

that to corn-based ethanol, to biodiesel and to soy diesel. All of the above is our solution and is American made.

The great thing about this: American jobs exploring the OCS, American jobs building the wind and the solar panels, American jobs mining the coal and refining the coal, American jobs in the farm fields across America.

In an era when we are concerned about jobs and the dollar, it makes sense to invest in America, in American energy sources and in American jobs.

AVAILABLE AND AFFORDABLE ENERGY

The SPEAKER pro tempore. The Chair recognizes the gentleman from Wisconsin (Mr. KAGEN) for 5 minutes.

Mr. KAGEN. Madam Speaker, everywhere in Wisconsin, people are asking for help to cut the cost for gasoline and diesel fuels. People are having a tough time just keeping their heads above water, paying one out of four of their paychecks toward gas just to get to work. We must do everything possible to make certain gas and oil become more affordable. During the past year, I've been listening to everyone involved in the oil industry, and one thing is clear. Current oil prices are not explainable by normal marketplace forces of supply and demand. Why are gas prices so high?

Well, there are many reasons, including increased demand from China and India and the declining value of the dollar, but these reasons alone do not explain today's surging oil prices.

While ignoring cries for help from ordinary people, President Bush and Vice President CHENEY—the two oil men in the White House—have been unwilling to investigate the anticompetitive activities of big oil companies and speculators in large investment banks. Their only response to the surge in oil prices has been to beg for more addictive oil from the Arabian kings in the Middle East, even though last year, as we emptied our pockets, Saudi Arabia enjoyed a windfall of \$500 billion.

We cannot afford to follow the advice of the White House oil men and of their supporters. For, if we do, we will become not just bankrupt but a nation of beggars.

Aside from begging, the White House oil men also offered more of the same losing ideas that caused this mess in the first place: More drilling rights for Big Oil. Their old school drilling idea is shortsighted for it requires years—years, not weeks—to explore, pump, refine, and deliver gasoline and diesel fuels. We need gas price relief now, not next year. Here is how we get started.

First, we need leaders who will stand up to Big Oil and who will provide the necessary oversight to the oil markets to prevent speculators from manipulating prices for their own benefit. On June 23, just yesterday, an Oppenheimer equity research expert, Mr. Gyte, testified before an Energy

and Commerce subcommittee, focusing on oil price manipulation.

In his words, "I believe the surge in crude oil price, which more than doubled in the past 12 months, was mainly due to excessive speculation and not due to an unexpected shift in market fundamentals."

His testimony and that of others is that speculative manipulation in the oil futures market is real and that, by designing effective regulation of the oil markets, prices for oil may decline immediately, anywhere from \$45 to \$65 a barrel immediately, not in 10 years.

Based upon all of the information available today, the first and best choice for Congress is to prepare appropriate legislative and regulatory actions, which, according to experts, will drop prices dramatically in several weeks.

In addition to better oversight of the oil markets, Congress must begin to invest in the development of reliable and affordable energy resources. We can do this by continuing to drill for new oil on Federal lands already leased to American oil companies even as we invest in renewable sources of energy using solar, wind, geothermal, cellulosic, and biomass-based technologies. We must also ask: Is it time to build new and more modern nuclear sources of electricity?

By investing in these new renewable energy resources, we will create millions of new, higher waged jobs, and we will develop what we've been talking about—the green economy right here at home—as we become an energy independent Nation.

We cannot neglect again to mention the OPEC kingdoms, which have been manipulating both world oil prices and supplies for years. To push back against their illegal manipulation of the oil market, I sponsored and passed major legislation that will, in time, bust up the oil cartels and will reestablish a freely competitive marketplace to make prices reasonable once again for everyone.

What is it? What is it that my colleagues on the other side have against free markets? Simply put, we cannot continue to be held hostage by OPEC and by the manipulative partners in Big Oil.

The final piece to solving the surge in oil price is the declining value of the dollar. Here, you see a picture form of the dollar in 2000, when President Bush took office, declining by 38 percent in the last year. In several more months of this economic activity of borrow and spend, you will be able to take your dollar, paste it with some glue on an envelope and use it as a postage stamp.

Regretfully, as a direct result of President Bush's economic policy of borrow and spend, our money has lost its purchasing power. It simply doesn't stretch as far as it did before. As a direct result of dollar light, prices for everything have gone up, not just for gasoline but for a loaf of bread, for a gallon of milk and for everything we re-

quire just to survive: Our rent, our mortgage payments and our health care bills.

