

have the price of oil at \$55 per barrel. If that testimony is accurate, why the difference then between \$55 and \$120?

I think part of the answer to that question is, you look at history. You see these spikes whenever there is an unsettling condition in the world. You saw that in the early 1970s in the oil embargo. You saw that again in the late 1970s with the Iranian capture of the American Embassy people and holding them hostage. You saw it again at the beginning of the 1990s with the first gulf war, when Saddam Hussein had moved on Kuwait. You have seen it again in this decade with the Iraq situation, and you see it now with the jitters about what is happening in the Middle East.

You see it also in the unsettling relationship we now have with the President of Venezuela, Hugo Chavez, who bombastically keeps threatening to cut off oil. Now, that is a hollow promise because we have the refineries that have to process his grade of crude. But over time he could change. Nevertheless, it unsettles the markets.

By the way, we get 14 percent of our oil daily, our daily consumption of oil, from Venezuela.

You see it also with regard to Nigeria. Mark my word. Nigeria is an accident waiting to happen with regard to the 12 percent of our daily consumption of oil that comes from Nigeria. And already the battery, the thievery, the kidnappings, all of that being done by criminal thugs, that is one threat. But I recall for the Senate the fact that in northern Nigeria, al-Qaida is ascending. So that is certainly one reason for the difference between what some people have testified that the supply and demand would have oil at \$55, and instead it is at \$120.

But there is another reason. That is the speculation on oil futures and bidding the price up that gets us to this point.

Now, I am giving all of this background to say, well, what do we do? Is the answer the tunnel vision or myopic vision of drill, drill, or do we do what we know we have to do? And the question is, where is most of our oil consumed? It is in transportation. Where in transportation is most of the oil consumed? It is in our personal vehicles.

So why do we not get serious, as we had our first inkling that we are, by having more conservation with greater miles per gallon? We passed in this Senate 35 miles per gallon phased in all the way out until 2015.

In Japan today, they are running around in their cars at 50 miles per gallon. In Europe today, they have got an average of 43 miles per gallon. Why cannot America summon the political will to say we are going to do something different than what we have been doing in the past, and we are going to try to wean ourselves from dependence on foreign oil which makes up 60 percent of our daily consumption. If we had the political will, we could do it.

And, of course, if we had the political will, we could not only do the miles per gallon, we would put the money into the research and development to ultimately get to cellulosic ethanol so we would not be making ethanol from what we need to eat, and instead we would be making it from fiber, from that which we throw away. If we summon the political will, we would get serious about conservation measures and renewable fuels such as wind and solar, all the more than we are now. We would get serious about a major R&D effort and pouring the money into it in order to start developing the engine of the future that does not depend on any kind of petrol, such as hydrogen, or perfecting these batteries so we can have an all-electric vehicle. That is what we would be doing if we summoned the political will. At the end of the day, that is what we are going to have to do. It is going to have to be the new President who does it.

On this subject I will close by saying, America has a historical tendency to drag its feet until we are abruptly shoved up against the wall and we have to do something, and you see this throughout our two centuries of history.

There was at a time, for example, during the Korean war, the Soviets had the high ground. Their MiGs could fly higher than our jets. Again in 1958 they had the high ground, because they put up the first satellite, Sputnik. Again in 1961 they had the high ground, when they put up Yuri Gagarin, the first human to orbit the Earth.

We did not even have a vehicle that was powerful enough until 10 months later when we put John Glenn in that flimsy Atlas that had a 20-percent chance of failure, and finally got up.

Again, they had the high ground when they rendezvoused, the first time in space, with two spacecraft. They beat us to that. But then America summoned the political will when the President said: We are going to the Moon in 9 years and return. And we did. And we have the high ground now.

Now it is another complete subject—I will not get into it—about how we could be losing that high ground with NASA, because NASA is not getting enough resources for all of the things it is trying to do and, therefore, it is not going to have a chance to achieve and keep that high ground if we do not. But I will save that one for next week.

ISRAEL'S 60TH ANNIVERSARY

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

(The remarks of Mr. WYDEN are printed in today's RECORD under "Morning Business.")

Mr. WYDEN. 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. MURKOWSKI. I ask unanimous consent that the order for the quorum call be rescinded.

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

LAW OF THE SEA TREATY

Ms. MURKOWSKI. Madam President, many of us have come to the floor, certainly this past week—all this year—talking about increasing energy prices. There has been a lot of commentary about whom to blame. What do we do, how do we reduce the price of oil, how do we address the predicament we are in as a nation that is so very heavily dependent on energy for our economic strength? I have certainly done my share of talking about the need to increase domestic production of oil and gas, particularly in the State of Alaska. We believe we have great opportunities up there and can be doing more to address it. What we haven't had an opportunity to bring up in the debate is the potential for a vast reservoir of energy that is available to the United States in the Arctic, in the far north, and the fact that we could lose out to other nations if we are not more proactive in asserting our claims to these resources.

