

major airline based in my home State of Illinois, announced first quarter losses, if I am not mistaken, of nearly \$500 million and the need to lay off some 1,000 employees. Now comes this FAA reauthorization bill, and it includes a provision that will create an economic burden and hardship on some of these airlines that are struggling to survive. Could this Senate pick a worse time to hammer away at these airlines, when they are struggling to deal with jet fuel costs that are going through the roof and an uncertain economy facing a recession? If there was ever a bad idea, this is it.

Mr. ROCKEFELLER. Will the Senator yield for 15 seconds?

Mr. DURBIN. I am happy to yield.

Mr. ROCKEFELLER. I thank the Senator.

Madam President, I ask unanimous consent that all postcloture time be yielded back and that the motion to proceed be agreed to and the motion to reconsider laid upon the table; that once the bill is reported, the Senator who is now speaking be recognized to offer a substitute amendment; that upon reporting of that amendment, no further amendments be in order during today's session and that there be debate only today.

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

Mrs. HUTCHISON. Madam President, will the Senator from Illinois further yield?

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. I want to say I am in complete agreement with what the Senator from Illinois has said. I know he is going to finish his statement, but he is making exactly the point I think needs to be made in this debate.

We will have an amendment tomorrow. Senator DURBIN and I are going to cosponsor an amendment that would fix the issue about which he is speaking. The idea that we would pass an FAA reauthorization that would modernize our facilities, that would put more safety precautions in place, that would give passengers more rights and, oh, by the way, would also bankrupt some of our airlines in the meantime is ridiculous.

The bill will be so good. Senator ROCKEFELLER has done a great job. We have compromised. We have worked on a bipartisan basis. Then, all of a sudden, we see this pension issue rise up that would put one, maybe two airlines into bankruptcy, and then we have taken away all the advantages of this very good bill.

I commend the Senator from Illinois. I look forward to working with him tomorrow on an amendment—or whenever we are designated to put our amendment in place—and hope the balance we had is restored in the pension issues so that airlines that are offering defined benefit plans—which are so rare these days—will still be able to offer employees that, even at a greater cost.

I look forward to working with my colleague from West Virginia to make sure this very good bill goes forward without the bad tax provisions and the pension provision that was added, not by our committee, but by the Finance Committee.

I thank the Senator for yielding. I look forward to working with the Senator to fix this pension issue.

Thank you, Madam President.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Madam President, I thank the Senator from Texas for joining me in offering this amendment. This is a bipartisan amendment. We urge our colleagues: Take a close look at this. At the end of the day, if we pass this FAA modernization bill and force more airlines into bankruptcy because of this provision, is that our goal?

We have lost so many airlines already, and now a major airline, such as American Airlines, which avoided bankruptcy and managed to keep its promise to its employees and retirees, and has provided significant funding for its pension, is going to be penalized by this bill.

Ask the people whose pensions are affected, those members of unions who are supporting our efforts to stop this change in the law. I cannot understand the motivation behind this change.

When this was originally considered a few years back, there was another group in charge in Congress and a chairman of the House Ways and Means Committee who singled out several airlines that were not facing bankruptcy and created a disadvantage for them. We tried to remedy it last year, and we got a temporary fix in there. And here they come again: this group that wants to keep changing this law, penalizing these airlines—at absolutely the worst possible moment. Wouldn't it be ironic if this were passed and the airlines that worked the hardest to avoid bankruptcy, the airlines that worked the hardest to keep the defined benefit plans—absolutely the gold standard when it comes to retirement—wouldn't it be ironic if the language of this bill ended up capsizing these airlines at this precarious moment in our economic history.

I am going to urge my colleagues: Take a close look at this. Ask yourselves: If the beneficiaries of these retirement plans oppose this change, if the airlines oppose this change, if there is no argument to be made as to why you would treat these airlines differently than those that have faced massive changes in their pension plans, why in the world would we want to pass this amendment?

At the end of the day, I want to make sure we have FAA modernization. But I also want to make sure there are airlines still serving America in every corner of America so our people have a chance to travel for business, for leisure, whatever it might be.

I urge my colleagues: Please take a close look at this. I hope they will con-

sider supporting the Durbin-Hutchison amendment when it is offered tomorrow morning. It will be the first item of business. I hope we can entertain a debate and move to its consideration at an early time.

There is no reason to delay this. The sooner we remove this cloud from these airlines that have worked so hard to stay in business and avoid bankruptcy the better.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, all postcloture time is yielded back.

The motion to proceed is agreed to, and the motion to reconsider is laid on the table.

The Senator from West Virginia.

Mr. ROCKEFELLER. Madam President, I thank the Senator from Illinois for allowing himself to be interrupted twice, and I wish him a good evening.

Madam President, I wish to talk, with your permission, for about 25 to 30 minutes on what I consider to be the core problem we face; and it is the real condition that people need to know about the American aviation industry.

FAA REAUTHORIZATION ACT OF 2007

The PRESIDING OFFICER. The clerk will report the bill by title.

The bill clerk read as follows:

A bill (H.R. 2881) to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes.

The PRESIDING OFFICER. The Senator from West Virginia.

AMENDMENT NO. 4585

(Purpose: In the nature of a substitute)

Mr. ROCKEFELLER. Madam President, I call up my amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from West Virginia [Mr. ROCKEFELLER], for himself, Mr. INOUE, Mr. BAUCUS, and Mr. GRASSLEY, proposes an amendment numbered 4585.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The PRESIDING OFFICER (Mr. SALAZAR). The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, as I was indicating, I do not think most of our colleagues—they pick on certain subjects within aviation that are of interest that have hot buttons to them—look at the general situation of where the U.S. commercial aviation industry is, how bad its situation is, and I think it is time to tell the truth about that before we begin the debate on this bill.

After posting nearly \$35 billion in cumulative net losses from 2001 through 2005, over the past 2 years, American commercial air carriers were able to recover financially for a brief period from the effects of September 11's grounding and subsequent adjustments. That is understandable.

Domestic airlines earned an estimated net profit of roughly \$3.8 billion last year, more than twice the \$1.7 billion net profits they achieved in 2006. That would appear to be going in the right direction. This year, however, marks a turning point, which I fear will be a sustained downturn in the industry's long-term outlook. Within the past week alone, we saw the Nation's third largest carrier—Delta—announce a first quarter loss of \$6.4 billion. On that same day, the Nation's fifth largest airline—Northwest Airlines—posted a quarterly loss of \$4.1 billion.

This month, we witnessed four of our airlines—Frontier Airlines, Aloha Airlines, ATA Airlines, and Skybus Airlines—forced to declare bankruptcy. Four airlines collapse in 1 month, and two airlines announce a combined loss of \$10.5 billion in one single quarter. I think this underscores the dangerous direction in which I believe our aviation industry is now truly heading.

It is clear that in 2008 this industry is moving through what could be one of the most tumultuous periods it has ever experienced in our history. The recent window of profitability that commercial aviation experienced now seems to have closed. A worrying question for all of us—and for the future of our economy—is whether these losses will come to characterize its long-term financial outlook. I fear it will.

The challenges confronting our Nation's aviation market have now sharply affected a variety of consumers and stakeholders. Airline companies have been posting multibillion dollar losses this quarter alone. Tired and frustrated passengers are being caught up in the thousands of flights that have been canceled or delayed due to a number of things, including safety issues. A quarter of the airline industry's entire workforce have lost their jobs since the year 2000. I will repeat that: One quarter of the airline industry's entire workforce have lost their jobs since 2000. The air traffic control system remains outdated. As I indicated, we are trying to catch up with Mongolia. And management problems continue to beset the industry's overseer, the Federal Aviation Administration.

Compounding all of these difficulties is the reality that the industry is operating against a backdrop of a weaker American economy and general turmoil in global credit markets. Aside from all this, however, there remains one factor that has done more to change the face of the commercial aviation sector than any other; that is, the escalating cost of its lifeblood. We call it the price of oil.

To illustrate this dramatic spike in costs, it is worth recalling that back in 2000 the price of oil stood at \$30 a barrel. Recently, oil prices have been approaching \$120 a barrel. But this does not necessarily reflect the true cost to the airlines, as there is a difference between the price of oil and the price of jet fuel, what the industry refers to as the "crack spread." This means that,

for example, on April 18, 2008, when oil was trading at nearly \$116 a barrel, the price of jet fuel per barrel was trading at nearly \$144—\$116 for a barrel of oil becomes \$144 for airplanes.

Such a dramatic increase in the industry's largest single cost clearly illustrates the extent of the problem it must absorb. With oil prices alone having risen 75 percent in the past year, it is somewhat unsurprising that the move toward further consolidation is gaining in speed.

It seems increasingly inevitable that the Delta-Northwest merger proposal will unleash a wave—a further wave—of industry consolidation. I note that various airlines have been considering a number of possible pairings for some time now.

In September 2005, US Airways and America West Airlines merged. In 2007, US Airways pursued an unsuccessful bid for Delta, and Midwest Airlines was purchased jointly by Texas Pacific Group and Northwest.

Numerous reports also indicate that further consolidation between United Airlines and Continental Airlines is likely—we will see—to happen as a consequence of the move by Delta and Northwest to consolidate—the domino theory.

With the emphasis on pursuing market share prior to 9/11, the big air carriers are now focused on route and flight profitability and are less willing to fly half-empty planes to keep their nationwide networks competitive. In an effort to improve their financial standings and compete with smaller carriers, many legacy airlines—commercial airlines—have aggressively sought to cut costs by reducing labor expenditures and by decreasing capacity through cuts to flight frequency, use of smaller aircraft, or the elimination of service altogether to some communities.

The major U.S. carriers have shown much more capacity discipline over the past few years and have retired, to their credit, many older, inefficient aircraft. Available seat miles—which is a term of art: a measure of capacity—increased only 0.3 percent in 2006, down from a 3.3-percent increase in 2005, and an 8.7-percent increase in 2004. As a result, load factors have increased by more than 10 percent since 2000, bringing in more revenue per operation. Profitability. Statistics from the Air Transport Association show that the legacy carriers' combined fleet was 2,860 aircraft in 2006, an 18-percent reduction from almost 3,500 planes at the end of 2000. So it has gone from 3,500 planes in 2000 to 2,800 aircraft in 2006. That is clearly a trend.

