

each bidder's ability to execute a major contract, but it cannot evaluate the business practices used by each company, and neither can the GAO. But all U.S.-based companies are subject to the Foreign Corrupt Practices Act. I submit we must require that same sort of performance. If a company is going to bid on a major U.S. military contract, they should be subjected to the same rules. I think this would be something that EADS, the parent corporation of Airbus, would be willing to be subjected to. We should require that they and other foreign companies compete for Defense contracts and hold themselves to the same standards we require of U.S. companies under this Foreign Corrupt Practices Act. Again, the Air Force has not considered this piece in their overall analysis.

The bottom line is I think this is a highly flawed contract on the basis of the military not following its own design requests of its smaller plane; second, the United States awarding a contract on a subsidized plane that was illegally subsidized; and third, that these companies are operating under different rules. A foreign company operated under a more favorable set of rules. I think the Congress should look at all of these issues and say this is not the way we want to go on these tankers. We want to build them in the United States. We want these jobs in the United States. We want the workers to be in the United States. We want the military industrial complex to be U.S. based and not foreign based.

As a gentleman said to me some time ago: There are two things we shouldn't be dependent upon another country's government for, and that is for your defense and for your food. Here we are being subject to a foreign government's building of a major piece of our military complex. The tankers are something that extend the ability for us to be able to fly missions. They are critical to our air campaigns. We are going to be dependent upon primarily a foreign producer to be able to build these planes. I think that has untold problems—potential problems—for us down the road and it would be something it seems to me this Congress should take a very aggressive look at and say no, we don't want to go that route. The GAO report will come out next week. It is going to be a key issue in this overall decisionmaking process.

Mr. President, I thank you and my colleagues for the time.

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

The PRESIDING OFFICER (Mr. SALAZAR). The clerk will call the roll. The bill clerk proceeded to call the roll.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

CONSUMER-FIRST ENERGY ACT OF 2008—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 3044, which the clerk will report.

The 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 PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. CARDIN. Mr. President, I take this time on behalf of Marylanders who are worried. They are worried because of the high cost of energy. They are worried about the cost of filling the tanks in their cars with gasoline. They want us to do something about it. They are looking to us. They recall just 7 years ago, when President Bush took office, and the price of gasoline at the pump was less than \$1.50 a gallon. Today, it is over \$4 a gallon. It is having a direct impact on people in my State and around the Nation being able to afford to operate their automobiles.

I can tell you businesses in Maryland—and I am sure my colleagues have similar stories around the Nation—particularly small businesses that rely upon their car or truck for transportation, don't have the ability to afford the increased cost of energy. They are on the brink of going out of business because of the rising energy cost. They want us to do something about it.

I am particularly disappointed and frustrated that the Republicans decided twice this week to deny us an opportunity to do what we should be doing—legislating on this very important issue.

The Consumer-First Energy Act of 2008 would have made a major difference in the cost of energy in the United States. I am proud to be a cosponsor of that legislation. Yet the Republicans used a procedural roadblock—a filibuster—to prevent us from taking up that legislation, debating it, acting on amendments, and doing what we should be doing. The Republicans said the status quo is acceptable. Well, the status quo is not acceptable.

What would this legislation do? First, it would say taxpayers don't need to subsidize the oil companies. The oil companies are making record profits. In 2002, their profits were \$29 billion. Last year, that grew to \$124 billion. They don't need public subsidies. Taxpayers should not be subsidizing them. By the way, they are not investing their profits back into this country. They are not looking at ways to make this Nation more energy secure, nor are they investing in renewable en-

ergy sources. The President said, on April 14, 2005, that if oil reaches \$55 a barrel, there is no need for the Government to subsidize further efforts on behalf of the oil industry. The price now is \$140 a barrel. So the subsidies were provided. That \$17 billion should be re-invested in America, rather than subsidizing oil companies for even greater profits. Let's use that for making this Nation energy secure, and let's use it for renewable energy sources.

That is exactly what this legislation would do.

There has been a lot of talk about a windfall profits tax. I happen to believe the oil industry is entitled to a profit—just not an obscene profit, taking advantage of the world circumstances in oil. With the windfall profit provision of this legislation, it would tell the oil companies to invest a little bit of that money here in America, in renewable energy sources. That is what it does. It is a clear message about the security of America.

This legislation would take on the speculators. A large part of the cost is not that we are using more oil because, actually, we are using less oil today because of the high cost. We have speculators, who are people buying oil futures and driving up the cost of oil, and we are paying more at the pump. This legislation says those types of speculators should be regulated. There should be margin requirements that make sense, and they should not speculate without sound investment principles. That is what this legislation does.

This legislation expresses our concerns that the OPEC countries that are sending oil into America and depend upon U.S. consumers should be subject to our antitrust laws. This legislation would help in the short term, help bring down the cost of gasoline in the short term, but it would also provide us some long-term strategies for energy security.

What did the Republican leadership do? They said, no, let's not talk about it. The status quo is acceptable.

Well, it is not acceptable. Then, on H.R. 6049, the Republican leadership again exercised the filibuster procedural roadblock, and we could not take up that legislation, which would provide \$18 billion for tax incentives for renewable energy sources so we can energize the American marketplace to develop our wind, solar and geothermal and we can develop the answers to our energy problems in America by energizing innovative individuals and companies in using our market forces to solve the problems here in America.

The legislation also provided for more energy-efficient buildings, which makes sense, and extended the expiring tax provisions, including research and development, which would also help us in dealing with the problems of our country, and extending the alternative minimum tax relief, which is so important. The Republicans said, no, with procedural roadblocks.

The American people want us to act. I have heard my Republican colleagues say we can produce enough oil to solve this problem. Let me give you the numbers and facts. I hope the public will make its own judgment. America, unfortunately, doesn't have a large reserve of oil. We have 3 percent of the world's reserve, including that in ANWR. If we allowed production in that environmentally sensitive area, ANWR, at full production we would produce about six-tenths of 1 percent of the oil in the world. Does anyone think the OPEC nations would not just reduce their supply to us by that amount, meaning there would be no impact whatsoever as a result of the production of that small amount of oil?

As the majority leader pointed out, when I had the opportunity to sit in the chair earlier today, we have sources of oil, and we are utilizing those sources. We are exploring where we can fulfill the energy needs for our own country. But the truth is, we consume 25 percent of the world's oil and only have 3 percent of the reserves. We cannot produce enough oil to deal with our needs.

We need to develop alternative energy sources. I will give you one other statistic. If we would have passed the CAFE standards 10 years ago, we would be saving more oil than three times the amount that is currently in reserve in ANWR. So we need to become energy secure, and we need to do it for several reasons. We need to do it because of our security, because of our economy, and because of our environment.

If we develop alternative fuel, if we do better in conservation, and if we invest in more efficient transportation, we cannot only become independent of the OPEC countries and the hold they have on us in determining how much oil they will make available to us, but we also can be friendlier to our environment. We can deal with the serious environmental issue we have and America can restore international leadership.

What do the Republicans say? We cannot even talk about these issues with a bill, with amendments before us, because they use procedural roadblocks to prevent us from taking up this issue. Well, we should be taking up these bills.

Marylanders want us to act and vote and make the tough decisions. They want us to do that. They want us to develop an energy policy that will wean us off oil, that makes us energy secure, that allows us to control the economic cost of energy, that puts America in the forefront of the international community on global warming to deal with pollution and to deal with the risks that are involved.

But what Americans want us to do today is to move forward on the legislation that is before us, the Consumer-First Energy Act that could and would have an impact on the price of gasoline in the short term so those Marylanders with whom I have talked, who have

told me that they literally cannot afford to operate their cars and are in danger of losing their businesses, that we are taking every reasonable step here to deal with their concerns and to help them. That would be the responsible action for us to take.

I urge my colleagues to put aside this partisan differing and let's act in the best interest of the people of this Nation.

Mr. President, I yield the floor, and 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. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I ask unanimous consent that the majority reserve the remainder of their time and that I be recognized out of order for 10 minutes.

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

Mr. INHOFE. Mr. President, I wanted to come and talk about the Democratic bill called the Consumer-First Energy Act. We go through the same things over and over. We have an energy bill that has no energy in it. I said this on the floor last December. We keep talking about energy, and every time we try to expand energy, try to expand the supply, it dies right down party lines.

The Consumer-First Energy Act does nothing to increase access to America's extensive oil and gas reserves. It does nothing to promote nuclear energy. It does nothing to increase our refining capacity, something I have been trying to do for a long period of time. It does nothing for electricity generation or transmission and does nothing for the utilization of clean coal technology.

Instead this act increases taxes on America's oil and gas producers, which means we are going to be paying more at the pump—we know that—and increases Government bureaucracy.

A cornerstone of the bill establishes criminal penalties of up to \$5 million and 5 years in prison if a fuel supplier sells his product at an "unconscionably excessive price." But the agency responsible for its enforcement, the Federal Trade Commission, says this legislation is unnecessary and even counterproductive. FTC Commissioner William Kovacic told Congress recently:

My intuition is that it would create hesitation in the response to shortages and that that might tend to exacerbate rather than mitigate shortages.

In addition to the FTC's opposition, price-gouging investigations are nothing new. They have been occurring for decades, with each reaching the same conclusion.

The Investors Business Daily last month had an editorial:

Senators also want to impose steep penalties on "price gouging"—despite the fact

that some 17 separate studies have found it doesn't exist. The plan amounts to little more than an attempt to impose price controls—a socialist tool dressed up in a populist garb. Democrats hailed their new measure as an attack on "the root causes of high gas prices." That's one of the more laughable comments to emerge from the Senate in some time.

Recently, in the aftermath of Hurricanes Katrina and Rita, the FTC issued another report after an extensive investigation into price gouging. Once again, it is the same conclusion. The FTC found:

No evidence to suggest that refiners manipulated prices through any means . . .

No evidence to suggest that oil companies reduced inventory to increase or manipulate prices or exacerbate the effects of a price . . .

Additionally, Bill Richardson, former Secretary of Energy for the Clinton administration, when asked last year in a Democratic Presidential debate if oil companies are price gouging the American consumer, bluntly answered:

No, they're not.

Price-gouging legislation is a solution in search of a problem. Also, it is more of class warfare. If they want to blame somebody, they want to blame oil companies, the people who are actually plowing back more than 100 percent of profits into exploration at the present time. Federal law already bars companies from colluding to fix prices, and the Federal Government currently has all the legal tools necessary to address price gouging.

According to the Congressional Research Service, "at least 30 states . . . have laws that prohibit gouging, excessive price increases, or unconscionable pricing. Other states may also exercise authority under general deceptive trade practice laws depending on the nature of the state law and the specific circumstances in which price increases occur."

So knowing what we do about price gouging, this provision is repetitive, unnecessary, and potentially counterproductive. This could have the effect of increasing the price at the pump.

The other major component of the Democrats' Energy bill reinstates the windfall profits tax. Democrats want to impose a windfall profits tax despite the fact that we had this same tax almost 30 years ago and the results were predictable and harmful. Again, it is more class warfare.

In 1980, under President Jimmy Carter, Congress imposed an excise levy on domestic oil production called a crude oil windfall profits tax. According to a 1990 report by the nonpartisan Congressional Research Service, the results of the Carter windfall profits tax were very counterproductive. Quoting from that report:

The windfall profits tax reduced domestic oil production between 3 and 6 percent, and increased oil imports from between 8 and 16 percent . . . This made the United States more dependent upon imported oil.

This is what happened last time. We are supposed to learn from our experiences.

Looking back to 1980, we now know what a windfall profits tax will do. It will decrease domestic production and increase America's oil imports—the exact opposite of what we need to do.

Additionally, a 1984 General Accounting Office report called the windfall profits tax “perhaps the largest and most complex tax ever levied on a U.S. industry.”

In May, *Investors Business Daily* editorialized in response to this new tax proposal:

As any student who has taken Econ 101 at the local junior college can tell you, higher taxes don't encourage production; they discourage it. But Senate Democrats apparently played hooky the day the taxes were discussed.

American oil and gas companies reinvest their profits into exploration, production, and other energy. This is how we can get on the road to expanding our production in America. America's major oil companies already pay the second highest corporate tax rate in the industrialized world. An additional \$17 billion in tax increases will only further harm the international competitiveness of U.S.-based oil companies.

Using the Energy Information Administration's numbers, oil and gas industry profits can be calculated to roughly account for about 8 percent of the price of a gallon of gas. So for a \$4 gallon of gasoline, oil and gas companies profit approximately 32 cents.

It is then arguable that if oil company profits were slashed in half, as has been proposed, it would only reduce the cost of a gallon of gas by 16 cents. And people are led to believe it will be \$2 or \$3. It is not true.

It is arguable that if oil company profits were slashed in half, that would be approximately 16 cents a gallon.

Mr. President, \$17 billion in tax hikes will also ship American oil and gas jobs overseas. If indirect and other employment resulting from the direct activities and the earnings of these direct oil and gas employees is included, the total U.S. employment resulting from oil and gas activity is almost 8 million.

For American jobs, for the international competitiveness of American companies, and for the consumers at the pump, Congress has to reject these Democratic attempts to increase taxes and implement backdoor price controls.

What should we be doing? Oil and gas exploration and production is currently prohibited in 85 percent of America's offshore waters. We talked about the huge reserves, but it is prohibited. We are willing to do it, but it is prohibited in 85 percent of the waters.

Other nations don't do this. Canada allows offshore drilling in the Pacific, the Atlantic, and the Great Lakes. Additionally, Cuba is looking to expand drilling which could occur 45 miles from the shores of Florida, and that is with technology that is much less environmentally sound. So we would have the effect of increasing any adverse ef-

fect that would come from that type of activity.

Exploration and production activities are currently prohibited in the Pacific and Atlantic regions of the Outer Continental Shelf which hold an estimated 14 billion barrels of oil and 55 trillion cubic feet of gas. This is equivalent to more than 25 years worth of imports from Saudi Arabia. Looking to Alaska, ANWR is estimated to contain 10 billion barrels of oil, about 15 years worth of imports from Saudi Arabia. If President Clinton had not vetoed the bill back in 1995, we passed a bill that was in concert with what they want in Alaska and that is to be able to explore that very small area up there—if that had not happened, we would be in a position today, we would have 1 million additional barrels a day coming from ANWR. We know what that would do to reduce the price of gas at the pump.

The Heritage Foundation describes ANWR's 19 million acres as the same size as South Carolina:

Of that area, President Bush proposes opening about 1.5 million acres to exploration (roughly 6 percent of ANWR). Of those 1.5 million acres, only 2,000—an area the size of Washington's Dulles International Airport—would be devoted to drilling.

The PRESIDING OFFICER. The Senator has used 10 minutes.

Mr. INHOFE. I believe what we need to do is understand that supply and demand still works. We have to increase the supply domestically, and we can do it by passing the Consumer-First Energy Act that has been proposed by Senator DOMENICI, myself, and others. The price at the pump would directly respond on notice of that type of legislation passing.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Ms. KLOBUCHAR. Mr. President, I ask unanimous consent that the blocks of time be extended for another hour, with the majority controlling the first half hour of the extension.

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

Ms. KLOBUCHAR. Mr. President, I just got back from my home State of Minnesota. Let me tell you, the price of gas is not just one of the issues people are talking about, it is the issue they are talking about.

In this last week, as we all know, gas prices have risen above \$4 a gallon as the national average, and many of the people in the country cannot afford it. If you drive past a Costco store—I am a Costco member—you will see in the Twin Cities cars lining the block trying to get in to save a few pennies, to save a few nickles, to save some money. Those gas lines remind me of the OPEC oil embargo we have not seen since the 1970s. If you talk to people in the rural parts of our State, you will be shocked at their out-of-pocket expenses. They have a longer way to drive to work. With gas at \$4 a gallon, some people are spending \$20 a day to get to work in the morning and to get home at night.

Mr. President, as you know from your home State of Colorado, in some areas, there is not going to be a lot of mass transit. In some areas, they have to drive longer to get to work. Families cannot afford these prices. A few weeks ago, we saw stories in the paper saying that consumers were not changing their driving patterns, that they were comfortable with their commuting habits, and they were willing to pay a few dollars extra each week. Well, \$4 gas has changed all that. One in twelve Americans now have found a new way to go to work because they can't afford week after week of these gas prices. And we need more mass transit. I support that. That is a good thing. But we know for many Americans who have less income and are dealing with the problem of increased health care costs and who are dealing with the issue of an increase in the cost of food, and now these gas prices up to 4 bucks a gallon, when they have less disposable income, less money in their pocket, it is hard to afford things.

We simply cannot continue business as usual. When we have people going to a gas station and can only afford to fill half their tank with gas, we can't afford to keep going. That is why I am so shocked when I have seen what the other side has done. Time and time again, the same old argument. Well, I think these same old ideas are running on empty, just as the people in this country are running on empty.

The other side has blocked consideration of some new ideas and a new way to go forward with energy, both for short-term and long-term relief for the people of this country. I say this to my colleagues who voted against that bill and voted against allowing us to debate and allowing us to move forward with a new energy future: They are running on empty, and the American people know it.

Remember back when President Bush was asked about \$4-a-gallon gas on February 28? The President said:

You are predicting \$4 a gallon gasoline? That is interesting. I hadn't heard that.

Well, for the people in my State, \$4-a-gallon gasoline isn't interesting, it is a budget buster. The fact is, this administration has failed to provide Americans with a meaningful energy policy that would provide relief from high gas and energy prices. They have been running on empty. This is why I am so frustrated that our colleagues blocked consideration of this important bill.

We are not proposing anything radical. We are simply asking that the Government enforce the laws on the books and make the marketplace work like it is supposed to.

As the Presiding Officer does, I come from a prosecutor's background, and I know we can have all the laws on the books we want, but if we don't enforce them, we are not going to get the relief we need. We are not going to help victims—or in this case consumers—if there are no cops on the beat and no

one is enforcing the laws or drawing the line.

As part of this important bill, the other side blocked us from even considering, from even debating having Federal regulators provided the tools to do their job, to crack down on speculation in the futures market and on speculators who trade in offshore exchanges just in order to avoid regulation. We want the Attorney General to have the authority to prosecute collusion by foreign governments.

We heard a witness in recent months come before multiple committees in Congress, the CEO of an oil company, and say: You know what. A barrel of oil shouldn't cost over \$100. A barrel of oil should cost somewhere between \$55 and \$60. That is the true cost. We heard a witness in recent months describe our energy markets as a giant gambling hall without rules, as a superhighway without a traffic cop.

That is what we are dealing with. So we need a cop on the beat. The Consumer-First Energy Act gives us that cop on the beat. It addresses the problem of market speculation by stopping traders from routing transactions through offshore markets in order to get around the limits on speculation put in place by U.S. regulators. Why would they go to these offshore markets? We know why they are going there. They want to avoid any regulation in this country.

In fact, you don't even have to go offshore to find unregulated energy trading. The Commodity Futures Trading Commission is allowing the Dubai Mercantile Exchange in New York and the Ice Electronic Exchange in Atlanta to trade in U.S. oil futures without Federal oversight. I can't tell my constituents to rest easy because the Dubai Financial Services Authority is looking out for their interest.

We need to take action not only by regulating these offshore markets but also by making sure what is going on in this country is right. Now, we closed the Enron loophole, or we tried to do that with the farm bill, Mr. President, but there is clearly a lot more that needs to be done. There is a lot of speculation that is offshore and out of reach of our negotiations and our regulators. This bill will make those foreign trades in American oil and gasoline futures subject to reporting requirements so we can have a paper trail and keep track of what is going on.

The bill would also require the Commodity Futures Trading Commission to increase the margin requirement for oil trades. The margin requirement is currently set by exchanges themselves, kind of like the fox guarding the henhouse, and they have set the requirement so low—5 to 7 percent—that speculators can buy enormous amounts of oil with only a small amount of cash, and this has caused a tremendous amount of volatility in the price of oil and gas.

Remember what the CEO of the oil company said: Oh, no, no, no, this

shouldn't be. Oil shouldn't be priced at over \$100 a barrel. It should be \$55. Well, where is all this money going? It is going to build five-star hotels in the middle of the desert somewhere. We have been investing in the sultans of Saudi Arabia instead of the farmers and workers in this country where we should be developing a long-term energy policy.

A final area where we can take immediate action is in our dealings with the OPEC nations. OPEC is a cartel of oil-producing countries that meet and decide how much oil to produce and thereby control prices. They make no pretense of having a free market system. They do not obey the laws of supply and demand. They gather together and they set production, which determines prices. As a former prosecutor, I call that kind of behavior collusion, and it is illegal in this country. But the members of OPEC are foreign governments, and so far they have gotten away with it.

As oil exporting nations, the members of OPEC could provide us with some relief. They have the spare capacity to increase their production of oil and ease the pain being felt by the people in this country. But OPEC recently met and decided not to increase production, at least until the fall, after the summer driving season when prices always rise. Not only that, Saudi Arabia has actually decreased production since 2005.

Think about it. Our country spends \$600,000 every minute on imported oil. That is money leaving the pockets of American consumers, American drivers, going into the coffers of foreign countries. By refusing to step up production, OPEC nations are saying: We don't think prices are high enough yet. Let's let them go higher. Well, I think they are.

This bill that was blocked by the other side was going to put a stop to some of this OPEC price setting by allowing the Attorney General to bring enforcement action against foreign governments that are engaging in collusion and hold them to the same standards of fair dealing we already have in place in this country.

So those are some short-term ideas, in addition to the ones we were able to pass, which was to temporarily halt putting oil into the Strategic Petroleum Reserve when the prices are high. We got that done. But there are other things even more important. To do something about what is called the gambling hall when it comes to oil speculation, to do something about price gouging, to do something about the OPEC nations—these are short-term things that are doable and that the people in my State, who are lining up in those Costco lines, want to see. But, once again, we were blocked by the other side.

Our people are running on empty. They are tired of this, and the other side is running on empty when it comes to ideas. We need a bold new future, a

long-term solution. American consumers also expect that their corporations should invest sensibly for the long-term interests of our country and our economy. That is what works. That is how business works.

But here is what is going on. This Congress, in the past few years—before I got here—gave a bunch of giveaways to the oil companies. I don't know, \$17 billion, something like that. So we, the people, have a say in what these oil companies do when we are giving them a bunch of tax giveaways.

The Consumer-First Energy Act imposes a windfall profits tax on oil companies. It doesn't just say, no; every oil company gets a windfall profits tax. We could say that given that the big oil companies raked in \$36 billion in just the first 3 months of this year. But it says, if they invest in renewables and do what they are supposed to do given they have gotten these subsidies—that they invest in their refining capacity and do things like that—then they would not have this windfall profits tax. But if they don't and they are taking the taxpayers' money and they are raking in the bucks and the prices are getting jacked up, then they are going to get a windfall profits tax.

Why should these big companies be getting \$36 billion in the first 3 months, making no progress in terms of a long-term energy policy, and then the consumers are paying over \$4 a gallon at the tank? It makes no sense. The oil companies' profits since this administration took office are over \$600 billion and counting.

Now, you can make the argument for high profits if this money was being used to develop alternative resources, but it is not. Time and time again we keep going backwards, not forward.

So this provision says if they take their profits they get from American families and businesses and reinvest them in the country's energy future, that is fine. If they don't, we are going to take a portion of their money and invest it in the farmers and the workers of the Midwest instead of the oil cartels of the Mideast.

We know what we need for a long-term energy policy. We need investment in hybrid electric cars. We are not that far away. In 2 years, the Chevy Volt is going to give us 30 to 40 miles by plugging it in and then it converts over to fuels. We have great advancements in biofuels, something the Presiding Officer and I have worked on very hard, going to cellulosic ethanol but going beyond even corn-based ethanol so that we look at getting energy from switchgrass and prairie grass and algae and all kinds of biomass and residue from logging. These are all in our future. But we have to actually put those incentives in place so the investment follows.

We have tried. We have done some things, but we need a bold energy direction in this country, and that is what this bill was about that the other side blocked. They are running on

empty with ideas, and the American consumers are running on empty with their tanks. When American families are facing the kind of economic squeeze they are facing today, they expect action from their Government. They expect that their Government will protect their interests to make sure the markets are fair and honest and transparent. They expect their government is going to watch out for them, not for the oil companies.

We have proposed legislation that would do these things. It would give the Government the tools to protect consumers in the short term, and it would begin to set our country on a smart, sustainable course for the long term toward energy independence. You can put your head in the sand and pretend it is not happening, or you can look for a new future. Does that involve, as our friends on the other side have been saying, increased production in our country? Of course it does. We live in Minnesota, next to North Dakota, where we are seeing the discovery of more oil. That is a piece of this; that is a piece of it. But the other piece is looking to the future with renewables and biofuels and new kinds of technologies. And if we keep going the old way, giving that \$17 billion to the oil companies and not investing in a new future, we are going to end up even worse than we are now, and that is running on empty.

It shouldn't take \$4-a-gallon gasoline to bring us to the brink of action on sensible market reforms and a smart long-term energy policy, but that is where we are. That is where we are. It is time to act. I implore my colleagues on the other side not to filibuster this bill. We must move ahead and we must do something for the American people.

Mr. President, I yield the floor, and I yield back the remainder of the majority's time in this half hour as well.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MARTINEZ. Mr. President, I want to speak on this issue, the energy problem we find ourselves in, and I want to begin by a moment of reflection upon the problems described by my dear colleague from Minnesota.

The fact is, the more we can find a way to work together and the less we make clever rhetorical points about whether one party is on full or another is on empty, or anything else, the quicker we will get to a solution. The fact is, we are not going to find solution to the energy problem in America by doing it as Democrats or Republicans. We are going to find it by working together as Americans.

We all know when the minority is not permitted the opportunity to impact a bill by amendments there is not a real debate taking place and, therefore, our ideas, the ideas of 49 Members of this Senate, are not worth considering. We all know that is not the way the Senate legislates. That is not the way to do things when you are serious about an outcome and not just looking to make political points.

We are, for sure, in the midst of an energy crisis like nothing we have seen in recent times. A gallon of gas is more than \$4 a gallon, with diesel more than \$5, and natural gas prices continue to rise. These high prices are putting an unexpected and heavy burden on millions of American families. As I talk with Floridians, it is clear that people are feeling the pain and families are hurting. The rising costs are digging into the family budget.

In addition to high energy costs, we are also in the midst of increasing food costs and putting an even greater strain on families who are growing increasingly anxious. They want and deserve solutions. They don't want and don't deserve partisan bickering.

There are a number of factors impacting the price of gas—including the influence of speculators and the weak dollar.

We are seeing a large and increasing demand for fuel while supplies remain stagnant.

Since the automobile was invented, it took the United States until the early 1980s to reach 100 million cars. In China, the same thing happened in less than 15 years. According to the International Energy Agency, Chinese oil imports are expected to rise 80 percent in the next 4 years.

And by the way, we know the Chinese are looking for ways to increase their own oil production—but despite what is cited as fact here on the Senate floor on frequent occasions, China is not drilling off the coast of Cuba. I have taken the time to research this issue because of my own interest in this area of the world.

According to the Congressional Research Service, China only owns one plot where they could explore. It is this little green spot. Whether it is under production or not is not clear, but it is not offshore—it is on the island itself. According to University of Miami Center for Hemispheric Policy fellow Jorge Pinon, there is no drilling taking place offshore in Cuba by the Chinese or any other country.

Reports to the contrary are false; they are rumor; they are akin to urban legends. China is not drilling for oil 60 miles from the Florida Keys. There is one oil company—Spanish Respol RTF—that has purchased one lease off of Cuba's shore and there is no current drilling or even plans to drill in the foreseeable future. There is the possibility that the Canadians may have something happening there, but I am not aware of that either.

So any talk of using some fabricated China/Cuba connection as an argument to change U.S. policy has no merit.

To address the supply side of the equation, one solution I have always favored involves using our existing natural resources to increase domestic production.

Congress has made some progress in this area in recent years, but more needs to be done.

Offshore drilling is one area where we have made progress. In 2006, I helped to

negotiate the opening of more than 8 million acres in the Gulf of Mexico as a result of negotiations and conversations on a bipartisan basis here in the Senate.

The area is estimated to contain up to 5.8 trillion cubic feet of natural gas and 1.25 billion barrels of oil. That is a tremendous amount of resources in areas open to drilling right this minute, all as a result of an agreement Senator NELSON and I made, protecting Florida's beaches yet understanding the need to open up this area of the Gulf.

While 8 million acres have been opened in the Gulf, to date no exploration has taken place. I know they are still in the process of leasing, but to date we have had no product out of that area. It makes sense to me that we would go here first, well away from Florida's beaches, before this area, where we also have a military mission area to protect.

I hope that before we talk about opening areas closer to our beaches, that we will first attempt to get to the one billion barrels of oil already available in the Gulf.

Another promising domestic resource is in ANWR in Alaska.

Five different times during my Senate career, I have voted to open this remote area for oil exploration. It is environmentally safe, the people of Alaska favor it, and our country needs it.

I will continue to support efforts to obtain resources from the area.

The size of the land we are talking about for exploration is merely 2,000 acres within 19.6 million acres of wilderness—that is the virtual equivalent of a quarter on a football field.

Estimates indicate this area in Alaska contains approximately 10.4 billion barrels, meaning we could have another one million barrels of oil coming into the U.S. supply every day for decades.

I will continue to support increasing the U.S. domestic production as long as it is supported by those most directly impacted by it.

Along with working to increase the U.S. oil exploration efforts, there is also a tremendous need to build more oil refineries.

Part of the reason why our oil supplies are stretched thin is because despite the rise in demand for gasoline, a new fuel refinery has not been built in three decades.

Once crude oil is shipped from overseas, it still has to be refined.

With so few oil refineries in this country and the demand so high, this results in a bottleneck and further contributes to the domestic demand that is outstripping supply.

We can do a great deal more in the short term to alleviate the burden high gas prices are having on America's families.

An integral part of any energy plan moving forward has to focus a heavy emphasis on conservation. We are not going to drill our way to energy independence.

We have to have a comprehensive approach: more exploration, more conservation, renewables, biofuels, and new technologies.

We are paying high prices at the pump for that demand, and it is also something we are paying for environmentally. I think there is huge promise in answering some of our energy demands and contributing to a cleaner environment by investing in alternative fuels.

Most people are familiar with ethanol—but I think that is just the first step. Florida's research universities have been working on cellulosic ethanol, which is a second generation biofuel.

This process generates fuel from orange peels, grass clippings, corn stalks—not the corn but the waste after the corn is gone. Any sort of organic material that has carbon in it can be turned into fuel.

One thing should be clear—it is that the tension on the world's oil market is not going to lessen anytime soon and the need to lessen the U.S. dependence on foreign oil could not be any greater.

Frankly, this Congress has been absent on the matter. The fact is, although we talk about President Bush and what he has and has not done, we have an obligation to act as well. The fact is, when the Democrats took over the Congress the price of oil was \$2 a gallon; today it is over \$4 and going up. We have to put down the partisan rhetoric. We have to come back to the fact that we must come together, work together, Republicans and Democrats, to do what serious legislating usually can accomplish when people of good faith come together to get something done.

I invite my dear friend and colleague, the Presiding Officer today, to find ways we might work together so we can help American families. I know there are many things on which we can agree. We ought to try to diminish the points of disagreement and find the common ground and move forward to a better energy future for our country so we might leave the kind of legacy for our children that I know is the reason we came here to the Senate in the first place.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I join with my colleague from Florida to talk about an issue that is probably on the minds of nearly every American today, especially if they just pulled their big SUV away from a gas pump and they fed their credit card into that gas pump and it registered \$100. That is the reality the American consumer is being subjected to today in an unprecedented way. So my advice to the Senate today goes back to an old country song that was popular a few years ago, by a female country artist, called "A Little Less Talk And A Lot More Action."

That is exactly what ought to be going on in the halls of Congress today: a heck of a lot less talk and a lot more

action. What ought that action be for the American consumer who today is paying more money than ever in the history of our country for energy? In the short term, the "more action and less talk" ought to be production, producing oil out of our known oil reserves in this country. That is not the answer for the future. That is the answer for tomorrow, next year, and 8 or 10 years into the future. I call it a bridge solution to the reality of a new generation of energy that is the cellulose, that is electric, that is the hybrid. But we are always going to need oil or hydrocarbons in our economy to produce the kind of transportation fuels for the big trucks and many of our rail engines and all of those kinds of heavy transportation needs. That is not in part what the consumer is paying for today. The consumer is paying \$4-plus at the pump today, depending on where you live, because this Congress over the last 20 years has had an attitude that is quite simple: Put that in wilderness, protect it, deny it, we can conserve our way out of it. The Clean Air Act says it is too expensive to retrofit refineries so we take one, two, three refineries offline. We have taken many of them offline because they simply couldn't comply with the Clean Air Act and they were too expensive to retrofit and our overall capacity to refine, with our overall capacity to explore and develop, went hand and hand down while the American consumer was consuming more.

What does that "a little less talk and a lot more action" mean? It ought to mean this: It ought to mean going where you know you can get it, going where you know you can drill. Where might that be? Here is that reality that American consumers ought to know about, and then I hope they will pick up the phone and call their Senator or e-mail their Senator and say: Why did you do this? Why over the last 30 years did you deny us access to these areas where we have known oil reserves?

In a modern world, for me to quote 20-year-old statistics doesn't make a lot of sense. But for 20 years we have said: No, we are not even going to use new seismographic measuring efforts to determine where the other oil is. We are going to take the old information, 20-year-old information in the red zone represents this.

American consumer, listen, because you ought to be on the phone today, calling your Senator and saying: A little less talk and here is the action. Start drilling. Open these areas. Get the bid process going.

What can it yield? The U.S. Geological Survey says that in these red zones we have a known resource of 29 to 30 billion barrels of oil. In the undiscovered areas where we believe it is, there is 85 billion, or about 115 billion. You do the math.

If we could produce a few more million barrels a day, what would the mar-

ket do? What would the speculators do? They would run for cover. We would take \$30 or \$40 a barrel right off the top of the market that is a speculative price today that is betting that America will not do this because they are betting Congress is going to be doing a lot more talk and no action.

If we act, if we do what we ought to do, if we go where we know we should go, where the oil is today, and we find that there are 120, 130, 150 billion barrels of oil, down comes the market.

If the market comes down for America, the market comes down for the world. That is the price in the market, because we are talking about market trends that are world trends—not only us. If you think we are having a bad time here and we are paying \$4, what is a European paying? They measure by liters, but they are usually, probably at \$9 or \$10 now. So they are as angry as consumers as we are as consumers about the reality of the market in which we all live.