I have been on the floor many times talking about the Arctic Coastal Plain and the potential in ANWR. We believe there is anywhere between 10 to 16 billion barrels of economically recoverable oil, the largest remaining onshore petroleum field in North America. But even further to the north, beyond ANWR, off the coast of Alaska and beyond, this is where we believe an unquantifiable amount of resource may lie. It is estimated that the Arctic may hold 25 percent of the entire world's undiscovered oil and gas resources. It is enormous. That number is based on a 2000 assessment by the U.S. Geological Survey. In that survey, they only looked at a few of the Arctic basins. There is going to be a more detailed survey that will be out. The survey is currently underway. The projection is that the amount of 25 percent could be lower—that, in fact, the amount of oil and gas in the Arctic region could go significantly higher.

What is the problem with this situation? The fact is, we believe the potential in the Arctic under the ice may be enormous, but we have no legal claim as a nation to most of this oil or gas, unless the United States becomes a party to the convention on the law of the sea. I can tell you, if we are not willing to claim it, if we do not step up to claim it, others certainly will.

We had before the Foreign Relations Committee the Convention on the Law of the Sea. It was before us. We have had several hearings on it. It was reported favorably out of the committee on October 31 of last year by a committee vote of 17 to 4.

For those who are not familiar with the Law of the Sea Treaty, it allows, among other things, coastal states to exert sovereign rights to all living and nonliving resources within its exclusive economic zone out to 200 nautical

miles from its shores. Essentially, it is the Outer Continental Shelf. But, in addition, a nation can exert claim to an extended Outer Continental Shelf if it can show that its continental shelf extends beyond the 200-mile limit.

So last year, the Coast Guard Cutter *Healy* went up north beyond Alaska, up into the Arctic Ocean, to do a mapping of the ocean floor there, to determine where the extent of that continental shelf may extend.

Behind me I have a map or chart of the Arctic Ocean that was mapped by the Coast Guard Cutter *Healy* during this last season of exploration. What the expedition showed us was that the United States could potentially lay claim to an area about the size of the State of California as part of our extended continental shelf. But we cannot do that without being a party to the Convention on the Law of the Sea.

So to make it a little more real to the situation—and I know it is difficult to see the map—but what you have here is Alaska. It is upside down, but Alaska is at the top of the world, so we felt it should be located at this angle. Here is the State of Alaska, the Canadian border, all of Canada, Greenland, Norway, and then Russia up through here. The red dotted line indicates the limits of the permanent ice that you have. So much of what you see in the lighter area is continental shelf.

What you have with this line—that kind of follows in a very jagged way Russia—this is Russia's continental shelf claim. So they are essentially laying claim to this area from the Chukchi Sea, the East Siberian Sea, and down through here.

Norway has its extended continental shelf claim. Here is Norway. They have made a claim that their Outer Continental Shelf should allow them access to the resources up to this green line.

Well, what we have here with the yellow line is the Russian extended continental shelf area. So through their mapping, or their determination, they believe—the Russians believe—they could potentially lay claim to all of this area in to the coast of Russia.

Where it gets a little complicated is looking at the coastline of Alaska, recognizing that we have claim to 200 miles off the coast of Alaska, but with the mapping the Coast Guard Cutter *Healy* has brought back, it demonstrates we can potentially add an additional 100 miles offshore from our existing 200 miles of exclusive economic zone, theoretically putting Alaska's claim—and, therefore, the United States's claim—to an area that would be potentially on this side of the Canadian border and coming down through the Chukchi Sea, clearly overlapping where the Russians have submitted that they would have the potential for a claim.

So you need to kind of appreciate the dynamics you have here. We have mapping that indicates the U.S. continental shelf could extend out dramatically. When you talk about a mass, an

area the size of the State of California, you would say that is hugely significant to us as a nation in terms of our potential for additional resource.

Now, I have shown you the lines on this map. There are some who object to ratification of the Law of the Sea Treaty and express concerns about sovereignty. But for those who are concerned about sovereignty, I would suggest that if we are not party to the Convention on the Law of the Sea, there is a good chance Russia's claim to the Arctic—which I have shown you, following this yellow line, which is substantial; it is about 45 percent of the Arctic Ocean—could be recognized cutting into what we believe to be our extended continental shelf.

Now, let's talk a little bit about the potential for the resources up there. It is estimated the area that Russia claims as its Arctic Ocean shelf—so this area in through here, as shown on the map—could hold 580 billion barrels of oil equivalent. And 90 billion of those barrels could be in the Chukchi Sea and the East Siberian Sea, so close in to the State of Alaska. That is 90 billion barrels of oil we have the potential to stake a claim to as well, but only, again, if we are party to the Convention on the Law of the Sea.