In West Virginia, aviation represents about \$3.4 billion of the State's gross domestic product. To us, that is a rather huge figure. It employs over 50,000 people in our State. So the State has a direct interest in the impact any consolidation within the industry may have on services. I know the Presiding Officer knows that feeling.

I have said before that while I am not unilaterally opposed to consolidation, I do believe every transaction has to be considered on its own merits. With regard to Delta-Northwest as a merger, I believe it is critical that the Federal agencies examine the fine details of the merger thoroughly before approving it.

Now, this is of particular concern to me because Delta and Northwest provide critical air services to my State of West Virginia that allow businesses in our State to be connected with the rest of the world. I have said in the past, and I reiterate here today, that air services to small communities in my State and across the country depend on network carriers that use hub-and-spoke operations. There are no other sustainable options available to us. None. We have very few private aircraft, and obviously they are not available for commercial use. Low-cost carriers are not going to serve West Virginia's communities because we do not have the volume of passengers to work with their business models.

My State needs healthy network carriers if we are to attract new air services. At present, low-cost carriers are not going to fill the service void in our markets. It disturbs me, then, that since March 13 of this year alone, American air carriers have exited from 86 routes throughout the country, my guess would be all of them rural. I fear these airlines plan to exit many other routes in the future.

It was to ensure West Virginians continued access to adequate air services that I helped to create and expand the Small Community Air Service Development Program and the Essential Air Service Program. Both of these arrangements provide a Federal subsidy for air carriers to operate out of very rural areas. From my perspective, an adequate air service in West Virginia is not just a convenience but it is a flatout economic necessity for our survival.

The airline industry is not only about the viability of the companies that it comprises. It is important that we not forget the increasingly large number of American passengers who underwrite the industry by consuming its services each year. Passenger traffic demand has now surpassed pre-9/11 levels, with total passenger enplanements of 745 million in 2006, nearly 12 percent higher than the 666 million passengers who enplaned in 2000. The FAA's most recent forecast estimates passenger enplanements will grow to 794 million in 2008.

We are all aware and have probably often experienced ourselves the delays and the cancellations that seem to be a growing feature of this industry. Air carriers and their passengers continue to be plagued by severe weather problems—which seem more than normal each year—and an air traffic control system that lacks the necessary capacity to handle demand effectively. That is why, when we talk about building an air traffic control system, which is at

least up to Mongolia—and as I said this morning, that is a little bit of an exaggeration because they had no air traffic, and so they started with what we want to move to. They started with what they should have started with, and that is digital GPS.

These conditions produced near gridlock at several key gateway airports throughout the country this past summer which almost matched the record delays reached in the summer of 2000. Congestion and delay problems cost the airlines and passengers billions of dollars each year in lost productivity, canceled flights, and, obviously, fuel expenses.

The severe congestion and delay problems that continue to plague air carriers and their passengers further exacerbate the high cost, therefore, of fuel. Inclement weather, an out-of-date air traffic control system, and management problems keep planes in the sky longer, which only increases fuel-burn. Due to these conditions, only 69 percent of reported commercial airline operations arrived at their destination on time during June and July of 2007.

I am pleased we have been able to work with the FAA on several efforts currently underway to address these problems, including a continuous focus on expanding infrastructure and adopting operational procedures, such as the implementation of reduced separation requirements and programs such as this fascinating acronym, the Area Navigation and Required Navigation Performance program, that permit more precise navigation of aircraft. But, you see, that is very difficult to do with x ray, with ground radio. That is why we need an air traffic control system which is modern, as every other modern country in the world has. Furthermore, since many of these delays originate in the New York City airspace, the FAA has committed itself to taking a number of specific steps to relieve congestion there—and I applaud them for that—including airspace redesign and the opening of military airspace to create additional capacity during particularly congested times.

All of these efforts are a part of a longer term endeavor to solve these problems by modernizing the entire air transportation system through the implementation of the Next Generation Air Transportation System, the system I have been talking about a good deal. I am confident we can continue to pursue a workable strategy to increase the capacity of the National Airspace System to keep pace with projected growth and demand for air travel while ensuring that we continue to operate the world's safest aviation system. But then again, you always have to look underneath the figures.

The pending Delta-Northwest merger could represent an absolute watershed moment in aviation industry history which would have a dramatic and wide-ranging impact on the industry, passengers, employees, and our national economy. This merger is emblematic of

the aviation sector's future, in my judgment. We must acknowledge that a greater degree of consolidation is becoming simply unavoidable due to pressing economic factors, and we have no excuse to not manage these changes responsibly.

I will always remain a fierce defender of West Virginia's right to adequate and reliable air services. That is why I went there in the first place. That is why I am there. I fight for fairness, and we don't have it in aviation, and I fear losing more of it. Even in these new challenging times for the sector, I will continue to ensure that my State is not adversely affected by this consolidation or any consolidation.

Finally, I am concerned that even when the aviation industry did return to profitability over the past 2 years, services in my State did not dramatically improve or expand. They weren't investing. Now that the sector looks to be heading toward a more decidedly bleak future over a prolonged period, our efforts need to be redoubled so as to ensure crucial air services to small and rural communities everywhere are rightfully defended.

Mr. President, I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. THUNE. Mr. President, today we debate the FAA reauthorization, and it is a debate that probably should have been joined a long time ago. This is a piece of legislation that has been kicking around here for a long time. I serve on the Senate Commerce Committee. I know both the House and the Senate reported bills out many months ago. We are finally now getting a bill on to the floor for debate. It is important we do this.

This is legislation that is critical to the infrastructure that supports our aviation industry, which is a critical industry to America's competitiveness, and if we look at what is happening in the airlines these days, obviously, we need to do everything we can to make sure we have a viable and effective aviation industry and commercial airlines are able to operate and provide the services to travelers who need to get, every single day, to places both here at home and around the world to conduct business and to recreate.

In the course of this debate, I cannot help but be struck by the fact that I do not see there is anything we can do in the FAA reauthorization that addresses what fundamentally is probably plaguing the airline industry more than anything else, and that is the high cost of energy.

I am looking at some information, graphs, some data. We can look at this graph for January of 2004 and see where

the cost of crude oil and the cost of fuel for the airlines, for the aviation industry, was then and where it is today. Follow the red line, the way it tracks up. That spikes up. That is almost a straight vertical line.

If we take another graph which shows what the consumption of fuels is in the airline industry, the green line—you probably, Mr. President, cannot see this; it is too far away, but the green line shows consumption has been fairly static in terms of the amount of fuel that is used. But if we look at the expense or the cost of the fuel, it has increased at a sharp and dramatic rate.

My point very simply is that we cannot affect, I do not think, in a very substantial way, what is plaguing and ailing the airline industry and a lot of other industries in this country absent addressing the fundamental cost issue of energy independence.

If we look at where we are as a nation today and where we were 30 years ago, not much has changed. I remember as someone growing up during the oil embargoes and what we were experiencing in the late 1970s and a real concern at the time about our dependence, overdependence, dangerous dependence on foreign sources of energy. At that time it was 55, 60 percent. Here we are 30 years later and we are more than ever dependent on foreign sources of energy. Mr. President, 60 to 65 percent of our petroleum comes from outside the United States. We have very little control over the supply. The only way we fix that, the only way we can impact energy costs in this country in a meaningful way is to increase supply.

We can talk a lot about a lot of issues with regard to this problem, this challenge we face as a country. There are some things we can do to impact the demand side, too, and we did that in the Energy bill last year. We increased for the first time in a very long time fuel economy standards so now automobiles are going to be built to standards that will require more miles per gallon than they currently get. That will help control, to some degree, the demand side. Obviously, I think individual consumers in this country, drivers in this country, are going to begin to take steps to reduce the amount of fuel they consume because it is impacting so adversely their pocketbooks on a daily basis.

But there is not anything we can do totally on the demand side to get us out of this mess we are in. We have to do some things to impact supply. I can't help but think that if we had taken some of these steps years ago, back in 1995 or thereabouts when President Clinton vetoed legislation that would have allowed oil exploration on the North Slope of Alaska—at the time it was argued, oh, it will take 5 to 10 years for us to develop this resource and when we do, it will not be that much anyway. It is only 1 million or 1½ million barrels a day, and that is not that significant in the overall scheme of things. Here we are 10 years

later. If we had done that then, this would be fully developed, we would have the barrels of oil on a daily basis, the daily equivalent of what we get from Saudi Arabia, available to meet our demand in this country.

It has probably been, since that time, half a dozen times we voted on that. In the House of Representatives, I don't know how many votes we had over there that would have allowed authorized exploration for oil on the North Slope of Alaska. We have had that vote in the Senate, since I have been here, on at least one occasion, maybe two times, where we were a couple votes short of reaching that magic 60-vote threshold that would allow us to move forward and explore some of these opportunities that we have to grow our supply, our domestic supply of energy.

Because he had listened to this debate for some time—I have been in the Congress, now, for the better part of 10 years and always was interested when the debate would come to the floor of the House or the Senate and you would hear both sides come to the floor and make their arguments—I actually went up to Alaska and visited the section 1002 area where it is proposed we develop this oil resource. We landed in Barrow, AK, in February, a couple years ago. It was 38 below. We visited a couple of the existing sites at Prudhoe Bay and then we went over to section 1002, which is the vast area we are talking about for development. What struck me is we are talking about a 2,000-acre footprint that would be used to access the oil below the surface, and with modern technology, you can actually get to those reserves below the surface with horizontal or directional drilling, with a minimal footprint on the surface, and it would be done during certain parts of the year where it wouldn't impact wildlife or anything.

Incidentally, there were caribou everywhere. Anybody who is worried about the caribou on the North Slope of Alaska, they have nothing to worry about because, if anything, it has been increased since the activity that has taken place up there.

