

independent. But even if one of these goals is achieved, the impact would literally transform the energy sector. And if every one of these ambitious goals is reached, our country would be free from our addiction to foreign oil, and we will have guaranteed our economic and national security tape for future generations.

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

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

PETITION TO LOWER GASOLINE PRICES

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

Mr. WESTMORELAND. Mr. Speaker, I appreciate the opportunity to be here tonight to address you and the other Members of this body. And I wanted to bring to the attention, Mr. Speaker, the fact that I guess several weeks ago we had calls from constituents and seeing constituents at town hall meetings and other places. They had asked me if I had been on-line or on the Internet to sign some of the petitions that different people had up to bring down the price of gas. They were tired of going to the pump and paying \$4 a gallon for the gas.

They had heard the promises from the Majority of the 110th Congress made back when they were running for office, that they had a commonsense plan to bring down the cost of skyrocketing gas which, at the time, was about \$2.20. It's now about \$4.08. So they were mystified as much as I was about what this secret plan was. And so they were going on-line and signing these Internet petitions asking us or letting us know, Members of this body, that they were demanding that gas prices come down, and by doing that, to drill here and to drill now.

One of those Internet sites, and there's many, but one is American Solutions. And I understand today, from reading an article, that over a million Americans have gone to that site and said, you know what? Let's drill here, let's drill now, and let's lower gas prices.

And so I was thinking to myself because I had gone into a service station to fill up with the \$4 a gallon gas in my pickup truck, and there was a petition laying on the counter that said, you know, we want our gas prices brought down. Sign this petition.

And I thought, you know, not only is this an Internet, but people that are working at these service stations and I'm sure other places are having these petitions saying, you know, we need our energy costs brought down.

And Mr. Speaker, I said, you know, the American people need to know how

their Members of Congress feel. We're hearing from them on all of these different petitions how they feel. They need to know how their representative feels.

So I came up with a petition. And basically, this petition says, American energy solutions for lower gas prices. And it brings onshore oil on-line. It brings deep water oil on-line. And it brings new refineries on-line. And that's pretty simple. That's about as simple as you can get in this body.

Everything we vote on here is so convoluted that many of the Members don't understand what they're voting on, Mr. Speaker. And a majority of the American people do not know. Some of these bills are three and four and 500 pages. And it's hard to consume all that information and understand what is going on. So a lot of Members can have an excuse to vote for or against it because, as Mr. OBEY said today on the floor, they make these bills to get 218 votes. So they take these bills and put as many sweeteners in it as they need to get to 218. So many Members can say, well, it was a bad piece of legislation, but because they put X, Y, or Z in it, I voted for it.

I wanted to keep this petition as simple as possible. And so basically, what the petition says, I will vote to increase U.S. oil production, to lower gas prices for Americans. How much simpler can you get?

Mr. Speaker, you can't imagine some of the answers from the Members of this body for not wanting to sign this. They're unbelievable. I don't know how they're going to explain it to their constituents, but their constituents have an opportunity to see, and we update this, Mr. Speaker, on our Web site, which is house.gov/westmoreland, W-E-S-T-M-O-R-E-L-A-N-D. We update it after every series of votes, so it will be updated probably in about 30 or 45 minutes. It will be updated and you can go to that Web site. And we had 32,000 hits on that Web site last night, for people wanting to go and see how their congressman felt about it.

Now, we've had about 160 Congressmen that have signed this so far, so we're probably about 58 short of getting to 218, which is what you need to pass this.

So, Mr. Speaker, I would encourage all Americans to go to that and to find out how the Members of this House feel about lowering gas prices in this country.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded to direct their comments to the Chair.

□ 2100

GAO'S GOOD DECISION FOR WARFIGHTERS

The SPEAKER pro tempore. Under the Speaker's announced policy of Jan-

uary 18, 2007, the gentleman from Washington (Mr. INSLEE) is recognized for 60 minutes as the designee of the majority leader.

Mr. INSLEE. Mr. Speaker, we come to the floor this evening to discuss this good news that we read yesterday for our warfighters doing great jobs for the U.S. Air Force and for the taxpayers who are providing the equipment for the Air Force and for a lot of working families in the United States. And that was the decision by the General Accountability Office to essentially allow the protests against the previous proposed decision by the United States Air Force to send a contract for the construction of 80 tankers which refuel our Air Force planes essentially overseas to a combination that is largely European by the Airbus Company.

And we are extremely gratified and vindicated that the General Accountability Office has found that in seven very fundamental ways, the decision by the Air Force to send this American tanker using American taxpayer dollars for American warriors essentially overseas, and they have found that this was a decision that violated some general principles of procurement in issuing contracts using taxpayer dollars. In a very forceful and powerful and unambiguous decision, the General Accountability Office, we call it the GAO up here, concluded that this purported decision to send this contract away was a bad decision, bottom line. And this decision must be reviewed and we hope ultimately reversed.

So we've come to the floor tonight to talk about why that decision was appropriate, why it is welcome, and why we hope the Air Force will move forward working with the bidders on this contract to really reach a decision that's going to be in the best interest of the country as a whole, including our warfighters and our taxpayers and our working families.

And just if I can by way just as a matter of background, this is a contract for eventually 179 what are called KC-X aircraft. The first tranche would be 80 aircraft. These are the tankers that refuel our airplanes, and they are obviously the backbone of our Air Force. Without tankers, we don't have an Air Force. This is perhaps the most critical of the one type of airplane we have because this type of airplane has to be right for the job, competent, survivable, cost-effective, or we don't have an Air Force that requires this refueling capacity.

