

Madam Speaker, we can't wait to have the change that BARACK OBAMA will bring for this country.

[From the New York Times, Sept. 14, 2008]  
BAILOUT HIDE AND SEEK

On Friday, less than a week after the government took control of Fannie Mae and Freddie Mac, the White House announced that there is no reason at this time to account for the companies in the federal budget. That is great news for officials who prefer to hide the cost of the bailout since it is due, in large part, to their failure to adequately regulate the financial markets and steward the economy. But it is an insult to taxpayers, whose money is at risk, and it is a reckless gambit.

The Congressional Budget Office reported on Tuesday that the government's finances are deteriorating rapidly: the budget deficit for this year is expected to reach \$407 billion, more than double last year's shortfall, and to exceed \$500 billion in 2009. The takeover of Fannie and Freddie, necessary though it is, will add to the deterioration. Airbrushing that away will only open the door to uninformed—or negligent—decisions on spending and tax cuts.

The White House says that the extent of the government's control of Fannie and Freddie does not warrant including the companies' operations in the budget. That is absurd. The government has seized the companies, firing their executives and installing new ones, offering to invest up to \$200 billion in the companies if necessary, and most significant, making an ironclad promise to pay their trillions of dollars in obligations, if need be. The White House also claims that the risk to taxpayers is not yet serious enough to require that the costs be shown in the budget. But there is a very real cost to guaranteeing the obligations of Fannie and Freddie, even if the government never has to cough up a penny. The taxpayer is on the hook while the guarantee is outstanding—and the Treasury says that will last past Dec. 31, 2009, when its bailout authority officially ends.

The Congressional Budget Office has said that it will calculate the cost of taxpayers' risk and include it in its version of the budget, which is separate from the White House version of the budget. Having conflicting budgets is hardly a good way to restore confidence in the government's financial management. But the C.B.O. accounting will prevent the White House from saying, in effect, "yes, bondholders, your investments are fully guaranteed, but you, dear taxpayers, don't worry, it costs you nothing." As the government (read: taxpayers) assumes additional risks, it is more important than ever to get the accounting right. Accurately reflecting the budget cost of the Fannie and Freddie bailout would not lead to an explosion in public debt. Prudent accounting, accurately applied, would limit the amount that must be counted against the nation's overall debt ceiling. Accurately accounting for risk would limit the cost of making good on the companies' obligations to a figure that reflects the likelihood of taxpayers actually having to pay up.

No one yet knows the ultimate cost of the bailout, but it is already more than zero.

#### DEFENSE APPROPRIATIONS

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

Mr. FLAKE. Madam Speaker, I rise this morning just to shed a little light on the defense bill we may or may not

be considering this year in the next week or so. There's a rumor going around that the defense bill might even be brought to the floor without going through a full Appropriations Committee markup.

Now that is troubling in itself, but what is more troubling is that there are some 1,200 earmarks in this defense appropriation bill that very few Members of this body have actually even seen. That list has been passed around to Appropriations Committee members. A few members of the press have seen it. Our office managed to see a copy of the report. But virtually nobody else has seen it. That is 1,200 earmarks. For all the talk about transparency and a new process and where these earmarks will be vetted, we see very little of that here.

I have been troubled for a long time at the number of earmarks that go through this body. A lot of people have been troubled. The whole country is troubled by the number of earmarks that go through this body without really even being seen and without anybody knowing what they are about.

It's not just the money that is spent. We all know that earmarks leverage higher spending everywhere else. Because once you get an earmark in an appropriation bill, then you're really obligated, almost obligated, to vote for that entire bill, no matter how bloated that bill becomes. So you see higher spending everywhere else. Also, earmarks are put in unrelated bills in order to garner votes for other bills. But let me just talk about the defense bill here just a minute.

Members of Congress, those who defend the secretive earmarks, often say that Members of Congress know their districts far better than these faceless bureaucrats in the administration, and that somehow, having Members of Congress sneak a secretive earmark into a conference report, is somehow better than having the administration decide where that money is spent.

Now I am not here to defend bureaucrats or to defend the spending of money, but I can tell you it's not a good process when Members of Congress can put an item in a bill and have so little scrutiny, and what tends to happen is those who are up on the food chain in Congress, those on the Appropriations Committee, those who are in leadership positions, committee chairs, tend to get a disproportionate number of earmarks.