I am talking crude oil. I am not talking natural gas. In these areas we believe there could be as much as 633 trillion cubic feet of gas. For the chemical industry of our country, for the world as we know it, that is hugely important. For all of the costs of the goods and services we are buying at the market shelf today that are going up in price, they are reflecting their need to have the ingredients that flow from oil or that flow from gas. Whether it is the transportation that gets them to the shelf or whether it is the ingredients of the product that is on the shelf, this is a world today that is dominated by what we call hydrocarbons—oil and oil derivatives, and gas. We are all going to be paying a great deal more.

The thing that is most visible is the pump, that \$4 or \$4.20 or \$4.50. The Senator from Alaska told me this morning that in areas of rural Alaska where they barge the gas up and offload it during the summer for the locals to use, it is well over \$5 a gallon.

And it is going to that consumer at well beyond their inability to pay. They are growing frightened; they are relating to that Senator fear that they can no longer live their lives the way they would like to live them because they simply have to deny themselves access to gas, access to oil.

Well, that is the reality of where we live and what we have done to ourselves. It all started in this Congress 20 years ago in the name of the environment. We began to deny, deny, deny, and deny. Consumers are saying something much different today than they did then. Because they recognize that in a state of denial there is a price to be paid. They are now paying that price.

So what happened and what is happening? Well, on May 19, a Gallup Poll came out. They asked Americans: Shouldn't we allow drilling in the U.S. coastal waters and up here in the ANWR area, the Alaskan National Wildlife Refuge?

A few years ago, a majority of Americans said: Oh, no, no, no. Let us protect those areas. Today, well, this was even before \$4 gas, this was May 19, not this week, and 57 percent of Americans said: Drill it.

There is a new Rasmussen Poll out today which is even higher than that. Americans are saying: Drill it. Go where the oil is. Explore it. Develop it. Bring it online. Do it in an environmentally sound way.

And our technology today can take us there. We do not risk the environment when we do this. Anybody who stands on the floor of the Senate today and says: Oh, save the environment, is in a 20-year-old environmental time warp. And it is quite obvious why. They haven't seen the technology. They do not know what we now can do; that we have learned from the 1960s spill in Santa Barbara. Have you heard some Senators quote the facts about Katrina? Over a thousand wells were knocked offline, drilling rigs knocked off point. Not a drop of oil spilled. Why? Technology.

So America, awaken. Pick up the phone. Call your Senator and say: Get with it. A lot more action and a lot less talk. Because right now we are talking. We are jawboning, we are politicking, and the consumer is having their budgets burnt up by the reality of the marketplace that this Congress helped set decades ago.

Hear me. A lot less talk, Senate, and a lot more action. Let's go to work. Let's drill our reserves. Let's produce them in an environmentally sound way and let's give this consumer and our economy and the world a better place to go.

I yield the floor.

THE PRESIDING OFFICER (Mr. MENENDEZ). The Senator from Colorado.

Mr. SALAZAR. Mr. President, I rise today to talk about the pain that \$4-a-gallon gas is inflicting across the country. For the last 8 years, our energy policy has been stuck in the past. Today, we suffer from that neglect. Our national security is compromised by our alarming overdependence on foreign oil. Our economy is held hostage to other countries that control the oil reserves.

Every day—every day—most Americans, most of the 300 million Americans are feeling the real pain of high gas prices and diesel prices resulting from these failed policies.

Americans know the past all too well. Since 2001, the price of oil has risen more than 400 percent. The cost of a gallon of gas from Colorado is up almost 300 percent. Oh, yes, we all remember those dear old days in 2001, when in Colorado we were paying \$1.08 a gallon in the beginning of the Bush administration. Yet today we are at \$4 a gallon in Colorado.

U.S. expenditures during that same time period on foreign oil that we are importing into our country have more than tripled; a family's transportation

costs have more than doubled. Projections show gas may reach \$5 a gallon this summer.

But the numbers do not even begin to tell the real story of how our dependence on foreign oil is hurting the American people. They do not tell the story of the farmer in Kit Carson County, on the Eastern Plains of Colorado, who is worried, worried that he will not be able to afford the diesel needed to harvest the wheat at the end of the summer.

They do not tell the story of the trucker in Elizabeth, CO, whose weekly income has fallen \$700 in this economy and can barely afford to fill his truck because fuel costs are higher than they have ever been.

They do not tell the story of how fuel prices have pushed several airlines into bankruptcy and led United Airlines to cut over 1,000 jobs in recent days.

In rural communities, in particular, gas prices are taking a huge bite out of the family budget. This map shows the average proportion of a family's income that is going for filling the tanks in counties across the country.

You can see which parts of the country are the hardest hit. Those are the rural counties, where upward of 16 percent of the entire budget is going for gasoline. So you see in the broad swath of what is rural America, this yellow area. Down here is my San Luis Valley, where 16 percent of the family budget essentially is going to fill the tanks of gasoline for those families.

Across the country we are paying almost \$5 billion more every day for oil than we did 5 years ago. These moneys are going to the Middle East, to Russia, and to Venezuela. They are not moneys that are staying in America to make us strong. Revenues for oil-producing states and oil companies, primarily oil companies controlled by foreign governments, will reach \$2 trillion this year, \$2 trillion.

So while American farmers and ranchers are facing \$10,000-a-month fuel bills, Saudi Arabia is using its oil riches to build four new cities in the desert; the Sudanese are building new skyscrapers and five-star luxury hotels; and Russia, Russia is using its oil windfall to increase its Federal budget tenfold.

Over the last 8 years, we have not only become more dependent on foreign oil, today we import an increasing amount of oil from those foreign countries. Thanks to the failed energy policies of the past, we are at the mercy of OPEC and the oil-producing nations of the world.

We need to move forward with a new ethic and new imperative of energy independence. We must succeed in a sustained policy that is not a stop-and-start policy on energy independence but one that will succeed in addressing the cause that I believe most of the Members of this Senate believe in; that is, to end our addiction on the importation of foreign oil.

How are we going to do this? First, we must continue to develop our do-

mestic oil and gas resources. You heard my friends on the other side of the aisle say we are not doing enough, that we have not drilled enough in the United States of America. Yet when you look at the 2005 Energy Policy Act which I helped craft, along with Senator DOMENICI and Senator BINGAMAN, that legislation took sensible steps, in my view, to stimulate new exploration and energy development and opened the door to a whole host of items on a portfolio toward energy independence.

In 2006, we worked together, again, Democrats and Republicans, to open an additional 8 million acres in the Gulf of Mexico for energy development. Those areas contained 5.8 trillion cubic feet of natural gas and 1.26 billion barrels of recoverable oil. We were then asking that we produce more oil from our own resources in America.

Colorado is a proud contributor to our Nation's energy supply, and we are working to do more. So it is false when people say we are not doing things in America to produce for our energy supply. We have more than 34,000 active gas wells in my State right now. We have almost 5 million acres of land under lease. We are producing 1.2 trillion cubic feet of natural gas each year, up sixfold from 14 years ago.

Over the coming years, we will contribute even more to our Nation's energy supply. The BLM estimates that over the next 20 years we could have 17,000 more gas wells in 3 of our western counties alone.

Let me say, are we against energy development in America? You tell me that the construction, the drilling of 17,000 wells in 3 of my counties in the State of Colorado is not contributing to the American supply of oil and natural gas that we need in America? We are doing a lot already here.

But for those on the other side who accuse us of doing nothing, they are wrong. I have also introduced legislation to open additional areas in the State to oil and gas development, including the Roan Plateau in western Colorado. But we want to do it the right way.

Let's not kid ourselves. Expanding domestic oil and gas production will not lower gas prices or kick our addiction to foreign oil. Americans consume 25 percent of the world's produced oil, but we hold less than 1.7 percent of the world's proven oil reserves.

This chart shows us a little slice of the pie that is 1.7 percent. One of my colleagues earlier said it is 3 percent of the world reserves. These are the figures from the Central Intelligence Agency. The CIA tells us we control 1.7 percent of the global proven reserves of oil. Yet we are consuming 25 percent of those reserves.

So what my colleagues on the other side are saying is that we are going to take this little slice of the pie and somehow magically address the huge oil security problems we are facing today. That is not accurate. We need to be honest with ourselves and the American people about our energy future.

We simply cannot drill our way to energy independence.

If we threw open the doors of America's most treasured landscapes to drilling, it would still just be a drop in the bucket. According to the Energy Information Administration, drilling the Arctic Wildlife Refuge would, at peak production, which would be somewhere between 2018 and 2030, reduce the cost of gasoline by less than 4 cents per gallon.

We need to be honest with ourselves and the American people about our energy future. We simply cannot drill our way to energy independence.

Some dream that oil shale will save the day.

Oil shale deposits in Colorado, Wyoming, and Utah amount to somewhere between 500 billion and 1.1 trillion barrels of oil. That is more than double the proven reserves of oil in Saudi Arabia.

The trouble is, the oil is locked up in rock and, even after \$10 billion of research and development, nobody has figured out an economical way to get it out.

If the technology were ripe, companies like Shell would already be developing oil shale today on their own lands. Shell and other companies already own nearly 200,000 acres of prime oil shale reserves in Utah and Colorado. Nobody, not the Federal Government, not the Congress, not the State, is stopping them from developing these tracts. But they are not ready, and that's what they have all told us in testimony. They are still struggling to overcome technological and economic barriers.

We can help companies such as Shell overcome these barriers through research and development incentives like the ones I helped put in the 2005 Energy Policy Act, but even under the most optimistic estimates, the technology won't be ready for commercialization until 2015.

So let's be honest about oil shale. Let's not pretend there is a magic wand that we can wave that will unlock the mystery of oil shale. Let's be honest about our energy future. Let's be honest with the American people.

Responsibly expanding our domestic production is only one part of the solution. As I have said repeatedly over the last 4 years, we also need to be improving our energy efficiency, investing in technologies, and developing our clean energy economy. We have taken several steps in the right direction.

At the end of 2007, Congress passed legislation to increase fuel efficiency standards in cars and light trucks by over 40 percent by 2020. This will save over 1.1 million barrels of oil a day.

The bill we passed, the Energy Independence and Security Act of 2007, also helps spur the rapid development and deployment of advanced biofuels, such as cellulosic ethanol. The bill quintupled the existing renewable fuels standard to 36 billion gallons by 2022, 21

billion of which must be from advanced biofuels, such as cellulosic ethanol. That is more than enough to offset our oil imports from Saudi Arabia, Iraq, and Libya combined.

I was also proud of the work we did in the farm bill to spur cellulosic biofuel production, which has the potential to dramatically reduce carbon pollution. The farm bill includes a provision I sponsored that provides a \$1.01 per gallon tax credit for the production of cellulosic biofuels. It is the first incentive for cellulosic biofuels of its kind.

Why is this so important? Because cellulosic biofuels have the potential to displace 3 billion barrels of oil annually, equivalent to 60 percent of our country's yearly consumption of oil in the transportation sector, without affecting our need for food, feed or fiber, 3 billion barrels of oil a year.

Dramatically increasing our biofuels production can and will help us get control of gas prices and reduce our dependence on foreign oil.

In fact, if it weren't for current ethanol production, gas prices would be even higher than they are today.

Merrill Lynch estimates that gas prices would be 15 percent higher if it weren't for our ethanol production. Do not make biofuels the scapegoat.

In addition, studies are showing that, as a result of our renewable fuels standard enacted in 2005, U.S. oil imports recently declined for the first time in a quarter century.

Unfortunately, there are some who just cannot accept the fact that biofuels can and should be a larger part of our energy future. They're finding any excuse to advocate yesterday's energy policies and step back into the past.

These renewable energy opponents claim, for one, that biofuels production, in particular corn ethanol production, is to blame for high food prices.

This is absurd. There are three factors that are driving food prices up, and ethanol production is not one of them.

First, food prices are rising because global demand for grains, particularly from China and India, is rising.

Second, the global food supply is down because of drought conditions in several areas of critical agricultural production. Still, U.S. producers are doing everything they can to boost supplies. Not counting corn used for ethanol production, we produced 17 percent more corn food product and exported 23 percent more food product overall in 2007 than in 2006.

Third, rising oil prices are making it more expensive to produce food. Petroleum costs are embedded in every part of the global food supply chain. Recent studies by USDA reveal that for every dollar we spend on food, only 20 cents is the cost of the food product itself. The other 80 cents or so are the costs of labor, energy, transportation, and other factors.

The best economic minds agree that ethanol production is having little, if

any, effect on food prices. Ed Lazear, chairman of the President's Council of Economic Advisors, recently reported that ethanol production accounts for less than 3 percent of the increase in global food prices.

Those who claim that biofuels production is driving up food costs are flat-out wrong.

Let's not forget where today's high gas prices are hurting most, it is in America's rural communities. Farmers, ranchers, small business owners, families in small towns, they know the true cost of our addiction to foreign oil. They feel it every day.

They also know that the solution is not far away. They know that the solution lies in our farms and fields, in the promise of cellulosic ethanol and in the ingenuity of the American worker.

Our rural communities know we can grow our way to energy independence if we continue to pass and implement policies that stimulate our clean energy economy.

So let's not let them down. Let's not turn the clock back to the failed energy policies of the last 8 years. Let's not pretend that the 1.7 percent of the world's oil reserves that we possess will meet our energy needs. Let's be honest with the American people. Let's build our clean energy economy. Let's pass the tax extenders that Senator BAUCUS, I, and others have developed that will stimulate renewable energy development. Let's give these growing industries the tax certainty that they and their investors need to move forward with projects that are creating good-paying jobs across the country. Let's get after the speculation in the oil market. And let's get to work on breaking our addiction to foreign oil.

I will conclude by making a few additional comments. We have heard from the other side of the aisle that oil shale somehow is magically going to develop as part of the solution for our energy independence and deal with gas prices today. The truth of the matter is, we supported the oil shale provisions in 2005 and have been moving forward in the development of oil shale in Colorado in a responsible way.

Yet we know that even after the investment of billions of dollars, the technology is some 6 to 7, maybe 8 years away before it can be even commercially developed, if it is proven it can be done. Yet there is this accusation that is coming from the other side of the aisle that somehow the development of oil shale is going to deal with the immediate crisis we face today. That is simply a false charge. We need to move forward and attempt to look at the development of oil shale in an environmentally responsible way.

Another point, before I conclude, is we need to continue to grow our way to energy independence. I am a proud sponsor, with Senator GRASSLEY, of the 25-by-25 resolution. I think America's farmers and ranchers can help us move forward so we can produce 25 percent of our energy from renewable energy.

I am hopeful this energy crisis does not create an opportunity for us to take a step back on the investments we are making in biofuels. Biofuels are a significant way in which we will move forward to energy independence.

I believe strongly there are parts of our energy agenda that Republicans and Democrats can come together on, but I am hopeful the stalling tactics that keep us from moving forward to crafting an energy bill will end so we can deliver on solutions to the American people.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. TESTER. Mr. President, I thank the Senator from Colorado for his solid, pertinent remarks about the energy situation we face and solutions for the crisis.

The energy crisis we face today is putting a squeeze on our working families. This morning, AAA announced another new record high on the national average for the price of a gallon of gas at \$4.05 a gallon. Diesel hit a new record of \$4.79 a gallon. The price of oil is at \$134 a barrel. Yesterday in the Senate, Republicans blocked some solid measures by which we can lower the cost of energy which would directly impact working families, small businesses, agriculture, and the trucking industry.

Today, I rise to urge my Republican colleagues to allow us to pass legislation that will make a difference to free America from this grip of foreign oil. Although my Democratic colleagues have produced commonsense legislation to deal with this energy crisis, the folks on the other side of the aisle continue to block any reasonable attempt to take effective action. We have sound policy proposals on the table, and it is time for the other side to help lead or follow or get out of the way.

My Montana neighbors are hurting from the high cost of energy. Our manufacturers are at the risk of shutting down because of high energy costs. Truckers struggle to make ends meet, facing the high prices of diesel fuel. Family farmers are suffering from record-high diesel, high fertilizer, and other input costs. This energy crisis is real. We feel it every day. We have been feeling this effect for many months. The phone in my Senate office is ringing off the hook with folks asking for relief. Unfortunately, Republicans yesterday voted to deny any of that relief. They continue to block action even on the commonsense plan of my colleague from Montana, Senator BAUCUS, to extend tax incentives for promising alternative energy.

The facts are clear. We cannot drill our way out of this energy crisis. Drilling is a part of the mix of solutions we need, but we must find innovative and creative solutions to the challenges of this 21st century. Investing in renewable energy at home is the only way we can get on a path toward energy independence.

In short, we must pass the tax bill by Senators BAUCUS and GRASSLEY to support energy innovations such as wind, solar, and biofuels. The bill extends the production tax credit for wind, geothermal, landfill gas, solar, and biomass.

The United States has led the world for 3 years in wind power capacity. Last month, the Department of Energy said the United States can get fully 20 percent of its power from wind. But all of this grinds to a halt if we don't extend the production tax credit that expires at the end of this year.

This bill also includes incentives for homeowners to take the initiative to put renewable energy systems in their homes. It advances carbon capture technology so that we can expand coal power into the future while fighting climate change, and it extends credits for cellulosic ethanol and biodiesel. We have heard a lot of talk about ethanol influencing food prices. If we want to develop biofuels that don't compete with food, we need to extend the tax credits that help get these fuels into the marketplace.

Perhaps most importantly, it continues our focus on conservation in homes and businesses. This is the low-hanging fruit of good energy policy.

If this package has any shortfalls at all, it is that the extensions are not long enough. I know a lot of my colleagues on the other side of the aisle also like the tax provisions. The difference is, they don't want to pay for it. It is not free. We can't just get out the credit card and forget about it. If we don't pay for it, our kids do.

This package by Senator BAUCUS takes a fiscally responsible approach to the tax incentives. That means closing the loophole in the Tax Code that allows wealthy hedge fund managers, many of whom engage in the very speculation that drives up the cost of oil, to defer paying taxes on the money they make outside the United States.

Why anyone would hold up \$55 billion in tax cuts for small businesses, working families, and our Nation's renewable energy industry is beyond me. More importantly, families in Montana and rural America wouldn't tolerate it, and they should not.

Unfortunately, the other side of the aisle continues to block this bill. We need to pass this important Federal support and expand it so energy diversification efforts can count on a more steady and reliable backstop.

Montana is already leading the way toward a more sustainable energy future. We need to use the power of the Federal Government to reach the full potential of these homegrown renewable energy projects. Let me give a couple examples.

Across the Great Plains, wind is one of our most reliable and most plentiful natural resources. We are harnessing the power of wind to generate electricity and to power homes and businesses across my State. We need the support of the U.S. Tax Code to build

on this progress. On the agricultural front, camelina is a crop that can be used in biofuels without competing with food crops. In fact, the byproduct of camelina fuel production can be fed to cattle as a nutritional feed. This is an example of the innovative approach this Nation needs to free ourselves from the grip of OPEC and corrupt oil regimes of the world.

There is no reason the Senators cannot work together to support innovative solutions to this challenging problem. Unfortunately, the Republicans seem only interested in covering for the President, who has been asleep at the switch. Their own solution is to drill for oil in our most environmentally fragile areas.

We need commonsense solutions to address the cost of energy. The energy provisions in the Baucus bill will take a giant step forward in developing the 21st-century solutions our people deserve. We must start today to put America back on a path toward energy independence.

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.

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

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

Mr. SCHUMER. Mr. President, I rise to talk about high gas prices and the fact that so many of my colleagues from across the aisle have no interest or seem to have no interest in addressing the problem. Republicans seem not to care about the pain at the pump, but they may well care about the pain at the polls that could come from ignoring this crisis and their constituents.

The bottom line is, we are asking to have a debate on the issue of how to reduce gas prices, and the other side just says no. They may have a different solution than we do. They think ANWR is the answer, the Alaska oilfields. We all know that would take 7 years before a drop of oil would come, and most estimates say it would not reduce the price by very much at all. But let's debate it. We are willing to debate ANWR, an issue they care about. Why are they not willing to debate the windfall profits tax or dealing with speculation or dealing with the cartel of OPEC? We are happy to debate it all.

Make no mistake, we are facing an energy crisis that has led to a painful and unprecedented spike in the price of oil—\$140 a barrel, \$4 a gallon—and the minority, the Republicans say this is a problem that is not worthy of our attention or action. It is hard to believe. When you go home, whether it is at a parade or a veterans hall, even at weddings and christenings, people are coming over to you and asking: What are you doing about gas prices? The other side says: Let's not debate it.

It is incredible.

Eighty-six percent of Americans are unhappy with the state of our economy. The most tangible symbol of this is \$4 a gallon gasoline. I can't understand why my colleagues on the other side of the aisle refuse to address this issue and block us from helping American consumers as our economy continues to falter.

They can filibuster all they want. We are up to 75 filibusters. Seventy-five times, they said: We don't want to move forward. We don't want to debate. But they cannot play the American people for fools. Come November, they will reap what they sow. My colleagues on the other side of the aisle will filibuster themselves right out of their Senate seats. The American public will not take lightly the fact that Senate Republicans have prevented anyone from helping. They will see through the shams and the false ideas. The strategy of playing to a base that is becoming more and more narrow is going to cost them dearly because the American people know which party is blocking action on energy prices and on tax extenders.

For all the talk about how American families have benefited from the Bush tax cuts, for all the emphasis Senator McCain is placing on making them permanent, the simple, undeniable, you-can-look-it-up, no-spin truth is that the average American family is paying far more in higher gas prices this year than they received from the Bush tax cuts. So set aside for a moment higher health care costs, higher tuition costs, higher food prices, and all the other ways American families are feeling the pinch. They are paying more this year in gas prices alone than they received in the Bush tax cuts. Let me repeat that. They are paying more this year in gas prices alone than they received in the Bush tax cuts. Our friends across the aisle have turned the economic stimulus plan into the big-oil stimulus plan. It is unconscionable that the American public is being forced to use their stimulus checks just to pay for gas.

I have asked myself, Why don't they even want to debate the issue? We are willing to debate ANWR. We are willing to debate some of their solutions. Why aren't they willing to debate ours? I will tell you why. There are too many people who don't want to vote yes or no. They are torn between their base, their oil company constituency, and the rest of America. So they want to duck. But that policy is not going to work—not this time, not this place, not this year.

So we are here today to ask that we be allowed to debate the two issues they blocked us on yesterday. This week in the Senate Republicans are blocking lower energy costs. Let me repeat that because clear as a bell, that is what is happening. This week in the Senate Republicans are blocking lower energy costs. We cannot even debate them. Yesterday, they blocked us twice from debating legislation to address rising gas prices.

The Senate majority leader put together a comprehensive energy package, the Consumer-First Energy Act. Senator BAUCUS put together the Renewable Energy and Job Creation Act that extended tax credits to promote renewable energy and break our dependence on foreign oil. What did they say to either of these in terms of not just a lack of support but debate? No, no, no.

So we are stuck with high oil prices, and instead of letting us debate these pieces of legislation, my colleagues on the other side and the Bush administration keep going back to the same old tired idea: Drilling in Alaska. And do not be fooled because presenting this idea is like a poorly performed magic trick. It does not work, and if you look closely enough, you can see through the smoke and mirrors.

Let me ask my colleagues, when would ANWR drilling have an impact on prices? When are we going to get the first bit of oil? In 2018. Do the American people want to wait until 2018, 10 years from now? We Democrats—I was one of the leaders here—agreed last year to drill in the east gulf. That would have increased domestic production over the next few years. So when the other side says: We don't want to drill—we believe we cannot drill our way out of the problem. We need a profound change in energy policy. But to alleviate the short-term pain—not 10 years from now but more immediately—we have said drill in the east gulf. I helped round up Democratic votes to pass that bill.

So we are not saying do not drill, but we are saying we need a profound change in energy policy. ANWR is too far away. We should be changing the policy long before 2018 when the first drop of ANWR oil would come.

Perhaps the only thing we have done that will help reduce the price of oil and gas in the last while is something that had to wait for a Democratic Congress and Senate: Higher mileage standards in the cars. That will be something. But we need to do a lot more. We need to go after the oil companies. We need to go after OPEC. We need to stop rampant speculation.

The Consumer-First Energy Act does those things. We need to change our tax policy so instead of giving breaks and subsidies to the oil companies, we start encouraging alternative energy: Solar, wind, biomass—you name it.

In conclusion, yesterday we heard simply: No, we will not debate oil prices. They are blocking lower energy costs. We hope over the next day or two our Republican colleagues will rethink that position and join us in a fulsome debate because otherwise we will not get gas prices to go down.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, could you let me know when 5 minutes have expired, please.

The PRESIDING OFFICER. Yes.

Mr. ALEXANDER. Mr. President, I will give the Senator from New York an A+ for creative imagination. Here we are wanting to debate the climate change bill—which is a 53-cent-per-gallon gas tax increase proposed primarily by Members of the other side, and which includes a \$6.7 trillion slush fund that Members of Congress could spend as they see fit—and members of the majority party were so embarrassed by it they tried to bring it down and pull it from the floor. This is a bill we should be spending all month talking about. If it is really important to deal with gas prices and electricity prices and climate change and clean air and our overdependence on foreign oil, where are the debaters on climate change? That is the bill we are on today. We—the Republicans—said let's continue to discuss this important issue. They said: No, let's bring it down. And for what purpose? To bring up their no-energy bill. Their solution to gas prices—very cleverly disguised by the Senator from New York—is more lawsuits, more taxes, and no exploration. Our solution is more American energy now.

The Senator from New York said: Well, why should we drill in the 2000 acres of Alaska that would produce a million barrels of oil a day? It would be 10 years before we would see that oil. The answer is that it would be 1 million barrels of oil a day, which would add 1 million to the 6 million we produce. Ten years ago, President Clinton vetoed legislation passed by a Republican Congress to permit more oil exploration in Alaska. If he had not, we would have 1 million more barrels of oil a day of American energy.

So that is the reason we should go ahead. We need more American energy now. We are for it; they are not. We are for it; they are not. More American energy now.

We know the future is a different kind of future for energy. I have suggested—with support from many of my colleagues—that we have a new Manhattan Project, in effect, to focus on things we do not know how to do. How do we get solar power down to the cost of fossil fuel? How do we make plug-in electric cars commonplace? How do we safely dispose of nuclear waste by reprocessing it? How do we have more research for advanced biofuels, made from crops we do not eat? We want that kind of future, where America has achieved clean energy independence. We want to start today to move toward it with the same intellectual horsepower and speed and dollars that we moved toward splitting the atom and building a bomb in World War II.

But that is the future. The bridge to the future is to use more American energy now. Gasoline is made from oil. We use 25 percent of the world's oil. Until we get to this future, we are going to need more of it. We can either buy it from the Middle East and from Venezuela, or we can make more of it here. It is that simple.

Today, and in days to follow, I will be reading letters from Tennesseans who have written to me about the effect of gas prices on their families. I received 400 such e-mails in the last few days. Let me read one from Lounita Howard from Lascassas, TN, which is in Ruthersford County:

The high gas prices have hit my husband and myself especially hard. We are both self-employed. Bobby is a full-time farmer (one of few remaining in Wilson County, Tennessee), and I own a small community newspaper, The Watertown Gazette.

I live nearly 20 miles from my office, but working from home is not an option. I'm spending close to \$70 a week on gas just commuting to Watertown from our farm in Lascassas. (We live just in Wilson County.) Two years ago, it cost me \$30 to \$35 a week.

Diesel fuel is another story. Road fuel is running around \$4.70 a gallon. Off-road fuel for tractors is around \$4.30 or \$4.40.

She goes on to tell about her husband Bobby, who is a seventh generation farmer.

I have a letter, also, from Jonathan Henry, a marine for 18 years, who is a Tennessee native who returned from 12 months in Iraq. His family was given a flat rate for moving costs. Gas is so high, they have had to make cuts in about everything else, he says. He had to forego his family vacation. It is too expensive to go on now.

The PRESIDING OFFICER. The Senator will be advised 5 minutes have expired.

Mr. ALEXANDER. Thank you, Mr. President. I will continue for about another 60 seconds, and then I will conclude my remarks.

I have letters from Kathy Crowe from Hendersonville, TN; Joseph Rizzo from Townsend, TN, where I live; and Marti Lewis from Pleasantville, TN.

Mr. President, I ask unanimous consent that the letters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

From: 1st Sgt Jonathan Henry.

To: Senator Alexander.

Subject: A Marine's opinion.

DEAR SENATOR ALEXANDER: I am writing as a Marine who returned from Iraq in February from a twelve month tour, my second in three years. I appreciate your concern to hear from Tennesseans including active duty service members from Tennessee like myself who represent our great state. Shortly after I returned to my home base in North Carolina and executed orders to Camp Pendleton, CA where gas is now in excess of four dollars and thirty-one cents as of 1 June 2008. My family felt the expense of gas prices as we are paid a flat rate for moving that includes fuel cost. The high prices for gas reduced the flexibility we had for use on other moving expenses.

The high prices of gas are having a serious affect on Tennesseans like myself who are assigned outside Tennessee and pay the highest prices in the nation. I have proudly served in the Marine Corps for over eighteen years and will gladly go anywhere assigned but it strains my family during times like this when we travel. This summer we had planned vacation time together we missed during my deployment in 2007. We have had to change our plans considerably because

there is no way an enlisted member like myself can afford to travel distances outside the immediate area and have expenditures beyond what we would pay for fuel. My wife is thrifty and she made our home run smoothly while I served in Iraq and assures me that we can still make the most of what we have here at our new duty station.

I appreciate your concern and hope that Congress will see how Americans are sacrificing because of soaring gas prices.

Thank You Sir,

JONATHAN S. HENRY,
1st Sgt USMC.

From: Lounita Howard.

To: Senator Alexander.

Subject: High Gas Price Stories.

DEAR SENATOR ALEXANDER: The high gas prices have hit my husband and myself especially hard. We are both self employed. Bobby is a full-time farmer (one of few remaining in Wilson County, Tennessee), and I own a small community newspaper, The Watertown Gazette.

I live nearly 20 miles from my office, but working from home is not an option. I'm spending close to \$70 a week on gas just commuting to Watertown from our farm in Lascassas (We live just in Wilson County). Two years ago, it cost me \$30 to \$35 a week.

Diesel fuel is another story. Road fuel is running around \$4.70 a gallon. Off-road fuel for tractors is around \$4.30 or \$4.40. It just keeps going up—almost daily. There's no way to budget for this. We row-crop, growing corn and large amounts of hay, and raise cattle. Obviously, Bobby uses thousands of gallons of diesel in his business just to keep the tractors going. He uses a substantial amount of road-fuel as well, as he must have heavy-duty dually diesel trucks to pull trailers loaded with equipment or hay. Diesel fuel used to cost less than gasoline. Now it costs far more. It costs hundreds of dollars just to fill the tanks on one truck.

We're really wondering how we can survive. Bobby is a seventh generation farmer on the same land in Wilson County settled by his ancestors when they came to Tennessee in the early 1800s. My dream was to own my own business—I saw that dream come true five years ago, but with the cost of fuel coupled with the high cost of health insurance as a self-employed couple, I beginning to question the wisdom of continuing to pursue that dream.

Before the gas prices started skyrocketing, we were holding our own—not getting rich, mind you, but we were ok. Now, it's hand-to-mouth. Gas prices are impacting the cost of everything else—groceries, household supplies, you name it I heard today that sales at Goodwill Stores in Tennessee have gone up 12 percent—not surprising. Who can afford to buy "new" when they've got to fill up their fuel tanks to do their job, or get to the office?

Thank you for your time and efforts to address the problem of high fuel prices.

Sincerely,

LOUNITA HOWARD,
Lascassas, TN

From: essencelighting@netscape.net.

To: Senator Alexander.

Subject: Impact on Small Business.

We supply lighting to the residential building community in Sumner and Wilson county. Many of these builders have gone from building 30 homes a year in 2007 to this year just one. Some have even gone out of business completely.

I took a second mortgage out on our home and used retirement funds to purchase this business several years ago. We built a thriving business with a bright future until this year. Today, I can barely make payroll. Our

key was always customer service. Part of that service included going to a client or builder's home and personally consulting on the project site. This consultation is at no charge. We have free delivery. We can no longer afford to drive to Wilson County or the far reaches of Davidson County without charging a fee just to pay for Gas! It pains me to charge for what my heart says should be at not charge. It cost \$110 to fill my tank 2x per week.

Our sales to the building community are down 47% over previous year(s).

My supplies are charging 25% of the cost of goods as fuel charges.

UPS is charging 25%—55% cost of goods as delivery charges.

Product made in China (90% of inventory) is rising monthly.

Two of my employees are considering leaving us due entirely to fuel costs from Galatin to Hendersonville everyday.

If this continues, we will close. Several new people will be on the state's unemployment, the \$50,000+ local sales tax we contribute to will be eliminated and we will foreclose on our personal home and property.

Please help.

KATHY CROWE,
Hendersonville, TN.

From: Joseph Rizzo.

To: Senator Alexander.

Subject: Gas Prices.

I am a student at UT and live in Townsend. It cost me \$100 per week just to travel back and forth to school. I was faced with dropping out of school, because I could not afford the fuel, or dip into my savings and purchase a scooter that will give me the economy of \$20 per week in fuel cost. If the cost of the scooter offsets the cost of the fuel, then I made the right choice in the long run. My biggest concern now is the safety of traveling back and forth on a scooter. Had no choice. Education or no education.

JOSEPH RIZZO,
Townsend, TN.

From: breethnheethn@aol.com.

To: Senator Alexander.

Subject: Gas Prices.

I am a disabled veteran who requires a lot of medical treatment and doctor visits. And because I live in a small town I have to drive up to 100 miles for treatment. I have been forced to try and schedule appointments to coincide with my family's appointments so we can share the ride. As a result, I am not getting the treatment I require as often as is needed and am left suffering with symptoms that have caused me to be disabled. I should go to the doctor for treatment every two weeks but have to now wait up to a month because the gas prices are so high. In the meantime I suffer with terrible pain. But, I have little choice since I can't afford the gas it would take to drive such distances. I pray that the prices will go down so that I can seek the treatment I need for a condition that arose while serving my country. I appreciate all that you do to ensure we can have reasonable and affordable gas.

MARTI LEWIS,
Pleasantville, TN.