People are screaming, "It's the dollar, stupid!"

Prices for everything are up, but by working together, we can bring about a different economic policy, one different from borrow and spend. We're working hard to bring about the changes we need. By working together, we will become an energy independent Nation, and we will make available, affordable energy for all of us.

LESSON FOR TODAY: DRILL OFFSHORE

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas (Mr. POE) for 5 minutes.

Mr. POE. Madam Speaker, they say it's not safe to drill offshore because, they say, oil rigs are polluters of crude oil. So the lesson for today is: Where does the oil pollution from off our coasts come from?

Let's keep it simple. This is a chart. This is a chart that shows oil pollution from off our coasts. It comes from the National Academy of Sciences. It gives four sources.

As shown by the blue line, the number 1 polluter of crude oil off our coasts comes from Mother Nature. Sixty-three percent of the crude that has polluted our coasts and our gulfs comes from Mother Nature. It seeps from the bottom of the Gulf of Mexico to the surface, 63 percent.

The number 2 polluter, as shown by the green line, is recreational boating. Thirty-two percent of the pollution of crude oil comes from boating.

The number 3 source, shown by the yellow line, appropriately so, is from tankers from overseas, 3 percent. It's those tankers, for example, that come from Saudi Arabia that are polluting our oceans by leaking crude oil, but it's only 3 percent.

As shown by the red line, the little bitty red line, 2 percent of offshore drilling rigs cause 2 percent of that oil pollution.

Let's do it again, Madam Speaker, to make sure it takes.

As shown by the blue line, the number 1 polluter of our oceans and off our coasts is Mother Nature. Sixty-three percent of that pollution seeps from the bottom of the Gulf of Mexico to our shores. Mother Nature is the number 1 villain.

The number 2 culprit, as shown by the green line, is recreational boating. It causes 32 percent of that oil pollution off our shores.

The number 3 culprit, as shown by the appropriate yellow line, are rigs or, rather, tankers from other nations such as Saudi Arabia, causing 3 percent of the pollution.

Lastly, the number 4 culprit of 2 percent, as shown by the little bitty red line, are those nasty offshore drilling rigs.

So, Madam Speaker, maybe it's time we look at the facts and realize that

the lesson for today is we should not be punishing America by refusing to drill offshore. Maybe we should drill offshore because we can do so safely and because it has been proven in the past that we can drill safely. There is only a small portion off the U.S. coasts where leasing is allowed, but we know there is crude oil off the east coast, off the sacred west coast and even in other areas of the Gulf of Mexico, so maybe we should drill there as one solution to the problem of high gasoline prices. We need more supply, and this is one way to do it.

And that's just the way it is.

THE PRESIDENT'S CALL TO LIFT THE BAN ON OFFSHORE OIL DRILLING

The SPEAKER pro tempore. The Chair recognizes the gentleman from Washington (Mr. McDERMOTT) for 5 minutes.

Mr. McDERMOTT. Madam Speaker, we've just been treated to a lecture to a third grade class about what pollution we ought to worry about. Apparently, my colleague from Texas doesn't understand that the problem is that, when you burn oil, you pollute the atmosphere, and that's where the real problem is and why finding more oil is not the answer to the world's problems.

The American people have had a few days to consider the President's call to lift the ban on offshore oil drilling. The New York Times calls it "The Big Pander to Big Oil," saying, "This is worse than a dumb idea. It is cruelly misleading. It will make only a modest difference, at best, to prices at the pump, and even then, the benefits will be years away."

The Los Angeles Times was even blunter in its characterization of this proposal by our President. It said, "It's nonsense for them to use the run-up in gas prices as an excuse to advocate offshore drilling." Continuing, "What's really needed, though, is a moratorium on worthless suggestions from politicians for lowering gas prices."

The Seattle Post-Intelligencer's editorial, up north from Los Angeles, said, "Offshore drilling: This well is dry." They said, "But drilling/plundering our coasts for about 19 billion barrels of oil—that's really all that's available—is akin to placing a Band-Aid on the hemorrhaging wound that is our oil-dependent, wasteful lifestyle."

