

Mr. SHIMKUS. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

**MOTION TO INSTRUCT CONFEREES
ON H.R. 2419, FOOD AND ENERGY
SECURITY ACT OF 2007**

Mr. TERRY. Madam Speaker, I have a motion to instruct at the desk.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. Terry moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 2419 (an Act to provide for the continuation of agricultural programs through fiscal year 2012) be instructed to recede to the provisions contained in section 12312 subtitle C of title XII of the Senate amendment (relating to a cellulosic biofuel production tax credit).

Mr. TERRY (during the reading). Madam Speaker, I ask unanimous consent to waive the reading of the motion.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska (Mr. TERRY) and the gentleman from Colorado (Mr. SALAZAR) will be recognized for 30 minutes each.

The Chair recognizes the gentleman from Nebraska.

Mr. TERRY. Madam Speaker, I rise today with my motion to instruct to make sure that we keep a tax credit that the Senate has in its version of the farm bill for cellulosic energy and the blending. It's a dollar tax credit, and that's important that we have the higher number because cellulosic energy or cellulosic ethanol, I think, is where we are going to move to for our midterm energy strategy in this country, and that we really are at the very embryonic stages of its development, as I'm going to show here in a few minutes, and that because we are at the beginning stages of cellulosic energy, taking it literally from the research laboratories to the experimental market, trying to produce it more than at 1 gallon at a time, that we will need to, more heavily subsidize these beginning processes.

□ 1800

Now, I'm going to build our argument here of why I feel that cellulosic energy or cellulosic ethanol is important and why we need the \$1 credit versus the lower number that was in the House version to get to our ultimate goal here, which is energy independence.

And by the way, I define "energy independence" as not relying on OPEC countries. We will need to use the natural gas and oil from Canada, and we will need to, for a variety of reasons,

use the oil from Mexico; but wouldn't it be great if we were in a position that we didn't have to use the oil that's produced by countries that don't like us, that really hinders, as the gentleman from Tennessee, ZACH WAMP, mentioned. Our foreign policy, we have to counsel, we have to do things for countries that really are trying to harm us economically, like Venezuela is right now.

Now, the bottom line here, the bottom line here is that every citizen of the United States is paying higher prices at the pump. They are paying more of their family budget to get to and from work, to and from the grocery store, and they're upset and rightfully so. So I am asked frequently, what is the plan. Well, the problem is there really isn't a cohesive plan. We do know that it is an issue of supply and demand.

Now, we've nibbled at the edges in an earlier bill this year that was signed by the President in December on the demand part. We did things to help incent electric cars, hybrids, battery technology; and probably the key component or foundation of that demand bill or lowering demand of oil was increasing the fuel efficiency of cars and light trucks. That was called the Hill-Terry bill. So I was one of the co-authors of that bill, and we got that in there. And that will increase fuel efficiency by 40 percent, in stages, to 2020, where I really see that we're going to end up earlier meeting those goals because of battery technology and ethanol.

We already have some vehicles out on the road today using ethanol blends as high as 85 percent that are hybrid. So you're combining ethanol, lowering the amount of oil that we have to use and refine, and battery technologies at lower speeds; for example, the Ford Escape.

Now, let me broach into an area here that I think is important for people to understand because our midterm strategy, at least as I envision it, is going to involve ethanol. And for some reason, ethanol has been blamed for every ill that has occurred globally. There has been severe droughts that have affected rice crops, and yet I read in U.S. papers that that's caused by ethanol. It's baffling how they make this connection, and it's wrong; but yet it seems like ethanol is causing more problems, as related by the media, than President Bush is. Maybe President Bush is happy that ethanol is pushing him off the front page. I don't know.

All I know is most of what you're reading about ethanol is completely bogus. And even people in the Corn Husker State are now starting to tell me, We can't rely on ethanol. We're learning that this is bad, because I am paying more at the grocery store. My eggs are more expensive because of ethanol. Huh? Well, okay. Maybe some of the grain-related foods have been impacted by ethanol.

I want to show you a few charts here. And by the way, these studies are done

by the government. They've been reported in The Wall Street Journal and other major business magazines.

First of all, the problem with the higher prices at the grocery store in total is because of increased energy costs. The price per barrel of oil closed short of a \$124 today. It's grown dramatically, and ethanol is actually helping with those energy costs. Every report that I have seen, and we will use this chart, has shown that we would be paying much more at the pump today if it were not for the ethanol that we're blending.

Here is a chart that shows today's average price at the pump of \$3.65. That would be \$4.20 at the pump today if we didn't have the ethanol to blend.

Now, you're saying, well, that's great but, you know, it's driving up the food costs so I'm actually paying more. Well, that's not true, but we're not hearing about it in our media.