Mr. ALEXANDER. As we debate high gas prices, and as we hear these stories from Tennesseans and other Americans, let's be clear what we need to do. We all want an energy future where America has achieved clean energy independence, but that is very different than what we have today. But the bridge to that future in a country that uses 25 percent of all the energy in the world is more American energy now.

We Republicans support that, and most of the Democrats do not—which is why they propose more lawsuits and taxes, but no exploration.

Just as one example, to conclude: Why not let Virginia do what four other States do and put oil and natural gas rigs 50 miles out where you cannot see them, and take 37.5 percent of the revenues and put it in a trust fund for schools or beach nourishment, give 12.5 percent of the revenues to the Land and Water Conservation Fund, and put some more American oil now into the world marketplace so prices would stabilize and begin to go down? I offered that amendment to the Budget Resolution earlier this year. It was defeated 52 to 47. Most Republicans voted for it. Most Democrats voted no.

We are for more American energy now, and they say no.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. CORNYN. Mr. President, I ask unanimous consent to be allowed to speak for up to 10 minutes and the remaining block of our time be reserved for the Senator from New Hampshire.

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

Mr. CORNYN. Mr. President, I want to also read a letter from one of my constituents, Jerry from Denton, TX. That is just around Dallas. He wrote to me:

I work full time, have two part time jobs, and go to school full time and with living expenses I am having trouble keeping my head above water. My parents are both retired and drawing social security, my dad is also working as much as he can, but still they are just barely able to get by. My health insurance expires next month and I cannot afford it because of what I'm spending on gas right now.

Jerry adds:

We need a long term plan that allows for new sources of energy, but that does not involve the complete doing away with gas or making gas prices go so high. Something needed to be done months ago.

Well, I think Jerry is being overly generous. Something needed to be done far earlier than just a few months ago. We needed to do something about this 10 years ago. But, unfortunately, the birds have come home to roost, and now the American people are suffering high gas prices which affect every aspect of their lives.

Two days ago, I was in Houston, TX, at the Houston Food Bank. I heard from a senior citizen—a woman—who is disabled and whose food costs have gone up by 50 percent. Now, you may wonder, what is the connection between food costs and gasoline? Well, the fact is, the diesel or the gasoline the farmers need in order to produce the crop—to bring it in so it can be made available for us to buy and prepare for our tables—has driven food prices even higher.

As to some of the choices we have made in Congress—for example, to use food for fuel, things such as corn for ethanol—about 25 percent of our domestic corn crop now is used for

biofuels, and we need to revisit that. But in the short term what we need to do is to bring down the price of gasoline at the pump. There are basically three ways we can do that: One is we can increase supply which, to me, is the most obvious answer.

I heard one of my colleagues this morning cite a new Gallup survey which points to the fact that American attitudes have changed dramatically with the facts; that is, as gas prices have gone higher—from January 4, 2007, when they were \$2.33 a gallon to today where they are \$4.05 a gallon—attitudes have changed about producing oil from domestic sources. We are talking about in Alaska. We are talking about the Outer Continental Shelf where now China, off of our southern coastline is producing oil in basically an area where we could be producing it, but China is producing it for themselves while we have put a moratorium on producing that for ourselves.

Then there is a vast oil shale out in the Western States. It is estimated that in the Green River formation in Colorado, Utah, and Wyoming, there are as many as 2 trillion barrels of oil potentially available from that one location but approximately 6 trillion barrels of oil from producing oil shale using new technology that has not always been available. So we could bring down the price of gasoline, 70 percent of which is composed of the price of oil, by increasing American supply which will, in turn, reduce our dependency on imported oil from the Middle East.

Our colleague and friend, Senator SCHUMER of New York, acknowledged this recently—that supply can affect price—but he was talking about Saudi Arabia increasing their supply. I am not for increasing our dependence on Saudi Arabia or any other country; I am for greater independence by depending on our own domestic resources. But he said on this argument—on the supply-and-demand issue—on April 30: If they produced a half a million more barrels a day, the price would come down a very significant amount. At the same time, it would stop the speculation that keeps driving the price of oil up.

Well, I say he is half right. More supply—more American supply—would help dampen the speculation and help bring down the price which would help make more oil available to make into gasoline which would help all of our consumers and constituents at the pump. It would help people such as Jerry, who is trying to get by while going to school and trying to hold down two jobs in Denton, TX.

Fifty-seven percent, at last count, of the American people in a Gallup survey said they believe we ought to take advantage of the natural resources that God has given this country. I remember when I was in school; we would look at different countries and try to figure out why one was more successful, more prosperous, than another. Invariably, the teacher would say be-

cause the natural resources this country has are so vast, that is one of the reasons for the tremendous prosperity. America is the only country I know of that has this bounteous natural resource known as oil and gas and we have consciously decided—Congress has consciously decided—to put it out of bounds through various appropriations acts dating back to about 1982.

We need to reconsider this. I believe we need to change our ways and help relieve some of this pressure consumers are feeling at the pump, and the woman I was referring to at the Houston Food Bank who sees her food prices driven up, requiring her to be more in need of the good works and the charity of others, to help her with her food costs. This is something that I, frankly, do not understand—why Congress continues to be the impediment and not part of the solution.

Our friend from New York and others say: Well, we have a solution. There was a bill that was introduced and voted on yesterday, and frankly I agree with the Senator from Tennessee that it was not an energy bill because it didn't contain one additional drop of new energy. What it said was: Well, we are going to sue OPEC—the Organization of Petroleum Exporting Countries—including Venezuela and Iran, Saudi Arabia, and others, presumably to get them to open the spigot even wider so we can be more dependent on imported oil while continuing to put America's natural resources out of bounds. That is not a solution. Then they said: OK, we have an even better idea. People are mad at oil companies, so let's raise taxes on oil companies. That would be great, wouldn't it? It would make everybody feel good.

Well, the problem is that happened back in the 1980s, the so-called windfall profits tax, and do you know what happened? The Congressional Research Service has documented the fact that domestic oil production went down by 6 percent. In other words, it made us even more dependent on imported oil from the Middle East and elsewhere, not less dependent. So we want to repeat our mistakes. It is true that those who forget history are condemned to relive it, and I guess our friends on the other side of the aisle want us to relive that bad part of our history as far as our energy independence is concerned.

So as good as it may feel to some people to raise taxes to stick it to the oil companies, it is sticking it to yourself. In the end, everybody understands that when you raise taxes, eventually those taxes—those costs—are going to be passed down to—guess who. You got it: to the consumer. Rather than bringing down the price of gasoline, it is going to continue to drive up the price.

Last week we saw what I think is fair to say a very poorly timed presentation of the Boxer climate tax bill which, rather than bringing down the price of oil and gasoline, would have driven the price up. The National Association of Manufacturers estimated if

we had passed that bill, it would have driven up electricity costs and gasoline costs by more than 145 percent.

So there is a better way for us to do this, but it is not by trying to force bad solutions, big Government solutions with \$6.7 trillion in costs associated with it—ones which will backfire on us and increase the costs of gasoline and electricity. That is not a good solution. I think most people of good will and common sense would agree. We need to find a solution that will bring down those costs as we work toward that clean energy future that Senator ALEXANDER and others have talked about; as we use more of our own natural resources, as we develop nuclear power to make electricity in a larger percentage as countries such as France do where 80 percent of their electricity is made from nuclear power; so we have electricity to recharge the battery on that hybrid plug-in vehicle that is going to be produced by General Motors and others in 2010 and beyond.

We are going to have to change some of the way we operate such as by conservation, by paying more attention to the environment, but also from a national security and economic perspective by trying to make sure we develop clean sources of energy. But as we are on that bridge to the future to clean energy independence, we are going to have to continue to depend on oil and gas. Doesn't it make sense that we would rely more on ourselves and less on others to help us with this important element of a prosperous economy, not to mention the thousands of additional jobs that would be created right here in the United States, if we would develop more of our own resources rather than depend on our adversaries to sell it to us so they can use the money to buy weapons to perhaps use those weapons against us?

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, I rise to discuss further this issue of energy which is, of course, a massive and important priority for us as a nation and for people simply trying to get through the day—driving to work or whatever they have to do that uses energy—with the price of gasoline at over \$4 a gallon and, at least in my part of the country, the fear of oil prices next winter—which is the primary source of heating fuel for us in New England—being well into the middle \$4 price range and potentially higher. That is something most people find almost inconceivable but, more importantly, it is extremely hard to afford and it puts a tremendous amount of pressure on the family budget.

The question becomes: How do we address this as a culture and how do we address it as a Congress? We have had a proposal brought forward by the other side of the aisle which seems to ignore the concept of supply and demand and turns basically to trial law-

yers and to taxes to try to address how you produce more energy. That is unlikely to encourage or to address this issue in a positive way. The simple fact is to set up an American procedure where you are now allowed to sue Saudi Arabia or the Gulf Emirates or Iran over their production of oil is cutting off your nose to spite your face. These are independent nations. The idea that you are going to resolve the issue of production and availability and price by suing these nations, some of which—for example, Venezuela—have great antipathy for us to begin with; at least their leadership does—is absurd on its face. It is plain absurd. It may make a good press release, it might make a good hyperbolic statement, but it certainly does not do anything to produce more energy for us as a nation at a more affordable price. It may make a few trial lawyers happy, but that is about all it is going to do.

In fact, it will have the opposite reaction. If I led a country and the U.S. Congress passed a law that said they could sue my country, I would simply say to the United States: You can go pound sand. We don't have to ship you any oil at all. We certainly don't have to take the revenues that we generate from those oil shipments and reinvest them in the United States, which is critical to us as a society for our own capital formation. So this policy is counterproductive and, as I say, is cutting off your nose to spite your face.

It is followed closely by an equally incoherent policy from a standpoint of substance—maybe not from a standpoint of politics—which is the idea that you are going to tax American corporations at excessive rates over which you tax other corporations because they make profits that are deemed by Members of the other side of the aisle to be excessive. Basically the philosophy of this position is: Well, we in Congress know how to spend your profits better than you, the company that produces those profits knows how to spend them, and that somehow we in Congress are going to produce more oil and, as a result, reduce the price of oil if we simply take control over your profits so you can no longer invest those profits in the exploration for new oil or for new energy sources or for alternative energy sources. The idea that Congress could in any way efficiently handle these dollars has been proven to be a fallacy, of course. Congress would simply take those dollars and spend them on whatever political issue we happen to feel the most appropriate and whatever constituency we want to benefit the most—dollars which could be much more efficiently used. Remember, most of these dollars, these profits, don't end up going to some pie-in-the-sky exercise; they either go back to the exploration to produce more energy or they go to stockholders through dividends. Most Americans are stockholders. Working Americans are invested in pension funds through their place of employment and they are stockholders.

In fact, well over 65 percent of senior citizens receive dividend income. Of course, those dividends are a function of profit for the companies that pay the dividends. The money flows back to the employees of those companies and to the people who own pension funds which have invested in those companies, whether it is an auto worker or somebody working in a factory in New Hampshire or a high-tech individual who has a 401(k). So those profits usually get reenergized into the economy to produce more economic activity. They certainly are more efficiently used in that manner and through exploration than they would be for us to basically confiscate those profits through an excessive tax because some Members of the other side think it is good politics and as a result wish to target these companies which they see as good political fodder.

A much more logical approach to production and reducing the cost of energy in this country would be to actually do something about producing more available energy for the American people. Unfortunately, on every attempt to do that, we have been stonewalled by the majority party—stonewalled on the issue, for example, of producing more nuclear power. We have a unique experience of this in New Hampshire. New Hampshire was the last State to bring online a nuclear powerplant. It came online years after it should have come online at a cost which was dramatically more than it should have cost because of the opposition of the left—aggressive and very effective opposition in stalling—in bringing that nuclear powerplant online, Seabrook.

What has happened since it has been brought online? It has produced a lot of good, clean energy, not only for the people of New Hampshire but for the people of New England who have benefited from that nuclear powerplant. Unfortunately, the people of New Hampshire have been stuck with a bill of almost \$100 million which is the result of cost overruns driven almost entirely by the left by delaying tactics which were put upon the plant and the production of this energy. That attitude hasn't changed much on the other side of the aisle. There is still genuine opposition to nuclear power. Nuclear power is a clean form of energy and it is something we should be turning to.

France—a country which is not often held up as an example around here for policy, but it should be on this issue—has 80 percent of its energy coming from nuclear power. We as a country should be equally aggressive in that area.

Another area we need to be aggressive in, for those States that feel it is appropriate, they should be allowed to do over-the-horizon exploration for oil and for gas off their shores. It works in Louisiana. Ironically, one of the few things that results from Katrina that you could look at as positive—and Katrina was a horrific disaster—was

the fact that there wasn't one barrel of oil spilled as a result of that hurricane—a level 5 hurricane—coming up the gulf and going through New Orleans. It wiped out the city of New Orleans, but all the oil rigs that were functioning—and there were a lot of them in the Gulf of Mexico—survived without a leak, without a spillage of any kind. That shows that drilling in deep water can be done in an environmentally safe way.

Yet the other side of the aisle resists and stops any attempts to allow other States that might wish to pursue this course of over-the-horizon exploration for oil and gas from pursuing that course. Virginia has expressed interest in doing it, and Virginia may have a very large potential energy source right off its coast. It may be fairly far out, and it will be deep water, but it may well be there. There is no reason we should not look at that type of approach and produce energy there.

We need to produce more American energy because we cannot rely—and this is fairly obvious—on energy from nations in the Middle East especially.

Another example is oil shale. The technology for the recovery of oil shale has gotten to the point where it is extremely sophisticated and, again, environmentally safe. All the activity occurs below ground. There is virtually nothing occurring above the ground, other than the actual pumping out of the final product, which is a kerosene-type product that can be used for jet fuel. We have a reserve of oil from oil shale that exceeds the reserve of Saudi Arabia. Think about that. We have, in our Western States, enough oil from shale, which can be recovered by underground methods and have no insignificant environmental impact, to actually produce more oil than Saudi Arabia. Are we able to pursue that? No. Why? Because the other side refuses to allow exploration for participation in oil shale in the West.

Those are a few examples of the type of expansion and approach we should take toward producing more American energy, which is totally resisted, regrettably, by Members of the other side of the aisle who are speaking for aggressive groups on the left.

We are not going to produce more energy or reduce energy costs by setting up a regime to sue Saudi Arabia or Venezuela. We will probably have the exact opposite effect. Certainly, it will affect the willingness of those countries to invest in the United States. We are not going to produce more energy or reduce energy costs by putting a confiscatory tax on companies that produce energy and taking money that can go to individuals through dividends, working Americans, or can go to greater exploration out of the pipeline and giving it to people in Congress to spend on special interest groups.

The only way we are going to get more energy and reduce our reliance on foreign energy is if we produce more in the United States, which we can do; we

have the reserves. We are not allowed to use them. We can pursue nuclear, for example, and we can pursue renewables. They can have a positive effect, but they cannot obviously overwhelm the entire need, or carry the entire need. We also, of course, should look at other areas, such as conservation and using a different type of vehicle or engine—something that is either a hybrid or an all-electric engine. But to drive an all-electric car, you have to have electricity produced, which means you have to have more electrical plants, and you have to make sure they are clean and not putting carbon, nitrogen, and sulfates into the air.

We should be using nuclear power and promoting clean coal technology. So you need specific initiatives that will actually produce something in the way of energy, not political statements that produce something in the way of hyperbole. Senator DOMENICI has proposed a bill that would carry a number of those issues—expansion in the effort of nuclear, the opportunity to pursue over-the-horizon exploration, and using shale oil through underground recovery. Yet that bill has been held up and stopped by the other side of the aisle. So the question today becomes, how do we better improve our position and make sure we have less dependence upon foreign oil and begin to bring down these prices of gasoline and home heating oil? The answer is simple: Beyond conservation and the renewable issue, which there is agreement on, the answer is to produce more American energy and make it clean energy, such as nuclear.

I believe if we want to progress in this area, we need to take a hard look at over-the-horizon drilling for offshore oil and gas off the States that are willing to pursue that. Maine, which has the Gulf of Maine, is not going to be willing to do it because of the fisheries and neither will New Hampshire. If Virginia wants to do it, they ought to be able to do it. It can be done safely.

Second, oil shale is a reserve that can be produced, again, underground and without environmental harm. These are substantive, specific approaches, which we need at this time.

I yield the floor, reserve the remainder of our time, and I suggest the absence much a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. 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. NELSON of Florida. Mr. President, our people are hurting. There is something wrong with the price of oil and gas. It is not a normal function of the marketplace of supply and demand that the price of oil hit, last Friday, \$139 a barrel.

A few months ago, we had an ExxonMobil executive testify before

Congress that the normal supply and demand of the marketplace for oil, even in a tight world market, the normal price would be about \$55 a barrel. Yet, last Friday, oil sold for \$139 a barrel. So what is the problem? Well, it is obviously not a supply-and-demand issue. A normal marketplace sets its price according to the supply, and when the supply is higher, the price is less; if the demand is higher than the supply, then the price is more. As you would expect, in a world where there is an increasing consumption of oil, you would think, even with the emergence of new countries that are demanding oil, the supply would keep going up and up and, in fact, it has. But if the ExxonMobil executive is accurate, and the price ought to be around \$55 a barrel, what is the difference that has run the price all the way up to \$139? We have to look closer to see. I think the American people are now at the point of hurting so badly we better shake ourselves out of our lethargy and do the congressional investigations that are necessary to pry open this secret box to determine what is causing oil to keep going up and up, so we can give our people some relief.

Now, it is true it is a multifaceted problem, and it is true that in a world in which any kind of news would suggest that there is going to be a part of the world that is disturbed, that it sends jitters throughout the marketplace, particularly on oil—since oil is so much valued as a commodity. That would certainly be one reason that would increase the price. So bad news having to do with this or that—bad news with regard to the war, or Iran suddenly having small boats that would swarm the U.S. Navy fleet in the Persian Gulf at the Strait of Hormuz, that would certainly send jitters. Whatever the world event is, it is going to send jitters, and that will cause people to worry whether they are going to have the oil contracts and supply for the future.

But that still doesn't explain the gap between \$55 a barrel and \$139 a barrel. So what we have discovered is, lo and behold, back in December of 2000, on an unrelated bill, there was an insertion made in that bill, without any fanfare, that took away energy and metals from being a regulated commodities on the Commodity Futures Trading Commission. Whereas, in the past, that Commission would have had a regulation that says, if you are going to buy futures contracts of oil, you have to be a buyer who is planning to use that oil. You take away that regulatory effort that, if you want to buy it, you have to buy it for the purpose of using it, you take away that regulatory requirement, and then what happens? In an unregulated market, these contracts for future oil start to get bid up and speculators want to speculate and more and more they think it is a valuable commodity and the price keeps going up and up in pure speculation.

It is similar to a potential owner of a house who wants to buy a house because they want to live there, but another potential buyer of a house who doesn't want to live there but merely wants to speculate on the house puts in a contract on the house, knowing the value is going to go up and would not even wait to close to own the house but will take the contract for this price and flip it to a new buyer who will buy it for a higher price. Thus, the speculative fever drives up the price. That is what has happened, in part, with regard to these oil contracts.

There is another reason the price is going up too; that is, so much of the available money in the world to be invested—we call that capital—used to go into real estate, but we know what has happened to the housing market. We know what has happened to the value of real estate. Instead of, as it has over the past decade or so, continuing to go up, it is going down. So a lot of that money that was available for real estate investments is out there to be used and invested someplace else.

Naturally, what looks like a good market is the one that keeps bidding up the price of oil. Now we have more money flowing into the bidding up of the oil contracts, which causes them to be bid up to a higher and higher price. And guess who pays at the end of the day. It is all of us. It is our people who are now paying in excess of \$4 per gallon with the enormous consequences they are suffering, in many cases—I have just come back from almost two dozen townhall meetings in which I can tell you that our people are hurting. They are crying. Literally, people are standing up in townhall meetings weeping. Families cannot make financial ends meet; families cannot, with the cost of everything else going up, afford to drive their car; families who happen not to live close to their place of work, who have to depend on their own car for transportation, are getting into a terrible fix.

So what are we going to do about it? Last week, our Commerce Committee heard testimony from a professor, Michael Greenberger. He suggested we close off the loophole by taking energy commodities, such as oil and natural gas, off the list of exempt commodities, making it clear that energy commodities must be traded on regulated markets. We thought we did this on the farm bill which we passed a couple of weeks ago by closing that loophole that was allowed in the law in December of 2000. That loophole, by the way, is called the Enron loophole. It was done at the behest of the Enron company. And then the Enron company, once their commodity—energy—was not regulated, they utilized that—remember, in the early part of this decade?—they utilized that to run up the price of electricity contracts in the State of California. It was this same phenomenon: speculators speculating, bidding higher and higher on contracts for future electricity.

Mr. President, am I under a time limit?

The PRESIDING OFFICER. There is a 10-minute time limit.

Mr. NELSON of Florida. Mr. President, is there another Senator waiting? There is. I ask unanimous consent for 4 more minutes.

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

Mr. NELSON of Florida. Mr. President, I am just getting cranked up, but I will see if I can crank it up and conclude within 4 minutes.

We saw the devastation of the electricity contracts being bid up by speculators as a result of the Enron loophole in the law. We thought we closed that Enron loophole a few weeks ago on the farm bill so that there will be new regulation, but there is disagreement on this floor among Senators as to whether we have closed it. This Professor Greenberger has opined to us in the Commerce Committee that we did not sufficiently close it off. I think we ought to examine how ironclad our closing of that loophole is and ask ourselves some important questions.

Question No. 1: Should we consider the outright barring of trading energy except for a legitimate business purpose? In other words, if you want to buy a future oil contract, you have to plan to be able to use it.

No. 2: Should we stop large investors and hedge funds from gambling in energy contracts? If it is for the purpose of just running up the investment cost, I think we should.

No. 3: Should we regulate or shut down international exchanges that do business in the United States and whose trades and actions impact the lives of our people in this country? In other words, if they are not trading just on that commodities futures trading exchange but are trading on another exchange that they say is overseas, such as London or Dubai, but, in fact, are trading on electronic machines in this country, should we regulate that or shut it down?

No. 4: Should we close the over-the-counter markets until the Commodity Futures Trading Commission can get its act together with this new law that says they should regulate these energy contracts?

Energy is too precious and it impacts the economy too greatly. This endless game of speculation must stop. While the traders are making billions of dollars, our people are having difficulty in being able to afford to drive to work.

There are a bunch of Senators who have been involved in this issue—Senator LEVIN, Senator FEINSTEIN, Senator CANTWELL, Senator DORGAN, and a host of others I am joining. I support these efforts to find some answers quickly to help our people. At an appropriate time, it is this Senator's intention, if we have not gotten our act together and offered amendments, to do exactly what I have been talking about. This Senator intends to do it. I look forward to the debate on this issue.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Mr. President, I spent close to half an hour around lunchtime today with a number of governors. There were some 30, 40 governors gathered in one of the Senate office buildings not far from where we are standing today. They were not governors in their thirties, forties, fifties, or sixties; they were, for the most part, teenagers, and these governors are about to become seniors in high school. They are part of the YMCA Youth in Government. They are here from all over the country. It was great to be with them and see young leaders coming up through the ranks and hoping to push old guys like us out of the way and take our places, whether it is New Jersey, Florida, Georgia, or Delaware.

One of the issues we talked about was how difficult it is to get things done around here anymore. If you read the Constitution and you read the rules of the Senate, there is the opportunity for one person in the Senate to slow things down quite a bit, for a handful of people to really bollix things up and bring business to a halt.

I have never seen a time when we have had so many filibusters in the Senate. This is my eighth year, about as long as the Presiding Officer. So far in this Congress, we are up to 75 filibusters.

The issue we were dealing with yesterday was whether we were going to bring up a bill to fund the development of renewable fuels, such as solar, wind, and geothermal, and pay for that by rescinding some of the tax cuts oil and gas companies enjoy. The legislation would also crackdown on speculators and price gouging. Unfortunately, we were not able to get the votes we needed—60 votes, if you will, not 51 but 60 votes—to be able to move to debate the bill.

For everybody keeping score, this chart is not showing anybody's age, but that is how many filibusters we have had to go through during the course of the year.

I believe sometimes a picture can be worth a thousand words. Let's look at a couple pictures on these charts and see what we have.

This is a picture of what has gone on with oil prices over the last 7½ years, starting in 2001 when the price of oil was little more than \$20 a barrel, and by 2004, it was up to close to \$40 a barrel. In 2007, we were up to close to \$70 a barrel. Today, gosh, it is approaching \$140 per barrel.

How does that translate, given that kind of history, into prices at the pump? I just filled up my old Town and Country Chrysler minivan the other day, which I am proud to say has 175,000 miles on it. It is a 2001 model. Delaware is not a big State, but we have gone up and down that State many times in that vehicle, and it is still running. We changed the oil a couple times, but other than that it is doing just fine.

It is getting expensive to fill up the tank. It is a 20-gallon tank. When I filled up my first tank in my Town and Country minivan, it cost me about a buck 30, a buck 40 to fill up. I filled it up this last weekend, and it was \$75—a lot of money. It is the most we have ever paid. It was painful.

This is what the runup in prices looks like. There is not too much difference from 2001 to 2003, and then they steadily climb. Recently, we have seen it take off.

That chart was looking at 8 years. Let's look at 1 year. This is another way of—I don't think we will look at this chart. We just looked at something similar to this.

This is 2008. This is just 1 year of gas prices. We saw at the start of the year about \$3.11 per gallon; by May 26, \$3.93; and in most cases, around the country it is up over \$4 a gallon.

To follow up on what Senator NELSON was talking about, why the runup? We had some really smart people come by and testify before the Commerce Committee last week. One was a guy named George Soros, a gentleman, a very wealthy man. The Presiding Officer probably knows him or certainly knows of him, as do many of us. One of the issues he talked about that was very insightful was the value of the asset that the oil-producing nations have, the oil under the ground, how that is an appreciating value, a rising value over time. We just saw the increase from 20 bucks a barrel up to 140 bucks a barrel, an appreciating asset underground. Our asset is a currency, a depreciating asset over the last number of years. We have seen the value of the dollar against most other currencies go down.

If you are an oil-producing nation, why would you surrender an asset appreciating in value to take on an asset—our currency—which is depreciating in value? Why would you be anxious to pump more oil, which is appreciating in value, to take on the dollar, which is depreciating in value? I think it is one of the reasons the oil-producing nations are reluctant to produce more oil. It is a problem we face and other oil-consuming nations around the world face.

It is not just supply and demand causing the runup in prices. That is part of it. It is not just the drop in the value of the dollar causing the runup in prices. As Senator NELSON and others suggest, there is something going on with speculation.

Not everybody who buys a contract on oil to deliver to this country has the intention of taking possession of that oil; rather, they are speculating that the price is going to go up, not unlike the way people would buy houses or condos—as in recent years we appreciated the housing bubble—expecting housing prices would continue to rise, and they did up until now. Speculators are trading on the idea that the value of oil is going to continue to go up. Maybe it will, but my guess is it will

not be forever. Part of our challenge in this country is figure how it won't go up forever and provide some relief at the pump.

This chart shows the percentage of oil owned by speculators from January 1996 to April of this year. In 1996 or so, less than 15 percent of the oil was actually owned by speculators. If you look at today, at 2007–2008, we are up to almost 35, 40 percent not owned by those who are anxious to take oil and refine it but those who are speculating the value will continue to go up.

What can we do about it? One of the things we can do about it in this country is to go after the speculators, and we certainly attempted to do that as recently as yesterday with the legislation we could not get 60 votes to move to. But there are some other things we can do, and there are some actions we have already taken as a Congress, working with the administration, to encourage people to be helpful in bringing down the demand for the limited amount of oil that is out in the marketplace. Let me mention a few of them.

I wish to mention the hybrid Dodge Durango and the hybrid Chrysler Aspen. A few years ago, a partnership was formed between our friends at General Motors, DaimlerChrysler, and BMW to develop the next generation of hybrid, and the first fruits of that have gone into the hybrid Dodge Durango and the hybrid Chrysler Aspen. Today, the Durango and the Aspen, in the city, get about 14 miles per gallon and, on the highway, about 18. Starting in August, when they will begin selling the hybrid, in the cities I think they will get close to 22 miles per gallon, and on the highway about 25 miles per gallon. That is not such terrific mileage, but compared to what it was, it is almost a 50-percent improvement over what was the case. For people looking for a larger vehicle and SUV, there is something to look for right here. People don't have to buy a big vehicle to be able to enjoy better gas mileage in our vehicles. I wish to mention, if I can, the Chevrolet Malibu hybrid. The Chevrolet Malibu was selected as the car of the year. Last year, the Saturn Aura was selected as the car of the year. We haven't competed too well for a while in this country for our vehicles, in the midsize sedan segment, but the Malibu is not only the car of the year but also J.D. Power announced last week that, in terms of midsize sedans, the Malibu is selected as a top-quality vehicle. That is against some tough competition in the Toyota Camrys and the Honda Accords and the Nissan Altimas of the world. For a top-quality car, the Chevrolet Malibu looks great and gets good gas mileage but also has a hybrid people might be interested in, for people looking to buy a new vehicle or maybe downsize or resize their vehicle. This is not a bad one to look at. There is the Saturn Aura up there.

Here in the middle is a concept car I saw at the North American Auto Show

about a year and a half ago. At the time, it was an idea, and they actually had a full-size mockup of what they called the Chevrolet Volt. I called it eye candy at the time—very good-looking vehicle, very attractive, very easy on the eye, but it turns out it is a plug-in hybrid vehicle. The idea is you plug it in and charge the battery. You plug it into your garage or wherever you have an outlet in your home, and the next day you can drive it for 40 miles without a charge. It has an auxiliary power unit onboard. It could be a low-emission diesel, could be an internal combustion engine, could be a fuel cell. It could be any one of those three alternative power systems that would recharge the battery. They don't run the vehicle, they recharge the battery.

The idea for gas mileage in this vehicle, which is to be on the road in 2010, is about 80 miles per gallon. Now we are talking. One of the things we are doing in the Congress is providing investment monies, about \$100 million for investing in lithium ion battery technology. So when 2010 actually rolls around, we will have a battery to do the job.

The other thing we are doing is we are providing tax credits for folks who buy highly energy-efficient hybrids, credits anywhere from about \$500 per vehicle up to about \$3,500 per vehicle. When plug-in hybrids come along in 2010, I expect to see a credit there of up to about \$5,000 per vehicle to incentivize people to buy those vehicles.

We also have a requirement that for the Federal Government in the Postal Service, both on the civilian side of the Government and the military side of the Government, about 75 percent of our vehicles that we purchase have to be advance technology vehicles starting this year, and the same requirement for the Postal Service.

Another thing we can do as Americans, as consumers, to bring down the demand side and try to put some downward pressure on prices, is simply to encourage folks to take transit more. They don't need a whole lot of encouragement because they are taking it. They are certainly taking it in Maryland, where our Presiding Officer is from, and they are taking it in Delaware a whole lot more.

Transit saves nearly 4 million gallons of gasoline per day. At \$4 per gallon, that is almost \$16 million saved from transit every day. Not every year, not every month, but every day we are going to save \$16 million from transit. The typical public transit user consumes about one-half the oil an automobile rider consumes.

What else can we do as consumers? Take the train. Not just MARC trains in Maryland between DC and the Delaware line, but they can take Amtrak. These are the ups and downs of Amtrak ridership since 1991. Ridership on trains peaks usually between Thanksgiving and New Year's Day. Ridership peaks during the summer months as well.

Ridership at other times drops off. Right about here, Amtrak's on-time performance was not very good. I was on the Amtrak board at the time as Governor of Delaware. There was very good on-time performance and not very good ridership.

Look at this. Ridership continues to climb. Ridership on Amtrak last year was up about 10 percent. Ridership is up this year, this fiscal year to date, up about 15 percent. I would tell the Presiding Officer that I rode the train on Monday. I went to Philadelphia, to New York, and came back to Delaware. Every train I took, and not peak-time trains, basically SRO—standing room only. A lot of people are taking the train. It is a great way not just to save money but to reduce congestion at the airports and on the roads too.

Here is what is going on in commuter rail ridership from Seattle, WA, to Philadelphia, PA. We have worked with SEPTA, in a partnership there. Seattle, WA, ridership up there the first 3 months of this year is about 28 percent; Harrisburg, PA, of all places, up 17 percent; Oakland, CA, 16 percent; Stockton, CA, 14 percent; and Pompano Beach, not exactly a place you think of for transit, up 13 percent; and Greater Philadelphia, up about 10.

The reason I come to the floor today is to say we in Congress have a responsibility to do a number of things: tax policy that encourages people to buy more efficient vehicles—hybrid and so forth—and we are doing that; investing our dollars to help develop lithium ion batteries and technologies for the Chevrolet Volt and other vehicles, and we are doing that; we are trying to provide support for transit. The Presiding Officer and I have been very much in favor of doing that and working hard toward that end and providing reasonable support for Amtrak to help expand their capacity.

But you know the old story "You can lead a horse to water but you can't make him drink"? We as consumers have to take advantage. When Amtrak is offered, when transit is offered and it is available and it makes sense for us, and when it is time to trade in for a newer vehicle, keep in mind the kind of vehicles that are out there and produced in this country and from around the world and take advantage of those and buy one.

That can be what we can do as individuals to make a difference on this issue.

I thank the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, the price of gasoline is the biggest issue in this country, and I appreciate the comments the Senator from Delaware made. However, the one-size-fits-all law is a little tough for this country. He probably doesn't realize we don't have any passenger trains or commuter trains anywhere in Wyoming. We used to, but they showed there wasn't

enough use by changing the schedules so it always showed up 12 hours late, and most people weren't willing to wait 12 hours for a train. Then when you don't have the use, you can take the train out.

A lot of people in our State don't just drive their car to be able to get to work. Driving their truck or their car is their work. And we have these huge miles between places. One of my experiences recently is that I was driving between some towns and I, unfortunately, didn't have enough gas to make it to the next town. So I started to fill my tank and the pump stopped at exactly \$75. Now, I can't tell you the last time I got a pump to stop right on the numbers. It used to be pretty easy because you could squeeze the handle and get it to an even number. But now you squeeze the handle a little bit and it goes zap and up quite a few cents. But it cut off right at \$75. I thought, I don't think that is enough to fill this tank. When I checked, it wasn't. So there are some limits the credit card companies or the pumps are not used to, where they cut off, and that is making it a very important issue in Wyoming and the rest of the Nation. Because it is making it more expensive to take a vacation, it is making it more expensive to cool our houses, and it is making it more expensive to go to the grocery store.