Now, the contractor that we'll talk about tonight, the Boeing Company, has been essentially the exclusive suppliers of these tankers for the United States Air Force for five decades and with incredible success. The KC-135 has been an enormously successful airplane, and the Boeing family of workers that have provided it have been proud to provide that background. And they were, of course, a bidder to provide the Boeing 767 as the platform, a very well-respected workhorse airplane that is converted for tanker purposes.

And this bid was originally rejected by the Air Force and given to a consortium involving Airbus, and it is that decision that the GAO has found was illegal essentially and violated procurement policies.

Now, the GAO, they're sort of a neutral referee, if you will. They don't have any dog in this fight. They reviewed this decision with intimate care and concluded in seven ways, which we will talk about tonight, this decision was grievously flawed and has to be revisited. So we felt vindicated by that decision because we had been arguing on this floor for a couple months now that that decision was grievously wrong.

I'm joined tonight by at least two Members, PHIL HARE of Illinois and NANCY BOYDA of Kansas. And I would like to start by yielding to PHIL HARE of Illinois about his observations about how we need to restore this American plane to an American manufacturer to take care of American warfighters.

Mr. HARE. Mr. Speaker, yesterday was a victory for the American people. On Wednesday, the Government Accountability Office ruled that the Air Force broke its own contracting rules when it awarded a multi-billion dollar tanker contract to the Northrop Grumman Airbus team and recommended that the Air Force reopen the competitive bidding process. The GAO said the Air Force made "a number of significant errors that could have affected the outcome of what was a close competition between Boeing and Northrop Grumman."

Let me just touch on some of the main points of the GAO ruling.

The Air Force did not assess the relative merits of the tanker proposals in accordance with the criteria that the Air Force established. The Air Force awarded Northrop's bigger tanker extra credit even though no consideration was supposed to have been given for exceeding key performance objectives. The record did not indicate, as the Air Force claimed, that the Northrop tanker could refuel all current Air Force fixed-wing aircraft.

The Air Force conducted "misleading and unequal decisions" with Boeing by informing Boeing that it fully satisfied a key performance objective but later determined that Boeing had only partially met this objective.

The Air Force unreasonably favored Northrop after the company refused to agree to help set up maintenance depots within two years of the first airplane delivery, and the Air Force miscalculated the life-cycle costs of Boeing's tanker and incorrectly concluded that the Northrop tanker would have lowered costs.

The Air Force improperly increased Boeing's estimated nonrecurring engineering costs in accounting for program risk.

The GAO found seven major flaws in this election process, Mr. Speaker. Not one or two, but seven.

Mr. Speaker, most were doubtful that the decision would be overturned. Ex-

perts said it was highly unlikely that the GAO would uphold Boeing's protest because the GAO rarely sides with the protesting company. But fortunately for the American people, the GAO saw what Boeing had been saying all along: the competition was unfair and fundamentally flawed.

The GAO ruling leaves the Air Force with only one option: re compete the bid. Now, the Air Force has the opportunity to conduct a fair and open competition. And I strongly encourage them to consider an American company. Our economic and national security depends on it.

Mr. Speaker, while the GAO ruling in favor of Boeing is welcome, the GAO ruling does not address the broader economic and national security concerns raised by the tanker decision. The first, jobs, jobs, jobs.

Over the last 5 months, a record number of jobs had been lost, most of them from the manufacturing sector. In May, the unemployment rate made a 22-year high jump, reaching its highest level in more than 3½ years. But Air Force officials stated that employment effects were not considered in awarding the contract. And as a result, tens of thousands of good, high-paying jobs will be created in Europe.

Mr. INSLEE. Will the gentleman yield for a moment?

Mr. HARE. I will be happy to.

Mr. INSLEE. I think you seized on a very important point. This was not a decision by the GAO that they're just going to change this decision because they decided to favor American jobs. Now, we think that's a really important point, but the really fundamental aspects of GAO is they concluded the rules were violated in making the decision of what the best airplane for the money was. They did not take into consideration American jobs. We essentially—the Boeing family sort of won this on the merits of the airplane without any sort of special consideration that we were the hometown team, and I think that's a really important point, and I appreciate you making that.

Mr. HARE. I'm happy to.

And let me say, Mr. Speaker, I refer my colleagues to an article titled "Bailing Out On America" out of the EPI Briefing Paper. It is a job analysis report on the tanker decision from the nonprofit, nonpartisan think tank, The Economic Institute.

The report titled "Bailing Out On America. Air Force tanker decision will ground at least 14,000 U.S. jobs," found that Boeing recreated at least twice as many U.S. jobs as the Northrop Grumman European Airbus team. According to the EPI report, Airbus Northrop exaggerates its own job claims. Equally important, the report states that U.S. job losses are likely to grow in the future if the contract is awarded to EADS because it will give the company sizable cost advantages and will lug up the future competitions to supply tankers to the Air Force.

Mr. Speaker, at a time when America is facing a recession, creating jobs in

Europe is not in the best interest of the American people. We owe it to the American people to take advantage of the opportunity to create jobs right here in the United States and resuscitate our failing economy.

Several other issues remain outstanding not addressed in the GAO which includes a pending case before the World Trade Organization against EAD, the parent of Airbus, for accepting illegal subsidies, a violation of international trade laws. This and other issues must be addressed before the tanker program can move forward.

And let me just, if I could, my friend, just conclude by saying a couple of things.

We're fighting two wars here. We just got through passing billions of dollars to fund them. Not too long ago, the guidance system for bombs, I don't exactly know the exact part that was manufactured in India, was shipped off to be manufactured in China. That work is gone. National defense is a risk, in my opinion, and those jobs aren't coming back; and now we have a company who wants to build tankers outside of this Nation not knowing if tomorrow this company or this country that we seek to have this plane made by is going to remain friends with the United States.

