

asked the oil companies to invest in clean energy.

You can take all the oil in the world—100 percent of it—and you can add in ANWR and all of the offshore we have in America today, and we have less than 3 percent of the oil in the world. We cannot produce our way out of the problems we have. Can we do more with production? Of course. That is the reason Democrats led the charge last year to bring into fruition more drilling off the coast of Louisiana and Mississippi.

We know we have to do something to wean ourselves from the 21 million barrels of oil we use every day—and 65 percent of that we import. But the Bush administration has failed to address these concerns. Sadly, the Republican Members of Congress stood by his side cheering him on and cheering on the oil companies to make more money.

The American people are suffering the consequences of the Bush administration's recklessness. As we speak, our airlines are on the verge of bankruptcy. What they have made a decision on last week—even though the airplanes were filled with passengers—is they have cut 20 percent of the flights around the country. Why? Because with every airplane load of passengers they haul, they lose money. They want to have airplanes that use less fuel, so even though the airlines are filled with passengers, they are saying they are losing more money at that airline that is going to Missoula, MT, or Kansas City, and therefore they are going to stop the flight—even though it is full—because that airline used more fuel than one taking somebody the same distance to someplace else. That sounds pretty crazy, but the airline industry is on the verge of not being able to continue. We cannot compete at this stage with the European airline industry. Here, we pay \$1.40 for a gallon of aviation fuel; they pay 75 to 80 cents there. We cannot compete. The cost of fuel is exceeding half of the cost of an airline, and they simply cannot make it.

It wasn't until Democrats won the majority that we finally were able to pass an energy bill last year that did some things. For the first time in 30 years, we increased the fuel economy standards and did a little bit to promote clean, American-made alternative fuels. We continued offering responsible solutions to reverse the energy crisis—and there is an energy crisis.

All this time, out there every day, we have the Sun shining, the wind blowing, and steam coming from the Earth, and we are doing nothing to capture that—virtually nothing. Why? Because we cannot get our Republican colleagues to join us in passing tax incentives to allow the great entrepreneurial spirit of America to invest in renewable fuels. We want to reverse the energy crisis. Yet our Republican colleagues inexplicably are refusing to work with us and prefer to simply con-

tinue to feed our addiction to oil. Some Republicans propose drilling in ANWR, but experts agree that we cannot drill our way out of this crisis. The ANWR thing won't pass. It has been decided that is not something we need to do.

Last week, Republicans took to the floor and talked about high gas prices. We got their memo saying they want this global warming thing to be “global warming and gas prices.” When they had the chance to vote on that, they walked away from it. Mr. President, they have the opportunity today to vote to bring us to the point where we can start legislating on gas prices. I hope their rhetoric last week is an indication that they are going to allow us to proceed.

This morning, we will vote to invoke cloture so we can move to pass the Consumer-First Energy Act. They have blocked this responsible legislation, or something similar to it, in the past. Maybe this time it will be different.

Observers have said that now that gas is over \$4 per gallon, it might be a tipping point for the American people. I hope it will be a tipping point for the Republicans in the Senate. We have SUVs that are now not being bought, which are manufactured by our manufacturers. We have hybrids coming into being, and that is good. Some people are abandoning their SUVs and cars—because they have no alternative—for public transportation. In States such as Montana or Nevada, where you have large areas of rural roads, people have to drive. There is no public transportation available. So public transportation is not an option for everybody, especially Americans living in rural areas and commuting long distances—areas not served by public transportation. No matter where we live or what our transportation options are, we all deserve a cleaner, safer, more affordable future.

Following the lead of the American people, perhaps Republican Senators have reached their own tipping point and are now ready to embrace change with us. We hope so. The choice today is simple: They can continue to stand with the Bush-Cheney administration and the modern-day oil barons or they can join us on the side of the struggling American families who deserve better.

I urge all of my colleagues—Democrats and Republicans—to support allowing us to proceed on this legislation. This is responsible legislation. We will end billions of dollars of tax breaks for these huge oil companies and executives who have been hauling in record salaries while the profits of the companies are skyrocketing. Second, we force the oil companies in this legislation to do their part by investing some of their profits in clean, affordable alternative energy. We protect the American people from price gouging. We stand up to OPEC and countries that are colluding together to keep oil prices high. We look at these margins. Many people believe the high cost of oil is sheer speculation.