But this particular area is a very isolated, remote area on the North Slope of Alaska. The estimates run from somewhere between 6 billion and 16 billion barrels of oil beneath the surface or, as I said, the daily equivalent of about 1.5 million barrels a day, which is comparable to what we get from Saudi Arabia.

To put it in perspective, a 2,000-acre footprint, for those who come from my part of the country who have an agricultural background, that is the equivalent of three sections of farm ground. That in an area of some 19.2 million acres in what they call ANWR, this refuge area. But if you look at the State of Alaska in its totality, Alaska, believe it or not, is 7.5 times the size of the State of South Dakota. You could put South Dakota geographically into Alaska 7.5 times. That is how vast this area is up there. It is part of our coun-

try, part of an area that has enormous resources below the surface that could be very meaningful in terms of addressing America's energy needs.

When you visit that area, you cannot help but be struck with, No. 1, how supportive the governmental leadership is in that area—the Governor, the State legislature, in many respects most of the local citizens. There are always those who are opposed to this type of development. We heard from them as well. But overwhelmingly, the majority of people in that area want to see this development.

Here we are again facing a crisis as we head into the summer driving season, travel season, vacation season. Families are looking, making plans. In my State of South Dakota, farmers are getting into the field, and they are having to deal with the input costs associated with high fuel costs, diesel costs. This is an economic issue that affects literally every American but particularly those middle-income Americans and those who this summer are looking at making plans to travel. They are going to be facing \$3.50 gasoline, perhaps higher than that. Who knows how high that is going to go?

My point very simply is we should have been taking these steps many years ago. We are now paying a price for inaction on the part of this Congress when it comes to the things we can do to add to supply in this country, to make sure we are taking full advantage of the domestic resources we have right here at home so we do not have to continue to allow other countries around the world to hold us over a barrel when it comes to our energy needs.

The other thing we ought to have been doing—again this is something that is long overdue—is developing more refinery capacity. We are pretty much maxed out. We have not built a new refinery since 1976. They will tell you they have added or expanded existing refineries, and all that is true, but at the end of the day we have not done very much in terms of addressing the refinery shortage we have in this country either. So when it comes to raw resources such as the oil, petroleum resources below the surface on the North Slope of Alaska, when it comes to the ability to refine that into gasoline, we have some deficiencies that are of our own making. I regret the fact that we were not able to find the votes in this body to do these types of things many years ago, when today it would make a big difference in the challenge we face.

The other issue, the other point I will make—because I think it gets back at this issue of how doing some of these things, although at the time they may have seemed to be not that substantial, could make a difference at the margin—is what has happened with renewable energy in this country. We are now generating about 7.5, almost 8 billion gallons of renewable fuel or ethanol in America today. One would think perhaps, when you use 140 billion gallons of gasoline on an annual basis,

that that is not that big of a dent. But there was a study done by Merrill Lynch, it was reported in the Wall Street Journal a few weeks back, that were it not for ethanol, the price per barrel of oil and the price per gallon of gasoline would actually be 15 percent higher than it is today. So even though it is 7.5 billion gallons out of a 140-billion-gallon annual demand for gasoline, it is affecting the price because it is impacting supply in a positive way.

In the same way, if we had opened the North Slope of Alaska when we had an opportunity to do so, we would have that 1½ million barrels a day coming into this country, which also would significantly impact the supply in a way that would begin to bring down prices. The only way we are going to bring downward pressure on prices is to increase supply. That is why I have been such a big advocate for renewable energy.

We are at 7.5 billion gallons today. The Energy bill that passed last year calls for 36 billion gallons of renewable fuel by the year 2022. I think we can reach that. We are not going to reach it with corn-based ethanol. We have to diversify the production of ethanol in this country with other forms of biomass, whether that is by woodchips out of our forests, whether it is by switchgrass, which we have an abundance of on the prairies of South Dakota—but there are a lot of opportunities for what we call the next generation, for cellulose, to meet the demands for energy in this country. I think we should be moving full steam ahead when it comes to support for renewables so we can lessen the demand on foreign energy and we can become more energy efficient here at home and develop the supplies of fuel we have.

That being said, even if we get to 36 billion gallons of renewable fuels, we still will be way short of what we need. We are going to need a mix of fuels. We are going to rely on some of those traditional sources of fuel such as petroleum. Coal-to-liquid holds great promise in terms of being able to be used as a fuel, and coal is something we have in infinite amounts. We ought to be developing these types of resources. I think we also ought to be allowing States that want to, particularly some States in the upper Midwest, where ethanol is produced, to go to higher blends. We are at 10 percent ethanol today. There are States I think would like to go to higher blends. We ought to allow them, particularly when the studies are concluded by the Department of Energy and the EPA, which are determining the impact on drivability, materials compatibility, emissions—all those sorts of things. When they come back, which I believe they will, and conclusively determine that going to higher blends would not in any way adversely impact any of those metrics I mentioned, we ought to be moving to higher blends of ethanol because I think that also will help take pressure off oil prices as we continue to use more and more renewable energy.

These are all parts of a solution. We need supply. But we have not taken the necessary steps to add to supply. If not now, I don't know when. When we get prices such as we are seeing, and the impact that is having on transportation industries such as aviation, such as trucking, such as agriculture, these are impacts on our economy that are only going to bring great economic strain to many industries and a loss of jobs.

We can do something about it. We ought to be doing something about it. We need to now authorize, even though we have had many opportunities to do it in the past—we ought to do it on the North Slope of Alaska and offshore and other places where we have these reserves. We ought to allow refineries to be built. We tried to get legislation through that would allow refineries to be built on BRAC bases; in other words, bases that were closed through the BRAC process, and it was blocked by the Democrats on the Environment and Public Works Committee.

Even when it came to the renewable fuel standard last year, that passed through the Senate and House and ultimately was signed into law, there is a deficiency there as well which has come to light now and a change that was made at the very 11th hour by the Speaker of the House that prevents biomass, residual types of biomass such as slash piles that are generated in our national forests, to be used to make cellulosic ethanol.

That makes absolutely no sense. We have waste products in our forests that add to fuel loads that create fire hazards. All we are simply saying is these types of products could be used to make next-generation biofuels and help grow our supply of renewable energy, and that was stripped out, at the 11th hour, by the House in the conference.

That is very unfortunate because it is steps such as that, it is steps such as blocking legislation that would allow for expedited permitting of refineries on BRAC bases, it is things such as blocking a vote on opening the North Slope of Alaska to oil exploration—those are the types of things that are stopping us. Those are the types of steps and maneuvers in the Senate and the House that are stopping us from adding to the supply of energy so we can do something about it, so we can impact, in a meaningful and positive way, the high prices that are affecting consumers across this country.

I wish to make one observation as well with regard to renewable energy because ethanol has come under a lot of criticism of late, much of it I think inspired by opponents of ethanol, such as oil companies. People are talking about the high cost of food, and food prices have gone up in this country. But if you think about it, the amount of corn that goes into a box of corn flakes, for example, it is about a nickel. If you think about what impacts the cost of the things we buy at the grocery store, transportation has a pro-

found impact on the cost because you have transportation, you have packaging, processing—all those things which are very energy intensive. So when you have high energy prices, high fuel prices such as we are facing today, that has more to do with the costs of food than the cost for a bushel of corn is ever going to have, when it comes to corn flakes or when it comes to popcorn or many of the other things that are being mentioned now by some of these groups opposing ethanol.

I also would point out what I mentioned earlier and that is that were it not for ethanol—this again was reported upon by the Wall Street Journal a few weeks back, a study done by Merrill Lynch—oil prices, per-barrel oil prices and per-gallon gasoline prices would be about 15 percent higher. Couple that with the fact that a high commodity price means the Federal taxpayers under our farm programs are not making payments to producers to the tune of a savings of about \$8 billion last year, according to the USDA, and there are lots of impacts that are not being mentioned by those who are specifically singling out ethanol and criticizing ethanol for the increase and runup in food costs.

Add to that or couple that with this piece of data that comes out of the USDA, that \$8 billion in savings in taxpayer payments would be made under farm programs that were not made, that didn't go out this last year because of high product prices. That is a substantial savings to the taxpayers of this country. Again, couple that with the fact that ethanol has contributed 15 percent reduction in the overall costs of fuel in this country, ethanol is having the impact we hoped it would by increasing supply and taking pressure off the price at the pump in this country.

High fuel costs, high food costs, all these things are impacting consumers across this country. We cannot solve that problem. We cannot solve the problem of the airlines until we do something to develop our domestic resources right here at home.

We have some supplies, some reserves underground even in places that previously had not been contemplated as a source of energy, in places such as the Dakotas where we are now finding there are some reserves down there, that with prices being what they are may be economically recoverable. We should be doing everything we can to develop domestic resources, whether it is on the North Slope of Alaska, whether it is offshore, whether it is in the Dakotas, in the form of oil below the surface, or corn that grows above the surface that is renewable that we can use every single year. We need to be developing resources right here at home that will lessen our dependence upon foreign sources of energy and do something to take the pressure off these high gas prices we are seeing today that are affecting every single American.

I hope we will pass a comprehensive energy bill, one that includes increasing our supply, one that finally, once and for all, will allow us to get to that 6 to 16 billion barrels of oil beneath the surface on the North Slope of Alaska, which is widely supported by the political leadership in Alaska, the local citizenry there, that increases the amount of renewable energy we use in this country by allowing States that choose to increase and go to higher blends, perhaps to 20 percent or 30 percent ethanol. These are all things we could and should be doing today—allowing refineries to be built on bases that have been closed, and allowing for expedited permitting when it comes to constructing those refineries. These are all things that ought to be part of this energy solution. I think people are going to hold this Congress accountable if we do not take steps in that direction. My hope would be that before we move out of here before the next break—we have got a break coming up in a couple of weeks—we will take some action that will do something meaningful to lower energy prices for people in this country, increase our supply to build new refineries, to support the increased use of renewables. Those are all things that will happen and provide solutions and meaningful relief to the hard-working people in this country who are now faced with much higher gasoline prices.

I yield the floor.

The PRESIDING OFFICER (Mr. MENENDEZ). The Senator from North Dakota.