I was on a talk show program and was amazed at the number of calls that I got from people saying, What are they thinking out there? How could they outsource national defense items to be manufactured by somebody other than the United States when we're at war? I have an arsenal in my district that made the Up-Armored Humvee doors that saved hundreds of lives, and I have to tell you, it makes no sense.

All we asked for was a fair shake for Boeing. The GAO report, I think, will give Boeing the opportunity to compete on what is fair. I commend the GAO for doing this, but let me be clear. We have an obligation to protect this country when we're at war, and the products that we produce to protect our men and women and to fight and sustain this war, whenever possible, ought to be made in this country and ought to be made by American workers.

And I thank my friends for inviting me this evening.

Mr. INSLEE. I appreciate the comments. Again, the GAO decision was not based on job creation or job loss, but we, of course, think that's an important value. And this isn't just those of us who are from the Boeing kind of country who feel this. A study by the Economic Policy Institute studied the proposals of Boeing in the competing European Airbus and concluded that the Boeing project would create twice as many jobs, 14,000 more jobs in this country than the other.

Now, we've seen a lot of these fancy ads by the Airbus contractors suggesting that it's an American airplane. But you can't have an airplane take off to Luce, France, as wonderful as that

country is, land it here and slap an American decal on it and make it an American airplane. And the EPI study, I think, is the most dispositive in showing that 14,000 additional jobs were at stake in this decision.

But again, Boeing wanted to win this on the merits on what's the best airplane. And that's what's so impressive about the GAO study that for seven, not just one sort of technical violation, not two technical violations, they concluded that this decision violated this sort of seven deadly sins of procurement policy. And every single one of them went against Boeing contrary to the law.

So this was a very powerful decision. I was going to use the word "slam dunk," but I'm not sure that's a legal term of art. But that's what it was. This was not some sort of just minor technical decision.

I would like to now yield to NANCY BOYDA of Kansas who I appreciate joining us this evening.

Mrs. BOYDA of Kansas. Thank you very much, Mr. INSLEE. I appreciate being able to join this group.

And it is a good day. I think it's a very good day for America. I know that it was a good day for Kansans when we got the news that the GAO report upheld the protest. There were certainly sighs of relief.

Let me make it clear what we're relieved about. First and foremost, we're relieved about our own national security, and that's what everybody has ultimately been most concerned about. Outsourcing our national security, outsourcing our technology, we all know that it's very hard to keep secrets, to make sure that that intelligence stays in our own hands.

So number one, the people of Kansas were very, very happy that our national security today would be stronger tomorrow because we did not outsource this important contract. It's a huge, huge contract and obviously the implications for our country are tremendous.

When we look right now at the industrial base and we wonder sometimes why we're not getting enough equipment and why it has taken us so long to get equipment to Iraq and Afghanistan, our own industrial base is right here in America, and we need to keep it strong.

□ 2115

So, again, there was rejoicing in the streets of Kansas.

Let me make it clear, the first reason was for our national security, and keeping that technology here with that intelligence right here at home.

Mr. INSLEE. You used the word "strong," and I think that's very important here, because the Boeing airplane, the Boeing 767 was found by the Air Force's own evaluation to have five times as many survivability discriminators as the Airbus plane. Now, that's a fancy term to mean it had five times as many characteristics that would

allow the plane and its pilots and its crew to survive and complete its mission.

It is a stronger airplane from the sense of survivability. You used that term, and I just want to use a quote by former United States Air Force Chief of Staff and Retired General Ronald Fogelman who stressed survivability as an asset of the Boeing plane. He said, "When I saw the Air Force's assessment of both candidate aircraft in the survivability area, I was struck by the fact that they clearly saw the KC-767 as a more survivable tanker." This was a statement to the ARSAG in his role that he was serving in as a consultant of Boeing. He said, "To be survivable, tanker aircraft must contain systems to identify and defeat threats, provide improved situational awareness to the aircrew to avoid threat areas, and protect the crew in event of attack. The KC-767 has a superior survivability rating and will have greater operational utility to the joint commander and provide better protection to aircrews that must face real-world threats."

Now, this just isn't Boeing talk. This is the Air Force's own conclusions that the "discriminators"—it's a fancy word used in this business—that Boeing included more robust surface-to-air missile defense systems, cockpit displays that improve situational awareness, better electromagnetic pulse hardening, automatic route planning and rerouting, better armor protection features for the flight crew and critical aircraft systems, and better fuel tank explosion protection features.

The Boeing 767, according to the Air Force's own evaluation, concluded that Mrs. BOYDA's comment that this is a stronger airplane is correct.

Mrs. BOYDA of Kansas. I think what the American people are learning is that Boeing has been in the tanker business for decades. You know, 50, 60 years, they have been the supplier of these tankers, and can you imagine what these tankers do. These tankers are refueling aircraft that are speeding across our skies. They're refueling them in midair. This technology is something that clearly has taken years to develop. It's been done extremely well and extremely safely right in Kansas in our Forbes Field in Topeka, Kansas, where we have the KC-135E model.

We just retired the oldest KC-135E tanker in the country. It was 51 years old, and quite honestly, with maintenance, it could have been maintained. It was time to put it to rest, to take it down to the bone yard. It had done its duty and it served its country very well. But that Boeing tanker has been out there making sure that our country is safe for the last 51 years, and that's what they brought to this.

The fact that it has the safety and the survivability should not be any real shock to anyone. They have perfected this technology. They have embraced this technology, and they've provided this technology to our Air Force and to our entire military for

the last 50, 60 years. And clearly, they had a lot to offer, just the fact they've had this much experience.

