

borrow or come up with another \$6 million—he doesn't know where he is going to get it—just to take care of the problems attributed to rising energy cost.

In spite of all this, in spite of the problems we face in America today with gasoline, people are trying to take public transportation when they can, but in rural America there is very little public transportation. Vacations are being stopped. In spite of all this, yesterday, the Republicans stopped us from going forward on legislation that would ease some of the problems.

For example, in the matter we are talking about when morning business closes, we think it is time to look at the subsidies the oil companies get. During the past year, they made about \$250 billion in profits—net profits. Yet we subsidize these oil companies. We believe that should be looked at closely.

We also believe we should look at a windfall profits tax. We also believe—and there is bipartisan support for this; Senator SPECTER talked about this, and Senator KOHL is our major mover on this issue on this side—OPEC scholars believe, and members of our Judiciary Committee believe they are violating the Sherman Antitrust Act. But there is a question as to whether they are subject to that. What these Senators and others want to do—and that is part of our legislation—is make them subject to the antitrust laws in this country. They make most of their money in America. Why shouldn't our laws apply? We were stopped from going forward to debate that issue.

There is a school of thought today that believes the problems with the cost of oil are based on speculation—pure speculation. If the Presiding Officer wanted to leave and buy a share of General Motors or Ford stock—and Kirk Kerkorian is buying about 1 billion dollars' worth of Ford stock today—if you want to buy stock in Ford or General Motors today, you would have to put up 50 cents, which is your margin, for every dollar you buy. But not with oil. Some margins with oil are 3 to 5 percent. There is a lot of speculation going on.

We wanted to take a look at that but, no, the Republicans said: We are not even going to let you legislate on that matter. It seems to me that is what we should do. If they don't like our proposal, let's do something they think would be appropriate. Let's legislate.

Mr. President, I think it is pretty clear we cannot produce our way out of the problems we have with energy. Take ANWR and all of the offshore, and we in America have about 3 percent of the oil in the world. So it is obvious we cannot do that. Can we do a better job in production? Of course we can. We do certain things, and we have done certain things, such as allowing more offshore drilling off the coast of Louisiana.

The answer to all of this is not drill, drill, drill. The answer is to do some-

thing to help save our world. Global warming is here because we have taken, for well more than a century, carbon out of the Earth and put it into the sky. It has caused our Earth to be sick. We have a fever. Global warming is here. So we not only have to face this issue and recognize we don't need more fossil fuel, we need alternative renewable energy. That is what we tried to move to yesterday. The Republicans would not let us.

We have entrepreneurs in America who want to invest money in renewable energy—the Sun, the wind, geothermal. They want to invest, and we want to be able to give them tax credits as incentives. But, no, not with this Republican minority, not with this Republican President. The answer is no, no, no to directly affecting energy costs and doing something to allow us to move to renewable energy.

If that weren't enough, yesterday, to show what is going on with the Republicans and to indicate to the American people why they keep losing these special elections—one in Illinois, one in Louisiana, and one in Mississippi—look what they are doing. Yesterday, the Judiciary Committee had a hearing on torture to find out why America—the United States of America—why we were torturing people who were being picked up for being suspected terrorists. All we wanted to do is hold a hearing. No. In the Senate, if you don't want a hearing to go forward, and we have been in session for more than 2 hours, you can stop it. So we had to recess the Senate to go ahead with the hearing anyway.

They do not even want us to do oversight. So we are going to come today and talk about the calamity facing America with the oil prices. The Presiding Officer and I just left a meeting of people concerned about food—food. Senator DORGAN from North Dakota indicated that the cost of fertilizer in the small, sparsely populated State of North Dakota, in 1 year, has gone from \$400 million to \$800 million. Those farmers are trying to figure out a way to pay for that. People all around that table were people concerned about food. The problem is energy costs.