Unfortunately, at a time when the American people are begging us to take constructive action, the Senate refuses to have a serious debate on this important topic. Instead of working together to find sensible solutions we can agree on, the Democratic majority insists on playing "gotcha" politics and bringing up policies that have not been through any committee. So they know they will not pass. They do it to score cheap political points. That is not how we are supposed to operate. That is how we have been operating now for several months. I think the farm bill is the last one that seriously went through a committee and followed the whole process.

Earlier, there was a chart up that showed 75 filibusters. Well, the blame for 75 filibusters shouldn't all be placed on the "other" side of the aisle. That count of filibusters is anytime that a cloture motion is filed. I have noticed it has been very convenient for the Democratic side of the aisle to put in a bill on a Friday and file a cloture motion that we would vote on Monday or Tuesday morning. So far as I can tell, the purpose of that, with the 51-to-49 split and 2 Presidential candidates gone on one side and one Presidential candidate gone on the other side, is they couldn't assure they would win a vote.

So if you file cloture and you happen to win, it is going to be 30 hours before there can be another single vote, which takes us to at least Wednesday night, and that means you don't have to get your candidates to come in until Wednesday night. So it has been very

convenient to have this kind of process on the Senate side. That process was designed so the majority would have a say in what was happening and so the minority could put amendments on.

Now, we have this little thing over here, it is a little parliamentary procedure, where you can file a couple amendments at the same time you file the cloture motion, and that prohibits any amendments, so you don't have to worry about the other side having anything difficult to vote on. The minority almost always, I think through the history of the Senate, has stopped debate on that kind of a process. The 40 in the minority stop the debate. That is what we have been going through.

We had a perfect example of that yesterday. The Senate voted on a tax package that included an extension of wind and solar production tax credits. Democrats and Republicans both agree we need to extend those important tax credits. We came together to support the provisions to extend those credits by a vote of 88 to 8 in April. But instead of working together, working with our colleagues in the House to move the provision that had the support of the 88 Senators forward, the majority forced us to vote yesterday on an extension we all knew wouldn't pass.

Now, I am mad about the price of energy, just like everybody else. I don't like going to the gas station and paying \$4 for a gallon of gas. I look at the profits the oil industry is making, and I do find them shocking. They are big numbers, until—until—you compare them with the dollars we are shipping to Saudi Arabia and Venezuela and other countries every day. We are shipping money out of this country to get energy in much bigger numbers than we are paying to any American companies.

But I also look at the situation we face, and I wish to do something that will improve it and not harm it. My colleagues on the other side of the aisle obviously don't have the same desire. How can you tell, you might ask? Because their proposal we voted on yesterday imposed a windfall profit tax on energy companies and increased the level of regulation on the energy industry, making it easier to sue them. As usual, their answer to a problem is, let's increase the taxes and let's hand the situation over to the trial lawyers.

Now, we have tried the windfall profit tax before, when Jimmy Carter was the President. While it may have made people feel good for a few days, because they could say they were punishing those big oil companies for making profits, it didn't improve the situation. It made it worse.

Businesses, to stay in business, reinvest profits. Most reinvest in what they know best. I wish to see a monthly report of the oil company investments. We do keep making it harder and harder for them to invest in America.

In Wyoming, I know there was a powerplant that decided to do a little bit of

wind energy. We had the proposal out there that all of them would have to get a certain amount of their power from alternative energies, so they planned and started building a wind power field. They were a little surprised at some of the environmental groups saying: You can't do that; you can't own that. You have to buy it from other people.

We have to make up our mind if we want it and how badly we want it and who we will let have it. I don't know why anybody with the dollars to invest in wind power should not be able to invest in wind power. It is an alternative source of energy. It is something we can use, something we need. Hopefully we can get some better battery storage so when they are operating, and when people don't need it, we store it for when people do need it.

There are a lot of inventions we need. I have a lot of faith in American ingenuity to know, whatever problems are out there, we can solve them. We have people with minds who can come up with creative ideas that can solve them. That is happening with energy.

I was talking about the windfall profits tax. I can't sum it up any better than former Democratic Senator John Breaux from Louisiana did. He said: A windfall profits tax is not going to produce a single barrel of oil. A windfall profits tax will produce less energy and not more.

The Congressional Research Service, the nonpartisan researcher for Congress, agrees. A windfall profits tax doesn't improve our energy situation but it does score a cheap political point, and that is why we voted on it once again yesterday instead of having a serious energy debate. The problem we face is the problem of supply and demand: less American-made energy and more demand for that energy—prices go up. That is the problem Congress should be addressing. That is what those in control of both Houses of Congress do not seem to understand at this stage.

The continued rise of gas prices is going to put an end to this dog-and-pony show eventually. Then maybe the majority will be more open to responsible, limited oil production off our shores in States that want to have the production off their shores, such as the Commonwealth of Virginia, or we could open less than one-tenth of 1 percent of the Arctic National Wildlife Refuge, an area smaller than Dulles Airport, to energy production with the most stringent environmental controls ever imposed. Maybe we could have a serious debate about using our Nation's most abundant energy source, which is coal, to produce diesel fuel or jet fuel that can be moved in our existing transportation infrastructure and can be made here in America.

Wyoming passed some new laws that deal with carbon sequestration, so there would be a goal for people to shoot at. It is the first State to ever do that. The companies are responding. Of

course, part of the use of that carbon is to inject into oil fields because the average oil field is able to recover about 20 percent of its product. With it they can get 30 percent of the product.

It appears as though my time has expired. I still have quite a bit more I will say at a later time.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico is recognized.

Mr. DOMENICI. I wonder if the Senator from Wyoming would answer a question on my time, before he sits down.

Mr. ENZI. Certainly.

Mr. DOMENICI. I listened to the Senator's speech and I was very impressed. I think it would be helpful to those who are listening if you could define one word, because you use it and I use it and everybody uses it around here. What does "cloture" mean?

Mr. ENZI. Cloture means the desire to cut off debate. It can be used, but it is a very lengthy process, very time consuming, and usually results in about 3 weeks of debate even if everybody wants the debate.

Mr. DOMENICI. So cloture is an instrument whereby you stop debate, if you impose cloture?

Mr. ENZI. If you impose cloture, you cut off a lot of amendments and a lot of debate and limit the amount of time that anything can be talked about. It is a parliamentary procedure. That is correct.

Mr. DOMENICI. If anybody was listening, the Senator talked about that. At the time the cloture motion is filed, there are certain requirements, a certain number of Senators have to sign it. It is a request to the Senate that you vote on whether you are going to continue debate. When that vote occurs, you are voting on cloture, on a cloture motion regarding the pending motion or pending legislation.

Last night I spoke to a group of energy experts and gave them the same warning I have been giving since the start of this year in a series of speeches on the Senate floor. That is that the United States faces a grave and growing threat to its well-being. Our economic strength and our energy security is being threatened by our vast dependence on foreign oil. I have said it before and I will say it again: If we do not address this problem in a serious way, America will become poor.

I could have added a whole lot to that, but let me repeat: If we don't do something about this vast dependence upon foreign oil, America will become poor, p-o-o-r. Mr. President, \$600 billion a year—it looks like is where we are headed—will be sent from this country to other countries to buy crude oil that we are going to turn into gasoline or diesel fuel to use here in America in our transportation system, essentially.

We have seen the warnings for years now. I remember when President Nixon launched the Project Independence more than three decades ago. The goal of that project was to eliminate our de-

pendence upon foreign oil within a decade. Since then, our dependence on foreign oil has more than doubled and we have literally put trillions of American dollars into the hands of others who often do not share our interests. The problem has gotten worse under both parties for decade upon decade.

Yesterday, another warning was brought up to us in the form of trade numbers, international trade numbers for April. Our deficit in the international trade of goods and services rose by 7.8 percent to nearly \$61 billion in the month of April. We were also told that this \$4.4 billion increase in trade deficit in April was nearly entirely attributable to imports of crude oil and petroleum products. The average price of imported petroleum and the total amount of fuel bought were both the highest ever. It is obvious it is because the price of crude oil was the highest ever for that particular month versus any other month.

It is time we begin to do something about this. Family budgets are being strained by the price of gasoline. America's small businesses are being hurt by the cost of energy. America's trade deficit is swelling out of control by the importation of foreign crude oil and the money we pay to buy it. It is the time to act, to do something. Over the past 2 months, Republicans have offered a new direction on energy policy. We have recognized we must open additional areas to American exploration and that we must put the decision of locking up our own areas to a test of whether closing the land to development meets a greater national interest than opening the land for exploration and production of oil and gas. In making such an assessment, we must listen carefully to the American people, who are hurting and who are asking us for some relief at the pump. A clear majority of Americans wants us to open more lands for oil and gas production. They want to understand what lands are open from which we could develop our own energy.

We have sought to open ANWR. That would not work. We didn't have enough votes. We have sought new deep sea exploration. We have sought to develop oil shale, or at least to take off the moratorium which was imposed last year that will make it more difficult to develop oil shale, which we own in large quantities and in great abundance.

We also have sought to turn coal into a liquid fuel. We could do that in any number of ways. The technique is available; it just costs a lot of money. But it is costing us a lot of money to pay for this dependence. So we could initiate a major program for coal to liquid and say we are going to contract to sell that to the military. Their needs are enormous. They buy a lot of it from overseas because we do not produce enough of our own. So why not take that huge resource called coal, use one of the existing ways of converting it, and arrive at an agreement

where we could use the diesel fuel so produced to fuel our military and we would be using our coal, we would buy less overseas, our military would get the diesel produced here in America, and at the same time the other one we could do is commit ourselves to develop oil shale into oil.

If those who have us by the throat can strangle us with the price of oil only believed we were going to develop ANWR in Alaska, that we were truly going to develop liquid from coal and use it for whatever specialized purpose we wished, know we could do it in large quantities, and then if we would commit to oil shale conversion and get started, even if it were only to produce a small quantity, the world would respond. They would say America is serious about minimizing rather than maximizing her dependence upon foreign oil. No doubt about it. Any of those three—and the offshore I talked about, the exploration of our offshore which is subject to moratoria that have been imposed by Congress. There are a number of States that would do it, that could do it, and we would share the royalties as we are with Louisiana and Texas, that many of us voted for when we produced an energy bill, the second Energy bill the year before last. We did it, we knew how to do it, and we could do it elsewhere.

It appears to me now is the time to move on. Each and every one of these American energy policies has been turned back by our Democratic friends on the other side of the aisle and they have sought to raise taxes, increase regulation, and ask Saudi Arabia for more oil.

I ask unanimous consent I be given an additional 2 minutes.

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

Mr. DOMENICI. Let's look at what we voted on yesterday. The Democrats sought to increase taxes on American business competing with foreign nations for a global commodity. They tell us this tax is the solution because the oil companies are making too much money. These new taxes will not lower prices, and they know it. What raising taxes on American companies would do is to ship the competitive business advantage to foreign oil companies. Raising taxes on American companies and not on their competitors costs American jobs. Raising taxes on American companies increases imports and lowers American energy production. This is not only my analysis, it is the analysis of the independent Congressional Research Service. It is the analysis of the Wall Street Journal and the analysis of officials from the Carter and Clinton administrations, who had experience with the windfall profits tax, which had a pretty-sounding name and a terrible-sounding effect, for it rumbled through the country causing oil companies to pay higher taxes, thus raising costs of oil and lowering the amount that was produced. So we are

told by a consensus of our greatest experts that such a time is decades off.

I have spoken with those who know about our needs. They say we need a bridge to secure our energy future—a bridge. On the far side of the bridge is America, where we are no longer dependent on these vast amounts of crude oil. On the far side of the bridge is cellulosic ethanol used widely around the Nation and in our plug-in hybrid cars that will influence the use of oil.

However, we are told by a consensus of our greatest experts that bridge and that such a time when we will not be using oil could be as many as four decades from now. In the meantime, if we do not move to solve it, that bridge will be built of crude oil, if it is imported, and we will just pay more for longer periods of time to countries around the world that may not agree with our idea or our philosophy of life.

We are also told from the IEA that our world oil production estimates for the year 2030 are well below what we previously thought. The question then becomes will this Nation get about the business today of producing our own American energy for tomorrow or will we continue to rely to a greater degree on foreign oil. The question is that simple. I ask my colleagues to seriously reconsider the Domenici American Energy Production Act.

I ask them to reconsider the views that they held when oil was at \$19 in an era of \$135 oil. I ask them to reconsider their views as many have done on nuclear power since I begin advocating for it more than a decade ago. Since then, we have seen a nuclear renaissance in America and we are seeing a growing number of people come over to our side on that issue. I ask my colleagues to listen to the 57 percent of Americans who are telling us to produce more here at home. And I ask my colleagues to consider whether the foundation of the bridge to our energy future should be built with American energy or foreign energy. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana is recognized.

Mr. VITTER. Mr. President, in light of the comments of the distinguished Senator from New Mexico, I ask unanimous consent to use the remaining Republican time plus an additional 3 minutes.

Mr. DORGAN. What remaining time exists?

The ACTING PRESIDENT pro tempore. There is 6 minutes 15 seconds remaining.

Mr. DORGAN. Mr. President, I will not object if an additional 3 minutes is added to the time on this side following the Senator from Louisiana.

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

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

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

Mr. DORGAN. Mr. President, how much time remains on our side?

The ACTING PRESIDENT pro tempore. There is 33 minutes on the majority side.

Mr. DORGAN. I ask unanimous consent to use 23 minutes.

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

Mr. DORGAN. Mr. President, there has been a lot of helium in this Chamber in recent hours. I have been watching and listening and heard a lot of discussion about why we cannot produce more energy.

Well, in fact, we are producing more energy. I announced about two months ago, with the U.S. Geological Survey, their assessment of the largest assessment of recoverable oil they have ever announced in the lower 48. That is called the Bakken shale, which underlies eastern Montana and western North Dakota.

They say it has up to 3.65 billion barrels of technically recoverable oil in it. The fact is, we are producing more oil and gas. My colleagues who talk about the need to produce more should understand that I and three others, two Democrats and two Republicans, from the Senate who lead the effort to open what is called lease 181 in the Gulf of Mexico in the 109th Congress. Substantial oil and gas reserves exist there, and we have opened a portion of that—not nearly enough by the way.

I notice that, in the Republican offshore proposal offered by my colleagues on the other side, they carve out opening the area in eastern Gulf of Mexico where there is substantial opportunity to achieve new oil and gas reserves.

In fact, companies from India and companies from China are now exploring for oil in Cuban waters. Our companies want to go there, but American companies are not allowed access in that area. They are not allowed to drill in waters off of Cuba because of the embargo against Cuba.

So this administration has decided, well, we do not want to produce oil off of Cuba despite the fact those waters are open. My understanding is some wells drilled by India have now struck oil. The Chinese are there too, but we cannot drill just miles away from Florida in Cuban waters. So next time I hear about people saying, well, people on this side of the aisle do not want to support additional production, we have supported additional production. That is a fact.

The hood ornament on that argument from them is always about ANWR, a pristine area set aside in legislation signed by President Dwight Eisenhower. Well, the fact is, ANWR should never be a first resort; perhaps a last resort in a critical time. But there is much we can and should do. I am going to talk about some of it this afternoon to address these issues. Yes, produce more, and I have described how I and others have supported more production.

We need conservation and greater efficiency. We waste a prodigious amount of oil and energy in this country. We can conserve much more. With everything we do, every switch we touch from the morning until the evening, all of the appliances that we use, dramatic new efficiency is important.

We also need more focus on renewable energy from wind, solar, and geothermal. There are so many different forms of energy that need to be a part of the solution, including the biofuels which are a part of our future.

Having said all of that, I want to go through a couple of charts because what is happening today is almost unbelievable. We have people driving to the gas pumps this afternoon, and we have people who have ordered a load of gas delivered to their farm this afternoon. We have airlines that pull the airline up to the gate and then have to load up with fuel. We have truckers at the truckstop trying to figure out at the next truckstop how they stop and get a load of fuel and afford it.

Look at what has happened. Oil prices have doubled in a year. There is not one justification in the fundamentals of oil supply and demand for a doubling in price in a year. There is no justification for it. In fact, this country has had an economic slowdown, and we are using slightly less energy than we did before. So demand is slightly down in this country. Since January, the oil and gas inventories in this country have been up slightly. Demand is down slightly, and production is up slightly. Yet, the price of oil doubles.

There is nothing in the fundamentals to justify what has happened to this oil market. Now, I think I understand what has happened to this market, and here is the line that describes it. It is called speculation. We all know what speculators are. We have lived among speculators. Perhaps our neighbors speculate. We all know speculators.

Will Rogers described them about 80 years ago. He said that these are people who buy what they will never get from people who never had it and expect to make money on both sides of the trade.

That is speculation. Speculators in the oil market are not people who want oil. These are not people who ever want to take delivery of oil. They are not people who would know about the viscosity of oil or perhaps how to drill for oil, nor would they care. They are interested in trading in a commodities market for the purpose of making big profits.

They are not ever wanting to take delivery of anything. They are simply speculators for the purpose of making a profit. Now, that is not why the commodities markets were established. They were established for hedging purposes, legitimate reasons to have a market. You should have, and must have, a market for commodities. For hedging purposes you need some liquidity in the market.

But what has happened in this market is a perversion. We have specu-

lators in this market who have driven the price way up. In fact, I have just spent an hour today with the head of an organization called New York Mercantile Exchange, NYMEX, in New York. He came down and we talked for about an hour. We agree on some things and do not agree on others.

This is a pit in which they trade commodities in NYMEX. Well, they trade the crude oil on the NYMEX. One of them is West Texas intermediate crude, for example.

You have people who wear these jackets, they bid. As you see, they throw paper on the floor. At the end of the day, people who have never touched a quart of oil, let alone a barrel of oil, have decided what the price is going to be for the coming days and months.

It is not the only commodities exchange. This is also occurring on the Intercontinental Exchange in London and Dubai. It is a large, global market, but only part of it is regulated. Only part of it is available for us to inspect and see. Much of it is out of our view. Much of it I call dark money. It exists out there, but you cannot see it. It is not transparent or regulated. It has a profound impact on the price of oil, and therefore, it has a tremendous impact on what it is going to cost consumers to fill a car with gas, a farmer to order a load of fuel, airlines to buy jet fuel. We have airlines and trucking companies going bankrupt and many more struggling to make it through this.

Now, I understand we have had 12 airlines in recent months declare bankruptcy. We have a lot of trucking companies, mom-and-pop trucking companies, who are going belly up because they cannot afford to buy fuel for their trucks.

The airlines are barely able to afford to buy the jet fuel for their airplanes. Drivers pulling up to the gas pump are having a difficult time trying to figure out how to pay \$60 or \$70 for a tank of gas.

I pulled up behind an old car about 30 miles north of Minot, ND, one day some while ago. It was pretty much a wreck. The back bumper was hanging down about halfway. It had a lot of dents and rust. And it had an old, faded sticker on the bumper which said: We fought the gas war and gas won.

Probably not surprising. Gas won. Well, gas is sure winning these days, \$4-plus a gallon, diesel well above \$4 a gallon, and oil flirting with \$140 a barrel. Now, some say, well, that is just the market at work. There is no market at work here. This is a perversion.

Let me talk about the oil market. You have ministers representing nationalized companies under the banner of OPEC. Now, this is a cartel. Cartels are illegal in this country. It is a crime. It is criminal. So you have a cartel of countries that go behind closed doors and have their oil ministers make judgments about how much they are going to produce and what price they want to get for it in the international marketplace. That is

No. 1. There is no free market aspect to a cartel. I expect most people would agree.

Second, the major integrated companies are all much bigger and much stronger with much more muscle in the marketplace.

Why? Because they have all merged. They all got romantically entangled, decided they want to pair up. Pretty soon, Exxon is not just Exxon; it is ExxonMobil. Phillips Oil is now ConocoPhillips. They all have two names and a lot more muscle. They are bigger, stronger, and more powerful forces in the marketplace.

Third, you have a futures market that has become an unbelievable amount of speculation, driving up prices. So you have a cartel with OPEC; bigger, stronger oil companies; and a futures market that is rife speculation.

Fadel Gheit, senior energy analyst, who worked 35 years with the Oppenheimer & Co., said:

There is absolutely no shortage of oil. I am convinced that oil prices shouldn't be a dime above \$55 a barrel. I call it the world's largest gambling hall. It's open 24/7. Unfortunately, it's totally unregulated. This is like a highway with no cops, no speed limit, and everybody is going 120 miles an hour.

I have talked to Mr. Gheit by telephone. He was a witness at a hearing in December 2007. I have a sense of what he is about and what he thinks. He believes this market is a complete perversion. It is rife speculation, with people driving up the price of oil, having nothing to do with the fundamentals of supply and demand.

It is not just Mr. Gheit from the Oppenheimer and Co. We see this in the New Jersey Star Ledger:

Experts, including the former head of ExxonMobil, say financial speculation in the energy markets has grown so much over the last 30 years that it now adds 20 to 30 percent or more to the price of a barrel of oil.

If the former head of ExxonMobil is saying there is so much speculation that it has added 20 to 30 percent to the price of a barrel of oil, the question is whether that is credible?

From the senior Vice President of ExxonMobil:

The price of oil should be about \$50 or \$55 a barrel.

The president of Marathon Oil, Clarence Cazalot, Jr.:

\$100 oil isn't justified by the physical demand in the market.

During a question-and-answer period with reporters, he suggested a more reasonable range for crude oil prices would be between \$55 and \$60 a barrel.

The Commodity Futures Trading Commission is supposed to be the regulating body. I know regulation is a four-letter word in this Chamber for some. It is not for me. A free market works only when it is open and free. When the arteries get clogged, bad things happen. We have seen a lot of clogging of the arteries in this so-called free market system. But we have a referee for the free market system. It

is called the Commodity Futures Trading Commission, the CFTC. The CFTC is supposed to be a regulator, but like a lot of regulators, it seems to be pretty much asleep at the switch. I will describe why and how in a minute.

I have some experience with this because I chaired the hearings in the Senate over in the Commerce Committee on the Enron scandal. I had Ken Lay, now deceased, come to our hearings. He was the CEO of Enron. He raised his hand, took an oath, sat down, and took the fifth amendment. He was subsequently sentenced to prison but died before he went there. Once exposed, several in the Enron Corporation went to prison because we discovered it was a criminal enterprise. Among other things, it soaked billions of dollars of ill-gotten gains, particularly out of consumers on the west coast through wholesale electricity prices. That happened under the nose of what was supposed to have been a Federal regulator, the Federal Energy Regulatory Commission.

During that time, I raised the question about the speculation and the manipulation of the marketplace by Enron and others. Vice President CHENEY scoffed and said: There is nothing going on here. Shame on all of you for suggesting there is something nefarious happening. It turns out DICK CHENEY was dead wrong, supporting the energy interests ahead of the public interest. We found out later it was a criminal enterprise. We found out later that the regulator did nothing other than sat by and watched what was happening.

Now we have a regulator, the Commodity Futures Trading Commission, which is supposed to be wearing the referee's shirt with stripes that calls the fouls with respect to energy trading. The Commodity Futures Trading Commission has actually allowed a lot of this to occur, this speculation, by issuing what are called no-action letters so that a number of commodity trades can move to the dark side so they can't be seen and regulated by the regulator. In fact, the regulator is saying that it is OK for us not to see you or understand what you are doing which is kind of unbelievable. It defies credibility to hear a regulatory body say: We don't want the information with which to regulate you.

Let me describe what Mr. Lukken, the head of the Commodity Futures Trading Commission, the regulatory body, has been saying. I am using the description that he is "parroting" the assertion by those involved in the market. These are the very speculators who make a lot of money in these markets and want us to believe that nothing is really happening. There is not substantial speculation. This is just a lot of good people selling and buying back and forth.

Here is what Mr. Lukken says:

Based on our surveillance efforts to date, we believe that energy futures markets have been reflecting the underlying fundamentals of those markets.

That was last July. Mr. Lukken says: Gosh, things are fine. Don't worry. Be happy. Everything is OK. The fundamentals justify whatever is going on. That was last July.

The acting Chairman of the Commission, Mr. Lukken, again said in January of this year:

Based on our surveillance efforts to date, we believe that energy futures markets have been largely reflecting the underlying fundamentals of these markets.

You will note he said in January exactly what he said in July, but he changed one word. It must have been a mistake. He changed one word. He essentially says: Hey, don't worry about the price of oil and gas. This is all about fundamentals. So the Chairman of the regulatory body says things are OK once again.

In February, acting Chairman Lukken says:

The Commodity Futures Trading Commission is confident that U.S. futures exchanges and clearinghouses are functioning well, especially during these turbulent economic times.

Don't worry. We regulators have our hands on it. We have it all figured out.

On May 7, the acting Chairman of the regulatory body says:

We can say with a high degree of confidence that people are not manipulating the energy markets.

That is really interesting because just two weeks ago this same person, Mr. Lukken, who has told us now for a year, while the price of oil has doubled, there is really no speculation, this is just supply and demand at work. The fundamentals of the marketplace are working. Don't worry, be happy. Nothing nefarious is going on. There is no manipulation, then all of a sudden, two weeks ago, this man must have had some sort of epiphany. I don't know what he ate for dinner, but suddenly he woke up and made an announcement that the CFTC wants to find out what is going on in this marketplace and for the last 7 months they have been investigating it. Really? That is interesting. What about his statements during the last year they had already concluded nothing was wrong?

I wonder at what point Americans should be relying on the word of Mr. Lukken when he was telling us in January there is nothing going on. It is just the fundamentals at work. Yet, he was reassuring us in early May there was nothing happening. Perhaps a couple weeks ago, he apparently, in some startling 180-degree turn decided to figure out what is happening.

Mr. Lukken, the acting Chairman, and his nomination is before this body, said we are now going to something called the Intercontinental Exchange and others. Incidentally, it is a foreign exchange but an exchange in London, largely founded by American companies, trading on computer terminals in Atlanta, GA, and other places in the U.S. but allowed to do it without oversight or regulation by the CFTC because they exempted them with a let-

ter of no action. It basically is saying we are not going to find out what is going on. Really? I thought you knew what was going on. You have been assuring us all along that you knew what was happening. Turns out now he admits they don't have nearly the information with which to judge whether there was excessive speculation.

By the way, the Administration, to the extent it was doing anything, called for the creation of a task force of several agencies, including the CFTC. They act as if the barn is on fire at the moment. They go from no motion to slow motion to some sort of hyperspeed, I guess. But I have almost no confidence in statements for 6 or 8 months saying that the doubling of the price of oil is just fine, and it is unrelated to either manipulation or speculation.

I had one of the presidents of one of the largest investment banking firms come to my office. I think we spent an hour speaking. At the end of the hour, he answered every question except the one he couldn't answer, the one I kept asking: If you say fundamentals are at the root of why the price of oil has doubled, then tell me what those fundamentals are that justify the doubling of the price of oil. Is it that supply is down and demand is up? If that is not the case, what are the fundamentals? Those who argue that this speculative binge cannot answer the question, what fundamentals justify doubling the price of oil?

The importance of that is this: I used to teach a little economics—not very much—in college. I taught economics briefly. I tell people I was able to overcome that experience and go on to lead, nonetheless, somewhat of a productive life. Economics is psychology pumped up with helium. That is all it is. Everybody says they know this, that, or the other thing. Economics is about human behavior. But I understand enough about the economics of this issue to understand you have binges of excess and speculation, and we have seen them in history. You can find books about them. They will take you back to the days when tulip bulbs were sold for \$25,000 for one bulb in a binge of speculation that is still written about today, 400 or 500 years ago. We have bubbles of speculation that occur. In most cases, it is not terribly damaging to a country or an economy. Who cares if you can buy a tulip bulb? Who cares if you can afford it?

Consider this. The price of oil jumps to \$135 a barrel. The price of gas goes to \$4 a gallon. You have OPEC countries going to the bank depositing our money in their accounts. The major oil companies going to the bank depositing our money in their accounts. Airlines are going broke, and trucking companies not able to afford to run their trucks. The average American family is trying to figure out how they can afford to put gas in the car and get to work. When all of that occurs, it is long past time for this country to say:

What on Earth is happening and how do we fix it? When you have a market that doesn't work, there is a responsibility for the regulator and the Government to take a step and fix that market.

This futures market is not the market that was established many decades ago. That market was established for a specific purpose, a laudable purpose. It was to allow orderly trading for delivery of petroleum commodities. It has now become an unbelievable cesspool of speculation that has driven up the price of oil in ways that deeply damage this country. This Congress has a responsibility to deal with it.

I am working on legislation that would mandate the Commodity Futures Trading Commission to take the steps that are necessary to shut that speculation down, to stop the dark money and markets, to put it all on the regulated side and then to increase margin requirements in order to wring the speculators out of this market. I believe that could decrease the price of oil and gas by 20, 30, 40 percent. It is not just me. I have quoted those who run some of America's major oil companies and experts involved in some of the trading at some of the largest institutions who believe speculation now has driven up the price of oil and gas by 20, 30, 40 percent.

There is a lot to say about what is happening in our country and a lot to say about the need for regulators to begin doing what we pay them to do. I will describe the legislation I am working on at greater length. I appreciate the indulgence of my colleagues.

I yield the floor.

The PRESIDING OFFICER (Mrs. McCASKILL). The Senator from Rhode Island.

Mr. REED. I believe I have been put in order for 10 minutes.

The PRESIDING OFFICER. The Senator has 9½ minutes at this point.

Mr. REED. I thank the Chair.

Madam President, we have heard a number of interesting opinions on the reasons and potential solutions to the energy crisis in which we currently find ourselves. Unfortunately, yesterday many of my colleagues on the other side of the aisle blocked our ability to have a meaningful debate about the proactive steps we should be taking to address the issues that are contributing to skyrocketing prices Americans are paying at the pump.

All around the country, high gas prices are contributing to already shaky economic times for the American people. In my home State of Rhode Island, gas prices have increased by over 140 percent since 2001. Currently, Rhode Islanders are paying \$4.09 a gallon for regular unleaded gasoline and \$4.93 a gallon for diesel. Households in Rhode Island are paying \$2,000 more per year for gasoline than they paid in 2001. That is \$2,000 more than they were paying in 2001.

For the State economy, this means that families, businesses, and farmers in Rhode Island will spend \$335 million

more on gasoline this year than was spent in 2001 if prices remain at current levels. But these prices seem to be constantly accelerating. Rhode Island residents, farmers, and businesses are on track to pay over \$1.44 billion for gasoline this year. That is an extraordinary drain on the economy of my State and on States throughout the Nation.

It is well known that our current energy crisis is due in part to the marriage of two uncontrollable circumstances: a fast-growing worldwide demand for oil and increasingly limited oil supplies. The Renewable Fuels, Consumer Protection, and Energy Efficiency Act, which was signed into law in December of last year, made important improvements to our national energy policy, and I am confident the provisions in that law will help to decrease our long-term dependence on oil and thus lessen our future vulnerability to its availability. However, there is also a number of controllable variables that are contributing to the volatility of energy markets that we must address immediately to ensure the high prices Americans are paying at the pump are not going into the wallets of speculators and oil companies looking to exploit these difficult times.

The Consumer-First Energy Act would take action by incorporating proactive measures to protect against excessive speculation, keep the hedge funds and oil companies honest, and require investments by oil companies toward the development of our Nation's renewable energy infrastructure or face a windfall profits tax.

Experts now estimate that well over 25 percent of the cost of a barrel of oil can be attributed to excessive speculation by the financial traders of energy commodities. Yet yesterday we failed to move forward on a bill that would clamp down on excessive speculation by preventing traders from routing their transactions through offshore markets in order to evade speculation limits and subject energy traders to stronger reporting requirements.

Many of my colleagues on the other side of the aisle say we must open up more land to drilling to solve the current crisis, increase the supply, and lower the demand. The fact of the matter is over recent years we have already opened up significant areas of the land and the Continental Shelf to oil companies and given them tax incentives to subsidize and encourage their exploration and drilling activities.

Over that same span of time, oil companies have reported bigger profits—almost \$600 billion. Yet we still find ourselves in a precarious energy situation today. Moreover, the Minerals Management Service has reported that of all the oil and gas reserves believed to exist on the Outer Continental Shelf, 82 percent of the natural gas and 79 percent of the oil are located in areas that are already open to leasing. Onshore, 72 percent of oil and 84 percent of natural gas resources are either accessible already or are pending review.

We also hear very little about the nearly 91 million acres of land currently open to leasing in the Alaskan arctic area outside of ANWR, of which only 11.8 million acres have actually been leased.

The idea that we need to make more areas available to drilling to increase domestic production is not substantiated by the facts. We have broad swaths of land and Continental Shelf that are available for exploration and drilling. They are not being used. Until we have thoroughly reviewed and sited projects there, the idea that we have to open up ANWR is only a subterfuge, an excuse for inaction.

Indeed, in the last 4 years, the Bureau of Land Management has issued 28,776 permits to drill on public land. However, during that time, only 18,954 wells were actually drilled. Thus, oil companies are currently holding onto 10,000 unused permits which could just as easily help to increase domestic production as the lands that are currently protected under law. Clearly, the problem is not that there is a lack of places to drill.

Thus, drilling our way to energy independence is not the answer. Neither is increasing the importation of foreign oil and natural gas. The answer is investing in energy efficiency and renewable energy programs that currently save us more energy each year than the amount we consume from any single energy source, including oil, natural gas, coal, and nuclear power. These investments offer short-term and long-term solutions to strengthen our national security by reducing our energy consumption and making us less reliant on oil from unstable regions of the world. Moreover, they enhance our economic competitiveness by creating American jobs in this new green economy, and they protect our environment by reducing our carbon footprint.

There are actions the Congress can and should be taking, which were laid out in the Consumer-First Energy Act, that could ease the pinch people are feeling at the pump. My colleagues on the other side of the aisle also refused yesterday to debate a package of energy and tax extenders that would also go a long way to help investing in new renewable energy sources and the jobs these new sources would create.

Other economic indicators are equally discouraging, in addition to those concerning the energy sector. There are particular concerns in our economy today about inflation, slow growth in gross domestic product, significantly higher consumer borrowing, a rising Consumer Price Index for food, and other indications of difficult economic times.