This legislation, I acknowledge, is not a silver bullet that will solve the energy crisis, but it will take a nip out of it. After 7½ years of the Bush-Cheney energy policy, there are no quick fixes. The road ahead won't be easy. This is a start to help lower prices and to help working families make ends meet. It is one small step on a long and uphill road to a cleaner, more affordable energy future and to restoring the affordability of the American dream to families all over our country.

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

#### WINDFALL PROFITS TAX

Mr. MCCONNELL. Mr. President, over the weekend, as we all know, the average U.S. gas prices hit an alltime high of more than \$4 a gallon. I only point this out because it seems our friends on the other side aren't aware of it. In the middle of what some are calling the biggest energy shock in a generation, they seem baffled. Faced with a national outrage over gas prices, they propose as a solution, of all things, a windfall profits tax. If the idea had any merit at all, Republicans would consider it. But, of course, it doesn't.

We know from experience that Jimmy Carter tried a tax hike in 1980, and it was a miserable failure.

The Congressional Research Service says its only effect—its only effect—was to depress domestic production, thus significantly increasing our reliance on foreign oil and, in the end, less domestic production led to significantly less revenue from the tax that was expected. The same thing, of course, would happen again.

The biggest hit would not be to the energy companies, it would be to the American consumer who now dreads pulling his or her car into the gas station. Hitting the gas companies might make for good campaign literature or evening news clips, but it will not address the problem. This bill is not a serious response to high gas prices. It is just a gimmick. Don't take my word for it. The Democrats themselves said as much when their leadership proposed this sham solution last month.

Americans have lost patience with Democratic inaction on gas prices. Americans understand supply and demand. They know the only way to drive prices down is to drive production up at home by reducing demand through the kind of sensible action we took last year on fuel efficiency and renewable fuels. With gas now at \$4 a gallon, recent polls show that an increasing number of Americans are calling on us to exercise the option of exploring for energy at home.

What is the Democratic response to all this? Last week, the majority proposed a climate change tax that would have raised gas prices \$1.40 a gallon higher than they already are. They are hoping the idea of going after energy

companies will create the illusion of action, after a week in which they themselves fought for a bill that would make the problem worse. What a political charade.

This bill is not a serious approach to lowering gas prices. Our friends proposed the same one last month. It went nowhere. They didn't even bring it up because their own committee chairman opposed it. The Democratic chairman of the Energy and Natural Resources Committee, the junior Senator from New Mexico, called the windfall profits tax "arbitrary." The senior Senator from New York cautioned that another key provision of the bill would drive jobs overseas.

If the Democrats themselves don't like the bill and oppose its provisions, why are they reviving it?

Democrats will claim this bill will bring gas prices down, but in doing so they are counting on Americans to forget a basic law of economics: raising taxes on those who produce something leads to an increase in the price of products they sell. This was true in Adam Smith's pin factory. It is true for energy companies today. More taxes mean higher prices.

The rational response to high gas prices is to propose a policy that would actually lower them, and that is what Republicans have done. Last month, we proposed a bill that would allow us to access the 14 billion barrels of known recoverable oil on the Outer Continental Shelf in an environmentally sensitive way. We have also tried to open the Arctic National Wildlife Refuge for very limited and safe exploration. We have been blocked by our friends on the other side at every turn.

When Bill Clinton first vetoed the idea in 1995, the price at the pump was \$1.06 a gallon. Gas costs nearly four times as much as it did then. How high does it have to go before our friends on the other side allow limited and environmentally sensitive exploration of these giant U.S. reserves? Evidently, \$4 a gallon isn't high enough for them.

So, Mr. President, we have a better plan for addressing gas prices, one that respects the laws of supply and demand. In addition to the two provisions I already mentioned, our bill mandates that billions of coal-derived fuels be produced through clean coal technologies as a way of further reducing our dependence on foreign sources of oil.