So the survivability, you know, it's nice to see that there's data and the analysis shows that, but they've been doing this for decades. It's no big shock that the product that they were going to deliver was something that the United States can be more assured that it will be done on time and with the quality that's suitable for our military that are putting their lives on the line when they're up in the sky, doing this incredibly dangerous midair refueling.

I also say, too, I have the honor of representing two Army bases: Fort Leavenworth and Fort Riley. I represent the headquarters of the National Guard there in Topeka, Kansas, which is where Forbes Field is. We have an Army and Air Force unit that are there, and then we have McConnell Air Force Base in Wichita.

But what I hear from a lot of our military is just the statement that when you're behind something, when you're out there, whether you're in the Army, whether you're in the Air Force, whatever branch, that when you're picking up something, whether it's munition, whatever you're in, the fact that that's made in America means something to them. They want to know that what they're using to defend the country and to keep themselves safe, it means something. And I've heard from people that it's very unsettling to pick up something and to think that our military equipment or military goods are not made here in the United States.

Clearly, if our Air Force had chosen Airbus, they would have gone out and done whatever it took to keep our country safe, but I've heard over and over again they'd like to be out there using American-made equipment, and it doesn't seem like too much to ask.

Mr. INSLEE. Maybe the question is why not the best, and in this case, the Air Force's own conclusion is the strongest, most survivable airplane essentially is the Boeing 767. So I appreciate this comment about strength from Kansas.

Now, I want to turn to my friend EARL BLUMENAUER from Oregon who's been a leader on a number of high-tech issues. I don't know if Mr. BLUMENAUER wants to address the fuel efficiency issues or other matters, but I'd appreciate his comments.

Mr. BLUMENAUER. Thank you, Congressman INSLEE. It's a pleasure to join with my colleagues from Illinois and Kansas for this conversation this evening.

This is serious business, and in a time when energy impacts are devastating our airline industry and when there is no part of the costs for the Air Force going up faster than fuel efficiency, I think we could spend the rest of the evening talking about the relative merits there and the advantage that this means in terms of operation and in terms of budget.

But I really wanted, if I could, just to circle back here for a moment because

I appreciate the focus that we're hearing from my colleagues about the merits of the issue.

Now, I come from a little sliver of the northwest. We're not the epicenter of that, but there's 1,000 high paying, family wage jobs just in my little district that are involved with this and is going to make a difference. But candidly, the way that the other proposal was structured, there would be a little residual benefit. It was sort of politically engineered, and there was a little bit, not nearly as much as the Boeing proposal, and Congress can and should consider that. It has huge impacts in some parts of the northwest, in the Midwest, and it has ripple effects throughout the economy.

And at the end of the day, this is something I think policy-makers have an obligation to be aware of and comment, and I appreciate my friend from Illinois talking about pending disputes with the WTO. There are serious allegations about unjustified subsidy for Airbus that really do need to be resolved, because we are in an anomalous situation where if we rush ahead with this and grant the award, perhaps on a basis that wasn't justified, we could end up further undermining the position of American industry by somebody who's not playing by the rules and further undercut us, which is something that, going back to the drawing table, allowing that challenge to work its way out, I think has great merit.

But I appreciate what my colleague from Kansas was talking about in terms of the end of the day we're talking about a critical component of our defense establishment. And while there's lots of complaints, and some that I think are merited that we need to review our military approach to make sure that we're not spending too much money fighting the Cold War, clearly there is no argument, no argument that we can afford to not have a robust and effective exercise of our air power, and the air refueling is essential to warfare today, things that are going on today and are going to go on tomorrow.

And when we're looking at a strategic, critical component of our ability to supply our troops, that is already averaging almost half a century, and before anybody could move forward it will pass that critical 50-year mark, this raises I think to a critical level.

And I hope that every single Member of Congress in the House and the Senate takes the time to review this GAO report because I think it's going to raise serious questions in their mind, as it did with GAO. We want to make sure that that evaluation is done in the most cost-effective manner—big questions about whether the bid does that—and we want to make sure we are treating, given the troubled history of this project—and some of us, Congressman INSLEE, we've been around a little bit. We've watched the bumpy ride to get to this point. This has got to be done letter perfect. We can't afford to have

any questions or errors. And boy, any objective reasoning suggests that what we've heard, the way the Air Force handled it doesn't meet the bill.

Mr. INSLEE. I really appreciate again reiterating that we want this decision to be made on the merits, and one of those merits I want to point out just that I find incredible about this decision—and that's why I'm so happy about the GAO decision—is the recognition that the Air Force totally failed to consider accurately the lifecycle costs of these two proposals.

Now, obviously there's the up-front costs, but to the taxpayer, it's the lifecycle cost or the whole cost of maintaining and operating and parking the airplane that you really have to look at. And according to the GAO and the United States Air Force, they made a mistake in evaluating what the lifecycle costs were.

Just reading from a Reuters article June 12—it was a few days later confirmed by GAO—the U.S. Air Force has conceded that Boeing Company's proposed KC-767 refueling tanker would cost less over time than what was then the winning plane by Airbus.

And this is what the taxpayer has at stake in this thing, and this comes—we need to get down in the weeds a little bit—by the failure to take into consideration several things accurately. Number one, the Boeing airplane uses 24 percent less fuel. It's 24 percent more efficient. So you save, it's about somewhere between—I'm looking for my number here—according to a pretty good study, over the 40-year operational life, the Boeing plane would save \$30 billion in projected fuel costs, \$30 billion.

I'd like to yield to Mr. BLUMENAUER for a comment.