But perhaps the most growing statistic and worrisome statistic across the country is unemployment. New monthly job numbers were released last Friday, and they were far worse than economists had predicted. The unemployment rate jumped to 5.5 percent from 5 percent in only 1 month.

In Rhode Island, 6.1 percent are jobless right now—unchanged over the past 2 months. This is the fourth highest unemployment in the United States, behind only the States of Michigan, Alaska, and California. It marks the highest unemployment rate in Rhode Island since August 1995—more than 12 years ago. The number of unemployed Rhode Islanders has risen to approximately 35,000, and it has been trending upward.

The Providence Journal reported today that about 41 percent of Rhode Island's unemployed in January, February, and March have exhausted their benefits. This is the highest of any New England State.

As we all know, the Senate and the House are currently reconciling an emergency appropriations bill. I was especially pleased the Senate version provided domestic spending for LIHEAP and unemployment insurance—two critical issues we are facing today: accelerating energy prices and exploding unemployment numbers. This domestic funding is critical to boosting our economy and helping those who are most in need.

Indeed, many economists have pointed to an extension of unemployment benefits as a quicker way to stimulate the economy than the rebate checks that were being passed out and are being passed out today. An extension of UI benefits provides a very high return on the investment, generating approximately \$1.64 in gross domestic product per dollar spent. This is especially helpful at a time when people are saving less, making them ill-prepared to cope with a long-term economic slump.

In Rhode Island, it is estimated that the number of jobless who could immediately benefit from an extension of unemployment benefits ranges from 6,500 to 8,000 or more. Under the Senate-passed provisions, Rhode Island would not only qualify for an additional 13-week extension, but given our consistent 6.1 percent unemployment rate, we would trigger extended benefits of another 13 weeks. This means Rhode Island could receive up to 26 additional weeks of assistance to help amid these difficult times. That is why I will continue to press also for an extension of unemployment benefits.

We had the opportunity yesterday to move forward on progressive, proactive energy legislation, and it was stymied by my colleagues on the other side. We cannot let that happen. And we cannot also let the unemployed go without extended benefits.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. Madam President, I have listened intently for the last 2 weeks to the climate change debate and the energy debate, to Republican ideas and Democratic ideas, to Republican speeches and Democratic speeches—all about what is wrong. While we have talked, the crisis has grown astronomically.

In Georgia today, school systems looking to transport students this fall are wondering how they are going to be able to afford to run their schoolbus fleet because of the cost of diesel.

Back in Georgia, today in Marietta, our sheriff and our police chief are wondering how they are going to be able to patrol the streets with the budget they have for gas with that tremendous cost. They are doubling up of officers. They are leaving cars idle in the motor pool.

Today workers are going to the pump, and they are filling up at \$4 a gallon—a price that is unsustainable for them based on their wages and based on the cost of energy.

While we may make a lot of speeches, it is time for Republicans and Democrats alike in the Congress of the United States to put aside their partisan bias when it comes to energy.

I was a young man in the 1960s. A great U.S. President, John Kennedy, stood before the American people and the Congress, when America was confronting a great difficulty. We were falling behind in math, science, and technology. The Russians had already launched a satellite. They were on the way to developing a space program, and America was being left in the dust. President Kennedy stood before the Congress, and he declared the United States would launch a man to the Moon, land him, and bring him home safely before the end of the decade.

We did not know how to do that. But the President was bold in declaring it. The Congress put its partisan differences aside and funded NASA, funded reach; and 7½ years later, on July 31, 1969, the United States of America landed two men on the Moon and brought them back safely to Earth.

We are a great country, and we are at our best in a crisis. We have one today. Answers and solutions lie on both sides of the political spectrum. Enough, quite frankly, is enough. Republicans have to begin to embrace those things we said are not enough of a solution, such as renewables and conservation. They can help. They do not solve the problem, but they contribute to solving it. Democrats have to recognize we are sitting on a ham sandwich, starving to death, when we continue to keep our nuclear energy locked up and we do not expand and develop our nuclear program to generate safe, reliable, nonpolluting, carbon-free nuclear energy.

On the issue of exploration, it is possible to explore responsibly, develop the resources of our country, and contribute to our supply locally ourselves. It is important we have tax incentives for all forms of alternative energy—renewable energy such as wind and solar, future energy such as cellulosic-based ethanol, equalizing our incentives, making sure every megawatt hour is incentivized equally so we are putting all our solutions on the table.

This is not just a political problem; this is not just a pocketbook problem; this is an American problem. Have you

ever thought about it for a second? Regardless of your opinion on global warming and climate change, it is in our best interest as a country to reduce our dependence on foreign oil and reduce the production of carbon in the atmosphere. It is in our interest environmentally. It is in our interest geopolitically.

Right now, the United States of America is buying oil from three of our biggest competitors/sometimes adversaries—Hugo Chavez in Venezuela, Ahmadinejad in Iran, and Vladimir Putin in Russia—paying prices of up to \$139.26 a barrel for oil, the profit from which they turn around and buy our Treasury notes. They are buying equity in the United States of America with the very funds we are paying for their oil.

Yet we sit here and do not develop the resources we should be developing that we know of and we have here today: the shale oil in Colorado and Montana and North Dakota, a reserve that is estimated to be equal to the oil reserves of Saudi Arabia. There are issues in Alaska with ANWR, but we can work them out. We can environmentally and safely explore. We did it 30 years ago with the pipeline in Alaska. We can do it again now. Off the coast of the Gulf of Mexico and my State and States on the Atlantic coast, we can drill safely and securely. We can drill aesthetically pleasing, because if you drill outside of 50 miles, and in most cases 12, you are over the horizon so there is no damage to tourism. Yet you are extracting your own rich natural resource and supplanting those imports you would otherwise have to take from parts of the world you might not want to take from.

It is critical that we develop our resources. We all know that oil will run out one day and we all know we have to develop the technologies to replace it. We all know we need a bridge over the next 40 years as we develop those technologies to keep America running strong and vibrant and have our economy and our people prosperous. We are not going to do it with ever-spiraling prices of gasoline, heating, fuel oil, and petroleum. We can't do it. It is time we put our biases aside. It is time we stood and spoke as Americans. It is time we look toward every possible resource that is available to us and make a declaration just as John Kennedy did. If this President of the United States and this Congress join united to say we Americans are going to reduce our dependence on foreign and imported oil by 33 percent over the next decade and we are going to do it by unlocking those things that we refuse to explore—by developing our renewables, by incentivizing equitably all sources of energy that reduce our dependence on petroleum such as nuclear, wind, solar, synthetic fuels, and biodiesel—the world will immediately take notice and the speculators who were discussed so much two speakers ago will speculate in a hurry that America finally

woke up, the Congress finally decided to do something. They will know our insatiable desire for foreign oil is at an end, that we are looking toward an end game where we are energy independent. You know what happens when that happens: The price of oil begins to come down immediately.

The way you have an immediate impact on a spiraling and rapid increase in price is to have an immediate declaratory decision that you are going to do something about it and delineate those solutions you have and you know are doable. Surely a country that faced in the 1960s a challenge without the technology at the time to even know how to do what it said it was going to do can now today in 2008 make a declaration we are going to take our resources we are going to invest in them, we are going to incentivize them, and we are going to reduce our dependence on foreign oil. If we do that, we will have the beginning of the end of the rapid spiral up in prices as well as a beginning of a new solution in the Senate of the United States. That is both sides of the issue coming together, finding the common ground that in the end benefits whom we serve: the people of the United States of America.

When I left Atlanta, GA, on the 4:20 flight to come to Washington on Monday, I came here recognizing that every day it is my responsibility to speak not for myself but for the people I represent. The people I represent are hurting. It is hurting our business. It is hurting education. It is hurting public safety. It is hurting the economy. We have to put aside our partisan differences, make a declaration of war on the spiraling cost of gas, develop the resources that we as America know we have, and say to the American people: This is the most deliberative body in the world, but it also has the potential to be the most decisive body in the world if we will only make up our mind to do it.

Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Ms. MURKOWSKI. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Ms. MURKOWSKI. Madam President, there has been a great deal of discussion on the floor of the Senate today, certainly, about the price of oil and the impacts the high energy costs are having on our States across the Nation. I rise today to talk a little bit about one solution, one aspect of the solution for our energy woes in this country, and that is increased domestic production. Before I begin my comments, I acknowledge it is only one piece of the puzzle as we deal with the high price of energy in this country. Increased do-

mestic production is one aspect of it, but we also have the other components. Certainly we must do more to focus our technologies to advance the renewables and the alternative energy sources in this country. Then the third leg of my three-legged energy stool is the focus on conservation and efficiency. I think it is fair to say that we in this country simply do not do enough yet, and that is something we must move toward and move toward in a dramatic manner.

We had a situation in the capital of Alaska about 6 weeks or so ago. The community of Juneau was left without their source of hydroelectric power when a series of avalanches took out the transmission lines that connected the source of hydro to the State's capital. Literally overnight, that community was plunged into a situation where they were going to be powering that community off of diesel. They were looking at a fivefold increase in their energy prices. The communities said: What do we do? We can't do this. All of a sudden we had a community—a population—that said: I can't afford to pay utility bills that are five times what I am already paying in terms of energy usage. So that community came together in a time of crisis and in 1 week's time reduced their energy consumption by 30 percent, and moved on then further in the next couple of months to reduce their energy consumption in Juneau, AK, by about 40 percent.

They did it through everything. Juneau, as my colleagues may know, is in a rain forest. It is pretty damp. There is usually not much need for clothespins, but every clothespin in Juneau was snapped up literally as people said: Well, I can't afford to run the dryer. We are going to figure out ways in our households where we learn to conserve. That focus—that very specific focus on conservation now because we are in a time of crisis—produced some pretty dramatic results. I think that community can stand as an example of how we in this country can work together to make a difference to reduce our energy consumption.

I wish to talk a little bit this afternoon about the Arctic National Wildlife Refuge in the State of Alaska and how opening ANWR to oil exploration and development could help lower the price of petroleum for decades into the future. Over the past couple of days, we have heard several colleagues—well, not several; we have all been talking about the high prices of fuel that people are facing. I have heard a lot from some about encouraging foreign nations, whether it is Saudi Arabia or others, to produce more oil so that we can drive down the price of fuel for our benefit. We have heard that imposing perhaps a windfall profits tax on the oil companies would somehow or other lower prices, but the explanation for exactly why that would occur has been a bit sketchy to me. But I have heard almost nothing—almost nothing—from some of the Members of this body on

why America should not produce more oil itself, keeping the jobs in America, keeping the wealth in America for our benefit, America's benefit, not the benefit of Saudi Arabia, Venezuela, or Nigeria.

We can pass many laws in Congress, and we can repeal many laws, but we cannot repeal the law of supply and demand. I am not the first person to stand on the Senate floor and say that. If we want to lower our prices, we have to figure out how we can increase our Nation's fuel supplies.

On June 5, in the Washington Post, there was an opinion piece by George Will. He talked about the fact that America does have a national energy policy. According to Will:

America says to the foreign producers: We prefer not to pump our oil, so please pump more of yours, thereby lowering its value, for our benefit.

That was his statement about our national policy. That is a crazy national energy policy. No wonder it hasn't worked.

I ask unanimous consent that this full column by Mr. Will be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE GAS PRICES WE DESERVE

Rising in the Senate on May 13, Chuck Schumer, the New York Democrat, explained: "I rise to discuss rising energy prices." The president was heading to Saudi Arabia to seek an increase in its oil production, and Schumer's gorge was rising.

Saudi Arabia, he said, "holds the key to reducing gasoline prices at home in the short term." Therefore arms sales to that kingdom should be blocked unless it "increases its oil production by one million barrels per day," which would cause the price of gasoline to fall "50 cents a gallon almost immediately."

Can a senator, with so many things on his mind, know so precisely how the price of gasoline would respond to that increase in the oil supply? Schumer does know that if you increase the supply of something, the price of it probably will fall. That is why he and 96 other senators recently voted to increase the supply of oil on the market by stopping the flow of oil into the Strategic Petroleum Reserve, which protects against major physical interruptions. Seventy-one of the 97 senators who voted to stop filling the reserve also oppose drilling in the Arctic National Wildlife Refuge.

One million barrels is what might today be flowing from ANWR if in 1995 President Bill Clinton had not vetoed legislation to permit drilling there. One million barrels produce 27 million gallons of gasoline and diesel fuel. Seventy-two of today's senators—including Schumer, of course, and 38 other Democrats, including Barack Obama, and 33 Republicans, including John McCain—have voted to keep ANWR's estimated 10.4 billion barrels of oil off the market.

So Schumer, according to Schumer, is complicit in taking \$10 away from every American who buys 20 gallons of gasoline. "Democracy," said H.L. Mencken, "is the theory that the common people know what they want and deserve to get it good and hard." The common people of New York want Schumer to be their senator, so they should pipe down about gasoline prices, which are a predictable consequence of their political choice.

Also disqualified from complaining are all voters who sent to Washington senators and representatives who have voted to keep ANWR's oil in the ground and who voted to put 85 percent of America's offshore territory off-limits to drilling. The U.S. Minerals Management Service says that restricted area contains perhaps 86 billion barrels of oil and 420 trillion cubic feet of natural gas—10 times as much oil and 20 times as much natural gas as Americans use in a year.

Drilling is underway 60 miles off Florida. The drilling is being done by China, in cooperation with Cuba, which is drilling closer to South Florida than U.S. companies are.

ANWR is larger than the combined areas of five states (Massachusetts, Connecticut, Rhode Island, New Jersey, Delaware), and drilling along its coastal plain would be confined to a space one-sixth the size of Washington's Dulles airport. Offshore? Hurricanes Katrina and Rita destroyed or damaged hundreds of drilling rigs without causing a large spill. There has not been a significant spill from an offshore U.S. well since 1969. Of the more than 7 billion barrels of oil pumped offshore in the past 25 years, 0.001 percent—that is one-thousandth of 1 percent—has been spilled. Louisiana has more than 3,200 rigs offshore—and a thriving commercial fishing industry.

In his book "Gusher of Lies: The Dangerous Delusions of 'Energy Independence,'" Robert Bryce says Brazil's energy success has little to do with its much-discussed ethanol production and much to do with its increased oil production, the vast majority of which comes from off Brazil's shore. Investor's Business Daily reports that Brazil, "which recently made a major oil discovery almost in sight of Rio's beaches," has leased most of the world's deep-sea drilling rigs.

In September 2006, two U.S. companies announced that their Jack No. 2 well, in the Gulf 270 miles southwest of New Orleans, had tapped a field with perhaps 15 billion barrels of oil, which would increase America's proven reserves by 50 percent. Just probing four miles below the Gulf's floor costs \$100 million. Congress's response to such expenditures is to propose increasing the oil companies' tax burdens.

America says to foreign producers: We prefer not to pump our oil, so please pump more of yours, thereby lowering its value, for our benefit. Let it not be said that America has no energy policy.

Ms. MURKOWSKI. On the floor this week, some Senators have argued that by opening ANWR and causing physical disturbance to just 2000 acres, which is what we are talking about, of the Arctic coastal plain—and this area is about one-sixth the size of Washington Dulles Airport that would likely result in the production of about 1 million barrels of new oil a day—isn't going to have much of an impact on prices.

I want to quote the senior Senator from New York, who said on May 13:

If Saudi Arabia were to increase its production by 1 million barrels per day, that translates to a reduction of 20 percent to 25 percent in the world price of crude oil, and crude oil prices could fall by more than \$25 a barrel. . . . In turn, that would lower the price of gasoline between 13 and 17 percent, or by more than 62 cents off the expected summer regular-grade price, offering much-needed relief to struggling families.

Now, earlier this afternoon, the same Senator said opening ANWR would "have little impact" on lowering prices. I am not going to suggest that I know what he was thinking there, but

I believe what he intended to say was that opening ANWR would have little impact on lowering prices immediately. In fact, if we were to vote in Congress today, this very moment, to open ANWR, we would not actually see the oil down the line into the lower 48 States for between 5 to 7 or 8 years. But I do believe the Senator who made those comments is wrong about both the short-term and the long-term effects of opening ANWR to oil development. He was right when he said last month that adding more oil to the world supply chain would increase supply and help drive down the prices. I think that is just as true in the years ahead as it is today.

We recognize that our actions in this Nation, in terms of the statements that we send and what we are willing to do and what we are willing to commit to—if America were to finally tell the world that we are willing to produce more fuel ourselves, that we are serious about producing more of the energy we consume, I believe it would result in lower prices immediately—not in the 5 years it is going to take to get ANWR oil flowing, but it would bring down prices because it would have a psychological impact.

In 1995, President Clinton vetoed the legislation that would have opened ANWR. If he had not at that point done that, and we had moved ahead, more than likely we would be seeing an additional 1 million barrels of oil flowing to the market right now. I believe and contend that oil would have prevented the prices from reaching today's exorbitant levels.

To go back to George Will's column, he says everyone who has worked to block U.S. oil development over the past several decades is "complicit in taking \$10 away from every American who buys 20 gallons of gasoline."

We talk a lot about ANWR and the potential out there and the controversy that, well, you can't open something if it doesn't have the support of the American people. I think we are being deceptive if we are saying the American people do not support the exploration in the 1002 area. According to a May 29 Gallup Poll, 57 percent of Americans support "allowing drilling in U.S. coastal and wilderness areas now off limits" to development.

In Alaska alone, the Alaskans who had expressed their support over the years—it has historically been 75 percent-plus of Alaskans who do support opening ANWR. We are seeing that support grow not only in the State, but we are looking at truly exorbitant prices, and we are seeing it across the country as well.

Just yesterday, there was a nice fellow from Indiana who called my office to say he started a petition campaign on his own—just acting on his own volition—to help win support for opening ANWR. He said in just a few weeks he gathered thousands of signatures from citizens, not just in Indiana but in a number of States, in support of opening

ANWR. Just last night, I heard a radio commercial from a group, and I didn't even know they existed. They were gathering signatures in support of opening ANWR to exploration and development.

I think the American people know what some Members in Congress seemingly don't; that is, the need for America to expand its domestic production, expand that in a manner that we can move as quickly as possible and affect the high prices that we are seeing in this country. Again, it is not just increased domestic production. That is one aspect of it.

I spoke a little bit about the Juneau example and how we in this Nation need to be doing more to conserve and achieve greater efficiency. I was home in the State this weekend and folks in Alaska are driving through some pretty rough roads and are driving through tough conditions. People there like SUVs and trucks, but it is not just because they are big and powerful; they are necessary. So driving by some of the lots this weekend, I can tell you just about everything for sale in the lots was the big trucks. People are looking at them and saying: I can't afford to fill up my vehicle anymore.

I was in the fishing community of Dillingham on Saturday. They are preparing to go out for their first fish opener on Monday. Some of those boats are not going out because they cannot afford to fuel up. In Dillingham, the spring barge just came in a couple weeks ago. The price of gas at the pump there jumped up over a dollar in 1 day. They are paying \$5.50 for unleaded. Diesel is \$6.50-plus. It affects everything in the community, not just what is happening when you fill up your car. They are paying \$8 for a gallon of milk. They are paying \$10 for a carton of orange juice.

When I went in to get a cup of coffee, a young woman said: I don't know how long we can stay in business. People from the small villages surrounding Dillingham are coming in because they cannot afford to fill up. The communities are suffering terribly. It is not just anger that we are seeing from the people in Alaska over the high prices that happened this winter. People were angry about what they are paying.

Now what is happening is they are scared. They have nowhere to go. When your village cannot keep the lights on and you have to move to the regional hub and you realize there is no place for you to live, it is just as expensive, and there is no way to go, you say: I will go to town, to Anchorage or Fairbanks. But do you know what. The people don't have the money to get the airplane ticket out of town to get to a community where, again, the energy prices are through the roof.

We have challenges in this Nation the likes of which I don't know that we have seen before because it is our energy and our ability to utilize our energy sources that keep this country as great as it is. We cannot have rural

Alaska and rural America imploding because we haven't helped address the high cost of energy. The answers are there. It is increased domestic production. It is renewables and alternatives and the technologies we can advance. And it is conservation and efficiency.

We will keep working on it. I think the people are going to be hearing a lot more about what many of us think is the shorter term solution, and that is increased production.

With that, I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from New Jersey is recognized.

Mr. MENENDEZ. Madam President, I ask unanimous consent to speak as in morning business for up to 20 minutes.

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

ILLEGAL DETENTIONS

Mr. MENENDEZ. Madam President, our deepest obligation as Senators and Representatives of the American people is to make sure our Nation's founding promises are being kept.

With a few strokes of Thomas Jefferson's pen, we were told that life and liberty would be unalienable rights, that a chance to seek happiness would be something to which we were all entitled.

Our rights grew over time, and over time we grew out of restrictions of who was entitled to those rights. African Americans threw down the chains of slavery. Women marched to the polls. People came from all over the world to become full members of our society because of the promise that our country held and the guarantees that our Government made.

But when agents from Immigration and Customs Enforcement—also known as ICE—conducted raids in Texas not long ago, one 19-year-old U.S. citizen, who was dragged from her home while she was still in her pajamas, wasn't thinking about that history.

An 18-year-old U.S. citizen, who was shackled at his ankles, handcuffed at his wrists, and tied at his waste, wasn't thinking about that history.

They were thinking to themselves: My God, what is happening to me? What is going to happen to my family? What is happening in my country?

When ICE agents banged on the door of a U.S. citizen named Arturo Flores and pushed their way into his house in Clifton, NJ, without showing a warrant, and when agents in North Bergen, NJ, stormed into the house of a legal immigrant, named Maria Argueta, in the middle of the night and held her without cause, taking her away from her family for 36 hours, those loud knocks on the door quickly woke these law-abiding individuals up from their American dreams.

Now, hearing these examples, some people might not hear well. They may say this is what happens when people enter this country without going through the proper channels. I hear that a lot of the time because it is the mantra of people who defend ICE raids.

But these are not undocumented immigrants getting pulled from their homes in the dead of night. They are U.S. citizens who are targeted because of their race, because of their color, and denied every fundamental right guaranteed by the United States Constitution.

Our fellow citizens may not have been surprised that they were yanked from their homes. They might have even known that their immigration status wasn't even necessarily relevant.

They might have heard stories about friends who were U.S. citizens or legal permanent residents but who were seized in immigration raids, detained, and in some cases even deported. I am talking about U.S. citizens and legal permanent residents.

They may have known that their accent, their name, the color of their skin, the place where they lived would have put them at risk. They may have known that regardless of what our politicians and historians say, fundamental constitutional rights still might not apply to them in today's America.

We have been hearing these stories for too long, and it is time they were told on the floor of the Senate because together we need to face a blunt reality: Our legitimate desire to control our borders has too often turned into a witch hunt against Hispanic Americans and other people of color.

Common sense repeatedly loses out to hysteria, and agents of intolerance repeatedly jump over the legal protections to which every single American is entitled.

I am going to tell just a few stories today, but there are plenty of others similar to them.

Last year, a 30-year-old mentally impaired man named Pedro Guzman, who was born and raised in southern California, was detained on misdemeanor charges and scheduled to be released.

He is a U.S. citizen, but somehow his accent, his name, the color of his skin must have convinced immigration authorities otherwise. So instead of returning him to his home, they decided to deport him to Mexico.

Even after immigration authorities realized their horrible mistake, they made no significant effort to correct it. Pedro attempted several times to cross the border home to the United States, of which he is a citizen, and was repeatedly turned away. He was forced to wander the streets of Tijuana, eating out of trash cans to survive—a U.S. citizen.

His mother Maria was worried beyond belief and took off time from her job to search for Pedro. Finally, 3 months after he had been illegally deported, Pedro found his way home. When he came back, his mother said after so much trauma, only half her son had returned.

Each of us in this country has to think: What if that happened to me? Why couldn't that happen to me next?

What would happen to my children if I was taken away under those circumstances?

Authorities harass U.S. citizens of Hispanic descent in other ways.

Last fall, under the cover of darkness, a dozen immigration agents stormed into the Long Island home of Peggy Delrosa-Delgado, a U.S. citizen and mother of three. They pushed through her 17-year-old son, herded her children into the living room, and one of them drew a gun on a family friend staying in the house. This was the second time they had done this, supposedly looking for someone named Miguel, who had never lived there.

Another U.S. citizen named Gladis was at her home one day when 18 vehicles drove into her front yard and 20 agents jumped out. Agents banged on the door and threatened to throw gas inside the house if they did not let them in. While the children in the house ran and hid in the bedroom, the agents broke down the door.

One of the agents grabbed Gladis and attempted to handcuff her. She said she could prove her citizenship and gave them her Social Security card. After interrogating Gladis and her family for 20 more minutes, the agents left as fast as they came. They had no warrant, no probable cause, no reason for their actions besides suspicion about someone's name, their accent, and the color of their skin. There is one more detail I should mention. Gladis was 6 months pregnant at the time.

Each of us in this country has to think: What if that happened to me? Why couldn't that happen to me? What would happen to my children under those circumstances?

Very shortly, I will be introducing legislation to prevent the unlawful—unlawful—detention of U.S. citizens and legal permanent residents.

The problem with our detention system is even larger. Beyond the U.S. citizens and permanent residents who are unlawfully detained, there are people who have come to the United States fleeing persecution, people who have committed no crime, who find themselves trapped and squeezed between the gears of the U.S. immigration system.

The Washington Post has recently run a disturbing series on the catastrophic state of our detention system. I encourage all my colleagues to read it. I ask unanimous consent to have printed in the RECORD the first of the Washington Post articles.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 11, 2008]

SYSTEM OF NEGLECT: AS TIGHTER IMMIGRATION POLICIES STRAIN FEDERAL AGENCIES, THE DETAINEES IN THEIR CARE OFTEN PAY A HEAVY COST

(By Dana Priest and Amy Goldstein)

Near midnight on a California spring night, armed guards escorted Yusif Osman into an immigration prison ringed by concertina wire at the end of a winding, isolated

road. During the intake screening, a part-time nurse began a computerized medical file on Osman, a routine procedure for any person entering the vast prison network the government has built for foreign detainees across the country. But the nurse pushed a button and mistakenly closed file #077-987-986 and marked it "completed"—even though it had no medical information in it. Three months later, at 2 in the morning on June 27, 2006, the native of Ghana collapsed in Cell 206 at the Otay Mesa immigrant detention center outside San Diego. His cellmate hit the intercom button, yelling to guards that Osman was on the floor suffering from chest pains. A guard peered through the window into the dim cell and saw the detainee on the ground, but did not go in. Instead, he called a clinic nurse to find out whether Osman had any medical problems. When the nurse opened the file and found it blank, she decided there was no emergency and said Osman needed to fill out a sick call request. The guard went on a lunch break.

The cellmate yelled again. Another guard came by, looked in and called the nurse. This time she wanted Osman brought to the clinic. Forty minutes passed before guards brought a wheelchair to his cell. By then it was too late: Osman was barely alive when paramedics reached him. He soon died.

His body, clothed only in dark pants and socks, was left on a breezeway for two hours, an airway tube sticking out of his mouth. Osman was 34.

The next day, an autopsy determined that he had died because his heart had suddenly stopped, confidential medical records show. Two physicians who reviewed his case for the Washington Post said he might have lived had he received timely treatment, perhaps as basic as an aspirin. Privately, Otay Mesa's medical staff also knew his care was deficient. On Page 3 of an internal review of his death is this question:

Did patient receive appropriate and adequate health care consistent with community standards during his/her detention . . . ?
Otay Mesa's medical director, Esther Hui, checked "No."

Osman's death is a single tragedy in a larger story of life, death and often shabby medical care within an unseen network of special prisons for foreign detainees across the country. Some 33,000 people are crammed into these overcrowded compounds on a given day, waiting to be deported or for a judge to let them stay here.

The medical neglect they endure is part of the hidden human cost of increasingly strict policies in the post-Sept. 11 United States and a lack of preparation for the impact of those policies. The detainees have less access to lawyers than convicted murderers in maximum-security prisons and some have fewer comforts than al-Qaeda terrorism suspects held at Guantanamo Bay, Cuba. But they are not terrorists. Most are working-class men and women or indigent laborers who made mistakes that seem to pose no threat to national security: a Salvadoran who bought drugs in his 20th year of poverty in Los Angeles; a U.S. legal U.S. resident from Mexico who took \$50 for driving two undocumented day laborers into a border city. Or they are waiting for political asylum from danger in their own countries: a Somali without a valid visa trying to prove she would be killed had she remained in her village; a journalist who fled Congo out of fear for his life, worked as a limousine driver and fathered six American children, but never was able to get the asylum he sought.

The most vulnerable detainees, the physically sick and the mentally ill, are sometimes denied the proper treatment to which they are entitled by law and regulation. They are locked in a world of slow care, poor

care and no care, with panic and coverups among employees watching it happen, according to a Post investigation.

The investigation found a hidden world of flawed medical judgments, faulty administrative practices, neglectful guards, ill-trained technicians, sloppy record-keeping, lost medical files and dangerous staff shortages. It is also a world increasingly run by high-priced private contractors. There is evidence that infectious diseases, including tuberculosis and chicken pox, are spreading inside the centers.

Federal officials who oversee immigration detention said last week that they are "committed to ensuring the safety and well-being" of everyone in their custody.

Some 83 detainees have died in, or soon after, custody during the past five years. The deaths are the loudest alarms about a system teetering on collapse. Actions taken—or not taken—by medical staff members may have contributed to 30 of those deaths, according to confidential internal reviews and the opinions of medical experts who reviewed some death files for the Post. According to an analysis by the Post, most of the people who died were young. Thirty-two of the detainees were younger than 40, and only six were 70 or older. The deaths took place at dozens of sites across the country. The most at one location was six at the San Pedro compound near Los Angeles.

Immigration officials told congressional staffers in October that the facility at San Pedro was closed to renovate the fire-suppression system and replace the hot-water boiler. But internal documents and interviews reveal unsafe conditions that forced the agency to relocate all 404 detainees that month. An audit found 53 incidents of medication errors. A riot in August pushed federal officials to decrease the dangerously high number of detainees, many of them difficult mental health cases, and caused many health workers to quit. Finally, the facility lost its accreditation.

The full dimensions of the massive crisis in detainee medical care are revealed in thousands of pages of government documents obtained by the Post. They include autopsy and medical records, investigative reports, notes, internal e-mails, and memorandums. These documents, along with interviews with current and former immigration medical officials and staff members, illuminate the underside of the hasty governmental reorganization that took place in response to the attacks of Sept. 11, 2001.

The terrorist strikes catapulted immigration to a national security concern for the first time since World War II, when 120,000 Japanese residents and their American relatives were locked away in desolate internment camps.

After Sept. 11, the Bush Administration transferred responsibility for border security and deportation to the new Department of Homeland Security, which gave it to Immigration and Customs Enforcement (ICE)—a reconfiguration of the decades-old Immigration and Naturalization Service—in 2003, the year the Post used as the starting point for counting detainee deaths. Each year since, the number of detainees picked up for deportation or waiting behind bars for political asylum has skyrocketed, increasing by 65 percent since July 2005.

Government professionals provide health care at 23 facilities, which house roughly half of the 33,000 detainees. Seven of those sites are owned by private prison companies. Last year, the government also housed detainees in 279 local and county jails. To handle the influx of detainees, ICE added 6,300 beds in 2006 and an additional 4,200 since then. They too are nearly full.

These way stations between life in and outside the United States are mostly out of

sight: in deserts and industrial warehouse districts, in sequestered valleys next to other prisons, or near noisy airports. Some compounds never allow detainees outdoor recreation; others let them out onto tiny dirt patches once or twice a week.

Detainees are not guaranteed free legal representation, and only about one in 10 has an attorney. When lawyers get involved, they often have difficulty prying medical information out of the bureaucracy—or even finding clients, who are routinely moved without notice.

The burden of health care for this crush of human lives falls on an obscure federal agency that lacks the political clout and bureaucratic rigor to do its job well. The Division of Immigration Health Services (DIHS), housed in a private office building at 13th and L Streets, NW., several blocks from ICE headquarters, had a budget last year of \$61 million. ICE spent an additional \$28 million last year on outside medical care for detainees.

Medical spending has not kept pace with the growth in population. Since 2001, the number of detainees over the course of each year has more than tripled to 311,000, according to ICE and the Government Accountability Office. Meanwhile, spending for the DIHS and outside care has not quite doubled, ICE figures show. ICE's conflicting population and budget numbers make the trends difficult to determine.

The agency is responsible for managing and monitoring detainee medical care, about half of which is provided by U.S. Public Health Service professionals and the rest by contracted medical staff. When doctors and nurses at the immigration compounds believe that detainees need more than the most basic treatment, they have to fax a request to the Washington office, where four nurses, working 9 to 4, East Coast time, five days a week, make the decisions.

A proud Statue of Liberty replica stands just beyond the glass doors of DIHS headquarters to remind visitors of the Public Health Service's historical role in screening and treating European immigrants arriving at Ellis Island at the turn of the last century. Its new role is to keep detained immigrants healthy enough to be deported.

The mission is accompanied at times by a sense of panic and complicity. Many documents obtained by the Post make clear that the people in charge know that the system is in trouble and that piecemeal fixes are not enough.

"The onus is on us if it hits the fan," one official complained during a high-level headquarters meeting about staff shortages late last summer, according to records of the conversation. "We're going to be responsible if something happens, because it's well documented that we know there's a problem, that the problem is severe."

"We are putting ourselves and our patients at risk," another official said.

Doctors express concerns about violating medical ethics and fear lawsuits. In July, Esther Hui at Otay Mesa sent a memo to DIHS medical director Timothy T. Shack, saying her colleagues were worried that they might be sued because of the substandard care they were giving detainees. The agency's mission of "keeping the detainee medically ready for deportation" often conflicts with the standards of care in the wider medical community, Hui wrote. "I know in my gut that I am exposing myself to the U.S. legal standard of care argument. . . . Do we need to get personal liability insurance?"

Nurses who work on the front lines see the problems up close. "Dogs get better care in the dog pound," said Catherine Rouse, a contract nurse at an Arizona detention center who quit after two months last year because

she saw what she regarded as “scary medicine” in the prison: Patients taken off medications they needed and nurses doing tasks they were not qualified to do. “You don’t treat people like that. There has to be some kind of moral fiber,” Rouse said.

In a statement responding to questions raised by The Post, Immigration and Customs Enforcement officials pointed out that the federal government spent nearly \$100 million in fiscal 2007 on medical care for immigration detainees. About one in four immigrants in the detainee population has a chronic health condition, the statement said.