ENERGY

Mr. DORGAN. Mr. President, I know a couple of my colleagues will be coming to the floor, specifically Senator CANTWELL will be coming to the floor, to speak about some energy issues in a moment. When she does, I will relinquish the floor.

I wanted to make a couple of comments. I listened with interest to my colleague from South Dakota making comments about the energy situation. We agree on much of what he has said and disagree on perhaps some amount of it. But renewable fuels, ethanol, providing renewable energy, all of that is very important.

The area where we would perhaps not agree is ANWR, which in my judgment ought to be a last resort rather than a first resort. But I might say to my colleague from South Dakota that particularly with respect to the Outer Continental Shelf, if you measure where oil exists, the best resources and reserves of oil and gas on the Outer Continental Shelf first are in the Gulf of Mexico; second, off California; third, off Alaska.

One of the things we have recently done on a bipartisan basis in this Congress was to pass something called Lease 181, which opened up a portion of the Gulf of Mexico for development of oil and gas. I was one of the four Senators who led the effort on that. I was pleased to do that because we are now

producing and are going to be producing more oil and more natural gas from one of the most productive areas in the eastern Gulf of Mexico. So production is certainly one of the areas we ought to be concerned about, as the Senator indicated. Production, conservation, efficiency, and renewables, all of these are important elements of an energy policy.

No one has ever accused this Congress of speeding. I understand that. This system is not established to be necessarily efficient. It has checks and balances, which makes it very hard to get things done. But there is an urgency at this point, an urgency for families, for farmers, for truckers, yes, for businesses and airlines with respect to what is happening with the price of gasoline.

There are a lot of reasons for all of this, and I am not here to try to ascribe blame, I am here to say: Let's fix some of these things. I am going to offer an amendment, by the way, to the FAA reauthorization bill, that deals with something that as of today I note that 67 Members of the Senate have agreed to.

Some while ago, I introduced the notion of prohibiting the further movement of oil underground into the Strategic Petroleum Reserve. I have introduced legislation on that matter. Long ago I introduced it, had discussions with the Energy Committee about it. I had 51 Senators sign a letter to the President to say: Stop putting oil underground when the price of oil is \$115, \$120 a barrel. Stop taking oil out of supply and putting it underground into the Strategic Petroleum Reserve. It is already 97 percent full. Why would we take oil out of supply to put upward pressure on prices, on both oil and gasoline, at a time when oil is at a record high? That makes no sense. Let us use at least some reservoir of common sense. Fifty-one Members of the Senate signed my legislation, signed the letter to the President in support of my legislation.

Today, 16 members of the minority signed a letter to the President. They have also introduced legislation. So 51 and 16, 67 members agreed, that includes the person who spoke on the floor today. Senator MCCAIN has called for the identical policy. That is 67. That is veto proof. If 67 Members of this Senate say to this President and this administration: Stop sticking oil under the ground, nearly 70,000 barrels of sweet light crude every day—that is the most valuable subset of oil. We have had testimony before the Energy Committee that suggests it has put as much as a 10-percent increase on the price of a barrel of oil or a gallon of gasoline. And while families and farmers and truckers and airlines and all of these businesses are trying to figure out how on Earth do we pay this fuel bill, and while we see the damage and the dislocation of this country's economy because of it, this administration merrily goes along sticking oil under-

ground. It is unbelievable. At the very least you ought to expect some common sense here.

Now, what has gotten us into this mess? Well, let me describe what is happening with Saudi Arabia. And if ever we should wonder about the danger of being overly dependent on oil from off this country's shores, this is the chart that shows why.

The Saudis, who have the largest reserve of oil in the world by far, have reduced their production by 800,000 barrels a day since 2005. They have reduced production by 800,000 barrels a day. That is part of the problem. So we sit here in the United States with a prodigious need for energy to make this economy work. And, by the way, as an aside, I have said before: We stick straws in this planet and suck oil out of the planet. We suck out 86 million barrels of oil a day. One-fourth of it is required here in the United States of America. We use one-fourth of everything that is produced every day in this world, on this planet. One-fourth of that oil is used here in the United States. We have an enormous appetite. So we need to conserve; we need more efficiency in the use of energy. We have done some things in that area. The CAFE standards increased fuel efficiency by 10 miles per gallon over 10 years. We have done some things in a range of these areas, but we are far too dependent on foreign sources of oil. When the Saudis decide they are going to cut back oil production by 800,000 barrels a day, and they say to us: Oh, by the way, with our strategic relationship, we want you to sell us precision munitions, it seems to me we ought to not be arming to the teeth the Middle East.

But aside from that, strategic partnerships run both ways. You cut your oil production by 800,000 barrels over 2 years; and by the way, we would like some strategic weapons for our strategic need in the region—it does not seem to me that is the way a partnership should work.

But let me describe with a couple of charts what is happening with this strategic reserve. Here we see that oil prices have nearly doubled in 1 year. There is no natural reason for that. The supply-demand relationship in the marketplace does not justify this. The marketplace simply is not working.

We have these people who shake the cymbals and worship at the altar of the marketplace. By the marketplace, that is the greatest allocation of goods and services known to mankind. Well, I believe it is a great allocator of goods and services. I used to teach economics in college briefly, and I understand the marketplace. But the marketplace needs a referee from time to time because sometimes the marketplace does not work; the arteries get clogged, it does not work.

So here is what has happened in a year. Oil prices nearly doubled in a year. Now, my colleagues have used quotes, and I have used many quotes. I

am going to use one by Mr. Gheit, because Mr. Gheit said it all. He said: There is no shortage of oil.

Who is Mr. Gheit? He has worked for 30 years for Oppenheimer and Company, the top energy analyst for Oppenheimer. He said:

There is no shortage of oil. I am absolutely convinced that oil prices shouldn't be a dime above \$55 a barrel.

Oil speculators, including the largest financial institutions in the world—he said:

I call it the world's largest gambling hall. It is open 24/7. Unfortunately it is totally unregulated. This is like a highway with no cops and no speed limit and everybody is going 120 miles per hour.

What is he talking about? He is talking about hedge funds neck deep in the futures market. He is talking about investment banks neck deep in the futures market. Is this because hedge funds and investment banks want to wallow in oil? Do they want to bathe in oil? Do they want to take it home and store it in their garage? They do not want to see oil. They want to speculate and make money.

They have made a lot of money. People who never had it are buying things from people who never will get it. So they are making money on both sides of the transaction.

Now, what does that do when you have this kind of unbelievable speculation? It causes the runup of prices in a very dramatic way. There is a trader named Andrew Hall. I would not know him from a cord of wood; never met him, never will, I suppose. He earned \$250 million on the commodity market over the past 5 years, one-quarter of a billion dollars. He was betting. All of this is betting. He is betting long term, short term. He is not somebody who takes oil as a commodity; he just bets.

There are a couple of things we ought to do. I will be very brief. One, in order to be engaged in the futures market, as I have said before, if you want to speculate in the commodities future market for oil, for example, you only require 5 to 7 percent down; only 5 to 7 percent margin. You can control \$100,000 worth of oil with \$5,000 to \$7,000 of your own money.

If you wanted to wager, that is a good way to do it, I suppose. If you want to do it in the stock market, to do this on margin, it takes 50 percent to buy in the stock market. But if you go to the commodities market, you can speculate to your little heart's content with 5 to 7 percent. That makes no sense. It ought to be 25 percent, in my judgment, or perhaps if you want to buy oil futures, you ought to take possession of the oil.

But one way or another, when you have a market that is not working, and you have speculation running out of control, I think there is an obligation on the part of this Congress to address that. Because that speculation is driving up the price of oil, and driving the price of gasoline well up beyond where the fundamentals would suggest. It injures the American drivers, consumers,

business, and it injures this country's economy.

The second point I indicated I was going to make is on the Strategic Petroleum Reserve. This chart shows what the Strategic Petroleum Reserve looks like. These are holes in the ground, and we shove oil down those holes. We save it for a rainy day; it's 97 percent filled at this point. We are putting just under 70,000 barrels a day every day underground right now.

Sixty-seven Members of the Senate as of today have expressed themselves publicly. They think it is the wrong thing to do. They think this administration is making a mistake and they ought to stop it. Now, why do people say that? Because they know if we stop taking that 70,000 barrels of sweet light crude and sticking it underground, it will be part of the inventory out there, and they know that would put downward pressure on gas prices and downward pressure on oil prices. That is why 67 people have come to this conclusion.

The question is: What do we do to try to stop this? Well, when you put oil underground, you drive up to the gas station, you see the effects of this kind of policy. The question is: What do we do to put some downward pressure on prices? Stop filling the Strategic Petroleum Reserve and stop it now.

There is a bill on the floor of the Senate, the FAA reauthorization bill. I am part of the committee that has produced this bill. We need to modernize the system for aviation in this country. It is desperately in need of modernization. It is going to cost some money to do that, but we do not have much choice. We have had, I think, four airlines declare bankruptcy in the last month and a half.

A substantial part of it, announced by every one of those airlines, had to do with the price of jet fuel.

I am going to offer, as an amendment on this bill, legislation that would call a halt to filling the Strategic Reserve. To stop taking oil and sticking it underground, and put some downward pressure on jet fuel prices, downward pressure on gasoline prices. Some say this doesn't fit on this bill. It does. Fuel prices are why three or four airlines have gone bankrupt in the last month and a half.

I will be over here tomorrow speaking about this topic because I believe strongly that we should do something about this issue.

My colleague Senator BYRD used to talk about Aesop's fly. He described the fable Aesop's fly who was sitting on the axle of a chariot who would observe: My, what dust I do raise. There are some here in the Congress who have that notion, that if you just make a little bit of noise and have a little bit of activity, you can claim a lot of success. The fact is, that is not what the American people want this time. They want this Congress to understand the urgency, understand the problem, understand what it is doing to this coun-

try's families, and do something about it. When you have speculation that runs out of control, this Congress has a responsibility to do something. We can't have someone else do it, we can't wait for somebody else. It won't get done. If we don't do it, it won't happen.

