

Federal bench, Robert Conrad to be a U.S. District Court Judge for the Western District of North Carolina and James Dever to be U.S. District Court Judge for the Eastern District of North Carolina.

Bob Conrad was nominated by the President on April 28, 2003. Bob Conrad is now a partner at the law firm of Mayer, Brown, Rowe, and Maw in Charlotte, North Carolina. He has served as a U.S. Attorney for the Western District of North Carolina. He is a graduate of Clemson University and the University of Virginia Law School.

Bob Conrad possesses the qualities necessary to serve as a U.S. District Court Judge. He is fairminded, evenhanded, and treats all with respect. He has repeatedly demonstrated a commitment to public service and a spirit of impartiality and cooperation. Bob is also a devoted husband to his wife Ann, and he is a loving father to his five children.

Today, we consider his nomination for the Western District Court judgeship for the great State of North Carolina. I believe Bob Conrad's integrity, compassion, and intelligence have earned him strong bipartisan support, and he will again serve ably as a representative of our country. I am pleased that almost 2 years since his nomination, Bob Conrad will be confirmed by the Senate.

President Bush has also nominated James Dever to be U.S. District Court Judge for the Eastern District of North Carolina on May 22, 2002. After almost 3 years, James Dever's nomination is now reaching the floor for a vote. He served as U.S. Magistrate Judge on the U.S. District Court for the Eastern District for North Carolina since 2004. Prior to that, the judge was a member of the Raleigh law firm of Maupin Taylor, and Judge Dever graduated with high honors from Notre Dame, where he attended on a 4-year ROTC scholarship. Judge Dever also graduated with high honors from Duke University Law School, where he was editor and chief of the Duke Law Journal. Judge Dever also served his country in the U.S. Air Force.

The Eastern District post to which Judge Dever has been nominated is the longest district court vacancy in the nation. In fact, it has been vacant since 1997. In 1999, the Administrative Office of the Courts declared the district as a judicial emergency, and it has been categorized that way for the last 6 years.

For some time, the State of North Carolina has felt the absence of U.S. District Court Judges. However, the Eastern District in particular, which comprises almost half of the counties in North Carolina and has over 3 million people, has arguably suffered the most.

James Dever will bring to this post the qualities and character that will continue to make North Carolinians proud of him. James Dever is highly regarded by his colleagues and he has a

record of public service. He is a bright, accomplished individual with a proven record. His supportive family includes his loving wife Amy and their three children.

Today I urge my colleagues to vote in favor of these two esteemed attorneys. North Carolina, and the United States as a whole, will benefit substantially from the confirmation of these well-respected men to the Federal bench.

I yield back all time and call for the question.

The PRESIDING OFFICER. If all time is yielded back, the question is, Will the Senate advise and consent to the nominations en bloc of James C. Dever, III, to be United States District Judge for the Eastern District of North Carolina, and of Robert J. Conrad, Jr., to be United States District Judge for the Western District of North Carolina.

The nominations were confirmed, en bloc.

The PRESIDING OFFICER. The President will be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will return to legislative session.

PROVIDING FOR ADJOURNMENT

Mr. MCCONNELL. I ask unanimous consent the Senate now proceed to the consideration of S. Con. Res. 29, the adjournment resolution; provided that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table.

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

The concurrent resolution (S. Con. Res. 29) was agreed to, as follows:

S. CON. RES. 29

Resolved by the Senate (the House of Representatives concurring): That when the Senate recesses or adjourns at the close of business on Thursday, April 28, 2005, Friday, April 29, 2005, Saturday, April 30, 2005, or Sunday, May 1, 2005, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until Monday, May 9, 2005, at a time to be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate or his designee, after consultation with the Minority Leader, shall notify the Members of the Senate to reassemble whenever, in his opinion, the public interest shall warrant it.

The PRESIDING OFFICER. The Senator from Washington.

ENERGY

Ms. CANTWELL. Mr. President, I rise to discuss a matter of grave importance to our economy and national security. The issue is energy policy and what it will take to put us on a path toward energy diversification and away

from our overdependence on foreign oil.

Tonight we will hear from the President about how he plans to lower gas prices. In the State of Washington we have seen a rise of almost 50 cents a gallon in 1 year. I look forward to hearing what the President has to say about lowering those gas prices. I do not believe his plan to drill in the Arctic National Wildlife Refuge will help make any difference in the prices in the near term.

I will address what is a broader energy debate this Senate is about to start. Energy is the lifeblood of our economy. It keeps our cars running, our companies competitive, our citizens safe, and our Nation secure. It is the future source of job growth for America.