The Seattle Times called it Bush's last gasp on oil, and their editorial said, "Longing for a higher mileage vehicle in the face of gasoline at \$4.30 a gallon? The President's response has been ANWR, not CAFE. (Corporate Average Fuel Economy)—drilling in a wildlife refuge, not fuel efficiency."

There's a pattern here from coast to coast. The American people are tired of rhetoric that fails to meet the reality test. The oil industry already has access to 68 million acres of Federal oil reserves, but they are only pumping out press releases. The President al-

ready has access to mountains of data on the urgent need to dramatically change our energy policy to focus on renewable resources, conservation and efficiency. Instead, the President gives us political expediency that will not fill a gas tank, that will not lower gas prices and that will not help our addiction to oil.

For the first time, Congress will have to go it alone to shape energy policy for the 21st century. NANCY PELOSI, our Speaker, has shown that the people's House is up to the task. This week, the House will consider several bills from Democratic leadership that builds upon our existing record for bold, new energy legislation. We are going to take up legislation that holds oil companies accountable, but the fact is we may not get it all done, and we may have to wait for a new President. As long as the oil dynasty occupies 1600 Pennsylvania Avenue, we're not going to get any serious changes in this country.

So hang onto your hats, folks. You're going to have a lot of trouble with oil prices and with gas prices over the next few months.

BATTLING OIL AND GAS POWER PLAYS

The SPEAKER pro tempore. The Chair recognizes the gentleman from Massachusetts (Mr. OLVER) for 5 minutes.

Mr. OLVER. Madam Speaker, we are witnessing the mother of all oil and gas power plays in this country. Big Oil and their allies are desperately trying to open every possible site for oil drilling before the Texas oil men, Bush and CHENEY, leave the White House in January.

Under the Bush-Cheney-McCain plan, were it to become law, every acre of the Outer Continental Shelf, 50 to 200 miles offshore, and all of our coastline would be open to leasing and drilling. You can bet your home that the most promising areas for oil production would be fully leased at the foolish, long-term, low-price policy now in effect, but that's all. There's no certainty that the newly leased areas would be producing a drop of oil 10 years out. Big Oil could simply bank their cheap long-term leases until the price of oil reaches \$200 or even \$500 per barrel. And we, the Congress and country, would be over the barrel. That, after all, has been the history.

The claim has been made that opening the Outer Continental Shelf would unlock 86 billion barrels of known estimated reserves. Eighty-six billion barrels, by the way, would provide a dozen years of America's oil without using any foreign oil at all, but our Minerals Management Service estimates that 80 percent of those reserves lie in areas already open for leasing and for drilling. So the big oil companies have already leased large areas that have the greatest potential for high production, and yet they're producing on less than one quarter of the already leased acre-

age. Ironically, that may be the best policy for the U.S. because America's problem is huge.

Our less than 5 percent of the planet's population consumes almost 25 percent of the oil produced in the world. We are so dependent on oil that we have limited leverage to reduce demand, but we have only 3 percent of the known oil reserves on the planet, and therefore, have very little leverage to increase the supply. Because exploration has been more thorough and extensive on our land and in our sovereign waters, the oil yet to be discovered on this planet lies not just predominantly but overwhelmingly beyond U.S. sovereignty.

The Bush-McCain solution is doomed to failure because, first, opening more land and waters to leasing will not necessarily lead to production. Second, even if it did, the production under the best circumstances of shallow waters and of easy drilling and infrastructure in place would take 5 and, more typically, 10 years to produce. Third, if we were foolish enough to pursue that policy, we would use all of our oil, economically recoverable, in about 20 years and would be totally at the mercy of unfriendly oil producers.

For America, the only certain solution to the high price of gasoline is to reduce the consumption of gasoline. Many of the big ways to do that require time to achieve, things like developing and switching to renewable energy, the research and development of fuel cell vehicles, living closer to work, building more extensive public transportation systems, replacing the whole vehicle fleet—both cars and trucks—with high fuel efficiency vehicles.

There are immediate ways we can cut the speculation now. We can drive slower. We can drive less. We can car-pool. We can use public transportation when it's possible. We can develop "work from home" wherever and whenever that's feasible as an option, and we need to start doing all of those immediate ways immediately.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 10 a.m. today.

Accordingly (at 9 o'clock and 48 minutes a.m.), the House stood in recess until 10 a.m.

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AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. HOLDEN) at 10 a.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God of infinite patience and mercy, at times a Member of this