The reality is that today, because of ethanol being blended into gasoline and that major difference of what you would pay at the pump, it would be as much as 40 cents more, maybe 60 cents more, according to that information. So actually the consumer is saving around \$305 to as much as \$420 a year because of ethanol.

Now, every study that I have seen has shown that the direct impact of ethanol, that part of the corn crop that's diverted from feed or shipped to be manufactured into food, impacts about 5 cents on a box of cereal. Every study that I have seen from Texas A&M, the government, University of Nebraska has said it is about 3 percent on grain-related foods, 3 percent. But yet you're saving 15 to 20 percent at the pump, and it is helping you in today's world.

Now, let's talk about cellulosic. Cellulosic is where you take a biofeed stock, it can be just about any living, growing thing, and you use an extra step in the process to take this and break down the gluten, kind of the glue that holds the cells together, that holds the sugars; and when we are able to dissolve those, then you can extract that and create ethanol.

Now this type of ethanol, by the way, has a higher Btu rating and has more energy involved in it. So actually this ethanol goes further for us.

What type of products can we use? Well, you can use things like switchgrass. You can use wood pulp. You can use sweet sorghum. You can use anything as long as it's a living, growing organism. You don't have to use food. So that's why it's important.

Now, I'm going to say that ethanol is here to stay, but I do believe ethanol, based on corn, is going to hit a ceiling; and so cellulosic, if we can then use these types of bioproducts and create more energy or liquid fuel, then that is more that we can displace. And we will need a complete national energy strategy, and that's why I was curious when ZACH WAMP came up here and talked about LAMAR ALEXANDER announcing

his energy plan using one of our biolabs that's doing work on the cellulosic area. And I think their focus in that lab has been on switchgrass and wood pulp. And so that will be interesting.

But the beauty of cellulosic is not only that it gets us much closer to energy independence but that every region of the country has something to offer, whether it is wood in the northeast or northwest, or algae; switchgrass, and even in my State you can go from switchgrass in the Missouri Valley area where I live to corn to sweet sorghum out in the dry parts because sweet sorghum grows stalks 12 feet tall and requires less than 12 inches of rain.

Where are we, and I'm getting back to my friend from Colorado to why we need the higher, the \$1, the higher amount for the blending credit.

USDA and Department of Energy are partnering together—it's nice to see two of our agencies actually working together—to open up several cellulosic ethanol plants over the next 2 years. They will produce a small amount, maybe 10 million gallons to start with, but if we can't use this product in the market and blend it, because we all know this is first generation so it's going to be expensive. It's going to be about \$5.50 a gallon to produce this with the first-generation technology. They will get it down to \$3, but if we can't get past this first generation stage, we're never going to get to second, third, fourth generation. So we need that higher level of subsidy or blending credit to make sure that the product that comes out of the new cellulosic ethanol plants is being used within the market.

Now, my expectation is while maybe 2 to 3 years from now we're producing maybe 50 million, that's a drop in the barrel, by the way, 50 million gallons; I really think that with this type of a blending credit that we can then double and triple and quadruple and maybe tenfold that 5 to 10 years later. And then we couple that with hybrid and electric technology, and man, I really am optimistic about the future of our country.

Now, the gentleman from Colorado, I have one speaker that would like to say a few things. Do you want to take some time right now or let us finish up and you can have some time and I will take 1 minute for close?

I yield to the gentleman from Colorado.

Mr. SALAZAR. I appreciate the gentleman.

Let me just say I agree with you on everything that you have said to this point. Ethanol is being blamed for the high cost of food prices. But what the news media forgets to tell you is that we've had the shortest wheat crop on record worldwide for many, many years. They also forget to tell you that because this country continues to borrow money from China, the value of the dollar continues to go down, and so developing countries, like China and

India, can now afford American food products. So it creates a larger demand.

The Congressional Research Service issued a report that shows that between 40 and 50 percent of the price of food at the grocery store is dependent, directly dependent on the cost of transportation. I agree with you on that.

You also talked about the issue of holding the \$1 tax credit, which the Senate has approved. It is my understanding that the Conference Committee has agreed upon that. As a matter of fact, what has been created is \$1.01 per gallon cellulosic ethanol tax credit through 2010. The \$1.01 per gallon is based on the 56-cents-per-gallon producer's credit, and then the 45-cents-per-gallon blender's credit. This should incentivise people to start or companies to start producing ethanol from cellulosic material.

I believe that the Nation is capable of producing a sustainable supply of about 1.3 billion tons of biomass per year. As you know, across the Western States of America, many trees have died because of the bark beetle problems. This is biomass that we can actually utilize to produce alcohol to fuel our vehicles.