Our bill repeals the 1-year moratorium on oil shale production in Colorado, Wyoming, and Utah, and it would accelerate the construction of refineries in the United States, as well as development of advanced batteries for plug-in hybrid vehicles.

Republicans are determined to lower gas prices the only way we can and strengthen our energy security for the long term—by increasing supply. We have tried to do so repeatedly, and every time we have tried we have been blocked by our friends on the other side.

Just last month, 48 Democrats blocked consideration of our energy supply bill. Last week, they blocked consideration of an amendment I sponsored that would have prevented the increase in gas taxes that the Boxer climate tax bill would have caused. Now, 2 days after we have seen the highest recorded gas price in history, they are proposing an idea that has already failed once and which will do nothing to ease the pain Americans are feeling at the pump.

Our friends on the other side have no serious plan to address gas prices. They have demonstrated this in the past, and they are demonstrating it today.

Yesterday's Wall Street Journal highlighted the kind of situation that has become typical over the past several months. In a story about high gas prices, the Journal quoted a self-employed handy man in Dallas who is paying twice as much money to fill his tank than he did a few years ago. This is what he had to say:

I feel like I am being held at knifepoint. If they charge \$10 a gallon, I'm going to pay it.

It is time we got serious about helping guys such as this. It is time we did something about supply to go along with our previous efforts to affect demand. But as long as our friends on the other side refuse, we will get nowhere in this debate, and that is why gas prices have gone up \$1.71 since the Democrats took over Congress.

I will vote against proceeding to this totally irresponsible bill and advise my colleagues to do the same.

Mr. President, I yield the floor.

#### RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

#### CONSUMER-FIRST ENERGY ACT OF 2008—MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume the motion to proceed to S. 3044, which the clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to S. 3044, a bill to provide energy price relief and hold oil companies and other entities accountable for their actions with regard to high energy prices, and for other purposes.

The ACTING PRESIDENT pro tempore. The Senator from New York.

Mr. SCHUMER. Mr. President, as I understand it, there is 1 hour divided equally.

The ACTING PRESIDENT pro tempore. There is 40 minutes divided equally.

Mr. SCHUMER. And the addition of leader time. I ask that I be given 7½ minutes of our time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. SCHUMER. I will be happy to yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Senator HUTCHISON be the leadoff speaker and she be allowed 7 minutes, and that I follow her with 15 minutes, and then we will see where it goes from there.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SCHUMER. Mr. President, we all know that gas prices and the high price of oil and all oil products is the No. 1 issue in America. Everywhere we go—Legion halls, parades, weddings—this is all people bring up, and they demand action.

Today, we in the Democratic majority are stepping to the plate with two comprehensive bills—one dealing immediately with the issue of gas prices and the oil companies and the speculation in the market and the second dealing with changing our tax policies so that we encourage alternative fuels. We are stepping to the plate because we know the problem America faces: \$4-a-gallon gasoline. That is 267 percent higher than it was when President Bush took office in 2001. And we cannot pass any legislation?

We want to debate this legislation now. We have our ideas. The other side has its ideas. But we wish to move forward and debate the issue and finally get something done, and the other side, the minority leader said vote no. He is telling the American people that he and his party want to do nothing. They don't even want to debate it. That is an incredible statement at a time when America is crying out for action.

The bottom line is, we have had a White House, we have had a Republican minority that has taken zero proactive steps to reduce our dependence on foreign oil for 7 years. If it wasn't for this new Democratic Congress to pass along an overdue small increase in fuel efficiency standards, President Bush would leave the White House with a record he would consider spotless, committing no sins against big oil or against OPEC.

We on this side are not afraid to go after big oil when they are not doing the right thing, and we are not afraid to go after OPEC because they are a cartel that squeezes us. We are not afraid to do some strong, tough things that will, some in the short run and some in the longer run, bring down the price, the all-too-high price of gasoline.

We are hurting as a country. We are hurting individually as Americans. We are hurting as an economy, as people do not have the ability to spend on other things. We are hurting in our foreign policy as every day we send over \$1 billion to people we do not like, such as leaders of Iran, Venezuela, and other places. And we are hurting as a globe as we continue to send carbon dioxide into the air. And the other side says: Do nothing. Don't even debate the issue.