Yet in the Senate, we are not allowed to debate that because Republicans want to maintain the status quo. The status quo will not be maintained much longer. We may have to put up with President Bush and his policies for 7 months, if he is not willing to work with us. We may have to put up with the obstructionism of the Republicans for another 7 months, but the day is going to change come November when the elections are held because we will no longer have the slim majority we have now, and we will be able to legislate for the American people.

RECOGNITION OF THE REPUBLICAN LEADER

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

INCREASED ENERGY PRODUCTION

Mr. McCONNELL. Mr. President, yesterday, we heard, believe it or not, the Democratic nominee for President of the United States suggesting that rising gas prices aren't the problem. I will say that again. Yesterday, the Democratic nominee for President of the United States said rising gas prices are not the problem. The problem, he suggested, is that they have gone up too fast. He said he would prefer a gradual adjustment. The Democratic nominee for President said the problem is not that gas prices are too high, it is that they have gone up too fast. He would have preferred a gradual adjustment.

Now, the position outlined by the Democratic nominee should not be a surprise to most Americans, given that Washington Democrats have repeatedly refused to allow increased energy production at home even though, as we all know, increased supply leads to lower prices. It is as if they are doing everything in their power to keep gas prices from going down. In fact, the Republicans in the Senate offered a proposal a few weeks ago, which would have dealt with the inadequate amount of domestic supply, and we were blocked by the majority. They simply refused to have a debate on the possibility of opening domestic supplies.

Whether it is shutting down domestic exploration in large areas, both onshore and offshore, or instituting a moratorium on oil shale development, which this new Washington Democratic majority in Congress did, increasing the gas tax or refusing to pursue coal to liquid, Democrats long ago implemented a gradual adjustment, as the Democratic nominee for President suggested yesterday, a gradual adjustment on gas prices that is reflected today in the \$4.05 Americans are paying for a gallon of gas. Kentucky families do not need a gradual adjustment to their pocketbooks. They need a solution for their pain at the pump.

We have seen a lot of recent converts over the last few months suddenly advocating for lower gas prices, but their long-time advocacy for limiting domestic supply and increasing the gas tax has brought us to where we are today. Recycling the same failed ideas from the 1970s and increasing our reliance on Middle Eastern oil only makes the problem worse. I wish to be perfectly clear, at a time of record gas prices, we do not need to tax them even higher or make American consumers be even more reliant on Middle Eastern oil.

The American people want us to address high gas prices, and we should do so the only way that will have a lasting impact: by increasing domestic supply in an environmentally responsible way and increasing American jobs in the process.

When our friends on the other side agree to do the same, we will believe they are serious about lowering gas prices. Until then, we will be left to conclude that all they support is a gradual adjustment advocated yesterday by their nominee.

What we have had is a situation where one side does not want to do anything to address the supply problem and suggest things that will only make gas prices higher. The other side has said: We are willing to do a balanced energy approach. Last year, we joined with the majority to increase the corporate average fuel economy for automobiles. That is an important step in the right direction on the conservation side. We are anxious to see us move as rapidly as possible to the kinds of automobiles that are more efficient and less reliant on gasoline.

But it is absurd, it is nonsense to suggest that you can rule out of bounds, for example, roughly 85 percent of the Outer Continental Shelf, even when we have States that want to go offshore. Take Virginia. Last year, Virginia, represented by one Democratic Senator and one Republican Senator, wanted to open their Outer Continental Shelf. The Senate would not give them permission to do it. Why in the world would we want to deny a State which is willing to explore offshore the opportunity to do it, particularly in a time when gasoline prices are so high?

We welcome this debate. It is a most important issue in the country today. Republicans are comforted by the fact that a growing number of opinion polls in the country indicate that a greater percentage of Americans get it. One of the most interesting surveys is the one by the respected independent polling organization Gallup a little over a week ago that indicated, on the issue of going into wilderness areas in a limited way and the Outer Continental Shelf where States are willing to do it, the American public now favored that 57 to 41. That is a total change from a year ago when the numbers were roughly equal.