These are two steps I believe we ought to take: No. 1, increase the margin requirement and stop the speculation in the futures market to begin to put downward pressure on prices; No. 2, stop putting oil underground when prices are at a record high and put downward pressure on prices. If we did both of those things, I am convinced we would bring oil and gas prices back down and we would provide some relief to the American driver and to the American economy.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. CANTWELL. I ask unanimous consent that the order for the quorum call be rescinded.

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

Ms. CANTWELL. I come to the floor this evening to talk about the energy crisis, the price of oil, and how consumers are seeing the impacts of high oil prices in their everyday lives. The high price of oil is impacting businesses and many consumers can't afford to take family vacations and trips, dragging down our economy over all, and dragging us further into an economic downturn.

What I have heard today on the Senate floor from many of my colleagues is accusations and claims about what is going on and what might have transpired on various issues that might have caused the high price of gasoline and certainly the price of crude oil, which is now well over \$100 a barrel. I think it is important to think about what Congress has already done and to make sure we are telling consumers what needs to be accomplished to solve the problem.

What we are hearing from analysts on Wall Street is that this issue is going to continue to exacerbate, and that oil prices will continue to rise. When we think about oil futures all the way out to 2015, still being over \$100 a barrel, and oil futures impacting the physical price, it raises a lot of concerns about how the economy can sustain such a high price of fuel.

Let's start with some basics about supply and demand because many of my colleagues on the other side of the aisle have talked about the fact that they think oil supply hasn't been there, that growth in the numbers of people in India, China, other countries, is exacerbating the problem.

While we have seen growth in demand from other countries, this chart—starting in 1980, going all the way to 2006, and showing some numbers until 2008; the orange line is demand,

and the yellow line is supply—except for some anomalies here, shows that supply and demand have kept pace. So anybody who wants to say this is all about supply and demand hasn't looked at a chart such as this showing that these lines pretty much track each other. What it tells us is that we have to look at other fundamental things that are happening in the marketplace and not just make accusations about what is going on.

In fact, if you want to look at the high price of gasoline, you can't say it is just an increase in demand. During the summer season, motor gasoline consumption in the United States is actually projected to decline by four-tenths of a percent, and it is projected to decline by three-tenths for the whole year. We are actually seeing a decline in demand. Obviously, that is not a surprise. Given the high price of fuel, people are not able to afford to continue their normal habits. But the issue isn't that the price is being driven up simply because there is this increase in demand. The high price of gasoline also isn't about the fact that there are low inventories. Some people have wanted to say this issue is about low inventories. When you look at what the industry says, here is an oil analyst who basically says that gasoline inventories are higher than the historical average at this time of the year. So there is really no need to worry about tight supply. Here is an oil analyst saying that.

It points, again, to other questions about what is going on. Some people have said: Let's blame it on renewables. Many Democrats have been big supporters of renewable energy, big supporters of getting alternatives into the marketplace, because we believe if you get alternative fuel into the marketplace, it will lower the demand on normal fossil fuel and create some competitive advantages. I know there are some people—a Governor—basically saying: You ought to repeal the whole RFS. You ought to get rid of this issue as it relates to having a renewable fuels standard. Here is the Wall Street Journal report from Merrill Lynch saying that without biofuels, the price would be even higher, and that basically oil and gasoline prices would be 15 percent higher if biofuels weren't helping to increase the output. So it is wrong to say that somehow our focus on renewable fuels has exacerbated the situation when, in fact, it has done nothing but help the situation. In fact, I love that this Texas A&M study basically found that ethanol has increased in excess of what our renewable fuels standard was, indicating that relaxing the standard would not cause a contraction in the industry, nor would it cause a reduction in the price of corn.

The issue today is where do we go for solutions. Part of the issue is that many of my colleagues are saying it is all about more supply of fossil fuel for the United States. We have had this debate so many times in the Senate. We

have had a debate about whether the United States, with 3 percent of the world's oil reserve, really is going to make a dent in increasing supply and giving consumers a chance to get off fossil fuels. We are going to have a big debate about global warming and its impact and whether we should even keep our focus on fossil fuel or accelerate getting off of it.

Many times today, even down at the Rose Garden, we hear the word "ANWR" again, and how ANWR was the secret recipe for lowering gas prices in America. I obviously don't support opening up drilling in the Arctic Wildlife Refuge because it is a wildlife refuge. But I certainly don't support it when even our own Energy Information Administration has said that drilling in the Arctic Wildlife Refuge would only reduce gasoline prices by a penny per gallon and only 20 years after we got to peak production. So at a penny per gallon, if people use 400 to 500 gallons of fuel, we are talking about a few dollars of savings there over many, many months. So the notion that ANWR would be some way of solving our problems just isn't true.

I know a lot of people have talked about refinery capacity, and I think you need to talk to the oil companies about refinery capacity and why they have not expanded. I know my colleague Senator BOXER has been out here many times talking about how she had to stop consolidation in her State because they didn't want to keep a refinery open. But I know this: We know it is not environmental regulation. In fact, according to this CEO of an oil company:

We are not aware of any environmental regulations that would prevent us from expanding our refinery capacity or siting a new refinery.

So we know it is not about environmental regulations. That is not what is stopping them either.

Some people have said: Don't take the tax incentives away from the oil industry; don't do that because somehow that is what is keeping the industry afloat. The industry is making record profits. They are making so much profit they don't even know what to do with the profit. They are buying back their own stock.

We know this: We know the President of the United States, George W. Bush, said:

With \$55 oil, we don't need incentives for oil and gas companies to explore.

It is way above \$55 a barrel. So I take him at his word that we don't need incentives to continue to explore at that level.

Let's talk about what is the issue. Let's talk about what is the problem we need to solve, for which we need to be responsible to consumers, to businesses, to the economy, and to make sure we continue to deal with this threatening crisis.

I know one oil analyst who looked at these markets. And maybe the man on the street, if you ask him, he thinks

something is going on in the oil market. He doesn't think it is about supply and demand. He didn't happen to see that first chart I put up, but he knows something is going on because he sees the irregularity of prices. But this analyst said: Unless the U.S. Government steps in to rein in speculators' power in the market, prices will just keep going up. Basically he is saying that speculators have too much power in the market right now, and unless the Government does its job, the prices are going to keep going up. So it is time for us to act. It is time for us to get smart about this.

It reminds me of the debate we had when the Enron crisis hit the electricity markets. It probably took well into 2001, when many people said: Do you know what, this is all about environmental regulation, or, this is about not enough refineries, and it is about the fact that there is a supply shortage. They came up with all these things.

So as 2002 rolled around and as more and more investigation was done, we found out that, no, it was actually manipulative schemes by various individuals within a very large organization—actually several organizations—that purposely manipulated the electricity markets. They did this so they could short supply and drive up the price.

Now, Congress acted in 2005. We said—after we found out all the facts, we heard all the terms: Death Star, Get Shorty, all the various schemes that had been manipulated—we kept thinking: How could this happen when we had a Federal Power Act that said, on the wholesale rate of electricity and natural gas, you have to have just and reasonable pricing. We thought that is a clear enough message for people. But, in fact, it was not. It was not a clear enough message. It cost my State billions. It cost California's economy billions. So what did we do? Congress made it illegal to use manipulative devices or contrivances in the electricity or natural gas physical markets, and we greatly increased the penalties for market transparency violations.

Now, why did we go to the extent of doing this? We could not believe that such activities were in some way a gray area and that somehow people were still confused post-Enron that this kind of activity was OK. Some people said: Well, you already have the electricity and natural gas markets under the Federal Energy Regulatory Commission. What else do you need?

But I was very proud that Congress passed this legislation. Since that law has been on the books, since 2005, the Federal Energy Regulatory Commission, as it relates to electricity and natural gas markets, has been aggressive about pursuing this power and using it.

What have been the results? Well, the result has been making market manipulation illegal when it comes to oil and natural gas, so that they have had 64 investigations, 14 settlements, \$48 mil-

lion in civil penalties, two ongoing market manipulation cases that could net over \$450 million in civil penalties, and a dramatic increase in self-reporting and self-policing. It is like one of my staffers said: If you want people to straighten up, let them know there is going to be a cop on the beat. Let them know there is going to be someone investigating these activities and we are not going to tolerate it, and people will start obeying the law. So we did that.

In 2007, we decided that if this kind of pervasive activity was still continuing in the natural gas and electricity markets—if that was still happening—maybe there was some correlation here with what was happening in the oil markets, because clearly, after looking at all those charts we just went through about supply and demand, and everything else, we could not understand what was happening. We have had oil company executives tell us that the price of oil today should be at somewhere between \$50 and \$60 a barrel given where supply and demand is. Oil company executives are throwing up their arms saying: We don't know why the price of oil is well over \$100 a barrel. So we, in the Energy bill in 2007, passed a law saying it is time to make the same laws we have for natural gas and electricity apply to oil markets. We said that any person who uses, directly or indirectly, "any manipulative or deceptive device or contrivance" in connection with the wholesale purchase of crude oil or petroleum distillates—that that was illegal and that Congress made violations subject to penalties of up to \$1 million a day. That is \$1 million a day because we believe, if you are doing these kinds of activities, every day that you have engaged in those activities you should pay a fine for that.

Now, where are we today with this authority? Because some people say: Well, you passed a law. Is it working? This law does not really go into effect until the Federal Trade Commission adopts rules and puts them into action. That is what we are waiting for now. My colleagues on the Commerce Committee have urged the FTC to hurry about this task, that it is so important to our economy and to consumers to hurry about this task. I know Senator REID has encouraged them, Speaker PELOSI has encouraged them. So we are in the process now of hoping that the FTC will implement this rule and give proper notice but start the process because once the marketplace knows—just as they did in natural gas and electricity—that these kinds of activities will not be tolerated, we might be able to make a dent in what is happening with this excessive speculation in the energy markets.

Well, let's look at what exactly the market manipulation behavior is that we are concerned about. We basically have said we are interested in whether companies have manipulated the supply, whether they have given false reporting, whether they have cornered

the market, and whether they have engaged in any kind of rogue trading. Those are the things we are concerned about.