Mr. BLUMENAUER. I appreciate you zeroing in on this, Congressman INSLEE, because you, as much as anybody in Congress, have been spending the time looking at the consequences of our current use of energy. I think the evidence is not only in terms of the percentage that you referenced, almost a quarter less over a 40-year period, the evidence would suggest that the trend line for energy costs are likely to be understated.

Who would have thought, frankly, 6 months ago that we'd be bumping up against \$140 a barrel oil and with the likelihood that it could go to \$200 before it gets down below \$100?

□ 2130

So the costs are magnified over time. And given the fact that these planes have actually stayed in service far beyond their design life, that that is further—what if these are going to be operational for another 50 years? I think that projection just pales; it makes it all the more important that we do that.

I appreciate your focus. And I appreciate having a chance to join you in this discussion.

Mr. INSLEE. And by the way, there seems to be no doubt, these statistics

we're giving are essentially inarguable. Airbus is not contesting the fact that the Boeing airplane is 24 percent more fuel. This is just fact. The GAO find that this is, I believe, one of the reasons of life cycle cost.

And by the way, it's just not fuel. Because the Airbus plane is so gargantuan, it's going to cost taxpayers an additional \$2 billion in military construction to rebuild the hangers to hang them in and places to park the things. It will also cost \$13 billion in additional manpower over the life cycle. So there are numerous reasons why the Boeing plane is a better deal for the taxpayers.

Mr. HARE. Will the gentleman yield? You know, you just mentioned \$13 billion. We've tried now on two occasions to insure 10 million children for \$6 billion. So if you take a look at the cost overrun just on the hangers and you look at the amount of money that we're spending—I think what's really important to also note here is the GAO rarely does this. Normally, the expectation would be that they were going to go with what they had. And when you read this report, and as my friend from Oregon said—and I hope that every Member of this Chamber will read it because I think it's critical if you're going to make an informed decision on this—if you read this, you will see that, indeed, Boeing didn't have a chance to compete fairly, you had tremendous cost overruns into the billions of dollars, you have thousands of American jobs. But again, I go back to my friend and say, this is a Nation at war fighting two wars, and we cannot allow the outsourcing.

My friend from Kansas mentions with great pride that she has bases, and these soldiers need and expect the best equipment, and Boeing can give that to them. But most importantly in this whole process is the whole question of fairness. We said this before. When I met with the Boeing people, they said, look, we don't want favoritism here, we just want some fairness brought into this process so we can compete. You can't complete when you change rules in the middle of the game. I liken this, and I was telling one of the Boeing people, it's like tying somebody's hands behind their back, putting a blindfold on, and fighting for the Heavyweight Championship of the world, you're at a slight disadvantage. And that's what happened in this report.

So I'm pleased. And I really appreciate my friend from the State of Washington for inviting me to be here tonight to talk about this because this is critical, this is critical for our national defense, it's critical for our jobs. And as you said, when you think of the billions of dollars that we're going to be wasting on this project that we could save, that we could be spending on other things, it really just makes a whole lot of sense. So again, I yield back and thank you very much.

Mr. INSLEE. Well, I appreciate that. And just so people know who may be

listening to this—and maybe even a couple of our colleagues, you never know, it's a slow night—I'll just read finding number six by the GAO. And they said, "The Air Force's evaluation of military construction costs in calculating the offerer's most probable life cycle cost for their proposed aircraft was unreasonable. When the agency, during the protest, conceded that it made a number of errors in evaluation that, when corrected, resulted in Boeing displacing Northrop Grumman as the offerer with the lowest, most probable life cycle cost, the GAO concluded, and ultimately after they fixed their mistakes, concluded that the Boeing airplane is a better deal for the American taxpayer." Now, to me, if you've got a stronger airplane and a better deal for the American taxpayer, and peripherally, but not unimportantly, 14,000, at least, more jobs in America, this ought to be a slam-dunk decision. We hope that it will be, ultimately.

I will yield to Mrs. BOYDA.

Mrs. BOYDA of Kansas. I was just thinking, I think the American people are beginning to understand by now that specifications for this tanker, this refueling aircraft that is so important to us, there were some specifications that were given, this is what we want. And all of a sudden, here they come with this great big airplane, and now they want to be congratulated for not coloring in the lines, for not doing what they were asked to do. It kind of reminds you of a teacher that says you can write a paper, but it can only be 10 pages, and somebody wants extra credit for writing 13. Well, it was a 10-page paper assignment not a 13-page paper assignment.

So it's interesting that it has taken this long for the Air Force to understand that it was going to take this much more money to take this big tanker—it wasn't what the Air Force had asked for. The Air Force had asked for a tanker of the proportions and the specifications, and that's what Boeing did. They said, this is what you want. By the way, we've done this for the last 50 years, so we understand why you're asking for this. And they went about putting together a tanker that was the best deal with the very best equipment for the American people and for our military. And they did what they were asked to do. And all of a sudden, then all of this kind of bizarre math, this fuzzy math starts to come out, and some way or another it's going to be cheaper. It just never made any sense.

And let me finish by saying, I really applaud the GAO. I think many of us thought, well, it's going to be difficult for them to overturn that. But they sharpened up their pencils and they said, well, no, this doesn't make any sense. And so we've got to applaud the GAO for standing up and saying this is the right thing to do.

Mr. HARE. Well, I think the gentelady from Kansas brings up a great point. Here's a company that's been manufacturing this for 50 years.

So they're not the new kid on the block, they've been there and they've done that. And every time they've produced it, they've produced it with quality. And you don't have the WTO looking at them and all kinds of different things.

