

The PRESIDING OFFICER (Mr. CHAMBLISS). Without objection, it is so ordered.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

• Mr. HARKIN. Mr. President, I would like the record to show that I was necessarily absent during today's vote due to a funeral which I attended in my home State of Iowa. Had I been present, I would have voted "yea" on the amendment. •

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

HURRICANE RECONSTRUCTION CONTRACTING

Mr. DORGAN. Mr. President, this morning I and a number of other Senators held a policy committee hearing on the issue of FEMA and some of the expenditures dealing with Hurricane Katrina and the aftermath of the devastation of the gulf coast of our country. Some of what we learned is enormously distressing. I will share some of it with my colleagues, including some ideas about what we ought to be doing about it.

One of the people who came to Capitol Hill this morning was a man named Paul Mullinaux, a truck driver who owns his own tractor and trailer and lives in Florida. He was contracted by FEMA to haul ice to the victims of Hurricane Katrina and for the devastation on the gulf coast. Mr. Mullinaux is a person who, when asked to perform this service—obviously he was paid for it, but with his refrigeration truck and with an opportunity, he went to New York City and picked up a load of ice in his 18-wheeler and his refrigerated trailer. That load of ice was for delivery to Carthage, MO. He wasn't sure why it was to be delivered to Missouri, but it was. He took his 18-wheeler to Carthage, MO.

When he arrived at Carthage, MO, they told him that what he needed to do was to go to Maxwell Air Force Base in Alabama. So he had driven his 18-wheeler with a load of ice from New York City to Carthage, MO. Then he was told, go to Maxwell Air Force Base in Alabama. He got in his truck and went to Maxwell Air Force Base in Alabama.

When he got to Alabama, he told us this morning, he spent 12 days sitting on the Maxwell Air Force Base tarmac with apparently hundreds of other trucks and a load of ice. He said other trucks were loaded with ice, they were loaded with blankets, they were loaded with all kinds of things that evacuees would have needed, the victims of the hurricane would have needed. For 12

days he and his truck, with his motor running for the refrigeration to keep the ice cold, sat there. Finally, at the end of 12 days he was told he was to take his truckload of ice to Idaho.

Remember, this is a truck driver contracted by FEMA to pick up a load of ice in New York and take it to the gulf coast to try to help the victims of Hurricane Katrina. He got the ice in New York, went to Missouri, then was told to go to Alabama. He went to Alabama, sat there 12 days and then was told, by the way, now you should take this ice to Idaho and put it in storage.

Mr. Mullinaux told them, I wasn't aware there was a hurricane in Idaho and I don't intend to drive to Idaho with this ice. At that point, they talked about calling the National Guard to escort him off the military base because he had a bad attitude. I would have had a bad attitude sitting there 12 days with a refrigeration truck running with a load of ice that was supposed to go to hurricane victims. At the end of 12 days, he refused to go to Idaho, so they sent him—and he said they sent many other trucks—to Massachusetts to offload the ice in a warehouse where it is now being stored.

Think of this. The Federal Government, through FEMA, paid \$15,000 to a trucker to pick up a load of ice in New York to help hurricane victims and they told him to go to Missouri. He went to Missouri. They then told him to go to Alabama. He went to Alabama. They then told him to wait for 12 days. He sat on the base in Alabama for 12 days and then they told him to take the ice to Idaho, to put it in storage. When he refused, they said, well, then, take it to Massachusetts. He took it to Massachusetts and it is now in storage. From New York, to Missouri, to Alabama, to Massachusetts.

In effect, the American taxpayer has paid this one trucker \$15,000 to haul ice from New York to Massachusetts to benefit the victims of Hurricane Katrina. It is unbelievable and staggering incompetence that FEMA is paying this kind of money. But it was not only Paul Mullinaux; it was not just him. It was hundreds and hundreds of other truckers with exactly the same experience. Loaded with blankets, loaded with ice, loaded with the things the victims needed, sitting in an airbase, being paid \$800, \$900 a day per truck while victims waited. Incidentally, Paul Mullinaux said they had a small television in that truck of theirs sitting on the tarmac of the military base along with hundreds of other truckers, and they were seeing on the nightly news the victims who were begging and pleading for the things they needed to keep them warm, to give them sustenance, food, ice, good water, blankets, clothing. And they were all on trucks, sitting there, day after day after day after day after day, and, finally, never delivered.