“Among ICE’s highest priorities is to ensure safe, humane conditions of confinement for those in our custody,” the statement said. “We make every effort to enforce all existing standards and, whenever possible, to improve upon them. When we find standards that are not being met, we take immediate action to correct deficiencies and when we believe that the deficiencies cannot be corrected, we relocate our detainees to other facilities.”

By their calculations, officials said, the mortality rate among detainees has declined since 2004 to a level that is lower than that in U.S. jails and prisons. The deaths, the statement said, “highlight the tremendous responsibility and potential liability the government faces in providing medical care to a population that often did not have access to adequate health care before coming into our custody.”

To this end, the agency recently increased its inspections of facilities and is creating an inspection group at headquarters to review serious incidents, including deaths or allegations that standards are not being met.

ICE declined to comment on specific cases, citing internal policies on patient privacy or pending litigation.

Neil Sampson, who ran the DIHS as interim director most of last year, left that job with serious questions about the government’s commitment. Sampson said in an interview that ICE treated detainee health care “as an afterthought,” reflecting what he called a failure of leadership and management at the Homeland Security Department. “They do not have a clear idea or philosophy of their approach to health care [for detainees],” he said. “It’s a system failure, not a failure of individuals.”

A new director for health services arrived six months ago, following a stretch when the agency was run first by Sampson and then by a second interim director. The new boss is LaMont W. Flanagan, who brought with him the credential of having been fired in 2003 by the state of Maryland for bad management and spending practices supervising detention and pretrial services. An audit found that Flanagan had signed off on payments of \$145,000 for employee entertainment and other ill-advised expenditures. His reputation was such that the District of Columbia would not hire him for a juvenile-justice position.

“Another death that needs to be added to the roster,” Diane Aker, the DIHS chief health administrator, tapped out in an e-mail to a records clerk at headquarters on Aug. 14, 2007. Juan Guevara-Lorano, 21, was dead.

Guevara, an unemployed legal U.S. resident with a young son, was arrested in El Paso for driving illegal border-crossers farther into the city. He was paid \$50.

An entry-level emergency medical technician, with barely any training, had done Guevara’s intake screening and physical assessment at the Otero County immigration compound in New Mexico. Under DIHS rules, those tasks are supposed to be done by a nurse.

After two difficult months in detention, Guevara had decided not to appeal his case.

He would go back to Mexico with his family. But on Aug. 4, he came down with a splitting headache, what he called a nine on a pain scale of 10, his medical records show. The rookie medical technician prescribed Tylenol and referred Guevara to the compound’s physician “due to severity of headache . . . and dizziness,” according to medical records.

But Guevara never saw a doctor. Eight days after the first incident, he vomited in his cell. The same junior technician came to help but was unable to insert a nasal airway tube. Guevara was taken to a hospital, where doctors determined an aneurism in his brain had burst.

His wife, pregnant at the time with their second child, recalled that she rushed to the hospital but ICE guards would not let her inside, until the Mexican Consulate interceded. Guevara’s mother waited five hours before they let her in. By then he was brain-dead.

“My son is not coming back,” sobbed Ana Celia Lozano months later, sitting in Guevara’s small mobile home as her grandson played on the floor. “I want to know how he lived and died, nothing more.”

What appears to be the most incriminating document in Guevara’s case has been partially blacked out. Still, what is left shows that he did not receive adequate care. “The detainee was not seen or evaluated by an RN, midlevel or physician. . . . At the time of the incident on 8/12/2007, the detainee was seen and examined by EMTs.”

Each immigration facility is allotted a different number of positions, and a shortage of doctors and nurses is not unusual at centers across the country. Records from February show that about 30 percent of all DIHS positions in the field were unfilled. ICE officials said last week that the current vacancy rate is 21 percent. Concern about the vacancies is voiced repeatedly at clinical directors’ meetings. “How do we state our concerns so that we can be heard? . . . this is a CRITICAL condition. . . . We have bitten off more than we can chew,” a physician wrote in the minutes of one meeting last summer.

In some prisons, the staffing shortages are acute. The Willacy County detention center in South Texas—the largest compound, with 2,018 detainees—has no clinical director, no pharmacist and only a part-time psychiatrist. Nearly 50 percent of the nursing positions were unfilled at the 1,500-detainee Eloy, AZ, prison in February. At the newly opened 744-bed Jena, LA, compound, nurses run the place. It has no clinical director, no staff physician, no psychiatrist and no professional dental staff.

Last August, Sampson, who was then DIHS interim director, warned his superiors at ICE that critical personnel shortages were making it impossible to staff the Jena facility adequately. In a vociferous e-mail to Gary Mead, the ICE deputy director in charge of detention centers, he wrote:

“With the Jena request we have been re-examining our capabilities to meet health care needs at a new site when we are facing critical staffing shortages at most every other DIHS site. While we developed, executed and achieved major successes in our recruitment efforts we have been unable to meet the demand.”

The slow ICE security-clearance process forced many job applicants to go elsewhere, Sampson wrote. Of the 312 people who applied for new positions over the past year, 200 withdrew, he wrote, because they found other jobs during the 250 days it took ICE, on average, to conduct the required background investigations. Last week, ICE officials said the average wait had decreased recently to 37 days.

These shortages have burdened the remaining staff. In July 2007, a year after Osman’s death in Otay Mesa, medical director Hui

strongly complained to headquarters about workload stress. “The level of burnout . . . is high and rising,” she wrote in an e-mail. “I know that I have been averaging approximately 2-6 hrs of overtime daily for the past 2 months. I will no longer be able to sustain this pace and will be decreasing the number of hours that I work overtime. This being said, more will be left undone because we simply do NOT have the staff.”

The overcrowding has created a petri dish for the spread of diseases. One mission of the Public Health Service is to detect infectious diseases and contain them before they spread, but last summer, the gigantic Willacy center was hit by a chicken pox outbreak.

The illness spread because the facility did not have enough available isolation rooms and its large pods share recycled air, but also because security officers “lack education about the disease and keep moving around detainees from different units without taking into consideration if the unit has been isolated due to heavy exposure,” noted the DIHS’s top specialist on infectious diseases, Carlos Duchesne. The staff was forced to vaccinate the entire population in mid-July. In one 2007 death, memos and confidential notes show how medical staff missed an infectious disease, meningitis, in their midst. Victor Alfonso Arellano, 23, a transgender Mexican detainee with AIDS, died in custody at the San Pedro center. The first three pages of Duchesne’s internal review of the death leave the impression that Arellano’s care was proper. But the last page, under the heading “Off the record observations and recommendations,” takes a decidedly critical tone: “The clinical staff at all levels fails to recognize early signs and symptoms of meningitis. . . . Pt was evaluated multiple times and an effort to rule out those infections was not even mentioned.” Arellano was given a “completely useless” antibiotic, Duchesne wrote. Lab work that should have been performed immediately took 22 days because San Pedro’s clinical director had ordered staff members to withhold lab work for new detainees until they had been in detention there “for more than 30 days,” a violation of agency rules.

“I am sure that there must be a reason why this was mandated but that practice is particularly dangerous with chronic care cases and specially is particularly dangerous with . . . HIV/AIDS patients,” Duchesne wrote. “Labs for AIDS patients . . . must be performed ASAP to know their immune status and where you are standing in reference to disease control and meds.”

Given the frequency with which ICE moves people within the detention network, keeping track of detainees is critical to stopping the spread of infectious illnesses. The purchase of an electronic records system named CaseTrakker in 2004 was supposed to help. But according to internal documents and interviews, CaseTrakker is so riddled with problems that facilities often revert to handwritten records.

A study at one site found that it took one-third more time to use CaseTrakker than to use paper. Thousands of patient files are missing. Recorded data often cannot be retrieved. Day-long outages are common.

When detainees are transferred from one facility to another, their records, if they follow them, are often misleading. Some show medications with no medical diagnoses, or “lots of diagnoses but no meds,” according to Elizabeth Fleming, a former clinical director at one compound in Arizona.

After Yusif Osman’s death and the discovery of the problem with his computerized records, the DIHS ordered a review of all charts at the Otay Mesa center. During the review, auditors also found that 260 physical

exams were never completed as required. The nurse responsible for the error in Osman's case was reprimanded, but the computer problem was not fixed. The CaseTrakker system "has failed and must be replaced," Sampson, the DIHS interim director, wrote to his ICE supervisors in August.

In January 2008, medical director Shack told colleagues that CaseTrakker "is more of a liability than the use of paper medical record system," according to the minutes of a meeting. It "puts patients at risk."

ICE officials said last week that they are not satisfied with CaseTrakker and are working to replace it.

Along with being at the mercy of computer glitches, detainees suffer from human errors that deny or delay their care. And with few advocates on the outside, they are left alone to plead their cases in the most desperate ways, in hand-scribbled notes to doctors they rarely see.

"I need medicine for pain. All my bones hurt. Thank you," wrote Mexico native Roberto Ledesma Guerrero, 72, three weeks before he died inside the Otay Mesa compound. Delays persist throughout the system. In January, the detention center in Pearsall, Tex., an hour from San Antonio, had a backlog of 2,097 appointments.

Luis Dubegel-Paez, a 60-year-old Cuban, had filled out many sick call requests before he died on March 14. Detained at the Rolling Plains Detention Facility in the West Texas town of Haskell, he wrote on New Year's Day: "need to see doctor for Heart medication; and having chest pains for the past three days. Can't stand pain."

Ten days later he went to the clinic and became upset when he wasn't seen. He slugged the window, yelled, pointed at his wristwatch. He was escorted back to his cell.

Another of his sick call requests said: "Need to see a doctor. I have a lot of symptoms of sickness . . . as soon as possible!" The next was more urgent: "I have a emergency to see the doctor about my heart problems . . . or the last couple days and I been getting dizzy a lot."

The next day, Dubegel-Paez collapsed and died. His medical records do not show that he ever saw a doctor for his chest pains.

Hanna Boutros, 52, who came to the United States 30 years ago, waited seven months for surgery after receiving a diagnosis of "high-grade" prostate cancer, which his urologist urged he treated immediately. ICE officials sent him to Krome Service Processing Center in Miami because, they said, it could best deal with his condition.

But he was seen by nurses, not a doctor, until he found an outside lawyer to threaten a suit. Boutros finally got surgery just before Christmas, before he was deported to Lebanon, leaving two children and a wife in the United States. "I was miserable. I was very, very scared. It was always burning," he said.

Juan Guillermo Guerrero, 37, was denied his seizure medication and given an ineffective substitute. Suffering from one or two painful seizures a week, he told his lawyer to drop his case, saying he preferred to be deported than to die inside an immigration prison. A few days after he returned to Mexico, Guerrero died of asphyxiation during a seizure, according to his lawyers. Sometimes, to save money, the government releases detainees instead of treating them. Martin Hernandez Banderas, a 40-year-old Mexican, was released from custody last year while he was in the hospital following surgery to amputate his leg. An internal review found that the system failed him before the surgery: Nurses and doctors at Otay Mesa did not appreciate the severity of his diabetic foot wounds, did not properly treat them or prescribe the correct course of antibiotics,

and did not bring in a qualified surgeon to evaluate the problem.

Simon Reyes-Altimirano, 25, a Honduran, was diagnosed with chicken pox and sent back to his cell with Benadryl, only to be hospitalized a day later and diagnosed with an inoperable brain tumor. He died two weeks later.

Shack, the medical director, found that Reyes-Altimirano's care at the El Paso detention center had been "appropriate and timely." But a nurse at the center poured out her remorse in a typed note placed in Reyes-Altimirano's medical file. "We always have to listen to the patient and the reason I say this is because" when he first reported his problems, "one of the nurses said, 'I think he is faking his illness' . . . this is not just a medical learning experience but also an emotional one."

Three weeks after Reyes-Altimirano died, a nurse at the Krome Service Processing Center accused the Rev. Joseph Dantica of faking an illness, too. The 81-year-old Baptist minister had fled Haiti in the fall of 2004, fearing for his life after gangs set fire to the church overlooking Port-au-Prince where he ran a school, let people use computers for free and quietly handed out money to needy families.

As a younger man, Dantica listened to tapes to practice English every day, but he never wanted to live in the United States, said a niece, writer Edwidge Danticat, who was raised by him. He visited once a year, to see his brother in Brooklyn and raise money for his church.

But after U.N. peacekeepers and Haitian riot police seized the church to use as a base against gangs, and after the gangs retaliated by burning the altar, Dantica slipped on a woman's muumuu and wig and headed to the airport. He arrived in Miami with a valid visa but decided to seek asylum because he thought he might have to stay longer than his visa allowed. In an earlier time, Dantica would have been permitted to go on to New York while the government considered his claim. This time, he was detained.

Dantica and an immigration lawyer were sitting before an asylum officer when the minister began to vomit violently. The lawyer, John Pratt, said agents at the detention center had taken away his client's blood-pressure medicine.

Dantica "turned very cold. His eyes wandered around, and he appeared not to be conscious of his surroundings," the asylum officer, Miriam Castro, later told investigators, according to confidential documents. "Applicant assumed a rigid position with his legs stretched out and remained in this position."

Castro called for medical help. No one came for 15 minutes. When the public health nurse and a physician assistant arrived, the nurse said he believed that Dantica "was faking because Applicant kept looking at him randomly," Castro said. The nurse, Tony Palladino, "then went on to demonstrate that when he moved Applicant's head up and down, Applicant maintained his head rigid as opposed to limp, thus not allowing his head to fall back. [The nurse] stated that was another way he determined Applicant was faking symptoms."

Dantica died a day later in Miami's Jackson Memorial Hospital, shackled to a bed. Pratt had called the hospital repeatedly, trying to get information about the minister's condition and permission for his family to see him. "They never said anything but they were doing tests," Pratt said. Security reasons, hospital officials told him, prevented visitors.

The government's internal medical records say Dantica died of pancreatitis. A one-page death certificate in his file has "VOID" stamped across it. Two outside doctors who

reviewed his medical records for The Post said he probably died of heart problems.

Yusif Osman had been living in Los Angeles as a legal resident for five years when he was detained crossing back from Tijuana in 2006 with a passenger, also from Ghana, who had a false ID. Osman was arrested on a smuggling charge, which he denied and was fighting while locked up at Otay Mesa. He seemed healthy to his friends and family who visited him or spoke to him by phone.

His girlfriend, Dorothy Weens, was stunned when she picked up the phone in late June and a stranger broke the news. "Yusif Osman passed away," the man said.

When Osman's lawyer called the compound to verify what had happened, he was told only that his client was no longer there. Weens and a cousin of Osman's called immigration officials several times for answers. They were told that the matter was under investigation. Eventually they stopped calling.

Osman's belongings from the prison arrived at his cousin's house one day by mail. Pants. Socks.

Scraps of paper with prayer verses written in Arabic. His birth certificate. A letter from Dorothy: "Hey Babe! Hang in there. I'm trying everything I can do, to get you out of there. I love you and God love you. And that all you needs. I'm sending you \$100.00. Love, Dot."

There was also an inventory of the rest of his personal property on the day he died: "4 yellow envelopes. 1 writing pad. 1 religious beads. 1 Chap Stick. 14 Ramen soups. 1 grape jelly. 1 jar peanut butter. 1 hot cocoa mix. 1 box Q tips."

The mortuary received a preliminary death certificate from the coroner's office. It noted Osman's cause of death as "pending," enough to release the body. His mosque collected money for a burial in a Muslim cemetery in the Mojave Desert. Male friends dug the grave. They laid his corpse, wrapped in white cloth, into the open earth and covered it with rocky dirt.

The final death certificate arrived in the mail sometime later. Under cause of death, it still read "pending." Osman's passing remains a mystery to his grieving relatives in Ghana and his adopted African community in Los Angeles.

An uneven, blank concrete headstone marks Grave 26. The truth of Osman's death is also buried, thousands of miles away, past the Statue of Liberty replica near the front door, inside a cabinet at the Division of Immigration Health Services, in file #077-987-986.

Mr. MENENDEZ. Madam President, the series is staggering, revealing deficiencies in our detention system that most of us could not dream up in our worst nightmare. The Washington Post has forced us as a nation to look in the mirror, and I, for one, am appalled at what I see.

We, the United States of America, the greatest democracy in the entire world, have been injecting people with heavy dosages of drugs in order to deport them or to move them around the system with more ease.

Immigration officials drug people going through U.S. facilities, and they drug people who are to be deported. They drug some people so heavily that when they get off the plane, they collapse on the tarmac or have to be rolled off the plane in a wheelchair.

They do not only drug people to make it easier to kick them out. One story that stood out in both the Washington Post article and a segment on

"60 Minutes" was that of a woman named Amina Mudey.

Last year, Amina fled from Somalia to the United States to seek asylum after she was tortured and her family was killed before her eyes. When she arrived at JFK airport, she was shackled, thrown in a van and driven to a windowless, converted warehouse in New Jersey. Immigration authorities didn't so much as find an interpreter. Instead, they decided to lock her up and decided she was insane, without even talking to her, and decided to inject her full of a drug to treat a disease she didn't even have. The side effects were awful. Her tongue swelled so much she couldn't close her mouth. She drooled and vomited uncontrollably and began to lactate. When she complained, they upped the dose. She thought to herself: Maybe I am going to die here.

Finally, 5 months after she was detained, she won her asylum case in court and was released from the detention center. Without the perseverance of her lawyer, Amina would never have emerged from her drug-induced state. She never would have found the asylum she so desperately needed.

This case sheds light on another grim reality. Medical treatment at our detention facilities is atrocious. Overmedication is far from the only problem. Life-threatening lack of care is also a serious problem. Take the heart-breaking story of Francisco Castaneda. Francisco entered one of our detention facilities battling cancer, although he didn't know it at the time. All he knew is he had significant lesions on his reproductive organs.

Offsite officials who never examined Francisco repeatedly denied him the biopsy he so desperately needed. After 11 long months in custody, Francisco argued for and eventually obtained a temporary release so he could pay for his own biopsy. Life-threatening cancer tumors were found. Despite amputation of the affected area and several rounds of chemotherapy, Francisco died of cancer at the age of 36.

A Federal judge recently noted that this case appears to present "one of the most, if not the most, egregious Eighth Amendment violations [involving cruel and unusual punishment] the Court has ever encountered."

The United States of America essentially killed Francisco Castaneda by denying him the medical care he so desperately needed. Why? Because he had entered this country without the proper documentation at the age of 10, when his mother, fleeing civil war in El Salvador—a war the United States helped to fund, a war that sent thousands of refugees such as him to our country—chose to seek freedom.

He was denied care because he tried to make a better life for himself and his family. These are hardly offenses that warrant death. We cannot in good conscience allow these conditions to continue. That is why I have joined together with Senators KENNEDY, DUR-

BIN, AKAKA, LIEBERMAN, KERRY, and BINGAMAN to introduce the Detainee Basic Medical Care Act.

First, the bill would require the Department of Homeland Security to establish procedures for delivering basic health care to all immigrant detainees in custody. It requires the Department to give people in custody access to any medications they urgently need, both during detention and transfers.

Currently, a bureaucrat in an office can overrule a medical professional who is actually on-site and seeing a detainee. This bill ensures that treatment decisions are made by the professionals who actually see the patient.

Finally, the bill would require the Department to report all detainee deaths to the Office of Inspector General and Congress.

We can never lose sight of the fact that everyone who immigrates to this country, whether they are documented or not, is a human being. A detention should never amount to a death sentence. This kind of action to ensure humane treatment and prevent unnecessary deaths at these facilities is long overdue.

Let us not forget that many in immigration detention are there for minor violations, many because of administrative errors or pending legitimate asylum cases.

At this point, this becomes more than a legal issue; it becomes a human rights issue. It is our job to do all we can to secure our country while also protecting the dignity of all human beings. If we fail to do so, not only do we blemish ourselves, but we lose the moral high ground to be a beacon of democracy and a leader of human rights around the world.

It is astounding to me that human beings could be treated as badly as some are being treated on our soil. When innocent people are drugged, tranquilized, and treated similar to animals, when agents attempt to handcuff a pregnant U.S. citizen, break down the door to her home, terrify her children and her family, when an agency of the Federal Government deports its own citizen, when all this is going on, each of us in America has to think: What is happening in our country? Doesn't my U.S. citizenship, whether by birth or naturalization, protect me from this kind of abuse?

Some officials have claimed these incidents are rare, and some have suggested this is acceptable collateral damage in pursuit of undocumented aliens. Tell that to our fellow citizens who found themselves either detained illegally or deported. Tell that to Pedro, Gladis and Amina and everyone else and all the families who have had to watch this happen. No matter how widespread this pattern of abuse turns out to be, one thing is clear: It isn't rare enough.

There is only one way to prevent that kind of abuse, and it should be a universal policy that before we accuse someone of being undocumented, there

is one other document we should inspect first. It is called the Constitution of the United States. It is time for immigration and law enforcement at all levels to rededicate themselves to respecting the rights the Constitution guarantees. That means respecting the need for probable cause and the right to be free from unreasonable search and seizure guaranteed by the fourth amendment, the right to due process guaranteed by the fifth and fourteenth amendments, and the full benefits of citizenship and equal protection for anyone born or naturalized in this country, guaranteed by the 14th amendment, and the entire range of rights and protections under our Constitution.

It is going to take real leadership at every level of our justice system, from the Attorney General to the Secretary of Homeland Security on down. That is the only way that those who by birth or naturalization have a legitimate right to pursue the American dream and to make sure their lives do not turn into an un-American nightmare.

This issue might not be the legislative business of the Chamber at this moment, but it is always our moral business. It is always our moral business to defend the most fundamental principle on which our Nation was founded: that all of us are created equal. Stopping illegal detentions of Americans based on their race is about more than properly enforcing the law. Above all, it is about respecting people who may be different from us but who share the same birthright.

Martin Luther King said:

We may have come on different ships, but we're all in the same boat now.

If we are worried about what to throw off the boat, it should be our oldest enemy, which is fear. Once that is gone, we can resume our course on the currents of freedom and let our sails be filled with liberty and justice for all.

We can preserve the Constitution, defend our borders, and, at the same time, make sure no American citizen, whether naturalized or born here, ever faces the discrimination that is taking place widespread across the country in ways in which they are illegally detained, illegally put in detention facilities, their houses are broken into, and where even a U.S. citizen could be deported. That is a shameful time in our history, and I hope the Senate will work to stop it.

To the extent I have any time remaining, I yield it to Senator DURBIN for his presentation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Before speaking on the issue of energy, I wish to commend my colleague from New Jersey. I hope those who were following the debate of the Senate were listening closely to what he had to say. I wish I could remember the exact quote—perhaps he can—but someone once said:

You can really measure the morality of a people by watching how they treat their prisoners and those under detention.

I think what he has brought to our attention today is nothing short of a critically important issue about the conduct of our Government in the treatment of people in detention, many of whom are not guilty of crimes, many of whom may be suspected and are being treated as if they have already been convicted, and treated extremely poorly.

I thank the Senator for bringing up this issue. It is one I hope the entire Senate will reflect on, and again I thank him for bringing it to our attention.

Madam President, if you go back to your home State of Missouri or my home State of Illinois—or you pick a State, pick a town, pick a street—and grab the first person who walks by and say: Is there anything on your mind that Washington is dealing with, do you know what the answer is going to be? Gasoline prices, Senator. Where have you been? Have you noticed what is going on here? Go to fill up the gas tank and pull out the credit card or the cash and you are paying twice as much as you did not that long ago. What are you going to do about it, Senator? A lot of talk about all the issues you are concerned about, but what is happening in Washington? Well, if you follow what happened this week on the floor of the Senate, you will understand that precious little—in fact, nothing—has happened this week in Washington when it comes to the issue of gasoline prices, diesel prices, and home heating oil. And it isn't for lack of effort.

The Democratic majority brought a bill to the floor asking the Senate if we could move forward and start to debate this bill. The bill had specific elements in it to try to address the increased cost of gasoline, to stop what we considered to be an abuse to the American economy. And how bad is it? Well, take a look at this chart, which shows in graphic terms what has happened since President Bush was sworn into office in January 2001 until just a few days ago here in 2008. The average price of gasoline, when the President was sworn in, was \$1.47 a gallon. It is now \$4.04 a gallon. This dramatic increase has caused hardship to families, to businesses, to farmers, to airlines, and to truckers. You name it, the American economy is suffering because of it.

It isn't just something that happened over a long period of time. We can see just this year what has happened with gas prices. Just since January of 2008, gasoline prices have gone up 93 cents, almost \$1 a gallon. People are feeling that. I find it when I get back to Illinois, particularly in my part of the State, in downstate Illinois, where they live in smaller towns, in affordable housing, and commute to their jobs. They now find the price of gasoline to be beyond their budgets week after week and month after month.

So we said: Let's bring a bill to the floor, and let's have a bill that deals with the reality. And here are the harsh realities. Not only has the price of gasoline gone up, but the profit-taking by the American oil companies has gone up dramatically. Since President Bush has taken office, the profit-taking by these companies has increased by over 400 percent, in the same period of time the cost of gasoline has gone up over 250 percent. It is no coincidence. These companies aren't making the biggest profits in the history of the oil industry, they are making the biggest profits in the history of American business. No other company has ever done this.

We also understand what it means to businesses, passing along the expenses of energy costs on products. Whether they are food products or whatever it might be, it raises the cost of living for everybody.

We know what is happening with airlines. Just this last week, the airlines—those that are still in business, because so many have gone bankrupt—those that are still in business announced dramatic cutbacks in their scheduling. Most of the major airlines took out of their fleets the less fuel-efficient planes and cut back on their scheduled aircraft by 20 percent. Well, welcome to our summer vacations as we try to move back and forth across America with fewer airplanes, stuffed to the gills with passengers. That is the reality of this energy crisis.

We know what it means to truckers. They are facing diesel costs near \$5 a gallon, and they are trying to fill up those big rigs and keep them on the highway, and it is hard to do. It is difficult to even consider that they can do this without passing along the cost of that added energy cost to those who are buying the products in the back of the truck.

So what we have already done so far in the Senate is to pass fuel economy standards for cars and light trucks that will reach 35 miles a gallon by 2020. That is a good thing. American consumers will have a choice to buy more fuel-efficient vehicles. We have committed to the production of 36 million gallons of renewable transportation fuels, such as ethanol and biodiesel, by the year 2022. We have expanded research for plug-in hybrids. What is needed now, though, is not the long-term fix but something that can bring some relief. So we brought this bill to the floor, and here is what it did:

First, we rolled back the \$17 billion Federal subsidy we are currently giving oil companies. How can you justify a subsidy to a company making record-breaking profits? Why would you take taxes away from families, who are hard pressed with their own budget needs, and give them to the wealthiest, most profitable companies in America? That was No. 1 in our bill.

No. 2 was a 25-percent windfall profits tax. We say to these oil companies: Enough is enough. You are entitled to

a profit—you are in business for your shareholders—but when you have gone beyond a reasonable profit and it has gone into the area of greed, the Government is going to take it. And maybe the notion of a windfall profits tax would discourage the oil companies from continuing to raise those gasoline prices at the pump.

We also protected consumers from price gouging. The bill gave the President the authority to declare an energy emergency and set a limit on unconscionably excessive prices, if necessary. Are we in an energy emergency at this point? I argue that we are, and I think the President should have this authority.

Next, we would go after speculation in oil—the trading that goes on at the highest levels by some of the biggest investors—to make sure there is transparency and accountability, and that is something which is long overdue.

We would send a clear message to OPEC—that cartel of nations in the Middle East that supplies us with oil—that we will allow enforcement actions against any company or country that is colluding to set the price of oil, natural gas, and other petroleum products.

What was the Republican response to this bill? We needed 60 votes. We called for a vote yesterday. I took a look at it and I see that we had—it looks like 6, maybe 7 Republicans who joined us, 7 out of 49, one of whom was the Senator from Iowa, here on the floor now, who voted with us yesterday on moving forward on this bill. And I salute him. I wish some of his colleagues on the other side would have joined him. We needed 60 votes, and it failed. So the filibuster on the Republican side worked. They stopped the bill. They stopped the debate. We can't move forward on the bill because we couldn't bring over 60 Members. Unlike the Senator from Iowa, the vast majority of Republican Senators voted against even debating this bill, voted against amending it.

That is not the first time that has happened in this Congress. The filibuster, which many people are familiar with, allows any Senator to stand up and object to any amendment, any bill, any nomination, and if anyone wants to say to that Senator that he or she doesn't have the right to do that anymore, we need 60 Senators who will stand up and say it is time to move on, it is time to debate the amendment, it is time to bring it before us. In the history of the Senate, the total number of filibusters in any 2-year period of time, the max, has been 57. So far in this Congress, which still has about 6 or 8 months to go, there have been 75 Republican filibusters.

This most recent filibuster, on the Energy bill, stopped us from debating ways to bring down the price of gasoline in America, to send a message to oil companies that they have gone too far. We couldn't bring over, on a bipartisan basis, enough Republican Senators to reach the 60 votes. So the 74th

and the 75th Republican filibusters prevailed. They stopped us from moving forward. That is a sad reality and one that is hard to explain back home.

This week in the Senate—with the exception of the Senator from Iowa, who is on the floor and whom I have saluted twice but I will salute a third time for joining us on this vote—the overwhelming majority of Republicans are blocking a bill to debate lowering energy costs across America. How can that be in the best interest of the American economy? How can it be in the best interest of the Senate? Aren't we elected to come here and address the issues that really count, the ones that families and businesses feel every single day? Well, because of the strategy on the Republican side, we were unable to do it.

Now, I will tell you that the answer by most Republicans to the debate I have just talked about is that we should drill for oil in the Arctic National Wildlife Refuge in Alaska. I am opposed to that. And for years, whenever I would get up and say I am opposed to it, one of the Senators from Alaska would say: You have no business opposing it, you don't know what it looks like, you don't know what you are talking about. So I took it upon myself several years ago to go to the Arctic National Wildlife Refuge and to camp out two straight evenings there, with my son, two overnights, but I use that term loosely because the sun was up 24 hours a day by the time we went there to see what it was like. You understand, once you have flown over, landed, and walked through it, a large part of it, why President Eisenhower set this piece of real estate aside and said: Protect it. There is something special about this. Don't develop it unless it is an absolute emergency in America and there is no place to turn.

From the Republican side, they believe that is the answer: Let's go drill for oil in the Arctic National Wildlife Refuge. But the Department of Energy's own Energy Information Agency has made clear that it wouldn't make any difference if we drilled for oil in the Arctic National Wildlife Refuge because by the time the oil would be in peak production—which wouldn't be until the year 2030—Refuge oil would make up only .6 percent of the world's oil. It would literally be a drop in the oil bucket. That drop in the bucket is hardly a solution to today's high gasoline prices. In fact, the effect at the gas pump wouldn't be felt for two decades.

This Arctic National Wildlife Refuge is one of America's last pristine, untouched wilderness areas. It is home to over 200 wildlife species, including polar bears, musk ox, which I spotted while I was there, and caribou. Can we trust that a rush of oil development will protect this wilderness that we hold stewardship over? Is this really the last answer America can come up with? I think not. I think we are smart enough, we are determined enough, and with the right leadership we can reduce

energy costs in America, give consumers an option to buy more fuel-efficient cars and trucks, find more fuel efficiency, more homegrown fuels, such as ethanol and the biofuels and biodiesel, and make certain we hold true to the values that we are not going to compromise the water we drink, the air we breathe, or wildernesses and refuges that have been set aside for decades. That is what is critically important in this national debate.

We know that despite even their best efforts, some of the major oil companies have pipeline problems. Just a couple of years ago, one of the major oil companies was responsible for the largest oil spill in North Slope history. That, unfortunately, is an indication that you can never be too careful.

History is clear: We need to do the right things to meet this energy crisis, and the first thing we need to do is to act as a Senate and debate an issue that really counts in America.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Madam President, I wish to speak on taxes, but I would like to comment a little on what I just heard from the Senator from Illinois. And he is absolutely right that I did vote to debate because I think a great deal can be accomplished through debate on this legislation. In regard to the overall bill and the motive behind it, it is good in the areas of antitrust and things of that nature, but taxing oil? The rule of economics 101 is that when you tax something, you get less of it. And the American people understand by now, with \$4 gas, another rule of economics 101: If you are going to get prices down, you have to increase supply.

I would not be flippant about 13 billion barrels of oil in Alaska that we have not tapped. Yes, by the year 2030 it might be .6 percent of the world's supply, but when you are using 85 million barrels a day worldwide and when there are only about 86 or 87 million barrels of oil being pumped out of the ground worldwide, then you have to understand that a six-tenths of 1 percent increase in a world supply that is not very flexible is going to make a big difference because it is the nervousness that is in the supply of oil, and when it might be cut back because of natural disaster or terrorism activity or some German worker being kidnapped in Nigeria, which sometimes is an excuse for oil going up, more flexibility in the supply of oil is what is going to help us with steady prices and lower prices as we increase supply.

So even though I voted to bring the bill to debate yesterday, I want it fully understood that I am not a guy who believes taxing is going to increase supply. In fact, I believe more taxes is going to decrease supply.

I wish to have a debate with the Senator from Illinois and other people from the other side that what we need is supply. I could easily agree with the

Senator from Illinois—maybe not about drilling in Alaska, but if he were willing to drill on the Outer Continental Shelf, willing to drill more in the Gulf of Mexico, and willing to drill more on public land. These are places we know there is an ample supply of oil we ought to make use of to keep the money in the United States instead of buying from the Arabs to give them American dollars to shoot back at us.

I think there are a lot of national security implications here that are as important as the price of gasoline for our suppliers. I said I would be willing to vote that way if we could get some understanding of drilling other places.

What I hear from the other side is: No, to Alaska; no, to the Outer Continental Shelf; no, to public lands; no, to the Gulf of Mexico. But I don't hear anybody crying—you often hear from people about the Outer Continental Shelf that you are going to ruin tourism if we do it. You are going to ruin the view of the ocean. But I don't hear anybody complaining that 50 miles off of Key West, it is OK for China to drill. But if you want to drill 50 miles off of Florida for the benefit of Americans, you would have an outcry. I don't understand it.

When I had my town meetings in Iowa during the Memorial Day recess, at every one of those meetings was brought up why don't we drill more where there is oil that is needed in the United States? Why don't we explore and make use of what we have? We can't fool the American public.