The bottom line here is this is a great product. And giving the opportunity for this company to be able to compete on a level playing field, that's all they were asking for, and now they're going to get the opportunity to do so. And I think at the end of the day, when that happens, I think the taxpayers will benefit, I think the American people will benefit, I think our troops will benefit. And, you know, as my friend said, when you start talking, as the late Senator Dirksen said, a billion here and a billion there, pretty soon you're talking about a lot of money.

So again, I thank the gentelady for yielding, and I yield back.

Mr. INSLEE. And just to back up what Mrs. BOYDA said, she's not just whistling Dixie—or Kansas in this case—she has backed up what the GAO said. They said specifically, in finding number four of seven deadly sins, they said, "The Air Force conducted misleading and unequal discussions with Boeing by informing Boeing that it had fully satisfied a key performance parameter objective relating to operational utility, but later determined that Boeing had only partially met this objective. And then there's a bunch of other language that's pretty technical.

But what happened here is, for some reason that I don't know for sure—I have some suspicions of what happened here, and that doesn't really matter—but for some reason the Air Force decided bigger was better. And they went and in their original decision opted for a bigger airplane and violated, in several different ways, the procurement rules in order to reach that conclusion.

Now, we've said that the Air Force has already recognized that their life cycle cost decisions were in error. But we really hope in this rebidding that they will not be persuaded that bigger is always better. And what we have found, and some of the things we've talked about tonight, why bigger is not better, it's actually worse in this particular case because when you build a plane that's that much bigger, that exceeds your real requirements, you end up spending a quarter more fuel and you end up spending \$2 billion on construction costs.

And here's something that I think is important. The Airbus airplane can only use half as many airfields around the world as the Boeing 767. Now, you think of all the places we can end up in a military conflict around the world and all the relatively little airports that we may want to get involved in, I mean, who knew we were going to be flying from airports in Iraq 20 years ago when we made some procurement decisions? We have to be ready to fly these airplanes anywhere in the world.

Yet the Airbus decision, if you buy this larger airplane, it can only use—I think it's either 200 or 400 airports that the Boeing plane can use that the Airbus plane cannot. I think that's really important, and one of the disadvantages of size. Plus, if you look at the requirements, the Boeing airplane fulfills the requirements that they asked for on how much capacity they had to have for refueling, Boeing met it.

So that's one of the things that Mrs. BOYDA was alluding to that GAO said, just because you do more than the requirement, it doesn't do you any good. Why give extra bonus points to something that just costs more money and eliminates half the airports in the world where you can land? That doesn't make sense. And I think that was one of the reasons that GAO decided.

And I yield to Mrs. BOYDA.

Mrs. BOYDA of Kansas. And as I understood it, too, one of the GAO findings was that the Airbus tanker wouldn't refuel all types of aircraft, too. So you had something that certainly was bigger. But what was found out was that bigger wasn't better in this particular instance; you needed longer runways to be able to land them. And so that limited the number of places.

But this Airbus tanker also wasn't even able to refuel as many different kinds of aircraft as the Boeing aircraft. And I will go right back on message of saying, I wonder why. Well, Boeing has been doing this for 50, 60 years, and they knew what they were doing. And so they understand the intricacies of what needs to be done and why you need to be flexible, and that flexible is finding that optimum way to do this. And the KC135Es were replaced by the Rs. They've been doing this and making these tankers and optimizing the whole process of making these tankers for decades.

Mr. INSLEE. And as a result of this decision that has now been reversed, thankfully—at least by the GAO, they're calling for a reversal—what really happened is that the original decision, the Air Force decided to buy excess capacity that was not needed and gave up a capacity that was needed, which was refueling all our types of aircraft. And the GAO concluded—this isn't just Boeing talking, it's the GAO concluded—that the Airbus cannot refuel some of the airplanes we have in stock right now.

So you sort of paid more money for more life cycle cost for the Airbus airplane, you bought capacity you did not need, and you gave up the one thing you do need, which is to be able to refuel every kind of airplane. What are we supposed to tell the pilots of the Tilt-Rotor aircraft; sorry, you don't get to fuel? We've made a procurement decision that, you know, you'll just have to take the long way around? It was a serious, serious misjudgment because they concluded, for reasons that

escape me, frankly, why bigger is better. And I think that's really the fundamental decision that was made in that regard.

I would like to, if I can, talk about something else that is important that was not in the GAO decision that I do think bears on this, and I think we, as Members of Congress, have a responsibility to look at, and that is this issue of whether or not it should be Federal policy to reward countries and companies that are violating international law on our trade agreements.

Right now, the United States Government has concluded that the Airbus company has been the recipient of billions of dollars of illegal subsidies, illegal subsidies from the governments in Europe, and has concluded with such force that the United States Government, the U.S. Trade Representative, has filed a claim, a lawsuit of sorts, against Airbus because of these illegal subsidies. So the United States Government has determined that this contractor has received illegal subsidies violative of international and consequentially United States law. But then what did the other agency of the U.S. government turn around and do—or tried to do before the GAO blew the whistle? They turned around and tried to give a \$40 billion contract to the very company that's violating the trade laws. Now, how does that make us look in international law if we're suing them, saying there's illegal subsidies, and we turn around and give them a \$40 billion contract while taking away 14,000 jobs here away from a very well known and successful contractor, the Boeing company? It's ludicrous. Talk about the right hand not knowing what the left hand was doing here.

This is an issue that the GAO did not review and the Air Force did not review because some people in the Senate did not allow them to do that—that's a whole other story how that happened—but it seems to me that we, as Members of Congress, should stand for the enforcement of these trade laws and not reward companies and contractors who we ourselves have concluded violated the law. And I think that's an obligation on us. It's beyond the obligation of the GAO. That wasn't their job, but I think it is our job.