So the argument that earmarks go to places because Members of Congress know their districts better than faceless bureaucrats really means that whoever has the power in this body gets the earmarks.

Let me demonstrate a little here. Of the 1,200 earmarks tucked into the full committee report of this bill, it's worth about \$2.8 billion. Of these earmarks, more than 400 go directly to Members who sit on the Appropriations Committee. An additional 111 are associated with appropriators. These are

earmarks that were requested by that appropriator, as well as a few other Members.

I would remind my colleagues that appropriators make up 15 percent of the Members in this body. Yet, in this bill, appropriators alone are taking 44 percent of the earmarks. Again, just 15 percent of the Members of the body, and 44 percent of the earmarks.

When you translate that into actual dollar amounts, appropriators are taking \$1.6 billion taxpayer dollars back to their district. This represents 48 percent of the total dollars earmarked in this massive appropriations bill.

So what we have here, Madam Speaker, is a spoils system. It's not any high-minded, I know my district better than some faceless bureaucrat. It's, If I am an appropriator, or I am in a leadership position, I'm in a good position to get these earmarks.

Let me just run through a couple of the earmarks in the bill. This is a defense bill. The purpose of this appropriation bill is to fund our troops and to fund our defense. Yet, we have, for example, something called the Presidio Heritage Center in California. It may be a worthy project. It may be something a local government or local people want to fund, but why in the world the Congress is funding it in the defense bill, I just don't know.

But if this bill comes to the floor without being marked up in committee, nobody will be able to challenge it in committee. Nobody will be able to see it. If it comes to the floor under any other auspices than an open rule, then no Members of this body, the body as a whole, will be able to even question it.

There's also something called a Cold Weather Layering System. That is usually a highfalutin word for a coat. Sometimes gloves are put in here under big names about hand-warming systems, or whatever else, when it shouldn't be funded in the defense bill at all.

Another one, University Strategic Partnerships, Renewable Carbon Fuel from Algae. These may be good projects, but they shouldn't be in the defense bill.

#### CLEAN ENERGY ECONOMY

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

Mr. INSLEE. I have come this morning to take issue with a comment by one of the candidates for President about how our economy is doing fine, the fundamentals are strong. I want to say that we have to do some major work rebuilding our economy and rebuilding millions of jobs, and that we will have a bill on the floor this week that we will propose to restore economic growth by rebuilding a new, clean energy economy for America.

We believe that we need to have a new birth of whole new industries in America to start to replace the hemorrhaging of jobs that we have suffered,

and we believe that we can do this by building green collar jobs and a whole new clean economy for America.

In the next few days, we will be proposing to the House a comprehensive energy bill that will be focused on building new jobs in America. And we think Americans deserve this. We think Americans are ready for this. And we think it is an American destiny, as we were the arsenal of democracy in World War II, to now become the arsenal of clean energy for the world.

I want to talk about some of the things I've learned just in the last few months about our ability to grow a new clean energy economy in the world.

I'd like to refer to a photograph taken a few weeks ago in Golden, Colorado. This is a photograph taken at the National Renewable Energy Lab. This lab is vested with the charge to help build new technologies to grow new jobs in America. I want to report this picture, I think, encapsulates the potential future for the American transportation system and the American new energy system to drive jobs in that direction.

This is a photograph of a photovoltaic array, this panel here that is mounted on this pedestal. On the other side of this metal is a photovoltaic array that basically captures the sun's energy and transfers it to electric energy. This array itself is attached to these two cars here. These two cars are plug-in electric cars. These are two cars that essentially we will plug in at night, when these cars are on the road. And they are mass produced in America.

These cars plug in at night. We charge them for 8 hours. And then they will run about 40 miles on all electricity. So that these cars will emit no carbon dioxide. They'll run just on energy and electricity for 40 miles. If you want to go more than 40 miles a day, you'll run on gasoline or ethanol for the remaining 200, 250-mile range, plus.

Now the wonderful thing about this, and I've done a lot of research, but something I learned, and I was very impressed with the young man at the National Renewable Lab that told me that this array right here, which isn't a lot larger, you can see, than a rooftop, will charge in 8 hours, fully charge, two of these plug-in electric cars to run a full 40 miles on electricity, and they then can run on gasoline an additional 200, 250 miles.

This was a remarkable statement to me because this picture, I believe, is Exhibit A in our ability to totally revolutionize our transportation system and grow millions of new jobs in America to do that. Let me give you an example of that.