Well, let's talk about supply manipulation for a second because that is something for which people might say: Well, it is just about supply and demand, and how do you pass a law about supply and supply manipulation? Believe it or not, there are good Federal statutes on the books starting with a lot of case law and a lot of history. What we are saying is, we do not want any artificial influencing of supply in the energy markets. We do not want someone creating something that is not a normal part of business but is artificially used to create a shortage—for example, diverting or exporting marginal supply in tight markets. That is, we know the market is tight on oil. You can go back to that chart on supply and demand. They pretty much track very closely. So it is a tight market. When you have an event like Katrina, it is even tighter.

Our question is, Did somebody export supply outside the country just to create a shortage in the United States and drive up the price? Have we had hedge funds holding crude oil ships off the coast just so the price will go up for a few more days?

That is the second point: holding supply deliveries temporarily to boost prices. We have people now who are major players in the oil market who really are not the end users of crude oil supply. They are just big financial movers in the marketplace. They are not taking the delivery of oil because they are out there delivering it to various jobbers or what have you. They are there for a financial investment.

In fact, we want to know if some of these inventory management strategies that have basically reduced physical supply—and basically everybody just trades their reserves on paper, and everybody just trades the paper around, where that, in fact, does not have much transparency to it. So we do not know how much that creates that management system in and of itself. Where we used to have 30 days of crude oil supply, thereby, the market was not so tight. Now we have this paper inventory system. We do not know what that really means. We do not know how much supply is really in reserve. Is that being used to manipulate supply?

Then, obviously, what we saw—I just think back to the Enron days when people said: Oh, no, no one would ever shut down a powerplant just to short supply. They would never do something like that. It must all be about the fact that really something was wrong. Well, we found out that there were purposeful shutdowns of various powerplants to short the market and to drive up the price. So we want to know if there are unnecessary and untimely “maintenance” shutdowns just to impact supply in the marketplace of oil.

We also want to know whether there is false reporting because false report-

ing can lead to misleading or inaccurate statements that also can hinder the marketplace.

Part of this legislation we passed in this bill is to say, in 2007, that if you gave false information, that was also subject to civil penalties of up to \$1 million a day because part of this—the same in the Enron case—is it was very hard to understand these schemes. If it was not for videotapes that were put together, we would have never known exactly how these schemes would have worked just by looking at the books. So we want the Government to look at some of this information and if there are manipulative schemes. But if they provide false information, we believe that also should be a penalty.

Now, we know that in one case of natural gas—El Paso Merchant Energy—they reported nonexistent trades to reporting firms while at the same time failing to maintain certain records. They basically created false information about the trades that were going on. The result was six traders were convicted for false reporting and attempting to manipulate the energy market.

Now, the reason why this is so important to the subject we are debating today is that manipulation has happened in natural gas, and why this is so important now is because in the oil markets, and particularly in the oil futures market, we do not even have the same transparency in reporting requirements that we do with other commodities like natural gas. We have given them an exemption in the Enron loophole that was done in 2000 as part of the Commodity Exchange Act, so they do not have those reporting requirements. So we cannot even go and get some of this information to know that something like what was happening with El Paso Energy is transpiring in the oil markets, as it did in the natural gas markets.

So it is one of the reasons why we want to close the Enron loophole and to say that the trading of energy futures, which definitely impacts the price of oil today—and we will get to that on another day out here on the floor, about how the energy futures price impacts oil today, we will get to that, but for today we just know that if you do not have reporting, then there is no way—whether it is the SEC or the CFTC or FERC or the FTC—no one has any ability to get access to the information.

We also know that we want cornering the market to be illegal. Cornering the market would be exploiting the market power through excessive mergers like natural monopolies or blocking new entrants to basically corner the marketplace. We know this is something about which we have a great deal of concern. We know British Petroleum attempted to do this. Basically, they purchased excess propane in Texas, within the pipelines, to hold it from the market and then sell it high. We know they did that in trying to corner the market.

The end result was that the Department of Justice and the CFTC ended up with a settlement case against them in the number of \$303 million. So we know these things are happening in other energy markets, and we know they are a problem in the—potentially a problem—in the oil markets today.

We also know rogue trading is potentially a problem as well.

Mr. President, I am not going to take much more time on this issue as it relates to the high price of gasoline. I plan to continue to come out to the floor to talk about this issue about the need for the CFTC to promulgate this rule and get on about investigating the oil markets and to make sure consumers are protected.

I talked about what I think the rule needs to do. It needs to prohibit the manipulation of supply and to have a strong statute and penalty for falsifying information. It has to have a prohibition on cornering the market.

I believe that rogue trading is something else we are seeing in the marketplace. We need to have a prohibition on that. People might ask: What is that? It is employing manipulative trading schemes such as buying or selling large volumes of stock or futures contracts with the intention of influencing prices.

You can imagine, if somebody has a large position in one of these energy supplies or stocks, that basically ends up impacting the marketplace. We actually found this with the Amaranth case, in the area of natural gas. Amaranth sold large volumes of what is called next month natural gas delivery in the last 30 minutes of the market. What they did is basically crashed the close of the market. By selling large amounts of futures contracts for delivery of natural gas at the close of the market they manipulated the price and benefitted their large positions in other financial derivatives, and that ended up impacting the physical price of natural gas. The good news is the FERC, because of the 2005 law we passed, was on the beat, doing its job. Unfortunately, consumers paid something akin to \$9 billion in increased natural gas costs before the FERC could get this situation under control. Now they are in the enforcement phase of a \$291 million civil penalty against Amaranth. We know these situations are happening with rogue trading.

We know of another case that is similar to rogue trading and price manipulation, where Marathon Oil allegedly attempted to sell oil delivery contracts below the market prices in order to basically lower the market price, benefiting them as a net purchaser of foreign crude oil. So there ended up being an investigation by the CFTC, and today they are in a \$1 million settlement with the CFTC on that issue.

All these issues, I believe, need to be investigated in the oil markets. They need to have a strong statute passed by the CFTC, similar to in 2005 for electricity and natural gas, where we can

see the results of the investigation, we can see that a Federal agency is doing its job; we need to do the same thing with the oil market.

In fact, there are five things I think we need to do that would help protect consumers from high prices of gasoline. Our economy and consumers cannot afford much more.

We need to close the Enron loophole, in which that 2000 law said that online trading promulgated by Enron, they said, they don't have the same transparency, don't have to open their books or allow people to see what they are doing. We know for other commodities the Securities and Exchange Commission and CFTC look at those things to make sure there is not a manipulation in the marketplace. We cannot even get these because we gave them an exemption. That needs to be repealed. We need to require oversight of all oil futures markets. That is, as I said, the oil futures price affects the physical price of oil. If people are going to buy oil futures well into 2015 at over \$100 a barrel, it is going to impact the physical price of oil today. If you can buy oil at over \$116 in the oil futures, it is hard to believe that oil is going to drop much below that in the physical market. But these are markets—unlike, again, our commodities in the United States, on NYMEX or the mercantile exchange, such as corn or soybean futures, this is an exchange the United States doesn't have any regulatory impact on. We don't have the ability to look at those books, any enforcement mechanisms. We don't have the ability to protect consumers on that kind of speculation if there is manipulative activity going on.

As I said, we need to get the CFTC to finish their work. This is so important that I think the Department of Justice should coordinate all these agencies because there are futures activities, there is a physical market, and there is the falsification of information. What happened with Enron is the Department of Justice created a task force, called the Enron Task Force. It coordinated these agencies and got to the bottom of what was happening with the electricity markets and the manipulation. I think the Department of Justice should create an Oil Market Fraud Task Force to do the same thing.

Lastly, I know my colleagues will talk about this on the floor—to make price gouging a Federal crime. There are 28 States in our country that have the ability, in an emergency, to make a declaration in the event of a natural disaster, or huge anomalies in the market, and help stabilize the situation with executive power. I am willing to give that same executive power to the President of the United States. I hope he would use it.

In conclusion, there is a lack of transparency in energy trading markets. We need to fix that. This is one of the CFTC Commissioners who said:

I am generally concerned about a lack of transparency and the need for greater over-

sight and enforcement of the derivatives industry.

He is basically talking about this offshore exchange, where we don't have the same kind of oversight that we do. In fact, I said earlier that we have more regulation of hamburger and the future of beef than we have of oil. I will tell you that oil is critically important to our economy, and it needs to have the same kind of transparency and oversight as other futures commodities.

Last, I will reiterate that even on Wall Street, even the analysts who know what is going on in the marketplace, who know these prices are outrageous, not based on supply and demand, are saying:

Unless the U.S. Government steps in to rein in speculators' power in the market, prices will just keep going up.

An energy analyst said that this month.

It is clear the marketplace even thinks there is too much speculative power, and the answer is for us to do our jobs—for the FTC to do their job, to get the help of DOJ, and for us to make sure we are doing our job on oversight in giving consumers protection. But I think there are very few people in America who do not think these prices are out of control, that it is not normal market forces, it is not normal supply and demand, and if it keeps careening out of control, it is going to wreck our economy. It is certainly wrecking consumers' pocket-books right now.

I hope we will take action. I hope the Federal agencies will get on their feet and be aggressive about protecting consumers on this important issue. I know we will continue to talk about this on the floor as we continue to pass legislation that does protect America from these out-of-control gasoline prices.

I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, Senator COBURN has agreed to come to the floor. I have a couple unanimous consent requests. He wanted to be present when I made these.

UNANIMOUS CONSENT REQUESTS—S. 579

Mr. President, every year, hundreds of thousands of women in America are diagnosed with breast cancer. Breast cancer will strike approximately one in eight American women in their lifetime, with a new case diagnosed every 2 minutes in America. This year alone, it is estimated that 250,000 women will be diagnosed with breast cancer, and 40,000 of them will die.

We have made remarkable progress in breast cancer diagnosis and treatment, but we still do not know the cause of breast cancer. There are theories but no one really knows. Scientists have identified some risk factors. Those factors help explain fewer than 30 percent of the cases.