Mr. HARE. Will the gentleman yield?

Mr. INSLEE. Yes.

Mr. HARE. Well, I'm a new Member here, but I ran on this whole issue of trade and fair trade, as you know. And you look at this, and here is a company—and I don't mean to be picking on them this evening, but facts really are facts, so let's see if we can get this straight. Here's a company who is in violation of trade laws, who was about to receive a \$40 billion contract that would have cost us thousands of jobs to build a tanker that can't land at some airports.

Mr. INSLEE. Half the airports in the world.

Mr. HARE. Half the airports, and cannot fuel the necessary planes that

we might have when we go to war. Now I may not be the sharpest knife in the drawer here, and I know this has been a long day, but again, I think clearly we had a company, as my friend from Kansas says, a company that's been doing this 50, 60 years, a stellar reputation, they could have produced a smaller craft that could land where it's supposed to land, fuel what it's supposed to fuel, and not reward this corporation for violating Federal trade laws.

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So to me, this is really a no-brainer. And I think that every Member of the House, not only should they read the report, which I think is important, but I think they should listen to what my friend said just a few minutes ago, about do we really want to get down the slope of rewarding a company with a \$40 billion or \$4 million or whatever the contract is when they are in violation of Federal trade laws? I don't believe that is what the people sent us here to do. We're supposed to protect this country.

This is a great day. Yesterday was a great day for the GAO report. But we have to be vigilant here. We have to keep pushing on this. And I have to tell you, as long as we're here, I think we have an obligation to hold the Air Force's feet to the fire on this. People make mistakes. But let's don't make it again, and let's don't make it again, and let's don't make it to the tune of a \$40 billion contract to a company that can't produce what we really need.

Mrs. BOYDA of Kansas. I would just say when it comes to the issues, and clearly it just was nonsensical. Again I really appreciate the fact that before we're talking about these kinds of issues, we're talking about the plane on the merits. Because I think that's the main thing that the American people, they want a plane that works. So I think we have established that that was the better choice. But what just absolutely cooks people back in Kansas is the concept that we have agreements, and there is no real enforcement of them. It's just like they're not even worth the paper that they're on. And to just blow it off and to say that, yes, we're in the middle of a disagreement, we're in the middle of a trade violation with the same company, just as you were saying, I agree with you in what you have said. I would just add the one thing that in Kansas, people do not understand why we put together policies, why we pass laws right here and then we fail to follow through on implementing them or enforcing them, whether it's issues of trade. Certainly that is just a very, very raw one in my district, whether it's issues of just, I won't go in any myriad of issues that we probably ought not to start down that path tonight. But that is just what really chaps people.

We have these agreements. Why do we even bother to do them if we're not going to implement them? Not only within the letter of the law, but the spirit of the law.

And so certainly we have an enormous aircraft industry in the State of Kansas. And again I would as much as it's a huge economic impact for us, first and foremost, we have so much military in Kansas, and I would again come back and say that this was ultimately about making sure that we have what we need to keep our country safe and to keep the men and women who are serving in our military safe. That was first and foremost.

Mr. INSLEE. And in making these arguments, I don't think any of us are apologetic for the fact that our constituents and families have been very active in the Boeing Company. My uncles and cousins, I remember my best friend growing up in south Seattle, his dad had the job of breaking Boeing airplanes. And his job was to try to figure out what you had to do to break a Boeing airplane. And when you were a kid growing up, to think that your job was to get to blow up things was pretty fun.

Mr. HARE. Sounds like my son.

Mr. INSLEE. One of his coolest jobs was they would take a Boeing 727 and put a jack underneath it, and jack that wing up and see how far they could jack that wing up before it failed. And when they failed, they would literally explode because of the tension. And those things get up almost 35, 45 degrees. They have incredible flexibility as well as strength. So I grew up with Boeing as part of my blood and family, in the interest of full disclosure. But I think the arguments we're making here tonight go well beyond our sort of familial and constituent interests and duties because I think what we're portraying is a decision that it was so far out of kilter that you had the GAO now blowing the whistle on it, and the GAO is like the referee. They had an instant replay. They had it right on videotape. And they concluded this was a decision that was way, way out of bounds. And we are now hopeful that the Air Force will fully and fairly re-evaluate this. And I think that they will conclude in something that all of us Members conclude, I think tonight.

And I was counting on what Mr. HARE said, five inarguable truths about this contract. I just want to list them, that nobody can argue, everybody would agree, even our Air Force colleagues would have to admit this. Number one, the Air Force's own conclusions showed that there were more survivable discriminators to show the survivability to the Boeing airplane helping the warfighter survive and do their jobs; Number two, the life cycle costs, when you include all the costs for maintenance and reconstruction of the hangars and everything, are less expensive in the Boeing airplane than the Airbus airplane; third, that the fuel life cycle costs are going to be less for the Boeing airplane than the Airbus airplane, in the billions of dollars; and fourth, and this wasn't in the GAO report but we know it to be true, if we go with the Airbus product here, we're going to be spending \$40 plus billion of

American taxpayer dollars rewarding a company that our own Federal Government has concluded is guilty of very serious violations of Federal trade rules in the billions of dollars; and fifth, and one that is maybe closest to our hearts at the moment, the Boeing airplane will have at least, and probably more than this, 14,000 families more employed doing high quality work than the competitor.

So the GAO said there were seven major errors, which is extraordinary by the way, not just one, seven major fundamental errors. We will say tonight that there were five strikes and you're out, those are the five strikes that all of us can agree on I think. So we're hopeful that the GAO is heeded, if it is not by the Air Force, we will be doing our job here in Congress, and we will be finding the right avenue in the appropriations process to not allow this decision to stand to make sure that the right decision is made.