The question is, when you hear this sort of staggering incompetence, who is in charge? Who is accountable? Harry

Truman used to have a little sign on his desk that said "The buck stops here." Where does the buck stop with this? Is anybody accountable? FEMA? It used to be an agency we were enormously proud of. Regrettably, many of the top positions in that agency were filled with cronies who had no information, no experience, no capability with respect to disaster preparedness or disaster response. And this is but one small story of Paul Mullinaux, a trucker who came here to tell his story, furious as a taxpayer about what has happened.

Al Knight and Mike Moran came, Knight Enterprises. They were hired by a subsidiary of Halliburton to do some work down in the Gulf of Mexico to try to deal with the devastation of Hurricane Katrina. They went out as a result of an oral contract and hired 75 skilled, experienced electricians to do a job. It wasn't very long before the subcontractor with Halliburton said, don't worry about that; your electricians will not be on the job very long. We are bringing in new people.

Guess what. They did bring in new people. My guess is a fair number of them were undocumented workers. They say almost none of them spoke English. They say their electricians were trying to work beside them and these were not skilled electricians. In many cases, they didn't know what they were doing.

Why were they there? Why were they there to replace Louisiana workers who wanted the jobs to help get back on their feet, people who were victimized by Hurricane Katrina and Rita? Why were others brought in from out of state to take those jobs? Money. Just money. Because the President said, by the way, with respect to reconstruction in the Gulf of Mexico, in Louisiana and related States, Mississippi and so on, we will get rid of the Davis-Bacon requirement.

What is Davis-Bacon? It says the Federal Government, when it does work in your region, is going to pay the prevailing wage. They will not come in and hire a bunch of fly-by-night operators in order to drop the wages to dirt-poor levels. We will, as a Federal Government, pay prevailing, regional wages, when we do contracting in a region. But when the President said, by the way, Davis-Bacon does not work, does not count, with respect to reconstruction in Louisiana, Mississippi, and elsewhere, he opened the door for these firms to hire a bunch of workers for dollars a day with no benefits, and put them up in conditions—by the way, this picture was taken last weekend. Those are some of the workers who are brought in to take jobs that days ago belonged to the people of Louisiana. Workers who got hit by these hurricanes were anxious to get these jobs to try to get back on their feet. No more. The jobs now belong to these folks who live in these conditions—the exploitation of workers in this country. That is what

happens when you get rid of the Davis-Bacon requirement of paying the prevailing wage—bring somebody in and exploit them.

And, oh, by the way, one of the witnesses this morning said he saw jobs advertised by companies to do the reconstruction that claimed their workers can have free meals at the Red Cross. What does that mean, “free meals at the Red Cross”? That means you don’t have to pay them much. You can underpay them. You can have them live like this, as shown in this picture. You can exploit them. And, oh, by the way, we can get free meals for you at the Red Cross.

What a shame this is. The fact is, there is a right way and a wrong way to do reconstruction in Louisiana, Alabama, and Mississippi, and that is to not devastate the local prevailing wage. It is to reach out and hire the people in that region who have been victimized by these natural disasters. It is not to waste money. There is such prevailing waste here, it is almost unbelievable.

Ms. Sheila Crowley testified this morning. She has a Ph.D. She is president of the National Low Income Housing Coalition. There is \$11 million being spent each day to put people in hotels who are displaced because of Hurricane Katrina. Think of that. So \$11 million tonight is what the estimate is for hotel rooms.

Now, why are we still paying for these hotel rooms? Because the administration decided they did not want to use a voucher program. They do not like vouchers. A voucher program would have been to say to a person displaced: Here is a voucher. Go find yourself an apartment. It would have used existing housing stock. It would have made a great deal of sense and very quickly put people in housing. But the administration does not like vouchers, so the people who run these programs have been prevented from doing that.

Let me come back for a moment to the testimony by Paul Mullinaux. I have asked FEMA if we can find some accountability in FEMA. Who is it that decided we should have a truck pick up ice in New York and deliver it to Massachusetts for the purpose of helping victims of Katrina down in Louisiana and Mississippi? Who decided to do that? Who authorized the payment of \$15,000 for that truck and hundreds of other trucks just like it full of materials that victims needed, full of food and supplies and clothing and ice that victims needed? Will we find the answer to that? Will we find some accountability somewhere? I hope so because as we produce additional money for reconstruction and as we provide additional money to FEMA, the question is, Is this money being spent in a manner that meets any commonsense test at all? The fact is, this does not meet any test at all, that I am aware of, of efficiency or of effectiveness. Someone, some group of people is completely brain dead when it comes to

managing the resources that belong to the taxpayers of this country. I would like to find out who. This country deserves better. America deserves better than this. We can do better as a country.

