoline has increased more than 58 cents a gallon in Nevada. There is no doubt the price of crude oil has contributed to higher gasoline prices, but this outrageous 58-cent increase in Nevada since January has not been driven by the rising cost of crude oil but by corporate greed and the never-ending quest for profits, no matter what it does to the consumer.

Big oil companies and refiners are getting rich. Middle-class families are getting gouged. I had in my office last week a wholesale distributor from Las Vegas and Reno. If a service station wants some oil products, gasoline, that is where they get it. These companies are going broke because they can't pay for the huge cost of fuel. The markup they get is 2 or 3 cents a gallon. They make 2 or 3 cents a gallon on the fuel they sell. So it is not the service station operators making the money. It is not the person who gives them the fuel. It is the big suppliers. Big oil companies and refiners are getting rich. Middle-class families are getting gouged.

I am not making this up. It is documented. Refiner margins have doubled and tripled. Oil companies weren't content to make 25 cents for every gallon of gasoline.

They now make up to 75 cents for every gallon of gasoline sold.

Look at this. Who is better off? Oil companies report record profit increases. British Petroleum did OK last year, a 165-percent increase in their profits. Chevron-Texaco are the record holders, a 294-percent profit. Exxon-Mobil, a 125-percent profit. Conoco-Phillips, I don't know what happened to this company; they only made a 44-percent increase in profit last year. That is all. Conoco-Phillips is down at the bottom. They made a profit before, but now they had an additional 44-percent increase in profit. I repeat, British Petroleum had a 165-percent increase in profit compared to the previous year; Chevron, a 294-percent increase in profit compared to the preceding year; and Exxon-Mobil, a 125-percent increase in profit. I am not making this up. These companies are gouging.

We have all received letters from our constituents. I have received them from Nevadans whose budgets are stretched. They have to make a choice between food, a place to live, and medicine. This is the way it is. It is too bad. Gasoline is not a luxury; it is a necessity. Families have to put gas in their vehicles so they can drive to work, take the children to school, and go to the grocery store.

Big oil companies control it all. British Petroleum, Chevron-Texaco, Conoco-Phillips, Exxon-Mobil, they make the money. And as long as they can show their shareholders they are doing great, it doesn't matter what is happening to the country or the people who work for these companies. They control the supply. They know families have little choice in the matter. They literally have consumers over a barrel of oil.

While consumers are paying record prices, the oil companies are reaping record profits. These profits are outrageous. I believe in the free enterprise system, but if you carry this to its extreme, there isn't much left for the consumer.

Major California refineries owned by Valero and Tesoro that supply the Las Vegas-Reno area have reported record profits and project even bigger gains in the months ahead. Record profits for big oil; record prices for American families.

I have asked the Federal Trade Commission to stop this price gouging, but they won't act. The FTC continues to study the problem while gas prices skyrocket. We all agree something must be done. It is a simple fact that we can't drill our way out of the problem. We are sitting on less than 3 percent of the oil reserves of the world. This includes ANWR. We consume 25 percent of the oil that is produced, and 97-plus percent of the oil reserves in the world are someplace else.

We need to find an innovative new solution, but this administration's energy policy is stuck in the past. It is slanted toward big oil and special interests generally. This is a policy that was hatched in secret 3 years ago by the Vice President's energy task force. This is the task force that refuses to produce the records of who met, where they met, what they talked about. This has gone to court. They have stalled it for almost 4 years.

This past Sunday the Washington Post reported on the influence that has been wielded in this administration by the people who raised large amounts of money for President Bush's campaign. One of the four people who organized the entire fundraising apparatus was Donald Evans, a Texas oil man. The article also noted the influence of Enron CEO Ken Lay—''Kenny boy,'' as he was called by the President—who served on the Energy Department transition team and recommended two of the appointees to the five-member Federal Energy Regulatory Commission. Is it any wonder nothing is being done?

When it comes to national energy policy, this administration is taking care of the Enrons, the big oil companies, while middle-class families and other families are gouged. Our Nation must promote the responsible production of oil and gas, but that doesn't mean we should roll back environmental protections of our priceless public lands to allow drilling. Remember, we cannot produce our way out of this problem.

If we allow drilling in ANWR, with all the roads and other support structures that would be required, we would despoil a national treasure for little long-term gain in energy security.

Instead of squandering our children's birthright for a temporary supply of oil, we should do a better job of conserving.

If all our cars, trucks and sport utility vehicles got an average of 27.5 miles per gallon, we would save more oil in 3 years than could be recovered economically from the entire Arctic National Wildlife Refuge.

I know we can do it because we did it once before.

After the 1973 Arab oil embargo, when Americans were forced to wait in