The House has passed an energy bill and the Senate will start shortly on its own plan. We need to tell America where we are going on this important journey to set about an energy policy in America that we can be proud of.

We are at a critical juncture. The pain being felt at the gas pump by Americans is a wake-up call to all of us that we need to take action. Now is the moment our Nation must make a conscious choice to tackle the challenges ahead in a straightforward and serious manner, and get to the heart of what is a very enormous problem.

What our country needs is an energy policy that bets on American ingenuity and investment rather than gambling our future on the good will of the Saudi Royal Family or the OPEC cartel. There is no doubt in my mind, and history shows this, when this Nation devotes its tremendous resources and innovative spirit to confronting a threat such as that posed by the high cost of energy and overdependence on foreign supply, we can succeed. History has shown in our country, we have made significant shifts in investment when our national goals were set in the right direction.

Americans are familiar with the ambitious goals set by President John F. Kennedy when he challenged this Nation to put a man on the moon within a decade. But it was not just rhetoric. President Kennedy tripled the budget for the space program between 1961 and 1962. He also asked us to double the number of scientists and engineers working on the project over a 5-year period. President Kennedy recognized the importance of this investment and America won an international race to put a man on the moon.

A less recounted story, but nonetheless significant to our country's history, was the shift in gears this country made when we embarked on the Manhattan Project. In 1942, President Franklin Roosevelt authorized \$85 million for what would become the Manhattan Project. Within 2 years, our entire national budget for atomic research grew from \$6,000 to \$85 million. In the midst of World War II, the President had decided it was in our Nation's

strategic interest to make this investment. Three years later, the Manhattan Project ushered in the nuclear age and the United States won the race to become a superpower. The Manhattan Project changed the course of history. That \$2 billion investment also has influenced domestic and international policy ever since that time.

A little less dramatic but no less important for consumers and businesses across America, there is another example of how this country shifted gears and focused on investment and energy policy. In the 1970s we woke up to the fact that our country was defending, in support of, the only democracy in the Middle East. As a result, we ended up with an OPEC oil embargo. Our economy was stalled and we waited in long gas lines to fill up our tanks.

What did Congress do during that crisis? Among many things, we passed the Energy Policy and Conservation Act of 1975 which made our cars more efficient. In 1978, we passed the Public Utility Regulatory Policy Act which led to diversifying our source of electricity generation by lowering the barriers for new generation of cleaner and more efficient power.

In the mid-1970s, oil was used to generate electricity for homes and fuel for our economy; we got 20 percent of our Nation's electricity from oil. But because of our actions during the 1970s, being aggressive, today oil is only 2 percent of our electricity portfolio. During this time, consumers also began making choices to switch from home heating oil to other sources. In fact, since that time period, the number of homes that use home heating oil has dropped about 35 percent.

So we have seen in our history that we can take aggressive steps and shift our investments toward a new strategy. Certainly that is what we need to do now to get this country moving toward a more independent energy future. In other words, we showed the leadership that is lacking today in making the right investments.

We are in an international race because of the economics of oil and where our oil dependence is leading us. First, even if every last deposit geologically present in the United States was tapped, the fact remains that the United States sits on 3 percent of the world's oil reserves. Today, the United States imports about 60 percent of its oil supply. Dependence on oil means dependence on foreign sources of oil. It is a geological and economic fact of life: We cannot drill our way to energy independence.

Where are the prices today? According to DOE's Energy Information Administration, gas prices for this week have reached a national average of \$2.24. As I said, in my home State, that is a little higher at \$2.48. What we understand is that gas prices for the future are also going to be high if we stay this course. The gas prices that have hovered about \$50 a barrel for this year are up from about \$30 a barrel in

2004. I don't know if any of my colleagues remember the 1990s, when oil was \$15 a barrel.

The real concern is, what is the economic outlook for oil prices in the future? The World Economic Outlook Report issued earlier this month by the International Monetary Fund will have all my colleagues' attention. That is because it is projected that oil could spike to \$100 a barrel between now and 2030.

These prices are driven in part by a tripling of demand by China. As the Chinese and Indian economies grow, so will their dependence on petroleum. And rising incomes in China mean they will own more automobiles. According to that same report of the International Monetary Fund, China will be consuming 19 million barrels of oil a day in 2030, more than triple the amount it used last year, and almost as much as the United States uses today.