To some extent the debate we had yesterday was on a bill because if we didn't get to these issues of more exploring and more use of these resources, it would be a figleaf to cover the opinion or position of the other party that, no, we can't drill anymore.

Conserve? Yes, we ought to conserve. There is nothing the Senator from Illinois said about conserving that is not legitimate. But conserving is not the only answer to our problem. You have to have a three-legged stool of answers to our energy problems.

One of them is to drill where we know there are resources. Now, since God only made so much fossil fuel, that is short term. Then renewables is second, and conservation, the third. We need a public policy in all those areas. We have public policies for conservation—tax credit for fuel-cell cars, for refurbished homes to be more energy efficient, for energy-efficient appliances. We have tax incentives for renewable fuels. Of course we have had tax incentives for petroleum for a long period of time. We need those incentives. But to think renewables or conservation is a solution to this problem is very misleading.

Madam President, I want to talk a little bit about energy but also to talk more about taxes. That was an issue we debated yesterday. As I finished up last night, I spoke about the spike in gas prices. These increases in costs are hammering most Americans, including

too many Iowans. Iowans have seen it firsthand in the gas stations in New Hartford. I say that because sometimes I get the impression from my own constituents that everybody thinks all 100 Senators have chauffeur-driven limousines to drive around in so we don't know what the cost is to put gas in a gas tank. It is not true here in Washington, DC, except for a few of the elected leaders, and it is not true in Iowa, where I drive a 2003 Taurus. We do take care of ourselves and we do know the price of gas. In fact, I can tell you if I had been smart enough to buy gas when I left the Des Moines airport Friday night, I could have gotten it for \$3.69, and I waited to buy it Sunday night and it was \$3.89, and I know it is \$4 out here. The point is, we feel it.

By the way, I have some advice for some of the leaders who drive SUVs around here and have chauffeur-driven limousines while we are paying \$4 in taxpayers' money for gasoline. It aggravates me to high heaven when I see the SUVs idling out here, maybe to keep the car warm in the wintertime or cool in the summertime, and I saw it when the temperature around here was 60 degrees. Shut these cars off and save. There is no reason for the Senate of the United States to set an example that we do not conserve or care about the taxpayers' money by having these SUVs idle when nobody is in them, when they are not going anywhere.

I read reports about the gas issue. I read reports about the stimulus rebate checks being eaten up at the pump with this high gasoline price. In addition to this hit from gas hikes, American families are facing a big hit from planned tax hikes. I wish to take a few minutes then to talk about the additional hit taxes make on the family budget.

You would think no one would increase taxes in times of economic distress. Record tax hikes in an era of higher gas prices would seem to be a recipe for economic disaster. So people who think taxes are not high enough, complaining about the upcoming recession—hopefully avoided but probably not—why would you want to make it worse by increasing taxes?

Some people do not seem to care. People on the other side, including Presidential candidates, proudly and passionately want to raise taxes. You see it in the debate. I am not telling you something you can't see on television. Candidates of the other political party are waiting to raise taxes. How do they want to increase taxes, you might ask? By increasing tax rates and taxing investment income.

If the other side prevails in the November elections, we will be on a path to a tax hike; taxes that will go up, as a percentage of gross domestic product, higher than they have been at any time since World War II. If they stay on that path, yet higher. Taxes should rise by almost 10 percent with virtually every American paying more. If you want to create jobs, you don't tax labor. The

rules of economics 101—if you tax something, you get less of it. If you want labor, then don't increase taxes on labor.

I wish to ask folks, particularly in the media, to take a serious look. It is in the Congressional Budget Office reports. It is the effect of letting the bipartisan Tax Relief Act of 2001 expire, and maybe a more partisan tax bill of 2003 expire.

How much more taxes would we have to pay? A lot more, say people on the other side, especially those Americans who are defined by the other side as making a lot of money.

What is a lot of money? The Democrats say if you are a family making at least \$250,000 a year, you make a lot of money and don't pay enough taxes. That puts you in the current 33-percent tax bracket.

Can Americans making less than \$250,000 a year be sure they will not pay more taxes? What is to say that the other side will not tax Americans making \$100,000 a year? Or even \$50,000 a year? The bipartisan Tax Relief Act made sure that all Americans are paying less in taxes. In 2001 and 2003, Congress did the right thing and reduced the tax liability for all hard-working Americans.

This tax relief should not be labeled the Bush tax cuts. Yes, President Bush had a great deal of involvement and deserves some credit. But I want to remind people that Congress passed the 2001 and 2003 tax relief. In fact, that year the Finance Committee was divided 50 percent Republican, 50 percent Democrat, because the whole Senate was equal, the number of Republicans and Democrats. We completely, as a body, rewrote the suggestions that President Bush put before the Congress.

Max Baucus, the current chairman, was my partner in the 2001 bill. We overcame the White House's desire to write a "Republican only" bill and skip the committee process. So stop calling this tax relief the Bush tax cuts. This label is politically motivated to confuse the American taxpayers about what was truly a bipartisan tax relief measure.

This label is repeated over and over. The head of the Senate Democratic Campaign Committee beats his partisan drum with this phrase. He relies on polls to drive a partisan message. The label is likewise parroted over and over in the press reports. The Sunday political talk show hosts are even getting into the act. If I had a nickel for every time I heard the words "Bush tax cuts," especially from the political pundits, I would singlehandedly be able to pay off the national debt.

Colleagues and friends in the media, I beg you—I have asked you to consider what I am saying—lay off the false label of Bush tax cuts. Instead, look at the substance. The substance of the 2001 and 2003 tax relief put more money into the pockets of hard-working Americans. This is how it came about,

by lowering the tax rates, providing marriage penalty relief and by providing the child tax credit. I do not hear much press discussion about how much money hard-working Americans are going to have to pay if the 2001 and 2003 tax relief expires. I ask the media people: Take a look at the data. It is real. It means dollars and cents to virtually every American taxpayer. That cushion in the family budget will be critical to deal with the burden from the higher gas prices that have been involved in the debate today and yesterday.

Other data: If the 2001 and 2003 tax relief expires, a family of four with household income of \$50,000 will pay \$2,300 more in taxes. That is a lot of money for a family earning \$50,000. Here is a chart that will show you exactly the impact when 2010 comes and these expire, as the candidates on the other side want to do. In 2011 that family of four is hitting a tax wall, the tax wall, or \$2,300 a year. These families have hit the wall. If the other side prevails, they are going to have their noses bloodied by the tax brick wall that the middle-income family hits.

Here is more data. A single mother with two children earning \$30,000 will pay \$1,100 more in taxes, if the tax relief bill is passed. This single mom with two kids will actually be crushed financially by a brick wall of higher taxes.

There is a lot of talk about need for change in economic policy. It seems as if change, no matter what it means, is good on its face. Many in the media and the beltway punditry fawn over the soaring rhetoric of the eloquent Democratic candidate. Indeed, there is almost a cult of personality surrounding the charismatic junior Senator from Illinois. These folks in the media and beltway punditry need to cut through the fog and look at what the Democratic notion of changed economic policy will mean to folks beyond the beltway. Look at this change not from the perspective of high-paid, latte-liberal crowds in the bluest areas of the bluest States. Look at what this means in the offices, factories, and farms of the heartland. That is what I ask many in the media and the punditry to take a good look at.

Gas prices are also squeezing the country's main job creators and that hits small business and farms. Small business has a tax hike to worry about as well. This tax hike piles on top of higher energy costs that are slamming small business.

According to the Treasury Department, about 70 percent of taxpayers who are flowthrough business owners are in the top 5 percent of the taxpayers. So my friends on the other side of the aisle, along with their Presidential candidate, are effectively saying they want small business owners to pay at least 13 percent more in taxes.

Small business owners are not Bill Gates or Warren Buffet. Small business owners are hard-working Americans

who live on Main Street. They are vital to our economic well-being. Small business employs a vast majority of America's workers. Yet small business owners have to pay more money to their Government. That is less money they can use to hire somebody.

The old law of economics 101: If you increase taxes, you get less of it; you tax labor more, you get less labor, you get less jobs. If that person is not hired, what happens? The individual is unemployed, has no income, has no health care. Instead, that worker stands in the unemployment line and collects unemployment.

Economics, like I said. All these tax hikes on small business would pile on top of the gas price hikes already crippling small business. Why should they pay more taxes? Is this change good because they can afford it? That is what the other side is saying. But it makes no sense.

What they are saying is, because these taxpayers can "afford it," these taxpayers should be paying even a greater percentage of Federal Government taxes. But what does "afford it" mean? Do we not want all taxpayers, not just those make \$250,000 or more, to pump their disposable incomes back into our economy?

Do we wish to steer taxpayers, including upper income taxpayers, toward lower return, tax-favored investments? Do we wish to steer their money away from reinvesting in small businesses or start-ups?

By the way, I wish to compliment one of Senator OBAMA's surrogates. I am referring to Gov. Tim Kaine of Virginia. On FOX News Sunday, Governor Kaine indicated Senator OBAMA would propose a zero-percent capital gains rate for small start-up companies. Under current law, that is a 7.5 percent rate.

Now, we Republicans could look at this proposal. But unfortunately for the American people, Governor Kaine said Senator OBAMA would substitute this rate with a 33-percent increase in capital gains on other investments.

So the substitution would be bad for other investors. So let's focus on the progrowth side of the proposal and consider dropping the rate of start-ups from 7.5 percent to zero.

The political talking point that we hear again and again, raise taxes on the country's top taxpayers to generate "needed" revenue, is communicated to the American public.

It is said enough times and repeated by the press so many times that many Americans believe it.

It is not the fault of that portion of the American public that believes it.

It is refreshing that a vast majority of Americans think the general idea of a tax increase is a bad idea, especially in these economic times.

But the notion that there are no downsides for taxpayers or for economic growth if income taxes go up by 10 percent is a notion that the other side believes. Many in the media seem

to accept this notion without further examination.

If middle- and upper-income taxpayers see a bigger tax bill, do they believe that our economy will be better off?

It is clear lower tax rates have generated record tax revenues. I challenge some of the media who are skeptical about tax relief to take a look.

Here is a chart that illustrates that lower taxes have generated record tax revenues.

This chart illustrates that Federal tax revenues have been, and generally continue to be, coming into the Federal Treasury at or above the historical average of 18.2 percent of GDP.

Now what the heck does that mean?

It means that lowering the tax rates has not gutted Federal tax revenues.

So don't believe the Chicken Littles who say the sky will fall if we keep taxes low.

It means that keeping taxes low, even for Americans earning \$250,000 a year has brought in record-breaking revenue.

It also means that the Government doesn't need to raise taxes in order to generate revenue.

Now I can't let my colleagues on the other side, and some of the skeptics in the press for that matter, say to the American public that if you earn less than \$250,000 a year, you won't see higher taxes.

Why? There are millions of investors earning less than \$250,000. They earn dividends and capital gains.

Let's take a closer look.

In 2003, Congress reduced the top tax rate on capital gains from 20 percent to 15 percent.

Congress also tied dividend income to the capital gains tax rate, that is, 15 percent.

For low-income taxpayers, the tax rate on capital gains and dividends is currently zero.

That's zero, with a capital Z.

Millions of low-income taxpayers receive dividends and capital gains.

All of these taxpayers were not making over \$250,000.

I will shed light on this fact with a chart. Nationally, over 24 million tax returns reported dividend income.

In Iowa, for instance, over 299,000 families and individuals claimed dividend income on their returns.

Here is another chart dealing with capital gains.

Nationally, 9 million families and individuals claimed capital gains. Over 127,000 of them were folks from Iowa.

I have fought both Democrats and Republicans to ensure that our country is set on the right course.

That course is economic prosperity.

I would like to see a real discussion of the negative implications of changing current economic policy. With high gas prices squeezing taxpayers, it is more compelling than ever.

Let's clear away the fog about the expiring bipartisan tax relief. Broad-based tax increases aren't gauzy "feel

good" economic policy changes. Let's examine the benefits of keeping taxes low.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Madam President, first of all, I wish to thank the Senator from Iowa for his graciousness in allowing me to speak. He is a tremendous leader for us on issues of tax policy and health care, and I appreciate my relationship with him a lot. He is a wonderful American. He is a wonderful Iowan. He does a great job for the people of Iowa in the Senate.

We all know we are experiencing a time of dramatically increased energy costs. The price of gas sets new highs almost every day, and the price of oil continues to climb. In the face of this, the Democrats in this body think the proper response is to increase taxes and regulations on the energy industry.

It reminds me of a saying from the Reagan era: If it moves, tax it; if it keeps moving, regulate it; and if it stops moving, subsidize it.

Well, the bill the Democrats are trying to force on the American people would do at least two of those things. Increasing taxes and regulations do nothing to bring down the increase in fixed costs that result from high energy prices. It is not the right solution. Conventional wisdom dictates that in times when fixed costs are high, discretionary spending must decrease.

As the last budget showed, we certainly do not follow conventional wisdom in DC. But families all over America have to. In plain and simple language: Spending more on what we need generally means we have less to spend on what we want.

Now, make no mistake, we are spending more on what we need. Americans are feeling the pain at the pump due to high gas prices, but increasingly they are feeling pain at the kitchen table too. As gas prices go up, so do food prices. America's farmers and ranchers produce the safest and most affordable food in the world. But rising energy prices have affected almost every level of agriculture. It has caused the cost of everything from fertilizer to processing to increase.

The high price of diesel and other types of energy are forcing up production costs, which also forces up food prices. My home State of Colorado produces some of the best-tasting produce in the world, including potatoes. It is not putting fuel in the tractor that is hurting our farmers. Last year, in Colorado's San Luis Valley, it cost a farmer about \$90 an acre for starter fertilizer for a potato crop. This year, the cost is up almost \$300, from \$90. You heard that right, in 1 year, starter fertilizer costs have more than tripled.

Weld County, CO, is one of the Nation's top-producing agricultural counties. But even in an area that produces as much food as Weld County, people there are fighting high food costs. Higher food costs hurt all Americans, but they are especially damaging to people dealing with food insecurity.

Food banks are struggling to stretch dollars so they can keep food on their shelves. That is food that goes to our most vulnerable populations, impoverished individuals and their families. In Weld County, 32 percent of the individuals served by the local food bank are children.

The price of food, and indeed all goods that need to be moved any distance, is also increased by the transportation costs. Listen to this. The trucking industry has been especially hard hit by the increases in diesel prices. In January of 2007, when the Democrats took control of Congress, diesel was \$2.53 a gallon. Today the national average for diesel is \$4.69 a gallon. That is an increase of \$2.16 in the 18 months of Democratic control of Congress. In the 6 years preceding Democratic control of the Congress, the price of diesel rose about \$1. That is right, \$1 dollar for over 6 years, and \$2.16 in 18 months.

I think the evidence is clear that the antiproduction Democrats in Congress are ignoring the needs of rural Americans in favor of liberal environmental elitists.

Gasoline prices are also changing families' plans for their leisure time. In times such as these, we see an industry such as tourism both helped and hurt by families having more limited funds. Local tourism in places such as Colorado is helped because people stay closer to home. For example, a family from southeast Colorado might choose to forgo their planned week-long trip to Yellowstone Park and instead spend 3 or 4 days at Rocky Mountain National Park.

This is good for Rocky Mountain National Park because that family might not have visited if they could afford the gas necessary to go to Yellowstone. But it is bad for Yellowstone because they lost visitors. Businesses in the surrounding communities around Yellowstone also lost the opportunity to feed and house that family and to sell them their souvenir T-shirts.

Unfortunately, though, tourism in a State such as Colorado is likely to be hurt by families' needs to visit locally, because although Rocky Mountain National Park will play host to a southeastern Colorado family, they are likely to lose visitation from families who have to travel farther to get there. Now, the Rocky Mountain National Park is a destination tourist area. So that people from all over the country, when they plan their weeks for a week vacation, they plan on making Rocky Mountain National Park their main focal point of that vacation. So families have to travel farther, and when they travel farther, they do not often want to spend more, and so it hurts destination tourist spots such as Rocky Mountain National Park.

But it is not just families who plan to drive who are affected. According to the Air Transportation Association only 8 years ago, 15 percent of the price of an airline ticket went to pay for

fuel. Now that number has risen to 40 percent. Fuel prices for airlines are up 84 percent over last year, forcing them to raise fares and add surcharges and fees to recoup costs. Airlines will continue serving their best markets but may be forced to reduce flight frequencies and the number of cities they can serve altogether.

Small cities may keep service with a flight or two a day but only at much higher prices aimed at business travelers, while leisure travelers will have to drive to bigger cities to get more reasonable fares.

U.S. airlines are projected to spend \$61 billion on fuel this year; that is \$20 billion more than in 2007, an increase equivalent to the compensation and benefits of 267,000 airline workers or the acquisition of 286 new jets.

The rapid increase in jet fuel will add substantially to airline costs at a time when a weakening U.S. economy will make it more difficult to offset those costs with higher fares.

While oil prices are soaring, the airline industry and Denver-based Frontier Airlines has been forced to analyze every facet of their business in an effort to combat the enormous financial strain fuel costs are having on them. Airlines have been resorting to carrying less water per flight, removing bulky, unneeded carts and equipment, while even eliminating hot meal options so they could eliminate ovens and microwaves in the galleys.

While I commend our airline industry for their innovative solutions and creativity during these constrained times, these changes combined with fare increases are having a dreadful impact on our domestic airline industry, which has been vital to national and international commerce and tourism. Denver, CO, is the center of much of that activity.

United Airlines recently announced plans to take 70 more jets out of service and cut domestic capacity by 17 to 18 percent for the remainder of 2008 and 2009. Although Frontier Airlines prides itself on the ability to provide passenger service at relatively low cost, once again the high price of fuel has necessitated an increase to their fuel surcharge which is passed on to the customer.

In addition to raising prices, they have reduced aircraft fuel burns and began using new flight-planning computer software to track fuel and flights to save fuel. Frontier has also had to reduce the number and frequency of its flights into Denver, which will have an adverse impact on the Colorado economy and Colorado tourism, which usually flourishes in the warm summer months.

In closing, I would like to address the claim that Republicans in this body are the problem. Republicans in this body actually have legislation that will increase domestic production of energy, instead of cut it off. We are ready to talk about energy prices. We are ready to talk about gas prices. That is why

we are here today doing that. We wish to help Americas alleviate the pain they are feeling at the pump by increasing production. That is the real solution to our problem.

The laws of supply and demand dictate that increasing supply will work to drive down prices. Increased taxation simply suppresses supply, which, in turn, leads to even higher prices. What we should not do is act on a bill that will decrease domestic production by imposing increased taxes.

What we should not do is act on a bill that will decrease domestic production by increasing the regulatory burden. That is what we have on the floor right now. That is what the "no energy bill" before us will do. I simply cannot support that. I am supporting the majority leader's effort to allow Republicans to be able to be a part of this process, to submit their amendments on the floor so we can actually move toward more production, instead of less production.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

MEDICARE

Mr. SALAZAR. Madam President, I come to the Senate floor this afternoon to speak about the Medicare package we will be voting on cloture on, the legislation that Senator REID filed for cloture yesterday. We will be doing that vote sometime tomorrow. Before I make my comments about that particular piece of legislation, I want to make a few comments in general about the importance of the health care agenda and the health care challenge that faces America.

For all of us who are in elected office in all of our States, we hear about the pain the people of America are feeling from a number of different perspectives. We hear loudly and clearly that people in our States are very concerned about what is happening with the runaway prices of oil and the high cost of gas and diesel and the farmers and ranchers and the businesspeople and consumers in general, just concern about that cornerstone of our economy which is causing so much pain to the people of America today.

We also hear about another cornerstone of concern, and that is what is happening with the housing crisis, the housing crisis which, in many ways, has ignited the economic instability we face in America today, where people are losing their homes, record foreclosures are occurring, and people want to know what it is we are doing in Washington to address the dream of home ownership for America.

In my State, it is projected that in the year ahead and in 2009 there will be about 50,000 homes that will go into foreclosure. There will be about a third of the housing stock that will have a decline of anywhere from 12 to 15 percent in value over the next several years. Those two cornerstones of our economy—energy and housing—are trembling a little bit today. It is important for all of us in the Congress to do what we can to try to stabilize our energy policy and energy prices and also to deal with the challenges we face in the housing crisis.

There is another cornerstone in our economy which is something we need to address. We will do small pieces of it here, but it has to do with health care. Health care today is a huge challenge and problem for America.

In the Presidential debates, one of the hot topics will be how will the next leader of the greatest democracy in the world help us address the huge challenges we face in health care. One thinks about the fact that there are 47 million Americans who do not have health insurance today. One thinks about my State of Colorado with a population of under 5 million people. Today there are 850,000 Coloradans who don't have health insurance, and of those 850,000, 180,000 are children, children without health insurance in our State.

As I look at the issue of health care in general, one of the cornerstones that face our country in terms of the economic and real human pain we are facing, I am proud of the fact that there are people in the Senate who are trying to figure out a way forward already.

First, Senator BAUCUS, chairman of the Finance Committee, has decided this is an issue we need to learn a lot more about. So we have a series of hearings on what is happening with health care, what is happening with health care in other places around the world. Next Monday we will be having a health care summit to try to further our understanding on how we can deal with this incredibly difficult issue. Then in the mix of all that dialog, my good friend from Oregon, Senator WYDEN, who just happens to be on the floor—totally by coincidence—has offered for all of us to take a look at the Healthy Americans Act.

The Healthy Americans Act is important because it is the only piece of legislation that has come to the Senate in a manner that is a comprehensive health care reform package, but also, importantly, it has the kind of bipartisan support which, at the end of the day, will be required in order for us to fix the very complex health care problems and challenges we face today.

I applaud him and both my Democratic and Republican colleagues who have joined him in that effort. It is the only significant bipartisan piece of legislation that has been considered in Washington for a long time. But the issue of health care and health care reform is not going to go away this year.

It is an issue I expect will loom large on our plates right after the January 2009 inauguration. Many of us will be working to try to find the right solution that fits the American population. I very much look forward to working with my colleagues on that on a bipartisan basis and to working with my good friend, Senator WYDEN, on that agenda as well.

I wanted to speak about a ticking health care emergency that, if unaddressed, will affect millions of doctors and patients across the country before the end of the month. In 19 days from today, Medicare reimbursement rates are scheduled to drop 10 percent, based on an outdated formula that we desperately need to fix. A 10-percent cut to Medicare reimbursement rates will force tens of thousands of doctors into the red, tens of thousands of doctors across America in every one of our States. Millions and millions of Medicare patients will find that their doctor simply cannot afford to treat them. Every single Member of this body has heard loudly and clearly about the devastating effects these cuts will have on patients and on doctors. Here are just a few things I have heard over the last several days.

This is from Dr. Mike Wasserman, a Colorado physician who is in a group practice that focuses solely on Medicare patients. He said:

A 10 percent cut is untenable. I would have to seriously consider immediately closing our practice if this were to actually stick.

Other comments that I have received in my office from others:

Many primary care physicians will not only stop taking new Medicare patients but will consider reducing their current Medicare load. That means more patients being cared for by higher cost specialists. Conceivably, this could actually lead to greater Medicare expenditures.

Finally:

This cut will have a devastating impact on health care across the board as most commercial insurers and TRICARE tie their rates to Medicare.

Let's keep these realities in mind as we try to forge ahead in the next 19 days, and hopefully sooner, to try to fix the Medicare issue which faces us today.

The June 30 Medicare cuts will affect military health care plans through TRICARE. We will have the rug pulled out from under the feet of TRICARE if we don't fix this problem. For me and for the soldiers in Colorado at Fort Carson, for the airmen at Schriever, Peterson, and Buckley Air Force Bases, and for our Guard and Reserves, I know they will find that fewer doctors will see them, their spouses, and children. It will be more difficult for returning servicemembers from Iraq and Afghanistan to get treatment for PTSD and for wounds they have incurred on the battlefield on our behalf.

As the largest purchaser of health services, Medicare rates also serve as a starting point for private insurers. This means the impact of a cut will

eventually be felt by middle-class families as well.

We cannot let this happen. We cannot let Medicare reimbursement rates fall on June 30. That is why I am pleased that Senator BAUCUS and a bipartisan group of Senators on the Finance Committee have introduced a bill that would correct this problem. I strongly support this bill, the Medicare Improvements for Patients and Providers Act. I thank the leadership of Majority Leader REID for giving us the time to bring this matter to full debate and conclusion, hopefully, on the Senate floor. We have to get this bill done. We have no choice.

In addition to saving doctors and patients from the June 30 Medicare cuts, the bill makes several fiscally responsible improvements to Medicare and Medicaid, including, first, the bill improves critical programs to ensure seniors and individuals with disabilities on a restricted income can afford the health care prescriptions they need to stay healthy. Second, the bill extends and expands rural health programs. Third, the bill expands coverage of preventive services which are so needed in health care. Fourth, the bill reduces coinsurance for mental health services. Fifth, the bill addresses overpayments and unscrupulous marketing tactics in the Medicare Advantage Program. Finally, the bill will protect the long-term solvency of the Medicare Program.

Curiously, the Medicare bill introduced today by Senator GRASSLEY, my good friend and the ranking member on the Finance Committee, mirrors many of these provisions. While the differences may not be in number, the differences, nonetheless, in my view, require us to move forward with the version of the bill Senator BAUCUS has introduced.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SALAZAR. I ask unanimous consent for an additional 30 seconds.

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

Mr. SALAZAR. The one thing we have always agreed on is that the goal of the Medicare Program is to provide affordable, high quality health care to our Nation's seniors. The Baucus bill is the only option that does that, with nearly \$4 billion in beneficiary improvements. The Baucus bill also addresses one of the biggest concerns of Medicare Advantage, the lack of reliable networks for private fee-for-service plans. By requiring private fee-for-service plans to have a written contract with providers, this bill makes sure patients have access to the providers they are promised, and doctors will get paid for the services they provide.

For nearly 40 years, patients have relied on Medicare, knowing that they would not fall through the cracks. We must continue to protect the integrity of Medicare's good name by swiftly addressing inadequacies. The Baucus bill will do just that.

Too much is at stake to let this bill get stuck in the politics of obstructionism. For Medicare patients, for their doctors, for parents, kids, soldiers, and servicemembers' families, we need to get this done before the June 30 deadline.

I yield the floor.

Mr. WYDEN. I ask unanimous consent to speak for up to 15 minutes as in morning business.

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

Mr. WYDEN. Mr. President, before he leaves the floor, let me thank my good friend from Colorado, Senator SALAZAR, for his kind and gracious comments about the Healthy Americans Act. He has been a wonderful addition to the Senate Finance Committee. I know we are going to be spending a lot of time trying to deal with these important challenges in the days ahead. I thank him for all his thoughtfulness, both today and on a regular basis.

Every day from coast to coast, millions of our seniors look at Medicare as a lifeline. These are the seniors who walk on an economic tightrope, balancing their fuel bills against their food costs and their food costs against their prescription costs. They are just trying not to fall off the economic tightrope. As the distinguished Senator from Missouri has pointed out, when you look at these skyrocketing gas and fuel prices over the last few months, that is enough to send seniors trembling about the prospect of being able to pay for necessities every month.

This legislation is a substantial step in the right direction of major health reform. It is not everything that needs to be done. As Senator SALAZAR has noted, I and others are working with seven Democrats and seven Republicans on what we think is a comprehensive overhaul of American health care system. But, clearly, this legislation moves in the right direction. I want to touch on three areas—the question of physician reimbursement; protections for low-income people; and then, finally, marketing practices—to highlight the fact that this legislation, which I hope the Senate is going to vote to move along tomorrow, clearly makes changes that will be helpful for older people today, but also will pay dividends for the broader course of health reform in the future.

First, with respect to this question of trying to ensure a step forward with respect to physician reimbursement—all over this country, we have physicians in small practices who are literally having trouble keeping the doors open. They can have a couple of people in their office and spend virtually the whole day trying to pry out of insurance companies information from their insurance matrix about what they are going to pay for various services. Literally, these physicians are not going to be able to keep their doors open if Medicare physician payments are cut by more than 10 percent.

So this is not an issue of somehow protecting fat-cat doctors or those who are affluent in our society. This is a question of protecting primary care and primary care for the most vulnerable people in our society. I am of the view that if this cut were allowed to go forward on July 1, it would be a body blow to the older people of this country, those millions who are walking on an economic tightrope.

I commend Chairman BAUCUS and Senator SNOWE and the whole group on the Finance Committee who are trying to move this forward. I hope we will do that tomorrow.

Second, I believe the protections for the low-income older people are another step in the right direction. This legislation increases the amount of resources that Medicare beneficiaries can have and still qualify for the Medicare Savings Program. So what that does is it helps older people fill in the gaps in their coverage. The provision, also with respect to low-income people, adds money to boost the State Health Insurance Assistance Programs and the Area Agencies on Aging that are enrolling low-income older people in assistance programs.

So those are the first two provisions that I think make a real difference for older people: the expansion with respect to services they would get from doctors if the reimbursement goes up, particularly in terms of primary care services for older people; and, second, the additional protections for the low-income Medicare beneficiaries.

But what I wish to highlight this afternoon is the additional protection in the Baucus-Snowe legislation against abusive marketing practices.

I will tell the Presiding Officer and colleagues, when I came to the Congress many years ago, in the days when I had a full head of hair and rugged good looks, it was pretty common for an older person to have a shoe box full of health insurance policies, and a lot of them were not worth the paper they were written on. They would be wasting money on these health insurance policies that they ought to be using on food and fuel and essentials.

So in the early 1990s, we got a law passed; and we changed that. It was a law to reform what was known as the Medigap market—the market for policies sold to supplement Medicare. It has worked. It has standardized the market. It has been good for old people. It has been good for responsible insurance companies. It worked.

But what happened? After the Medicare prescription drug program went in, we saw once again some people in the private insurance sector—certainly not a majority, but some—say: Boy, here is another wonderful opportunity to make some fast money. We have seen some horrendously abusive practices in this area, particularly through a product that is known as Medicare private fee-for-service. That has been the area where, in effect, you do not even have the protections you would

have in Arkansas, say, if an older person had an HMO, a health maintenance organization, plan or another.

These programs exist outside the oversight and the scrutiny we ought to have for the protection of older people. And sitting next to the distinguished Senator from Arkansas on the Finance Committee, Mrs. LINCOLN, we have heard in our committee about these abuses on a regular basis.

I also point out that Chairman KOHL, the distinguished chairman of the Aging Committee, had some superb hearings which pointed out exactly the same practices: how you saw older people being victimized by cold calling arrangements and door-to-door sales activities. These agents would be swooping in to apartment buildings and senior living facilities, basically trying to get people into events where there would be a free meal, or calling it an educational program, and all of a sudden they would be selling these products that were not worth a whole lot more than the paper they were written on.

So, in effect, what we saw in the last few years—it is a different product—but Medicare Advantage was going the same way we saw some of those Medigap programs going in the 1980s, which we eventually fixed.

It is important for Senators to note when they vote tomorrow on moving this Medicare legislation ahead that Chairman BAUCUS and Senator SNOWE, with the excellent work done by Chairman KOHL in the Aging Committee, are taking a real step in the right direction to protecting seniors from these marketing abuses.

This bill would require the agents and brokers to set the scope of any sales appointment when they are setting it up. It would require inclusion of the plan type in the particular program. What happens now is it is hard for people to even figure out what type of plan is being discussed because there has not been the kind of openness and disclosure of those particular provisions.

There also would have to be training for those agents and brokers who are selling Medicare Advantage in what has come to be known as Part D so they would be out in the marketplace in a position to answer the questions of older people.

Also—and I thought this was a particularly important benefit in the Baucus-Snowe legislation—agents and brokers would have to be licensed and appointed as required by State law. We saw this in both the Baucus hearings and the Kohl hearings, that the lack of that requirement was a serious deficiency in terms of consumer protection.

I hope tomorrow the Senate will move forward on this Medicare legislation. I think without the additional assistance, particularly for doctors in the primary care field, it will reduce access to older people. We need the protections, the low-income protections I

have outlined. And, finally, we need the protections for older people in terms of ensuring we do not have these flagrant, outrageous cases of marketing abuses that take us back to the 1980s, when a lot of us thought we had gotten rid of that kind of fly-by-night flimflam rip-off of older people.

The last point I want to mention—I know the distinguished Presiding Officer has been kind to talk to me about this in the past—is I think we need to pass this legislation as a foundation for the broader health reform effort that is going to take place next year. In other words, it is going to be pretty hard to go on to broader health care reform if we see physicians clobbered this year and that cutback in reimbursement goes into effect.

If you have physicians cut 10 percent, and we lose a lot of physicians in primary care, it is going to be pretty hard next year when we have a new President and bipartisan interest in the Senate to go on to broader health reform.

I think we have an opportunity with respect to comprehensive health reform that we have never had here in the Senate. For the first time in the history of the Senate, we have 14 Senators—7 Democrats and 7 Republicans—willing to work in a bipartisan way. For the first time, the people who keep the budget numbers, the Congressional Budget Office and the Joint Committee on Taxation, say that the numbers add up for comprehensive reform, that we can do it in a budget-neutral fashion. In fact, they say in the third year of an effort it would actually start generating some surpluses for the Federal Government.

So there is a lot to work with, particularly when we get Senator KENNEDY back here, and he is going to be the champion of our effort. I think we can move forward with comprehensive reform, and do it in a bipartisan way. But to move forward next year with comprehensive health reform, we cannot make mistakes in this session of the Senate.

It would be a huge mistake, for example, to let this physician cutback go through that is going to harm primary care. It would be a huge mistake not to have the protections for marketing abuses, not to protect the low-income older people.

We can pass this legislation. I hope we will do it in a resounding fashion in the Senate, starting tomorrow with the important procedural vote.

I close by saying, we ought to do it now. We ought to do it at this time because it will help seniors for the future but also because I think it will lay an important foundation for bipartisan health reform in the next year of the Senate.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. CORNYN. Mr. President, I rise to talk about the squeeze on the family budget that is being imposed by a combination of circumstances that, frankly, cry out for some relief.

As shown on this chart, this is how long it takes the average American family to work each year to pay their taxes: 74 days each year to pay their Federal taxes. Then you add State and local taxes on top of that. As you can see, that is a good part of the year, about a third of the year, people have to work to pay their taxes, before they can begin to pay any of the rest of their bills.

Then it takes 60 days out of the year to pay for their housing; 50 days out of the year to pay for their health insurance; 35 days out of the year to pay for their food; and 29 days out of the year to pay for transportation.