The American people understand this is a problem we can do something about ourselves. We are the No. 3 oil producer in the world. The Saudis are No. 1. The Russians are No. 2. They do not think it makes sense for us to continue to beg foreigners, particularly those with unstable regimes, to solve this problem for us when we could take it in our own hands and, in an environmentally sensitive way, dramatically increase our production at home.

So this is a great debate about the most important issue in the country, and Republicans are certainly anxious to engage in this debate. We will be discussing this issue all day today and, in all likelihood, every day for the foreseeable future.

UNANIMOUS-CONSENT REQUEST—S. 3098

Mr. President, on another matter—and I have alerted my friend, the majority leader, because I think he may well wish to object—I wish to shortly propound a consent request. Let me say the consent request I will be asking for will basically, if agreed to, allow the callup of the bill S. 3098, which is the McConnell-Kyl-Grassley bill, which includes a 1-year AMT patch which was omitted in the House bill that the Sen-

ate did not agree to go forward with yesterday and extends the provisions that expired in 2007 for 2 years. This is a 1-year longer extension than was in the House bill we voted on yesterday.

S. 3098 does not include any tax hikes, reflecting the position of 41 Senators taken in a letter to Senator BAUCUS on April 23 of this year. However, the Republican alternative also includes the Ensign-Cantwell energy tax incentives which was approved by the Senate by a vote of 88 to 8.

In addition, S. 3098 does not contain the New York City earmark which was in the bill yesterday, the tax break for trial lawyers which was in the bill yesterday or the Davis-Bacon expansion which was in the bill yesterday. Any or all of those, of course, would draw a veto from the President and would make it impossible for us to get this extender package into law.

On balance, this is a bill that could pass the Senate and be signed by the President. I would hope we would pass it as soon as possible.

Having explained what is in the measure, I now ask unanimous consent that the pending motion be temporarily set aside and that I be recognized in order to move to proceed to S. 3098, the Alternative Minimum Tax and Extenders Tax Relief Act, and to file cloture on that motion. I further ask that if the motion to proceed to S. 3098 is adopted, no other pending business be displaced, with the vote occurring today after morning business.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. REID. I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

The majority leader.

Mr. REID. Mr. President, people who are listening to and watching this discussion must go back and understand George Orwell set forth a principle in his book "1984" that has become known as Orwellian. What that means is what the person is saying, they mean the direct opposite.

This is so hard to respond to in a calm, deliberative manner. We want to legislate. The proposal the distinguished Republican leader suggested is an amendment we might find a way to approach, but shouldn't we get on the bill? I don't understand this. I don't understand this. They talk about the way to solve the problems of energy in America is to keep drilling, and now they are talking about drilling in wilderness areas—pristine areas in which they want to start drilling.

We have 3 percent of the oil in the world, counting everything—ANWR, all those other things. We cannot produce our way out of the problems we have. Sixty-five percent of the oil we use we import. So it seems logical to everyone the thing we should do is stop importing oil. We can produce a little more, and we should do that, but the way to get out of this problem is to move to alternative energy.

In this debate, with these gas prices as high as they have ever been in the

history of America, more than \$4.05 a gallon, where is George Bush, the President? Why isn't he talking about this? Why isn't he talking about this? He hasn't talked about it for the last 2 months. Where is JOHN MCCAIN? Does he favor, as obviously he does, the obstructionism of the Republicans in the Senate to allow us to go forward and debate gas prices? That is what we want to do.

I made very clear what is in our bill. There is nothing so difficult to understand. We believe the cost of oil is driven up by these margins that are out of whack. We want to legislate and say let's take a look at that. We believe the OPEC nations are being unfair to America. Shouldn't we be able to take a look at that? We believe there are windfall profits that should be directed back to the American people. We believe the subsidies to major oil companies should be taken away, and we believe we should be able to do something about alternative energy.