This legislation that I am going to ask unanimous consent for in just a few minutes, the Breast Cancer and En-

vironmental Research Act, would establish a national strategy to study the possible links between breast cancer and the environment and would authorize funding for such research.

Eminent scientists believe the breast cancer that is being found, discovered in America, very likely is the result of something in the environment. Resulting discoveries could be critical to improving our knowledge of this complex illness which could lead to better prevention and treatment and even perhaps one day a cure.

Although we first introduced this legislation in 2000, and despite strong bipartisan support—right now we have 68 Senators supporting this legislation and are cosponsors of it, Democrats and Republicans—Congress has yet to act and send this bill to President Bush. Last session, the bill was reported out of the HELP Committee, but one of our colleagues prevented final Senate passage. This session we have worked in good faith to address any concerns that have been raised about this legislation. As a result, this act was once again reported out of the HELP Committee, and as I have indicated, it is sponsored by 68 Senators.

It is long past time for the Senate to take up and pass this broadly supported bipartisan legislation. Too many women and their families have waited too long for Congress to act. I tried recently, last week, to pass this legislation by unanimous consent, but one Senator objected to my request. In response to that objection, I then offered a time agreement that would allow for 2 hours of debate on this bill with two amendments on each side. I think this is a fair offer for legislation that over two-thirds of this body have cosponsored. This offer was rejected.

I urge that we have this matter move forward. I urge my colleague to reconsider this offer and end the opposition to this matter—opposition to even debating this legislation which enjoys such broad bipartisan support. It is time to offer more than words of encouragement to those affected by breast cancer. Our wives, mothers, sisters, daughters, and friends have waited long enough.

I therefore ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 628, S. 579, the Breast Cancer and Environmental Research Act; that the committee-reported substitute be agreed to; the bill, as amended, be read three times and passed, and a motion to reconsider be laid upon the table; and that any statements be printed at the appropriate place in the RECORD as if given with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. COBURN. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. COBURN. Mr. President, I will not take the time now to go into detail. I will wait until the Senator from Washington finishes her speech.

I will say I have a personal involvement with this issue. My sister has breast cancer. My sister-in-law has breast cancer. My most cherished person in the world besides my wife and children and grandchildren died of breast cancer. She was a breast cancer nurse specialist. I understand the disease. We spend more on breast cancer research than any other cancer in this country today. We spend \$100 million on environmental causes related to breast cancer research.

I don't object to us spending money on breast cancer research. I object to us making the decisions about what the scientists know we should do versus what the politicians want us to do. So I will spend some time after the Senator from Washington State speaks outlining in detail my opposition to putting one cancer ahead of the other 70, No. 1; and one disease that—specifically, we are going to put one specific disease and one ideology of a specific disease ahead of all of the others, and I will outline that in detail.

On the basis of that, I will object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I understand the objection, but I would hope everyone within the sound of my voice understands the lack of logic to the statement just made by my friend, the Senator from the State of Oklahoma. If he has problems with this legislation, why would he prevent the whole Senate from taking it up? Why wouldn't he come to the floor as legislators are supposed to do rather than some guerilla attack and not allowing this to come up, recognizing if I bring this to the floor, it takes time.

Now, I don't understand why, if he has all of these great ideas as to what should or shouldn't be done. Let's bring this to the floor, offer an amendment, offer two amendments. Why stop this matter from being legislated?

So I understand. I can't wave a medical degree, but I can wave the fact that this legislation is important to many people in America today, and this legislation gives them hope that something can be done to find a cause and hopefully a cure. If my friend is so certain of his position, he should be able to offer an amendment and prevail in that regard.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 628, S. 527, the Breast Cancer Research Act that was just spoken about, at a time to be determined by me following consultation with the Republican leader, and that the bill be considered under the following limitations: that other than the committee-reported substitute, the only first-degree amendments be four amendments—two for each leader—that are relevant to the provisions of the underlying bill and

substitute; that there be a time limit of 1 hour for general debate on the bill and 1 hour on each amendment; with all time equally divided and controlled between the leaders or their designees; that upon the disposition of all amendments, the use or yielding back of all time, the substitute, as amended, if amended, be agreed to; the bill, as amended, be read a third time with no intervening action or debate; and the Senate proceed to a vote on passage of the bill, as amended.

The PRESIDING OFFICER. Is there objection?

Mr. COBURN. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. COBURN. I would like to ask the majority leader a question. Are you aware of the thousands of studies that have already been published—

Mr. REID. Of the what?

Mr. COBURN. Are you aware of the thousands of studies that have already been written on this subject?

Mr. REID. I say to my friend, I am not aware of the thousands of studies. I am aware of the need to move forward with this legislation. I would say to my friend, if, in fact, there are thousands—and I don't in any way doubt the word of my friend—then why should that be a basis for stopping us to legislate on this issue?

We have 68 Senators who believe this legislation is important. If you, the Senator from Oklahoma, have a cause that this legislation is ill-founded, people are—I have changed my position on legislation before, and I can't understand why you would stand in the way of allowing this legislation to be legislated. That is what we do here. We are legislators.

So, no, I am not familiar with the thousands of studies.

Mr. COBURN. Mr. President, I appreciate the majority leader's response to my question. The reason is because the policy is wrong. We passed the NIH Reform Act just to eliminate this sort of issue because what we know is, out of the 2,037 diseases, we don't know which one to fund properly. We don't know which one to spend the most money on, but peer-reviewed science does. So what we have decided is, because we have a very effective lobbying group on this because it does impact hundreds of thousands of women, we are going to step right back in the middle of the NIH reform and say we didn't need it.

So the policy of us directing spending on research when we don't have the knowledge base to know that is the right thing to do—and the researchers agree with this, that we don't have the knowledge—in the context of all of the other 2,037 diseases, I will object to moving forward on this because the policy is wrong. It is not about debating it. I am happy to debate it all you want. But the policy is wrong.

Who says that the women who died of breast cancer this year are more important than the same number of peo-

ple who died from lung cancer that is not related to smoking? Are we going to say that? Should we tell the NIH everything they should do, every amount of money, every disease we should decide, based on the effective lobbying of people who are absolutely affected—there is no question about that—but should we make that decision? The answer is no, we shouldn't. We should let the experts, not the Senators, not the Representatives, but the scientific experts make those decisions. We have given that charge to the NIH. That is what we ought to do. They would more sooner come to a cure and solve the problem than with us micromanaging the NIH.

With that, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I first got interested in diseases of women a number of years ago when in my Las Vegas office three women came to see me. They didn't want to be there. They were embarrassed for being there. They had a condition. It is called interstitial fasciitis. I had never heard the words before, and it is still hard for me to say these words after all of these years. But I looked into this. The NIH and the scientific community and the country thought this was a psychosomatic disease; that this was something these women had in their head; that even though each of them described the pain the same—like slivers of glass being shoved up and down their bladder—it was all in their head.

I had the good fortune of having a woman, who is an orthopedic surgeon, who had this same condition, and she said: This is not in my head, it is in my bladder, and something should be done to study this. We have begged the NIH to do it. We have had others that we have asked to do it, and they are not doing anything: You, Senator REID, should have something done about this.

And we did this. We established a registry. We did that by legislation. As a result of that, now almost 50 percent of the people who have that disease have medicine to take that takes away their symptoms, the pain. It is pretty good.

Have we cured the disease? No, we haven't. But progress has been made because, as policymakers, that is what we do. We set policy. The NIH is a body of this legislature, this Congress, and we have an obligation and a right to direct them to do things. Now, they do good work. They do very good work. But there are other things that we think they should be doing.

Who cares about this, my friend asks? Well, who is lobbying for this, he asks? Two hundred and fifty thousand women who are going to get the disease this year are the lobbyists. They don't come here, all of them, and 40,000 to 250,000 are going to die. Now, is every penny of this money that we want to appropriate going to hit the mark and do the right thing? Maybe not, but it is going to lead to some discoveries that

will help this disease and probably other diseases.

So I say, I am disappointed and we are going to continue to work this issue. This issue is not going to go away. It is not only this Senator but 67 other Senators and others who will support this when and if we get this to the floor. So I appreciate the courtesy of my friend from Oklahoma. He is a gentleman. I disagree with him on occasion, but I appreciate his statement.

UNANIMOUS CONSENT REQUEST—H.R. 5613

Mr. REID. We have more than 50 million low-income people—about 1 out of 6 Americans—depend on Medicaid for their health care. These are the poorest of the poor.

This administration has issued a series of regulations that will undermine the Medicaid safety net and create barriers for accessing care for the poorest of the poor.

These regulations, touted by the administration as “savings,” would not lower health care costs.

Instead States—already facing tough economic times, strained budgets, and increased demand for services such as Medicaid—will either have to raise revenues elsewhere or be forced to cut services to our Nation’s most vulnerable at a time when they need help the most.

Each regulation has different impact on individuals, providers, communities, and States. They include, among other things, detrimental provisions, such as limiting services for people with disabilities; preventing children from receiving health care during the school day; cutting payments to public hospitals and other safety net providers for such undertakings as emergency rooms, burn units, and trauma centers.

The administration claims these regulations are necessary to fight fraud and waste in the Medicaid Program. But in a recent hearing on the Medicaid Program, the General Accounting Office testified it did not recommend the administration’s proposed changes. They would not help.

We are committed to ferreting out any fraud that may exist in the Medicaid Program. But regulations that harm our most vulnerable and place greater burden on fiscally strapped States are clearly not the way to accomplish this end.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 719, H.R. 5613—which, I might add, passed the House by a huge vote—a bill to protect the Medicaid safety net; that the bill be read the third time and passed and the motion to reconsider be laid on the table, with no intervening action or debate.

The PRESIDING OFFICER. Is there objection.

Mr. COBURN. Mr. President, there is \$38 billion worth of fraud in Medicaid. We are on an unsustainable course as a nation. We have \$74 trillion worth of unfunded liabilities. When we talk about controlling spending and ear-

marks, we always hear it is a mandatory program.