Let me just finally say this: We had a FEMA that was extraordinary. I know that because in my State we had a city of nearly 50,000 people that was nearly completely evacuated because of a flood. I watched FEMA up close. They were extraordinary: professional, sharp, on the mark, on the ball, doing the right things.

Now FEMA is a joke. I am sure there are wonderful people still working at FEMA. But I see people inside FEMA, who are career people, who say what has happened inside is to hollow out this great organization. You put people at the top who have no experience at all in this area—just hire a couple cronies, friends, and say, “Go do this,” with no experience in disaster preparation or disaster preparedness—and this is what you get.

I hope we can find some accountability. I hope we can put some new people in charge, in place, to be responsible for this country and to its taxpayers. We are going to spend billions more dollars out of this Chamber. I have watched it with respect to reconstruction in Iraq, and I am now watching it with respect to reconstruction in the wake of Hurricane Katrina. In both cases, it appears to me that massive amounts of money are being wasted. There is substantial waste, fraud, and abuse. Instead of yawning at that problem, this Congress ought to be furious. We ought to make sure we put a stop to it right now.

ENERGY COMPETITIVENESS

Mr. BAUCUS. Mr. President, in the 12th century, in the Bay of Biscay, Basque sailors began to hunt right whales. The Basques melted the whales’ blubber into oil to fuel their lamps. When the whales died out in Spanish waters, the Basques sailed north to Iceland pursuing the source of their lamp oil. By the 16th century, whalers hunted extensively in Icelandic waters to find the fuel for light.

As our former colleague Phil Gramm wrote in 1973, from American colonial times through the middle of the 19th century, whale oil provided the major source of artificial lighting in America and Europe. But in the middle of the 19th century, America faced an energy crisis. The price of whale oil was rising. From a low of 23 cents a gallon in 1832, it rose to \$1.45 a gallon in 1865.

But then in 1859, people discovered petroleum oil in western Pennsylvania. The rising price of whale oil encouraged an engineer to invent a process to convert that western Pennsylvania black oil into a new fuel, kerosene.

The whale oil era was ending, and the petroleum era began.

One hundred fifty years later, at the turn of the 21st century, gasoline

prices are rising. As late as December 2002, Montana gasoline prices averaged a little more than \$1.30 a gallon. On September 5 of this year, the average price hit about \$2.90 a gallon.

In the wake of Hurricane Katrina’s disruption of oil refineries, many Montanans feel gouged by sky-high gasoline and diesel prices. High gas prices hit low-income Montanans particularly hard. Peggy Grimes, director of the Montana Food Bank Network, says: “[P]eople are going without food more often and coming to visit local food pantries more often.” Just think of people having to make choices such as that.

Rising natural gas and fuel oil prices have many Montanans concerned about how they will heat their homes this winter. And rising fertilizer costs will hit many Montana farmers hard.

In the short term, petroleum price increases are forcing painful adjustments. In the medium term, we need to invest in conservation, weatherization, and upgrading the efficiency of cars, appliances, and machines that use energy. And in the long term, we need to adjust intelligently to higher petroleum costs, systematically and purposefully diversifying our energy sources.

In the middle of the 19th century, America led the way to the next energy era, leaving the whale oil era behind. Now, at the beginning of the 21st century, America must once again lead the way to another energy era, an era that severs the world’s dependence on Middle Eastern oil. Domestic oil and gas production will remain a critical part of our energy security for some time. But to lead the world to a new era, we will have to make major investments in new innovative forms and uses of energy.

Once again, we have cause to look again across the waters to Iceland.

Iceland is leaving the petroleum era behind. Iceland is entering the hydrogen era. The government has announced its intention to become a hydrogen-based economy by 2030.

In Iceland, icy water cascades down from massive glaciers. And in Iceland, boiling water bubbles up from just beneath the surface. Iceland already harnesses these renewable resources to generate virtually all of its electricity and heating from hydroelectric and geothermal sources.

But with no fossil fuel resources, Iceland relies heavily on imported oil to power cars, buses, and the fishing trawlers that provide 70 percent of Iceland’s income.

To break that dependency, and to reduce greenhouse gases, Iceland is turning to fuel cells. Fuel cells use hydrogen and oxygen to generate electricity to power engines. And the vehicles powered by those engines emit only water as exhaust.

Iceland plans to use its cheap electricity to split water—H₂O—into its component parts—hydrogen and oxygen. Iceland uses the process of electrolysis. Electrolysis runs an electric