These photovoltaic arrays are now being manufactured in America, not just in the silicone-based systems that we're familiar with, but 2 months ago at the Nano Solar Company in California, Americans produced the first thin-cell photovoltaic to actually have

a revolutionary system that is 30 to 40 percent less expensive for a lot of energy coming from these photovoltaic arrays. Those are manufacturing jobs in America.

General Motors is getting ready in 2010 or 2011 to mass produce the first plug-in electric car in America, where we are going to put Americans to work in this manufacturing process.

This is why I mention this. We will have a bill on the floor in the next few days that will truly advance these manufacturing millions of new green collar jobs in solar, in plug-in electric cars, by doing several things. It will create a tax code that will give benefits to companies to manufacture these products. It will give tax breaks to Americans to buy these products. It will create a 15 percent requirement that our utilities use these new, clean energy sources. It will create a research and development fund to help do the research to bring these to market.

And my Republican colleagues, I will call on them and we will call on them to join us in a comprehensive bill to truly help the development of these new technologies. We hope they will abandon their shortsighted view that these technologies aren't the future. This is the future.

#### AMERICAN ENERGY ACT

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

Mr. SCALISE. Madam Speaker, in the last 4 months, there has been a very intense debate going on here in this Congress, but also across the entire country, and that debate has been about energy; about what can be done to lower the price of gasoline at the pump and reduce our dependence on Middle Eastern oil. It's a very healthy debate, a debate that we need to have, but a debate that we need to resolve here in this body with an open debate and vote on the options that have been put on the table.

Back 2 months ago, House Republicans put together a bill that actually has garnered bipartisan support, called the American Energy Act, a comprehensive plan to address this national energy crisis our country is facing, both to look at what we can do to increase the supply of American oil, to reduce our dependence on Middle Eastern oil in the short-term, but also to look at the long-term objectives of how to move off of oil and move more toward alternative sources, like renewable sources of energy, looking at wind, looking at solar, and trying to advance those technologies so that they can become more viable in the marketplace so that somebody can go and buy an electric car and be able to drive back and forth to work without plugging it in for 6 hours.

Those technologies will advance, and in the American Energy Act we are encouraging those renewable sources of energy, to advance things like, instead

of using products like corn for ethanol, using the biomass, the waste products of things like corn and sugar cane and other products, to make ethanol, which we can do. The technologies haven't advanced to the point where they are commercially viable. All of that is here in the American Energy Act. To look at doing things like increasing the ability to permit nuclear facilities so we can reduce our dependence on Middle Eastern oil. All of the things that have been talked about in the last few months have been encompassed in a bill that has bipartisan support.

Unfortunately, the liberal leadership has not allowed a discussion, a debate, or a vote on the American Energy Act. So what we have said is, Bring it up. If you don't like it, let's bring up amendments. Let's have everything put on the table to address this important discussion that is so important to our country, and hurting our economy. Something that we can do to help the economy.

So what happens? What is the approach that is taken by the liberal leadership? By dark of night, last night, we finally saw what their plan was. It was this bill that was put together in a back room somewhere with who knows what groups, because nobody, even people on the other side, Madam Speaker, members of the Democratic Party who support a comprehensive plan, were not even allowed to have input on the bill that was filed late last night, dark of night, with a 10 o'clock filing of the bill. At 10:30, they had a meeting to decide that they weren't even going to allow an amendment to be brought up, and that today it would come up on the House floor for a vote. That is not the way you handle the most important issue in this country that we are facing right now.

When there's been an alternative on the table for a month, with active discussion, you don't by dark of night put something together that nobody's seen, and then say, Okay, tomorrow we're going to bring it up for a vote, and not one amendment can be offered.

Of course, once you start looking through their bill, you can quickly see why they did it by dark of night and why they don't want any amendments offered. Because this bill that they are going to have a vote on today, that nobody has been able to go through in great detail, the more you look at it, you realize this is a do-nothing bill. This bill will actually put our country more at risk to Middle Eastern oil. Why is that?

Well, there are a number of provisions. First, let's talk about revenue sharing. Right now, States have the ability to get revenue sharing for the drilling that they do. In my State, Louisiana, we drill about 30 percent of the country's oil. We have been doing it for a long time. Finally, after years and years of negotiation, we were able to get an agreement that there would be revenue sharing. That we would be able to participate in the revenue that