Finally, not all of what the administration has done do I absolutely agree with but on key points I do. These rules will make a difference. If we are interested in fraud, let’s write the regulations to get out the fraud. That hasn’t been the offer. All we are willing to do as a body is say to the administration you have ideas that will get rid of \$42 billion worth of fraud over 5 years, but we don’t like it because we are feeling pressure from the State Medicaid directors, when we know States game Medicaid. A great example: There is nothing in this to stop any Medicaid Program from taking a child from school to the doctor, but it does stop the 500-some-odd million dollars being spent on transporting schoolchildren back and forth to school who don’t have a medical appointment. So what we have is a system that has been gamed. We have allowed it.

Now the administration put something forward which we don’t like and which we ought to negotiate with them to change, rather than saying you are not going to do any of it. The fact is the unfunded liabilities associated with the Medicaid Program are about \$12 trillion. We are going to do something—just forget it.

I applaud the administration for making an effort to try to fix some of this. But to say you cannot do any of it, when some of it is very badly needed, is wrong. So unfortunately, Mr. Leader, I have to object again.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, as I indicated in the last piece of legislation we tried to move forward on, would my friend allow us to bring it to the floor and debate the issue and offer amendments to it?

Mr. COBURN. I am objecting not solely for myself. I am happy to work on trying to put together a proposal with the administration that would make a difference and then bring it to the floor.

Mr. REID. How long do you think that would take?

Mr. COBURN. Two weeks.

Mr. REID. I appreciate that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington State is recognized.

Mr. COBURN. May I inquire how much longer the Senator is going to be?

Ms. CANTWELL. Three or four minutes.

Mr. COBURN. Mr. President, I ask unanimous consent that I be recognized following the Senator from Washington.

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

Ms. CANTWELL. Mr. President, I say to the majority leader, I appreciate what he said on behalf of women. Washington State has one of the highest rates of breast cancer in the Na-

tion. We have a very good detection program and good survival rates. We don’t know the cause of it, but we know it is very important to continue the research.

I know that in 1992, the so-called year of the woman, when we had one of the largest classes of women elected to the Congress, we saw an increase in women’s health research. Why? Because women were in the Congress to say it was important to us to not have the research directed in a way that favored some of the particular programs that were about men’s health.

So I thank my colleague. The majority leader is right to say we have to respond to our constituents who are concerned about this issue and want to give attention to it. Clearly, women’s health research hasn’t gotten all the attention it deserves in the past.

Mr. REID. Will the Senator yield?

Ms. CANTWELL. Yes.

Mr. REID. Does the Senator acknowledge that with diseases such as interstitial fasciitis, more than 90 percent of the people who have that disease are women? Women-related diseases have not gotten the attention they deserve, and one reason is because the legislature has been dominated by men.

Ms. CANTWELL. That is what we found in the 1990s, in that we didn’t have enough representation to ask the hard questions, to say our constituents were not being heard on this issue and to raise this in various committees. Frankly, that was the time period when, for the first time, we had a woman on every committee in the House of Representatives. Once we got women on every committee, we asked the hard questions and increased the percentage of women’s health research.

I think it is a very poignant point to the fact that, while NIH does good work, we have to respond to our constituency and, certainly, there can be discrepancies and issues that the larger public should have a say in as to health research.

The PRESIDING OFFICER. The Senator from Oklahoma.

CANCER RESEARCH

Mr. COBURN. Mr. President, I wish to spend a few minutes answering the question as to why would one Senator, in the light of all the other Senators who have cosponsored this bill, stand and block a bill that 60 some Senators want to see passed? I think it is a great time for us to define what is wrong in our country today.

What is wrong is we think about the next election far off and more often than we think about the next generation. I want us to cure breast cancer as badly as anybody else. The point Senator REID did not tell you is we are already spending \$100 million on this very subject, the environmental connection to breast cancer. We are also spending more on breast cancer research than we are any other cancer, and yet it is not the leading cause of death.

We are going to have 160,000 people die this year from lung cancer, the

same number who are going to die from breast cancer, 40,000 of which have no relationship to smoking, but you do not see anybody on the floor telling the NIH to do a study between the environmental effects and nonsmoking-related lung cancer.

The reason it is important is a little example of penicillin. It is a great example. We stumbled onto that through the science of microbiology, but we would never have gotten there if we had told the NIH: Study scarlet fever and find a cure; study strep tonsillitis and find a cure; study syphilis and find a cure; study gonorrhea, and we had gone four or five different ways. The point I am making is basic research is what we ought to be doing.

In the mid-nineties, I was one of the strong advocates for increasing the size of the NIH budget. It ought to be twice what it is today. The reason it is not \$60 billion a year instead of \$29 billion is because we will not fix the waste in Medicaid of \$42 billion over 5 years, we will not fix the \$90 billion in fraud in Medicare, we will not fix the \$8 billion that was paid out by the Pentagon for performance bonuses that nobody earned last year, we will not fix the \$50 billion that is associated with waste within the Pentagon. Nobody will fix it. We had one wheelchair that was sold multiple times for \$5 million to Medicare in Florida alone—one wheelchair. We will not do the hard work that creates the long-term best interest for our country, but we will certainly respond to—granted, very real issues, but in an inappropriate way that does not get us where we want to go.

The NIH budget spends more on breast cancer research than any other research. We are going to spend \$100 million on research on the link between breast cancer and the environment. Plus, the Defense Department is going to spend another \$138 million, and the Centers for Disease Control and Prevention combined is greater than \$1 billion. There is not any other disease we do that on right now. Yet we are going to tell them to do more of the same they are already doing, and we are never going to think about the other people with other diseases, the other 2,037 diseases that are not as well organized and have nowhere close to the same investment at NIH.

The point is, the hardcore, heavy-duty, peer-reviewed science ought to guide us, not emotion, not my poor cousin Sharon Wetz who died 6, 7 years ago of breast cancer, not my sister-in-law who has breast cancer. What we ought to be doing is what is in the best overall good for this country as a whole. And if we need to spend more money on breast cancer, then the way to do that is to get rid of some of the waste and double NIH, but any dollar we spend on breast cancer is a dollar we are not going to spend on colon cancer, it is a dollar we are not going to spend on thyroid cancer, it is a dollar we are not going to spend on lymphoma, because we are going to take it away.

In this bill, it says this should not interfere with peer-reviewed research. If that is the case, then this will never get appropriated. So either this bill is about doing research or it is about a press event for a politician. I will tell you, I think it is the latter.

In 2006, we modernized the NIH to keep exactly this thing from not happening. We took away all the silos. We gave the Director the power and the authority to start making great decisions based on what the raw science was telling him so when we invest in raw science, we magnify the potential benefits that come from it. Now we are going to go back and say we are going to start picking diseases; we are going to start managing it. Why do we need a staff at NIH? Let's let the Senate pick every disease and how much we are going to spend on every one of them; we obviously are qualified.

We are not qualified.

I find it amazing—I do not doubt Senator REID's story, but as a surgical resident in 1984, I was doing cystoscopies and diagnosing interstitial cystitis. We didn't think it was psychosomatic. We knew it was a real disease 3 years before Senator REID came to the Senate.

The question politicians ought to be asking is what is NIH doing? Where is the oversight on what they are doing? Find out what they are doing. How does their work rank in comparison to the other disease initiatives at NIH? We have not had a hearing on that issue.

The HELP Committee has had hearings on multiple speciality disease bills. So we are back into answering a real need, but maybe it is not the best priority. What if we spent the same money we are going to spend on this disease and we got a breakthrough that cured all cancers, but because we decided we were going to reconnect with one specific aspect of one potential risk for one cancer, we missed it?

The wisdom of this body has to be to think in the big picture and in the long term. I have diagnosed breast cancer over 500 times in my medical practice. It is a gut-wrenching, life-changing disease. Fortunately, we have had great improvements in it and our diagnostic skills are getting better, especially with digital MRI on breast examination. Early diagnosis has an impact, but what we do and how we do it is going to matter.

I will put forward that Senator REID can bring this bill to the floor, and if he brings it and we take the time—and I am more than happy to take 4 or 5 days to talk about how we should work at NIH, and I am happy to do that—and the bill will pass, but then are we going to do the same thing with every other disease the HELP Committee brought out? There are about eight other bills just like this bill. We are going to tell NIH: You have to spend this money here, you have to do it here. Regardless of what the raw molecular science says, regardless of what the peer-re-

viewed literature says, we are going to tell them what to do. Consequently, we are going to delay scientific discovery.

My opposition is not that I don't want to cure breast cancer. My opposition is not that I don't want us to find a cure. I want to find a cure for all of them. I am a two-time cancer survivor. I would love to prevent colon cancer. I don't like walking around with half a colon. There are a lot of consequences to it. I don't like having melanoma and having half my neck taken away. I don't like it, but I don't want colon cancer to displace possible cures for everybody and in the best interest of this country.

Will I object? Every time I come to the floor I will object because I think the ultimate underlying policy is wrong. The way we solve breast cancer in this country is double the NIH funding and let science drive the way we need to go. The way we double NIH funding is get rid of the \$300 billion waste, fraud, and abuse that is in the discretionary budget every year which most of us don't have the courage to attack because it might gore somebody's ox.

To those who have breast cancer, as a physician and somebody who has been through cancer, I know your fear. I have been there. I have experienced the questions. I have experienced the chemotherapy. I have experienced the losing of 30 or 40 pounds. I have experienced the nausea and vomiting that is persistent with you for 4 or 6 months. Most of all, what I have experienced is, we have a great health care system and great research in this country that is saving a lot of lives. If we will get our hands out of it as politicians, they will be able to save a whole lot more lives than when we put our hands into it and tell them what they must and shall do.

I thank the good Lord for the time he has given me. I am 5 years out this month from colon cancer. There is no guarantee, but while I am alive, I am going to do things that are in the best long-term interest of our research for health care, that give us the most life for the dollars that we invest. If that is pleasing politically, great. If it is displeasing politically, it is OK too. What is important is we are good stewards—not just with the money but with the direction to allow science to lead us to cures.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. MENENDEZ. Mr. President, I ask unanimous consent the Senate proceed