We know demand for oil is going to increase, and we know the cost is going to go up. In fact, a Wall Street firm, Goldman Sachs, predicted the price of oil could reach \$105 a barrel in the next few years and that the energy markets could be in the early stages of a superspike period, where we could see prices fluctuate as we did in the 1970s, when at times they quadrupled. So this is a very important issue, something this body needs to address, not with a Band-Aid, but with a long-term solution that will put our country on the right track.

If we do not think this is impacting other parts of our economy, particularly on the trade front, the Department of Commerce recently, in its monthly report, said the U.S. trade deficit in February worsened to \$61 billion, in part because of the surging oil prices. So it is impacting our economy all around. But so long as this Nation fails to make progress on an energy policy that acknowledges the reality of geology and the international marketplace, we are jeopardizing our economic future.

I cannot say I agree with the President's energy proposal and policy goals. But I know he has said he knows this becomes a "foreign tax on the American dream." I do agree with that. The American people want to see a different policy. They have not given the President high marks on his energy proposal.

In an AP poll taken last week, more than 50 percent of people said if gas prices stay as high as they are in the next several months, it will cause financial hardship for them. It is already causing financial hardship in many parts of my State. In fact, 57 percent of people in the same report said they have already cut back on other expenses to cope with rising gas prices.

Here is a telling figure: Sixty-two percent of the people say they disapprove of the handling of our nation's energy policy. I believe they mean they want to see a different approach. Mr. President, 87 percent of the American

people say that conservation, fuel efficiency, and alternative energy sources are the best way to reduce America's overdependence on foreign oil. We need to listen to them and get an energy policy that reflects that reality.

The American people know it is time to get serious. They know some of the ideas we talk about here are the alternatives to our overdependence on oil—investment in wind power, wave power, solar power, and the ingenuity of American brainpower. Those ideas need to have their day in the Senate, where we can talk about the issues of alternative energy and modernizing our transmission grid.

Well, I can tell you this, we are going to have some challenging times agreeing to some of the proposals that are being passed over by the House of Representatives as they discuss an energy policy. Here in the Senate, I am encouraged that the chairman of the Senate Energy Committee, Senator DOMENICI, is actually reaching out to Members and trying to discuss the formation of what will be a productive energy debate and discussion, and a bipartisan effort that will merge these ideas about where we need to go for the future into a bill. So I appreciate the chairman's efforts, as he has discussed with Members of both the majority party and minority party some of the ideas the Senate should be considering in an energy strategy.

But if we are going to make dramatic progress, we need to make sure the President of the United States, who is endorsing the House proposal in his administrative statement of support, understands that proposal is a nonstarter. The American people want to see a real plan of diversification, insofar as they think the House proposal has fallen short. In fact, even the President's own economic advisers in the Energy Information Administration have concluded the House Republican energy plan will have a "negligible" impact on energy supply, energy prices, production, and imports—"negligible." In fact, the same economists concluded their proposal will have a 0.1 percent—that is less than 1 percent—impact on oil consumption by 2025.

So, in other words, the House energy plan, which the President is endorsing, is like treading water. It is like standing still, while our economy cannot stay afloat on these high gasoline prices, and while our businesses and consumers continue to be gouged.

Details of what is wrong with the President's plan ought to be front and center as we discuss our Senate proposal so as not to make the same mistakes and so we can move forward.

Because clearly, there is something wrong when we look at the priorities of the legislation the President has endorsed. For example, this proposal continues to provide subsidies in the wrong direction. Last year, this body rejected a proposal that would have given 60 percent of the tax incentives to the traditional industries; that is,

oil and gas. You would think turning that proposal down might have sent a message. But, instead, our colleagues in the other body now give 90 percent of the tax incentives to the same traditional industries and devote only 6 percent to new technologies.

If the President is serious about getting a proposal before August, he should start by making clear his opposition to a waiver, letting oil companies off the hook for groundwater-polluting chemicals such as MTBE. I do not believe granting immunity to polluters for groundwater cleanup costs and saying States should pay for it has a single thing to do with getting an energy policy that will put America on the right track.

Americans want to know our energy policy is about the common interest, not special interest. They want to know we are going to get a bill that helps us diversify off of our foreign sources of energy.

There are many other things the President's plan endorses that I think are dead wrong, and we are going to have plenty of time to talk about them. But I would mention them briefly.

For example, this current proposal fails to recognize how our country has been gouged by high energy costs from companies such as Enron. It does nothing to hold the line against what I call the latter-day Ken Lays, and would leave future Enrons with the opportunity to steal from consumers. What we need is a tough bill in relation to market manipulation that includes making sure utilities that continue to be sued by Enron are not the deep pockets for their extreme market manipulation and trading practices that the Federal Energy Regulatory Commission has failed to adequately deal with.