Now, some would take a look at this map and say: Well, Russia is not going to be able to get that. We all saw the cover of Time magazine last year when Russia took a little submarine down and basically planted a flag on the bottom of the seabed, staking claim. It got people's attention. I think folks looked at that and said: Well, they don't have any claim to that ocean seabed. On what do they base that? So you look at this map and say: There is no reason Russia has any greater claim to 45 percent of the Arctic Ocean anymore than the United States or Canada, so it is not going to happen.

But for those who would doubt Russia might have success with their claim, I would ask you to look at what has happened. Right now, you have a handful—probably, seven or eight—different nations that have submitted to the Commission on the Limits of the Continental Shelf their requests for extended continental shelf claim.

Russia submitted their claim back in 2001. Brazil is out there, and they submitted their claim in 2004. Australia submitted a claim in 2004, Ireland in 2005, New Zealand in 2006. You also have a joint submission by France, Ireland, Spain, and the United Kingdom that came about in 2006. Norway submitted their claim—that is going out this far, as shown on the map—in 2006. France has submitted a claim last year, as well as Mexico.

On April 21 of this year, the Commission on the Limits of the Continental Shelf confirmed that Australia's claim to an additional 2.5 million square kilometers of continental shelf beyond its existing exclusive economic zone was valid and has moved forward to allow for that extended claim.

Now, Australia's claim, again, was submitted in 2004. So the Commission on the Limits of the Continental Shelf is actually moving on these submissions. The claim Australia made—and, again, Australia is an island nation, so they clearly have a great deal they can say lies off their continental shelf area, but 2.5 million square kilometers of continental shelf has now been added to their jurisdiction. This is an area approximately five times the State of France. Now, for those of us who are thinking a little bit closer to home, that is three times the size of the State of Texas. So, again, the jurisdiction that has been extended to the nation of Australia, because of their claim to additional Outer Continental Shelf areas, is significant.

Martin Ferguson, who is Australia's Minister for Resources and Energy, noted that the Commission's findings "demonstrates that Australia's effective engagement in law of the sea matters delivers results."

Now, I mentioned nine submissions that have been submitted for extended continental shelf claims. All of these have been made since December of 2001, including Russia's claim to half the Arctic and the resources it holds. We see that Australia's claims have been accepted. I believe it is only a matter of time before other claims are accepted as well.

I believe—I believe very strongly—it is in the best interests of the United States to be able to submit our claims. We have the mapping. We can establish the extension of the shelf, again, to a considerable area—the size of the State of California. I believe it is incumbent upon us to assert our authority in this area and to have a seat at the table in determining the validity of the claims of the other nations.

If we think Russia should not be able to extend their jurisdiction out—as they have requested, with this pretty impressive yellow line—to 45 percent of the Arctic Ocean, we want to be able to sit at the table and say why we believe they should not have the ability to make that claim. Well, if we are not a party to the treaty, we are not sitting at the table, and we cannot contest the validity of the claims of other nations.

We have the opportunity to stake a claim to an area of the seabed that we believe—we believe very strongly—likely contains billions of barrels of oil. We have the research to demonstrate that the seabed is part of our extended continental shelf. But we cannot claim ownership of these resources without being a party to the Convention on the Law of the Sea.

There are plenty of other reasons why we should ratify this treaty—whether it is to ensure that our Navy has the ability to freely navigate in international waters; or to provide our maritime industries with the legal certainty they need to carry out their activities.

I believe, again, very strongly, the ratification of the convention is a

must. But I think we need to recognize that as we are kind of sitting back on this at this point in time, other nations are moving forward. They are making their claims to greater areas of the ocean and to its seabed. I do not think we should be left behind as a nation and lose out on significant potential energy reserves at a time when we all know that energy is at an incredible premium.

I will make the same statement I made in committee when we had the discussion on the Convention on the Law of the Sea. I urge my colleagues to support ratification of the Convention on the Law of the Sea and urge the Senate leadership to bring the treaty to the floor for a vote. With that, I yield the floor.

The PRESIDING OFFICER (Mr. WHITEHOUSE). The Senator from South Carolina is recognized.

HEALTH CARE OPTIONS

Mr. DEMINT. Mr. President, we have many important issues in front of us. We have been talking a lot about energy this week, including the high cost of gasoline and problems with ethanol mandates and potential problems with the cost of electricity. As we look at ways to reduce pollution, certainly energy is important. We have also been dealing with flood insurance. There is no shortage of issues. But we know as we talk to our constituents around the country that at the top of their list of priorities is health insurance and health care and the ability to afford the policies that are out there.