Each step of the way, the Republicans have blocked us from doing that. I don't understand why we can't go forward and legislate such as this body has done for more than 230 years. Senator STABENOW was here yesterday—now we put Velcro on the numbers because they change. Everything we do we have to go around the obstructions put up by the Republicans. Now the chart has 75 filibusters. We have Velcro, and we can add numbers to it. But remember, these acts of obstructionism by the Republicans are significant, and they are stopping us from doing the American people's business.

I hope we can move into a time where we can legislate. We are going to talk about gas prices today, and the American people, while we are talking about gas prices, are filling their tanks at these outrageous prices, with the Republicans not letting us move to this legislation. In the meantime, George Bush, the President, and JOHN MCCAIN, the nominee, are being silent as to what should happen.

The ACTING PRESIDENT pro tempore. The Republican leader.

Mr. MCCONNELL. Mr. President, the problem, I say to my good friend, the majority leader, is he wants to dictate the terms of the debate in the Senate, as if we were in the House. What he has done repeatedly, of course, is filed needless cloture motions and then filled the tree. All this parliamentary gobbledygook, I guess, is confusing to the American public. But the Senate has historically been a freewheeling place, where both sides had to cast difficult votes.

I remember when my party was in the majority. Senator Lott and Senator Frist used to say to all of us: The price of being in the majority is you have to cast a significant number of bad votes in order to get a bill through. My good friend, the Democratic leader, has decided he wants to protect his Members from having to cast votes they don't like. So what he does,

through a parliamentary procedure that is permissible in the Senate, is make it impossible for the minority to offer amendments that they want and, of course, the minority's reaction to that is to not let a bill without any of their imprint succeed.

With regard to the substantive issue that is before us, the Los Angeles Times, certainly not anywhere near a conservative newspaper, in criticizing both sides on the gas price issue, this morning had this to say about the proposals my good friend and most in his party are advocating—windfall profits tax and the effort to sue OPEC. This is what the L.A. Times had to say this morning:

Exhibit A in the case against congressional Democrats as wise stewards of the energy economy is which failed to advance Tuesday after it got too few votes to head off a filibuster. It would have imposed a windfall-profits tax on oil companies and allowed the U.S. attorney general to sue OPEC on anti-trust grounds, among other things.

They are describing the central provisions of the bill we decided not to go forward with yesterday. And this is what they had to say about those two proposals:

Trying to find an economist who thinks a windfall profits tax is a good idea is like searching for a climatologist who thinks global warming is caused by trees.

This is one of the most liberal editorial pages in America. Let me say it again. This is what they said about the windfall profits tax:

Trying to find an economist who thinks a windfall profits tax is a good idea is like searching for a climatologist who thinks global warming is caused by trees. Such a tax unfairly targets the oil industry, which is already amply taxed and whose profits aren't far out of line with other U.S. industries when considered as a percentage of sales. It also would discourage oil companies from investing in new supply, which is precisely what happened when Congress imposed a similar tax in 1980. The result might be even higher oil prices.

We have been there and we have done this. We know what happens.

That's nothing compared with the lunacy of taking the Organization of the Petroleum Exporting Countries to court, though. That would invite retaliation by OPEC members, which could seize the assets of U.S. companies doing business overseas. More likely, there would be a subtler response, such as production slowdowns that would cause oil prices to skyrocket.

One of the most liberal editorial pages in America about what my good friend the majority leader is suggesting is somehow, some way, the solution to higher oil prices at the pump.

This is a debate we welcome. We intend to participate vigorously today. There is no way—I repeat, no way—to get a handle on this issue without taking greater advantage of the oil production we have within our shores that we can explore for and develop in environmentally sensitive ways. I think it is noteworthy, for example, that there was not a single reported example of spillage in the gulf during the Katrina hurricane. I mean, that had to be, quite

possibly, the most devastating hurricane to ever hit the United States of America. I am unaware of a single reported example of any spillage in the offshore drilling that is going on in the gulf.

We know how to do this, Mr. President. We know how to exploit our resources in an environmentally sensitive way. So I welcome the debate. We are happy to be on the subject, and many of my Members, of course, will be looking forward to discussing it during the course of the day.