The President's endorsed energy plan also rolls back dozens of environmental rules and laws that were put in place to protect Americans' public health and safety. Many of them were put in by previous Republican administrations. So we are going to have lots of time to discuss this energy plan and proposal when we return and the Senate Energy Committee starts discussing this proposal. But because gas prices are still high, and because we still need to address where we are going as a country, I want to make sure this Senator stands firm on the fact that we cannot continue to tread water or stay in the same place. We need to take the same aggressive actions previous administrations did, as we changed our investment strategy, as we put the Nation on call for an emergent need, and moved forward on a policy.

That is what I call progress. The Europeans already understand this. That is why they are making a significant investment in renewable energy technology. The Japanese understand this. That is why their automakers are making big investments and cornering the market on fuel efficiency technologies

and vehicles. And even China understands this because they have put in place higher fuel efficiency standards than in the United States. What we need to do is recognize the energy future by planning for it, not with half-baked policies that dither around the margins of the problem but with real leadership on an energy economy of the future.

I hope that tonight the President will address the American people and tell us what his real plan is to lower gas prices in the future, to give America an independence from our overdependence on foreign oil. I hope he will give this country the kind of boost that previous administrations have, by leading the way with new technology investments and a vision of the future that will give our country the national and economic security it deserves. I think he will find that there are many Americans waiting to hear that plan—there are farmers, environmentalists, businesspeople, certainly a number of us in the Senate and, I would say to the President, even some of the neocons of previous administrations who are ready to hear an energy strategy that gets us off of our overdependence on foreign oil. I look forward to those comments.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2006—CONFERENCE REPORT

Mr. GREGG. Mr. President, I ask unanimous consent that notwithstanding the receipt of the House message and having the Senate papers at the desk, the Senate begin consideration of the conference report to accompany the budget resolution; provided further that the time from now until the arrival of the ranking member be under the control of the chairman; provided further that when the ranking member arrives, he be recognized to be in control of a like amount of time.

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

Mr. GREGG. Mr. President, this order allows us to start opening statements on the budget. Senator CONRAD should be available around 6 o'clock this evening, and his side will control the time after he arrives, which will be commensurate with the time we control, which I presume will be approximately an hour that we will use now until 6 o'clock.

Mr. President, we are now turning to the budget of the United States, which

is pending in the House and being debated in the House. This obviously is a major item for us as a Congress. It is very hard to take the position that a government that spends \$2.6 trillion should not have an outline as to how it is going to spend that money, should not have a proposal and a policy for spending that money. That is why a budget is important.

A budget doesn't get into the specifics of how the dollars are spent, but it does set out a very substantial and important blueprint as to how those dollars will be spent and what the policies are that will affect spending and taxes as we move into the future.

The budget that we bring today is a result of a lot of hard work. I want to especially thank my colleague from North Dakota, the Democratic ranking member of the committee, and his staff, who have been extremely courteous and extraordinarily professional in the way they have approached the process. Senator CONRAD is someone I have enjoyed working with very much. We disagree, obviously, but the disagreements have been on policy, and certainly there has been nothing but a professional, cordial, and friendly relationship between us.

I also thank the majority leader and the assistant majority leader, Senator FRIST and Senator MCCONNELL, for their extraordinary effort. I especially thank members of my committee, all of whom have been very much engaged and who have been very involved in developing the budget.

In addition, I specifically thank Senator SMITH from Oregon, who has been a critical player in developing what is one of the core issues of this budget, which I will get into in a few minutes.

Of course, I especially thank the staffs, both the majority staff and minority staff, and especially the staff on our side, led by Scott Gudes, and our colleagues across the aisle in the House who worked so hard to get us to this point.

The budget we are bringing forward today is the result of what I consider to be some serious public policy problems we confront as a nation, and they involve the amount of spending the Federal Government is doing in relationship to revenues, and specifically the rate of growth of our spending and the fact that we are confronting very significant deficits not only in the short term but in the long term.

I want to go through a few charts to explain the parameters of the problem. I think it is critical that people understand that and understand how this budget was developed. We received testimony in the committee from the Comptroller General of the United States that there are on the books today obligations of the Federal Government that exceed projected revenues of the Federal Government amounting to approximately \$44 trillion. Now, a trillion dollars is an incomprehensible amount of money for anybody to understand. I will try to