Mrs. BOYDA of Kansas. I would like to add just one other aspect, too, that we haven't really touched on too much. I serve on the House Armed Services Committee. And earlier this year, we had a hearing with the National Industrial Security Program we started back in 1993 to take the intelligence, again, and the intellectual property and to make sure that we were keeping classified information classified when it came to the purchase and interaction with foreign companies.

And I asked the question, did they participate, what was their participation in this whole tanker contracting process, to make sure that this classified information about these tankers was being secured. And they really weren't very involved. I said, "Well who is going to maintain the security? Who is going to see that there are trade secrets, there are national security aspects that are being, that should be maintained?" And during the course, they didn't say this about the Boeing contracts specifically, but their own, the assessment was that the NISP had been so underfunded and so dismantled over the last several years that they said that their services overseeing foreign military contracts, they described it as Swiss cheese. So we have to look at the big picture here tonight and just throw that in as one additional thing.

There was not any real oversight for what we're going to do to maintain that intellectual property and to maintain that security, that classified and secure information I didn't see. And I was allowed to ask in a few instances, but there was no, I didn't at least find out what we were doing in order to keep or maintain that classified information. And the people that certainly seemed to be the ones that should be doing it said, no, they really weren't up to it or they weren't doing it. So another reason on top of everything else. I certainly appreciate the gentleman from Washington including me in this discussion tonight.

Mr. INSLEE. I appreciate your contributions on this and so many other things. And I want to say that this, I think, has opened many Members of Congress' eyes to the procurement policy. There are some issues we have to think about in general going forward of our procurement policy. But this is one we have to get fixed to start with before we act holistically. I would like to yield to Mr. HARE for closing comments.

Mr. HARE. I would like to thank the gentleman from Washington and my friend from Kansas for allowing me to be here tonight to talk about an issue that is incredibly important, not just in the State of Kansas, although it is important to every State and important to this world. So as you said, and I commend my friend, Mr. INSLEE, when he said, if we have to, and this continues, there is an appropriations process. Hopefully we don't have to go down that road. But I have to tell you. I think we have a responsibility for companies that violate international trade laws. I don't think you reward them. I certainly don't think you reward them with a \$30 billion contract, as I said, to build a plane too big to land and not adequate to fuel the aircraft that we need.

So once again, let me just thank you, Congressman INSLEE, for your hard work and your leadership on this. To my friend from Kansas, we will do everything we can. And you have been wonderful. And the people of your State are fortunate to have somebody who stands up not only for the service people but for the people of this country. So thank you very much.

Mr. INSLEE. And thank you Mr. HARE. Our thoughts are with your flooded constituents in Illinois. We are thinking about them tonight.

Just a closing comment, where this goes from now, the Air Force is required within 60 days to respond to this protest. They will have 60 days within which to plan their next action in this regard. We know what we would like them to do. Following that, if decisions are not made as they should be, Congress can act in a variety of ways to make sure that this decision is right. And we stand ready, willing and able to do so.

And the longer this goes on, the more our colleagues frankly understand that something was not right in this decision and needs to be reversed. So as time goes on I think we will get closer.

Let me also say in criticizing the decision by the U.S. Air Force, I hope it goes without saying, we have undying respect for the people who serve in the United States Air Force. These are decisions that are hard fought, a lot of technical issues. A decision was not made here according to Hoyle. But do you know what? We have a process of fixing these things. And at the end of the day, the U.S. Air Force is going to be something we always admire. And we are going to get them the right airplane for the job. We know what that

is, and we are going to get that job done for them.

Mrs. BOYDA of Kansas. I would like to thank my good friend from Illinois (Mr. HARE). We are freshmen together. And it's at times like this that I really am glad to be part of this freshman class and add our voices together. We've worked on so many things, whether it's trade, so many issues that our districts have a lot in common. And so it's actually a pleasure to stand up and work with the good people here tonight. And I really appreciate both of you and our friend from Oregon (Mr. BLUMENAUER). So thank you again to you both.

THE HIGH PRICE OF ENERGY

The SPEAKER pro tempore (Mr. ETHERIDGE). Under the Speaker's announced policy of January 18, 2007, the gentlewoman from Minnesota (Mrs. BACHMANN) is recognized for 60 minutes as the designee of the minority leader.

Mrs. BACHMANN. Mr. Speaker, I thank you for the privilege of being able to address the House for this special order of 60 minutes. And the topic tonight will be on the topic that's on the minds of Americans all across this country. It's the high price of energy and the impact that that is having on the middle class, on families, on individuals, on farmers and on businessmen.

There is nothing that is shocking us more now, Mr. Speaker, than the high cost of energy and the impact that that is having directly on people all across the country.

When I came into Washington, D.C. this week from my home in Minnesota, I had the privilege of representing the great people in the Sixth Congressional District in Minnesota. And I was reading the newspaper. And I was reading a few things. And I just wanted to bring a couple of headlines to the attention of the American people.

Here is one of the headlines that I read this week when I came in. It was on Tuesday of this week. This headline in USA Today said "will gas prices plateau after hitting another record?" It seems like every morning when we wake up and the clock radio goes off next to our bed, we hear about a new increase in the price in gasoline. And we're shocked. And it's like our day already starts out on the wrong foot because we hear about yet one more shocking increase. And we wonder what will we have to give up next? What will we have to give up? What will we have to yield out of our lives? It's a lot of bad news that has been coming this way with the American people.

Let me read this. It says "\$4 plus cost cuts demand even as supply is rising." It began, The price of gasoline set another record Monday where the average is going up now again. And this is something that the people are worried about.