I yield the floor.

Mr. REID. Mr. President, first of all, my friend's statement about the L.A. Times is as Orwellian as his statement about wanting to cast votes. Understand, everybody, that he means just the opposite. They do not want to cast any votes, so that is why they are preventing us from debating this legislation. He said we are making it impossible. That is Orwellian. They are the ones stopping us from debating.

I would suggest to my friend that the L.A. Times is not some liberal newspaper. It has been purchased by one of the most conservative men in America today. He owns a chain of newspapers. He announced yesterday he is going to cut the news of the L.A. Times by 50 percent because the newspaper is going broke. So it is not a liberal editorial page.

But assuming that we understand the Orwellian-speak from the Republican side, let me read a little more from the same editorial he talked about.

Republicans are just as short of good ideas. Their big strategy on oil is to open up the Arctic National Wildlife Refuge to drilling. A recent report by the Energy Information Agency showed that there is anywhere between 5.7 billion and 16 billion barrels of "recoverable" oil in the refuge. Depending on where the actual number falls in that range, it could eventually reduce the price of oil by between 41 cents and \$1.44 a barrel. Given that oil is trading at about \$135 a barrel, that's not much—and the price reduction wouldn't occur until 2026. In fact, it would take at least a decade to extract a drop from the refuge even if drilling were approved tomorrow. The land is more valuable as a pristine home for threatened species.

So, Mr. President, again, everything we have heard this morning, as I have indicated, everything we have heard from the minority is just the opposite factually.

Mr. MCCONNELL. Mr. President, of course the editorial was critical of both sides, which illustrates the point. In order to function in the Senate, the majority leader is not going to be allowed to say: Oh, I will allow you amendments, but I get to pick them. Every time we have had a serious issue come before the Senate, the best offer we have had in recent months has been: Oh, sure, we will have amendments, but I want to see them first and there are going to be a limited number. I can't think of much major legislation that has been able to go forward that way unless it enjoys overwhelming support on both sides of the aisle—for ex-

ample, the supplemental to provide funding for our troops in Iraq and Afghanistan, where we have such broad support that there is widespread cooperation going forward. Normally, the way the Senate legislates is to let the Senate legislate.

I mean, my goodness, I mentioned this last week, and I will mention it again. The last sort of major, huge piece of legislation related to the environment was the Clean Air Act Amendments of 1990. We had 180 amendments in the Senate, and it was a 5-week debate. It was a big, major, significant proposal in which both sides participated. It was a time in which Senator Mitchell was the Democratic leader and there was a Republican named Bush in the White House. That is the way we used to do business around here on major environmental legislation.

And I would say to my good friend that I understand the demands he has within his conference to protect his members from bad votes and the great desire to try to shut down the minority, but it just doesn't work that way in the Senate. And I think we ought to, on these big issues where there is a broad difference of opinion, go to these bills in a freewheeling and open way and explain to Members on both sides—I will explain to mine and he can explain to his—that the price for moving legislation in the Senate is that once in a while you have to cast a vote on something you wish you didn't. That is the price for doing major important legislation. I wish we could get back to that. It is obviously not going to happen today.

I yield the floor.

Mr. REID. Mr. President, remember the Orwellian-speak from the other side. Everything that my friend has said, just the opposite is factual. We would love to take votes. They won't let us take votes. As with global warming, we offered two amendments, three amendments, six amendments, germane, relevant. We tried every possible procedure, and they said: No, you can't do that.

Mr. President, that is how we feel about this legislation. We believe and we have acknowledged that our legislation is not perfect, but it is good legislation. If we could get to it, we believe it would allow for debate on how to lower gas prices in the short term and, with the alternative renewable energy, that it would allow us to look down the road and do something that is very significant for the long term. But they won't let us legislate on anything. For them to come and say: We don't want to take tough votes, well, we will take tough votes, easy votes, medium votes, anything. They won't let us. That is why we have 75 filibusters, and the number keeps going up.

RESERVATION OF LEADER TIME

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