We have differences of opinion in the Senate as to how to deal with the uninsured in our country today. There is one philosophy that believes the government needs to be more involved; we need to expand government control of health care. There is another philosophy of which I am a part which believes that our job in the Senate and in the Congress and in the Federal Government is to make freedom work for everyone, and that includes people having the freedom to own their own health insurance. We believe when people do not work for a company that offers health insurance, they should have guaranteed access to affordable health insurance policies that they can take from job to job. I am encouraged that Senator MCCAIN is on the side of freedom of choice and individual ownership of plans.

We know if we are going to make individual plans work, we need to address the high cost of insurance. We know that is the biggest impediment to getting coverage when that coverage is not offered through an employer. In fact, nearly two-thirds of the uninsured are the working poor, and they cite the high cost of insurance as the primary barrier to accessing health coverage. We can talk about the uninsured, and we can talk about the high cost of insurance, but we need to address the real causes of the high cost of insur-

ance. We know if we look at the policies, if we talk to those who offer the policies—the insurance companies—we know that mandates, government mandates on those policies have a lot to do with the high cost of insurance.

States have passed more than 1,900 benefit mandates requiring insurance companies to cover everything from wigs to infertility treatments to acupuncturists to massage therapists. These may all be legitimate needs, but they are not legitimate mandates on insurance policies. When people are looking for a policy that meets their needs that they can afford, we cannot continue as governments—both State and Federal—to mandate that every policy cover every possible problem when individuals do not need those mandates to buy the policies they want. These mandates increase the cost of health insurance. According to the Congressional Budget Office, for every 1 percent increase in the cost of health insurance, 300,000 people lose their coverage.

A few States are getting the message that mandates make health insurance more expensive. There are at least 10 States that provide for mandate-lite policies which allow individuals to purchase a policy with fewer mandates and so are more tailored to their individual needs and financial situation. There are now at least 30 States that require a mandate's cost to be assessed before it is implemented. These States are getting the message. Mandates are pricing individuals out of the insurance market.

I have introduced legislation that addresses these growing problems. In December, Congressman JOHN SHADEGG of Arizona joined me in introducing the Health Care Choice Act. This legislation is important because it will allow consumers to shop for health insurance the same way they do for other insurance products. They can shop on line, by mail, over the phone, or in consultation with an insurance agent in their hometown.

Specifically, the bill would let insurers licensed in one State sell to individuals in the other 49 States. Most people are surprised that you can't do that now because in every other product category we can buy products not only in every State but all over the world. But with health insurance, we have taken a different tact, a tact that has made health insurance much more expensive because we allow a few insurance companies to monopolize the market in 50 individual States.

What we need is a national market for health insurance. Consumers will no longer be limited to picking only those policies that meet their State regulations and mandated benefits. Instead, they can examine the wide array of insurance policies qualified in one State and offered for sale in multiple States. This way, consumers can choose a policy that best suits their needs and their budget without regard to State boundaries. It makes a lot of

common sense. Individuals looking for basic health insurance coverage can opt for a policy with a few benefits they need, and such a policy will be more affordable.

On the other hand, consumers who have an interest in a particular benefit such as infertility treatments will be able to purchase a policy that includes that benefit. Equally important, it creates incentives for insurance companies to offer innovative and customized insurance products, and it will reduce the number of Americans who have sought but have been unable to afford insurance coverage.

I am thrilled that Senator JOHN MCCAIN has made this legislation one of the cornerstones of his health insurance platform because health insurance coverage should not be dictated by State or Federal legislators. Families sitting around their kitchen tables should decide what their health insurance plan should cover. I believe Senator MCCAIN's plan to address the gross health care inequity in the Tax Code and to harness the power of the marketplace through the interstate competition of insurance products, through that, Americans will be able to find affordable health insurance that offers more choice and better coverage. We know this is true.

As we talk to insurance companies, if they were allowed to offer products for all 50 States under one set of regulations, or under 50 if they choose, if they are able to have a larger pool of members, they can spread the risk and lower the rates.

The Health Care Choice Act is a commonsense way to let freedom work for every American, to let the free enterprise system work in health insurance as it does in almost every other area of our lives. I encourage my colleagues to consider the Health Care Choice Act and to move away from this idea that more government control, more government mandates is actually going to help us get more Americans insured.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

(The remarks of Mr. COLEMAN are printed in today's RECORD under "Morning Business.")

Mr. COLEMAN. Mr. President, I yield the floor.

(The remarks of Mr. BOND are printed in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I yield the floor.

NOTICE OF PROPOSED RULEMAKING

Mr. BYRD. Mr. President, I ask unanimous consent that the attached from the Office of Compliance be printed in the RECORD today pursuant to section 304(b)(1) of the Congressional Accountability Act of 1995 (2 U.S.C. 1384(b)(1)).