□ 1815

I believe that the 1 billion tons of biomass would be sufficient to probably displace 30 percent of our country's present petroleum consumption.

So I do agree with the gentleman.

Mr. TERRY. Thank you. I do appreciate those comments. It's good to know that that is what is in the report. Many of us have not been able to see the report language yet to know what's in or what's not. So I appreciate you letting me know that's in there.

At this time, I would like to yield to the gentlelady from North Carolina (Ms. FOXX).

Ms. FOXX. Madam Speaker, I thank my colleague for yielding, and I really appreciate the good work that was done by my colleague from Tennessee, ZACH WAMP, and my colleague from Illinois, JOHN SHIMKUS, on this issue of what do we do about energy independence, what do we do about ethanol, what do we do about the alternatives that we have.

And I think it's important that we continue to point out the problems that we're facing in this country on achieving energy independence and to point out that we are dealing with basically a do-nothing Congress in terms of this issue. We are not dealing with this issue now, and I share the concern that my colleague from Nebraska Mr. TERRY expressed about how everything's being blamed on ethanol and George Bush.

The Congress likes to blame George Bush for everything, thinking that's the mood of the American people, and the leadership thinks it can deflect any responsibility for the problem that we're seeing now.

But I want to point out that right now gasoline is \$3.64 a gallon on aver-

age. That's 56 percent higher than when Speaker PELOSI was sworn in, and it is 745 days after she promised this: "Democrats have a commonsense plan to help bring down skyrocketing gas prices." And that was when gas was just about \$2 a gallon, not \$3.64.

It's also 948 days after Majority Leader STENY HOYER said, "Democrats believe that we can do more for the American people who are struggling to deal with high gas prices."

And it's 653 days after Democrat Whip JIM CLYBURN said, "House Democrats have a plan to help curb rising gas prices."

All of these statements were made in 2006 when the Democrats were making statements to fool the American people on what they could do to make things different.

Well, they got elected. They're now in leadership and what do we have? Blaming. We're looking for this secret plan that they have. They've never brought it forward, and we're still waiting for it, months, years after they promised it, 2 years actually after Speaker PELOSI promised that they had a plan to do this.

We have all the quotes on this and the dates. Again, April 2006, October 2005, July 2006 are the dates, but what they've done is they've raised taxes four times since they've been in office on energy in this country, and what they do then is blame the President.

Most people know, I think, that the President can't pass laws. All the President can do is sign them or veto them. It is our responsibility to do something about the way this country is operated in terms of laws. We operate under the rule of law, and it's no coincidence that article I of the Constitution is about the Congress and about our responsibilities, but the Democratic leadership has failed miserably in dealing with those responsibilities.

I also agree with Congressman WAMP that this is a national security issue, and that in addition to providing additional supplies of energy, we must do conservation and we must be more efficient. I don't think anybody on our side of the aisle disagrees with that. However, we have to do something to increase the supply.

We are dealing with a short-term and mid-term and long-term issue, and part of the problem that we're dealing with is the fact that in 1995 President Clinton vetoed the bill that would have allowed us to drill in ANWR. We have radical environmentalists who basically believe, if all the human beings in the world were to disappear, the world would be a better place because we're the ones to blame for all of the problems that we have in this country and in the world.

I don't believe that. I believe the good Lord gave us the resources that we need and the brains to use those resources and extract them. We should be drilling in ANWR. I've been to ANWR, I've been to Alaska, I've seen what happens there. The people who are opposed

to drilling there won't even go to Alaska to see the situation there. I think that's terribly, terribly shortsighted.

We could have started doing that many years ago, and we wouldn't be in this situation that we're in now because that, along with other things that we could do, such as drilling in the outer continental shelf, such as creating other resources, such as cellulosic ethanol, would be providing us what we need.

And I also agree, again, with Representative WAMP that energy independence means to me we are not going to be dependent on OPEC countries. We don't want to be dependent on people who hate us. We don't want to help fuel the terrorists. One of the things that we're doing is providing money for the terrorists to fight us, and we don't need to be doing that.

We do need to conserve. We do need to use every resource available to us in this country, and it is time that the Democrats exert some leadership in this area instead of blaming George Bush and blaming others for the problem that we're facing. They absolutely refuse to take charge of what's happening here.

I heard today on a radio program that there is a theory that they want to make the American people as miserable as they possibly can because President Bush is still our President, and they are so good at blaming him for things rather than accepting responsibility for their own actions. I think that has to be one of the most cynical things that anybody could possibly be doing in this country. It's our responsibility here to do everything that we can to help the American people, not do everything that we can to make them miserable.

I want to give you a quote from Investors Business Daily from April 29, 2008. The title of the article is "Congress vs. You," and one of the quotes, "The current Congress, led on the House side by a Speaker who promised a 'common sense plan' to cut energy prices 2 years ago, has shown itself to be incompetent and irresponsible."

Again, we have quote after quote after quote from business journals and from responsible people to show us that the problems that we're facing now are not based in our situation with the war but is based in the incompetence and the do-nothing of this Congress.

And again, let me point out, President Clinton vetoed H.R. 2491, the Balanced Budget Act of 1995, which would have allowed environmentally responsible exploration for an estimated 10.4 billion barrels of oil in a tiny sliver of ANWR. Senate Democrats have twice blocked energy exploration in ANWR via the Energy Policy Acts of 2003 and 2005. They have voted "no" on the American-Made Energy and Good Jobs Act which would open ANWR to exploration, over and over again. They've said no to new refineries. They've said no to the Energy Policy Act. As others have pointed out, they've said no use

to using coal. They've said no to using nuclear. Everything they've done is say no, while Republicans have repeatedly said yes. Yes to Americans who drive to work and school. Yes to gasoline prices that Americans can afford. Yes to American oil. Yes to American common sense in the rules, and yes to an American future of abundant, affordable energy that working people can afford to buy.

I don't think the Democrats are going to be able to continue to fool the American people that someone else is responsible for the problem that we're now facing. They're squarely responsible. They continue to say no, Republicans continue to say yes, and I think the American people are going to understand that in the short-term and in the long-term.

Mr. SALAZAR. Madam Speaker, may I inquire how much time either side has?

The SPEAKER pro tempore (Ms. HIRONO). The gentleman from Colorado has 30 minutes remaining. The gentleman from Nebraska has 3½ minutes remaining.

Mr. SALAZAR. Is the gentleman prepared to close?

Mr. TERRY. I have closed, and I will probably use my 3½ minutes for closing.

Mr. SALAZAR. Madam Speaker, today I couldn't agree more with many of the comments that my friend from Nebraska has made. He comes from farming country like I do. We understand the value of the fuel that goes into your tractors and the value of the fuel that goes into your pick-up trucks to run a farming operation.

I believe that ethanol is a temporary fix to our energy independence in America. We need to start looking at new technologies such as cellulosic-based technology. We understand that relying on corn-based ethanol is only a short-term solution.

Everything that I believe that my colleague has in his motion has been addressed in what the conference committee has brought forward, the higher \$1 per gallon cellulosic ethanol tax credit. I think that these are provisions that Mr. TERRY's motion has.

I only have one concern, Madam Speaker, is that if we were to adopt this motion, I believe that it could potentially delay the passage of the farm bill, and so I would ask my colleague, Mr. TERRY from Nebraska, to consider withdrawing his motion.

Mr. TERRY. Would the gentleman yield?

Mr. SALAZAR. Yes.

Mr. TERRY. I plan to mouth those words at the end of my ending comments.

Mr. SALAZAR. I would thank the gentleman, and with that, Madam Speaker, I yield back the balance of my time.

Mr. TERRY. Madam Speaker, I thank the gentleman from Colorado.

In closing, what we're faced with is restricted supply, ever increasing de-

mand on oil products, on oil and gasoline, \$124, just shy of \$124 per barrel today, and my friends, it's just going to keep going up. And we need a plan to make sure that we protect our economy and your budget.

We know that we can't continue to pay these type of prices at the pump. We know that what we're experiencing with our inflation at the grocery store is about 80 percent related to those high costs of energy.

We have a solution before us with ethanol, corn-based ethanol. Again, just in a summary here, the ethanol that is blended into the gasoline today is actually making it cheaper. That's allowing you to save more. You're not going to be spending as much on gasoline if it were not for the blend of ethanol in it.

□ 1830

The argument that food has increased because of ethanol is not accurate. In fact, these are just several of the publications that have gone on record, Wall Street Journal, CNN, have all said that it's a fallacy that food prices are going up because of ethanol.

So net, it's helping our citizens, but the future isn't with corn-based ethanol, it's with cellulosic. Cellulosic is going to supplement this ethanol. And its potential is immense.

So I'm proud to learn from the gentleman from Colorado that the dollar producers credit—I think I called it blenders credit a couple of times during the statement—but that 101 producers credit, coupled with the blending credit, is what's going to lift cellulosic ethanol for us into the market and make it a viable way that we can secure our independence from the OPEC producers.

Knowing that that is in the farm bill conference report, I feel comfortable, then, not instructing the farm conference, especially since there is no more conference.

I ask unanimous consent to withdraw my motion to instruct.

The SPEAKER pro tempore. Without objection, the motion is withdrawn.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.