Now, this chart was prepared from a special report by the Tax Foundation, dated April 2008, having to do with Tax Freedom Day. That was the date they designated when you do not have to pay Uncle Sam or State and local taxes anymore, you are actually working for yourself. That is what we call Tax Freedom Day. But I daresay that this chart would have to be updated when it comes to the cost of food and the cost of transportation. That is what I wish to concentrate on with my remaining few minutes here.

Those related to the rising costs of energy—I have mentioned on the floor before being at the Houston Food Bank 2 days ago, where I learned that the cost of food is being dramatically increased as a result of the cost of energy that it takes to produce it by our farmers. Of course, that is being passed along to consumers, making it harder and harder on the most vulnerable among us, particularly seniors, people on fixed incomes, to pay for their food costs. Then, of course, you add on top of that the rising costs of gasoline and fuel, and it presents a real human crisis in many instances.

Many folks have said: Well, there is not much we can do about it—the cost of gasoline. They had said that when gasoline was at \$2.33 a gallon. Actually, Speaker PELOSI, back before she became Speaker of the House, said if elected Speaker, the Democrats would present a commonsense plan to bring down the price of gasoline at the pump. That was the good old days. That was back when gasoline was only \$2.33 a gallon. Now it is \$4.05 a gallon, and we are still waiting—I would say with bated breath—for that commonsense solution which has yet to come.

But in the absence of a commonsense solution being offered by Speaker PELOSI, we have offered a solution that deals with the simple fact that when you have increasing worldwide demand for the same commodity, that one of the ways you can bring down the price is to increase supply. When you talk about the ways we can increase the supply of gasoline, well, you necessarily have to talk about increasing the supply of oil. Then you get into the issue of how much of the oil we depend on to make into gasoline in our refineries is imported. Well, that figure now is about 60 percent of all of the oil we

consume and the various petroleum-related products are produced abroad and shipped into the United States.

But we are in an ironic situation of where our dependency on imported oil is a consequence of our own failed policies here in the Congress because since 1982 Congress has imposed a moratorium on the development of America's natural resources right here at home, whether they be on the western lands, the oil shale, the Outer Continental Shelf surrounding our country, or places such as the Arctic National Wildlife Refuge. Congress has placed those out of bounds. We are the only country in the world that has placed our own natural resources out of bounds and refused to develop those while we have increased our dependence on imported energy from dangerous enemies of the United States—countries such as Iran and Venezuela, which professes to be our enemy in South America.

What is ironic is the fact that years ago, the United States and Cuba agreed to draw an imaginary line between our two countries and said Cuba had control of the submerged lands on the other side of that line leading up to Cuba and the United States had control of the 45 miles or so that represented American territory. But do you know who is developing the oil and gas that is 50 miles off our southern shore of Florida? Well, Cuba has production agreements with Brazil, Venezuela, Spain, China, Vietnam, India, Malaysia, Canada, and Norway. That is right. While we refuse, as a result of a Federal moratorium on development on the Outer Continental Shelf, to allow Americans to produce American energy, the Chinese and others are drilling and producing oil 50 miles off our shore in the area owned by Cuba. It is ironic indeed that we would prohibit Americans from producing American energy on American land so that we could remain increasingly dependent on foreign oil. I think it is a terrible mistake.

Congress, looking around for a scapegoat as to who has caused these high prices, I would suggest needs to look in the mirror. We need to reassess and correct that mistake by making this natural resource available for production.

Some have come up with what I consider to be misguided solutions that do nothing to produce additional supply of oil and gas. As a matter of fact, they try something we tried back in the 1980s, for example; that is, raise taxes on oil producers here in America. We found out in the 1980s, according to the Congressional Research Service, that it actually reduced domestic oil production by 6 percent.

Some may ask: Well, how is that possible? The fact is that 80 percent of the world's oil reserves are owned by national oil companies of foreign governments. Let me say that again. Eighty percent of the oil reserves in the world are owned by oil companies that are

owned by foreign governments, and only 6 percent, 6 percent of the world's oil reserves are owned by stockholder-owned companies; in other words, the private sector—the ExxonMobils, the Chevrans, the Conoco-Phillips, and the like. Six percent owned by those privately owned or stockholder-owned companies, 80 percent owned by nations such as Saudi Arabia, Iran, Iraq, Kuwait, and others, just to name a few.

So the irony of ironies again would be not only to not allow us to develop our own natural resources but actually to tax the privately owned or shareholder-owned oil companies that control 6 percent of the world's resources while not touching the 80 percent owned by foreign countries because, of course, we can't impose a tax on their production here in America. We can only impose a tax on our own companies here in the United States. When we did that before, we decreased domestic production. We should have learned from that mistake, but sadly, as a philosopher once said, "Those who refuse to learn from history are condemned to repeat it."

This is almost like Groundhog Day here in the Senate where we continue to encounter the same failed solutions—or I should say "nonsolutions"—to the same problems and refuse to look at the most obvious solution staring us in the face; that is, to open more of America's natural resources.

Now, earlier on the floor, the distinguished Democratic whip, Senator DURBIN, talked about emergency situations and talked about price caps in an emergency and said we are in an emergency, implying that we should somehow—Congress should dictate price controls on gas. But I would suggest to the distinguished Senator that if we have an emergency situation—and I agree, we have something that profoundly affects our national security and our economic security and has a dramatic impact on food prices and on the average American family. We do have an emergency, and we ought to reassess our decision to block exploration and production in the Arctic National Wildlife Refuge, in the Outer Continental Shelf, in the shale oil in the western Federal lands and elsewhere which, by some estimates, could produce as many as 3 million additional barrels of oil each day. Now, that is not a panacea, but it is a lot of help in the near term.

As we develop those natural resources, of course, that means we depend that much less on imported oil. It creates jobs here in America at a time when our economy is softening and unemployment rates are going up, and it would help us be less dependent on some of the folks who wish us harm in this world. To me, it constitutes the kind of emergency Senator DURBIN was talking about earlier, that we ought to—if you won't do it when gasoline is \$2.33 a gallon, will you do it when gasoline is \$4.05 as it is today? If you won't do it when gasoline is \$4.05 a gallon,

will you do it when it is \$5 a gallon or \$8 or how about \$10 a gallon? At some point, there has to be a tipping point at which the Congress—and especially the Senate—will wake up and look in the mirror and say: You know what, we need to reassess this. We need to take action on behalf of the hard-working American family to make sure they don't continue to find themselves pinched not only by a rising tax burden, the cost of housing, the cost of health care, but rising food costs and rising transportation costs.

I have to say I was shocked when I saw an interview recently of Senator OBAMA, our colleague from Illinois. He was interviewed by CNBC's John Harwood, who asked him the question: Could these high prices help us? Senator OBAMA said: I think I would have preferred a gradual adjustment.

Well, I am not sure exactly what he means by that. Certainly, we haven't had a gradual adjustment; we have had a radical adjustment upward.

All we have had, frankly, from our friends on the other side of the aisle is a refusal to act in a responsible way to open America's energy resources while they offer what I have to say are misguided nonsolutions which produce no additional energy, things such as raising taxes on oil companies, which we know will only be put on America's privately owned companies and can't be placed on nationally owned oil companies in places such as Venezuela and Iran but also have had the demonstrated experience of actually reducing domestic production rather than increasing it. Hasn't our experience always been that when you increase the cost—especially increase taxes—on the producer, eventually that is going to be passed down to the ultimate consumer? So what it would do is have the effect of decreasing production, increasing dependence on imported oil, and raising the price of gasoline ultimately for the consumer at a time when we ought to be giving the consumer relief from these high prices if we can, and I believe we can by increasing supply.

So I hope our colleagues will reconsider their position because, frankly, I think the only thing standing between lower gasoline prices and the American people is the Congress.

On our side of the aisle, we have offered what we believe to be a common-sense solution that would increase supply, so we can hopefully add to the supply, with rising demand by countries around the world, in a way that will allow us to at least provide some relief to the American consumer as we transition ourselves to new alternative sources of energy that are not going to be immediately able to fill that role currently played by oil.

We know we are going to have to continue to depend on oil and gas for the near term, but as we transition ourselves into a clean energy future by increasing the use of nuclear power to generate electricity; as good, old-fashioned American ingenuity creates

things such as plug-in hybrid cars that operate on batteries we can charge overnight and drive in many parts of the country in a way that will provide an alternative to internal combustion engines but which will also help us deal with environmental concerns as well; as we are on this bridge to a clean energy independence, we need to take advantage of the natural resources God has given us.

This is one of the things that has made our country so prosperous—the vast natural resources we have. But only the Congress is so mistaken as to impose a moratorium on the development and production of those natural resources, and it is hurting hard-working American families and the American consumer. We need to do something about it. I hope we do on a bipartisan basis soon.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I wish to make a few remarks regarding the recent actions by the Democratic leadership in Congress with regard to oil prices.

I have no problem with Democrats calling in the oil company executives to make sure they aren't violating antitrust laws. I am convinced oil speculation contributes too much to the price of oil and we need to take a serious look at that, but focusing on those concerns alone is no substitute for a realistic energy policy.

There are a number of environmental groups who just plain oppose oil production. What is worrisome is that it seems Democrats controlling Congress have adopted the anti-oil agenda of the environmental movement as an outlet of their own energy policy.

So far, I have heard proposals to tax successful energy production, to investigate the oil futures markets, to ban Canadian oil imports in favor of oil from Venezuela, Russia, and the Middle East, and to call for delay after delay in the commercial production of oil shale. At times, it almost appears that the anti-oil agenda is the only element of the Democratic energy policy. Their policies would not produce one drop of oil. This so-called Energy bill they have will not produce one drop of oil. In fact, they would definitely have the opposite effect—their bills.

Is it so hard to see that less oil means higher prices and economic harm and more oil means lower prices and economic benefits? I am not sure the Democratic leadership in Congress really understands this. They seem to be completely immune to the facts when it comes to energy policy.

They especially don't seem to understand that the price of oil is set by a global market. Unlike electricity, which is handled regionally in the United States, oil prices are set globally. About 75 percent of the price of gasoline is set by the global price for crude oil before it is even refined. U.S. taxes make up another 13 percent of

the cost of a gallon of gas. So that explains 88 percent of the cost of the gasoline. All the refining, distribution, and marketing of the oil has to be made up in the remaining 12 percent of the cost of gasoline.

Some of my colleagues on the other side of the aisle would be surprised to learn that the Federal Government already makes more on gasoline taxes than the oil companies do in profits. That is fine with me, except I think people would be astounded to find that actually happened. That is right. I hope our taxpayers remember that when we point to oil company profits. The Government is already raking in more money from oil than the oil companies are getting.

Yet our Government does not explore for oil. It does not produce one drop of oil. It does not refine one drop of oil. It does not build 1 foot of oil pipeline. Yet some of my colleagues want even more money from the oil company portfolio and profits.

This is where the taxpayers should be paying very close attention. If our taxpayers are smart—and I believe they are, although they are not getting the facts—their hands will be reaching to protect their wallets because guess who is paying all this money to the Government in the form of taxes on oil companies. That is right; it is our taxpayers. It is our consumers. It is Joe Smith going to the gas station. It is a pretty nasty game to tell our citizens we are taking profits from big, bad rich oil companies and then forget to tell the taxpayers they will be the ones who ultimately will bear just about every cent of any new taxes.

Let's talk about these big, bad American oil companies for a minute. I wonder if the Democratic leadership in Congress is aware that 80 percent of the world's oil reserves are owned and controlled by foreign government-run corporations. If you put all the big, bad American oil companies together, they only control about 6 percent of the world's oil. That is a fact. They cannot rebut that fact.

We send more than \$600 billion—now approaching \$700 billion—each year to countries that are a lot smarter about energy than we are because they are willing to explore and develop their own resources, and we are not.

We have the Chinese coming within a few miles of our shore and taking our oil because they are willing to explore for it and reap the benefits of it—and right off our shores. We are not permitted to do that. What kind of energy policy is that? Think about it. That is \$600 billion to \$700 billion each year that we will never get back. But my friends on the other side of the aisle don't seem to have a problem with that.

Here we are, one of the biggest energy consumers on Earth, and we send out our small-fry oil companies—with only 6 percent of the world's oil—into the world to compete with these giant national corporations and conglomerates

in other countries in a global market controlled by nations that aren't necessarily our friends.

Then we want to stop U.S. companies from developing all the good oil resources available in this country. We try to take away their profits, drag them in front of congressional hearings, and blame them whenever the global price goes up.

I hate to tell you, but Government is one of the biggest reasons why the price of oil is so high right now—our Government.

So far, we don't have actual oil shortages in the world, but we have a very low level of spare capacity. That has done a lot to raise speculation on the futures market. A lack of spare capacity means any serious disruption in the world can lead to real shortages, and the futures markets reflect that fear. Holding hearings on the futures market isn't going to make those fears go away, and it is not going to produce one drop of oil to help us or bring down the price for our consumers or help Joe Smith or Joe Jones to be able to afford gas for their cars.

Investors need to know we are finding a new barrel of oil for every barrel we sell. But that is not what they are seeing. At the same time, they are seeing that ethanol has major limits as a replacement fuel. Ninety-seven percent of transportation fuel is oil. Ethanol is the only real alternative, and it makes up less than 3 percent, as far as liquid fuel goes. I am opposed to mandates for ethanol, but I have been one of the Senate's leading supporters of incentives for ethanol and other alternative transportation fuels. I am the author of the CLEAR Act, which provides economic stimulation to develop hybrid cars, and the author of the Freedom Act, which also leads to economic incentives for plug-in hybrids and other forms of high-mileage vehicles.

I am one of the Senate's leading supporters for ethanol and other transportation fuels. While other folks are just blowing off about it, we have actually put language in law that increased the ability to do these fuels. But even at that, it is only 3 percent of what we need in this country.

I am also a realist about the fact that there is no way ethanol can put a major dent in our need for fossil fuels. So far, it is the only major alternative fuel on which we can currently count.

That may be a fact that liberals and environmentalists wish to ignore, but it is a fact. They can talk all they want about wind, solar, and geothermal, but last time I checked, planes, trucks, and ships don't run on electricity; they run on fossil fuels and so do our cars.

We should be grateful that Canada has now become our largest supplier of energy. They are a friendly, stable partner on whom we can rely. They are our friends, and they are producing more and more oil from oil sands every day. Canada now holds more oil reserves than every country in the world, except Saudi Arabia. They are pumping

1.3 million barrels a day down to us, and what do the liberals in Congress want to do? They pass a law barring the Federal Government from purchasing from the oil sands in Canada. They say it is because oil sands have a big greenhouse gas footprint, but what they forget to say is, shipping fuel all the way from the Middle East also has a big greenhouse gas footprint—and probably more. But liberals would rather be dependent on the Saudis and the Russians and Venezuela than offend environmental groups.

Here in the States, we have as much oil in oil shale in Utah, Colorado, and Wyoming than the rest of the world combined. We have a Federal law that layers on every available environmental protection but also would allow companies to develop this resource that is 10 times richer in oil than a normal oil well.

So what do the liberals do? They put a 1-year moratorium on the release of commercial leasing regulations. Some on the other side say they don't want it to happen too fast. I do. I sure would like to be able to bring these prices down. This would bring them down.

I congratulate the liberals because the existing law, which I sponsored, makes it abundantly clear that each Governor gets to decide how quickly development should move forward in their respective States, and they know that. The Democrats know that. If a Governor doesn't want to move forward on oil shale, that Governor can say no.

What they are doing is making sure the Governor of Utah or Wyoming never gets a chance to make that decision. So now we have companies that have spent tens of millions of dollars in good faith, and they are just plain getting shut down by what I consider a neanderthal approach to energy in the Senate—and in the House of Representatives; let's not leave them out. They are even worse than we are, in some ways. I am talking about the liberals.

How are they supposed to go out—these companies—and attract investors, when Congress is acting to stop regulations for commercial leases so they can do some of these things?

Environmental elitists tend to point to concerns about water usage, land usage, wildlife habitat, and air quality—all very valid concerns. So let's have a look at them.

Corn needs about 780 barrels of water for a barrel of ethanol, and more than 1,000 barrels for the equivalent of a barrel of oil. Then it needs another three barrels to turn the corn into liquid fuel. That is a crazy amount of water, but it works out all right so far because it is grown in rainy areas. But if we want to increase the amount of ethanol available, we are going to have to move toward irrigation, and then there will be major limits to how much we can afford to grow.

On the other hand, to mine, process, upgrade, and do land restoration, DOE estimates that oil shale will require a total of three barrels of water for every

barrel of oil. In terms of water, oil shale is hundreds of times better for the environment.

Let's talk about land use and wildlife habitat.

One acre of corn produces 7 to 10 barrels of ethanol, or the equivalent of 5 to 7 barrels of oil.

One acre of oil shale produces 100,000 barrels to 1 million barrels of oil. Nobody disputes that, that I know. I will repeat that. I hope those concerned about land use and wildlife habitat are listening carefully. One acre of corn produces 7 to 10 barrels of ethanol, or the equivalent of 5 to 7 barrels of oil. One acre of oil shale produces 100,000 barrels to 1 million barrels of oil. In terms of land use, oil shale is at least 20,000 times better for the environment than ethanol. I am for ethanol, don't get me wrong, but think of those facts.

A couple months ago, an article came out how the city of Aspen in Colorado has been besieged with building applications, equating to about \$2 million worth of development a day. If we could stem the growth a little in Aspen and save, let's say, a hundred acres of those beautiful forests from all that development, and instead allow development of 100 acres of much less desirable land where the oil shale in Colorado is, we could produce up to 100 million barrels of oil with no net loss of habitat. Ironically, the local governments in Colorado's oil shale areas support oil shale development, but the liberals in the State are stopping the regulations that would allow it.

Some critics of oil shale and tar sands production have raised air quality concerns. Let's be clear; there is no aspect of oil shale development that would exempt industry from any Federal or State air quality laws or regulations. In fact, these industry members plan to comply and even exceed air quality requirements. These companies also express a readiness to address climate change questions on the same schedule that other industries may be required to control carbon emissions.

One Utah company is now building a pilot plant to demonstrate their ability to produce upgraded syncrude from oil shale with little or no carbon emissions.

The poorest Americans spend about 50 percent of their income on energy, and not enough is being said about that. The sad thing is that the poor look to the liberals to make national policies for them, but in this case, they are being sold out.

It is clear the environmentalists have an anti-oil agenda. The question for this Congress is whether we can afford to adopt that agenda as part of a national energy policy. We should be promoting all forms of alternative fuels, and I am for that. But the fact is that when it comes to transportation fuel, which is where our crisis is, we are dependent on oil, and there is no combination of alternatives that can change that right now. It would be nice to pretend we are not dependent on oil,

that we can skip immediately to some yet-to-be identified alternative, 30 years down the line. But we can't. Truckers and farmers need diesel today. Moms need to get to soccer and ballet practice tonight. Americans want to visit national parks this summer. The sooner we understand this, the sooner we can address the energy crisis we are facing today.

This is pathetic. We have it within our means to develop our own oil to solve our own problems, to bring these prices down, to be independent, to do the things that keep America strong, to keep our environment and economy strong, and to do it in an environmentally friendly way that is already on the books. Yet when you look at the energy program the Democrats brought up on the floor, it doesn't produce one drop of this oil that is so critical to all these needs. Yet we have it within our power to solve these problems. I hope we wake up around here and get rid of the doggone partisanship and do what we have to do to provide for the energy needs of this country. We can no longer afford to let the whacko, extreme environmentalists—who are in the game for politics, rather than to help the American people—control this country the way they do. I think it is time for our friends on both sides of the aisle to stand and say enough is enough. Let's become energy independent and energy secure.

I thank my colleague from Rhode Island for allowing me this extra time. I did not have anything to do with what happened this morning, nor did I know it was going to happen. Let me say that my colleague has always been gracious and kind to me. I have a great admiration for him. I am sorry I took the extra 2 minutes.

THE PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. WHITEHOUSE. Mr. President, I have no objection whatsoever to standing on the Senate floor listening to the Senator from Utah speak. He is an enormously distinguished attorney and has been a great leader of his State and the Senate for a long time.

I understand very well the unfortunate circumstance this morning was not expected by him, was not participated in by him. I think it has put him in an embarrassing position. I regret that, but I know he had nothing to do with it. I have highest regard for him.

I think it also put the very distinguished Senator from Pennsylvania, the ranking member of the Judiciary Committee, in an even more difficult and embarrassing situation because the individual witnesses who were before us when our hearing was interrupted and cut off were Pennsylvanians, people from the ranking member's home State. I am sure if Ranking Member SPECTER had any idea this was going to happen, he would have taken energetic measures to make sure individual witnesses who suffered grievous injury and had come a long way to Washington to testify would not have had their hear-

ing cut off by parliamentary maneuvers by his leadership.

I have the highest regard for both those Senators.

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

Mr. WHITEHOUSE. Of course.

Mr. HATCH. Mr. President, I am grateful to the Senator for his remarks. I felt particularly bad because I went 4 or 5 minutes over on my questioning, with his agreement, and then he got cut off on his questions. I wanted the Senator to know that. I appreciate his remarks.

Mr. WHITEHOUSE. Mr. President, the goodwill of the Senator from Utah is appreciated.

MEDICARE

Mr. WHITEHOUSE. Mr. President, I wish to speak about the Medicare bill before us. One of the strongest obligations we have in this body is to uphold America's promise to care for those who have worked hard throughout their lives, who have raised their families, and who have helped make this Nation great: our seniors.

President Johnson created Medicare as part of that promise to give seniors all across this country the peace of mind they would have the health care they need as they grow older. Today, we take up legislation that would make this critically important program stronger by ensuring doctors in Rhode Island and across this country are compensated, as they should be, for the care they provide.

The approaching June 30 deadline for resolving this issue certainly makes this legislation particularly urgent. But we all know that there is a far more ominous deadline looming over us in health care, and that is when the Medicare trust fund will become insolvent in 2019. As Chairman CONRAD of the Budget Committee so often says, there is a tsunami of costs bearing down on us. We are now facing a 75-year shortfall in Medicare of \$33.9 trillion. It is my belief that we as Senators have a fundamental obligation to begin to take steps now that will lower these looming overwhelming costs. If we fail to act now, we will be left with only the cold, harmful, and, frankly, cruel fiscal options of raising taxes, reducing benefits and eligibility, or cutting further provider payments. What a sad day that would be, especially since it is completely avoidable.

This afternoon, I commend Senators BAUCUS, ROCKEFELLER, SNOWE, and SMITH for offering a bill that not only addresses the looming cut in Medicare reimbursements to physicians, but takes a broader look at the problems in our Medicare system and in the health care system generally.

This bill includes a number of reforms that begin to address the flaws in our broken health care system and lead us down a path of more efficient, effective care for seniors today and into the future.

As my colleagues know, I am an enthusiastic supporter of the limitless

potential of health information technology to support a transformation of our health care system. For many providers, e-prescribing, electronic prescribing of pharmaceuticals, is the gateway technology to larger health information technology adoption because the startup investment is relatively low and the benefits are quite high. E-prescribing is expected to eliminate over 2 million adverse drug events on Americans per year, to avoid 190,000 hospital admissions, and 1.3 million outpatient visits annually, and to produce an estimated yearly savings of \$44 billion.

To quote Department of Health and Human Services Secretary Leavitt:

The benefits [of electronic prescribing] are unchallengeable. E-prescribing is not only more efficient and convenient for consumers, but widespread use would eliminate thousands of medication errors every year. . . . E-prescribing needs faster implementation. We have been through all the public processes necessary to develop standards. The technology is readily available and widely distributed. Electronic prescribing will enhance the safety and convenience for patients.

This bill provides important incentives for practitioners who choose to e-prescribe, and it eventually requires all doctors to e-prescribe. This is a vital step forward for health care in this country and a farsighted component of this legislation. I thank Senator KERRY for crafting this important language, but also all the Senators on the other side of the aisle who have supported e-prescribing in Medicare, including Senators ALEXANDER, COLEMAN, CORKER, CORNYN, ENSIGN, GRASSLEY, MARTINEZ, SNOWE, and SUNUNU. The need to promote health information technology is a truly bipartisan issue, and I am delighted to see it included in this important bill.

The measure before us also makes important reforms for private fee-for-service Medicare. In light of this fiscal health care tsunami coming down on us, I am deeply concerned that private fee-for-service Medicare Advantage plans cost roughly 119 percent of the cost of covering the same individual in traditional fee-for-service Medicare. This is a program that was sold to Congress as more efficient, a cost-cutting alternative to traditional Medicare.

History has proven those assertions to have been false, and now we should learn from that mistake. It has added about \$1,000 in costs for each beneficiary in a private plan. Medicare Advantage will cost the Federal Government \$54 billion over the next 5 years and \$149 billion over the next 10 years, according to the Congressional Budget Office. These excess costs have caused a rise in Part B premiums for those seniors enrolled in traditional Medicare of \$2 per month. These excess costs will cause the Medicare hospital insurance trust fund to become insolvent 2 years earlier than otherwise expected.

I understand some Medicare Advantage plans offer benefits that are not

covered in fee-for-service Medicare. Unlike traditional Medicare, Medicare Advantage plans can strategically attract healthier seniors by offering better coverage for low-cost care and worse coverage for intensive services. Groups, including the Medicare Rights Center, the Commonwealth Fund, the Kaiser Family Foundation, and MedPAC, have determined that private plan beneficiaries either pay more or receive fewer services for hospital and home care than do seniors in traditional Medicare.

Medicare Advantage, and particularly fee-for-service Medicare Advantage, costs this system money it simply does not have. Seniors deserve better, and this bill does better for them.

Seniors also deserve better when it comes to their Medicare Part D plans. Some of the very saddest stories that Rhode Islanders share with me as I host community dinners around my State concern their experiences with the Part D prescription drug program.

An example is a young man named Travis who came to one of my community dinners in Woonsocket, RI. Travis told me of his 90-year-old great-grandmother who is living independently in a walkup apartment building in Woonsocket. She signed up for her Part D plan and was taking a number of prescription medications. One day she arrived at her pharmacy, went to the pharmacy window, only to be told that she had no coverage. She had fallen in what we preposterously call the doughnut hole, a massive gap in the coverage, a trap for seniors. She was turned away from the window because she had not brought the money to pay for her prescriptions. She didn't have it. She went home and called her great-grandson Travis in tears. She would no longer be able to afford her apartment or the independence she had maintained for 90 years.

No American should be forced to choose between their dignity and their health, and it is a tragedy when this is an unnecessary choice.

The Congressional Budget Office concludes that privatizing that drug benefit instead of simply adding the drug program to the established Medicare benefit costs almost \$5 billion a year. The Center for Economic and Policy Research reveals that the combined cost of privatization and failure to negotiate prices is more than \$30 million a year.

Mr. President, I cannot look Travis in the eye and tell him the reason his great-grandmother cannot afford her independence any longer is because the Government needed to take the side of the pharmaceutical industry in this contest. In 2004, the pharmaceutical industry was three times more profitable than the median for all Fortune 500 companies, and from 1995 to 2002, it was the most profitable industry in the entire country.

Since the passage of the Medicare Modernization Act, companies have engaged in outrageous, egregious mar-

keting practices. This legislation prohibits door-to-door sales, cold calling, and free meals. It puts limits on co-branding, gifts and commissions and other hard-sell practices of both Part D and Medicare Advantage plans.

Our Nation's elderly have given much to this country as parents, as grandparents, as teachers, as soldiers, as mentors, and as patriotic American citizens. They deserve respect, they deserve protection, and this bill affords them both.

I close by saying the bill also recognizes that mental health coverage should be on par with any other illness seniors face, reducing the copayment from the current staggering rate of 50 percent to a 20-percent copay by 2014. Senior citizens commit suicide at a higher rate than any other age group. Mental health services are critically important for our elderly population. I am proud to support changes to mental health coverage in Medicare. I particularly wish to acknowledge the leadership of my colleague in the Rhode Island delegation, Representative PATRICK KENNEDY, who has been such a leader on mental health parity. He is the chief sponsor of that legislation in the House, and I look forward to larger reforms in the area of mental health parity with Congressman KENNEDY at the helm.

In closing, I thank Senator BAUCUS and particularly his staff for their tireless work in putting this measure together. I look forward to working with him and this entire body to pass this bill and then to work to enact future health care reforms to bring our system under control.

I appreciate the courtesy of Senator ROBERTS. I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Mr. President, I rise today to speak about energy prices, as have many of my colleagues, and their impact on my constituents and, for that matter, the constituents of all of us nationwide.

Over the last 2 weeks, the leadership of this body has decided to bring two bills to the floor that would have tremendous effects on the pocketbooks of the American people. Unfortunately, after you take a hard look at these bills, you find out that neither bill would really reduce the price of energy. In fact, both would increase prices. But I want to take time to highlight the impacts of the climate change legislation, albeit somewhat late in the debate, and to make a few commonsense points or observations.

At a time when Americans are suffering from high fuel prices and high energy costs, and when fertilizer prices have increased by their largest amount in the history of fertilizer prices, it is not in America's best interest for the Senate to compound the problem. But that is precisely what the climate change bill would do. By capping the amounts of carbon emitted by coal-fired plants and natural gas processing

facilities and energy-intensive manufacturing facilities, this legislation is flawed. It passes the costs of meeting these requirements down to the consumer.

Kansans will be particularly hard hit. Experts at the American Council for Capital Formation—again, the American Council for Capital Formation, and I urge all of my colleagues to pay attention to this organization—State by State they can tell you what will happen. They predict that Kansas will lose 36,900 jobs over about a decade or two, and that is equal to 2.5 percent of the total workforce, if we enact this bill.

Kansans would also lose \$7,283 in disposable income each year because of this legislation. You say how? Certainly higher utility rates, higher gas prices, and all manufacturing and farm equipment costs due to the increase of the cost of inputs. A combine now out in western Kansas, if you go to the dealer, will cost you, if you have the top rate combine, \$350,000. Goodness knows what it would cost after this bill was passed and on down the road.

Anyone filling up with gasoline in the State of Kansas can expect to pay 140 percent more for each gallon of gas. Yesterday the lowest rate in the State was Emporia, KS, home of William Allen White and the Emporia Gazette, very famous in Kansas history. In Emporia it was \$3.70 per gallon. This bill would raise that to \$5.18. This doesn't make any sense. Let me repeat that. It would raise the cost of gas for Kansans by 140 percent.

We have had a \$1.71 increase in the average price of gas since the majority took over in the Congress. My goodness, we don't need to be going over \$5. I know there was a lot of rhetoric at that time that we were going to fix that, hopefully in a bipartisan way, but obviously that has not occurred.

Heating and cooling an apartment, a home, or an office building will cost 153 percent more in Kansas. Lawrence, KS, has some of the lowest electricity rates in America. However, the average household spending \$200 on electric bills for the month will now pay \$306—\$306.

This proposed legislation will have a particularly unfair impact on America's heartland. Under this legislation, the Great Plains, the Midwest, and southern States pay more compared to those living on the west coast or in the Northeast. I am sure that is true in Arkansas, the State the distinguished Presiding Officer represents so well in this body.

It should also be noted that the Great Plains, the Midwest, and the South are home to some of the most fertile and highest producing areas of cash crops in the world.

Now, why would I mention that? This is the land that grows the crops necessary to feed not only the United States and the American consumer but a troubled and hungry world. As a matter of fact, our producers back in Kan-

sas are servicing their combines now, as I speak, and getting ready to begin wheat harvest, to fertilize their corn crop and meet with their bankers to discuss how on Earth they can pay for it, and how much money is needed to purchase fertilizer and seed for next year's crop.

Our Nation enjoys but unfortunately does not appreciate—if you pay much attention to the national media—the modern-day miracle known as U.S. agriculture, or maybe we should call it production agriculture. This modern miracle provides the cheapest and the highest quality food supply in the world, and the most inexpensive, even with the rise in food prices and farm prices we have seen. This miracle is possible because of better breeding techniques combined with the availability of manmade fertilizers. These fertilizers increase the yields per acre and help keep the world from going hungry.

Rather than thanking our producers, this bill tells them basically they are not important. Rather than increasing domestic natural gas production, which is roughly 90 percent of the cost to produce synthetic nitrogen, this bill forces natural gas facilities to regulate the amount of emissions they emit.

A recent Doane agriculture study shows this legislation will add \$6 billion to \$12 billion to total crop production costs. If it is enacted, it is likely to cost a Kansas wheat farmer an additional \$31.87 per acre. That same producer would see his sorghum cost increase \$43.56 per acre, corn \$78.80 per acre, and soybeans \$20.41 per acre.

(Ms. CANTWELL assumed the Chair.)

I want to be clear. Throughout the climate change debate, I have supported the role agriculture can play in a voluntary system or, for that matter, any manufacturer that does business in Kansas wishes to play to certainly decrease the amount of CO₂ emissions we emit into the atmosphere.

In fact, I introduced legislation some years ago and was able to secure funding for a carbon sequestration research program at Kansas State University. What is that? That is carbon in the ground, good; carbon in the air, bad. If you can sequester carbon in your normal cropping practices, you are being very helpful in regard to CO₂ emissions and carbon in the air. This legislation was reauthorized in the 2008 farm bill, which is now the law, or will be the law when we finally finish voting on it.

Unfortunately, the legislation before us now, the climate change bill, provides little incentive for agriculture to play a role in any climate change debate. This legislation leaves the decision as to which agricultural practices are eligible for the offset market to the Environmental Protection Agency. The EPA is also designated to prepare the operation and qualification methodology for agricultural offsets. All right, that is fine. But the USDA already has the expertise, the background, and the ability to assist our producers, our

farmers, and ranchers with best management practices. That should reside with the USDA, but it is not. In this bill, it is with the EPA.

I might add that the partnership between the USDA and the farmers and ranchers measures quite a bit higher in regard to acceptability in farm country than the EPA, which sometimes—sometimes—and they have a role to play—tends to think of regulations as their fondest responsibility.

The legislation requires agricultural projects to be completed and reduction verified before the EPA decides whether to approve the offset allowance. This gives no assurance to which, if any, agricultural projects will be accepted. So you have a climate change bill that basically rules out agriculture, and that makes no sense at all.

The Wall Street Journal calls this legislation, the climate change legislation, the largest income redistribution scheme since the income tax. That is quite a statement. This bill will hit Kansans where it matters most, in their pocketbooks. I cannot support legislation that will exponentially increase the cost of their food, their electric, and their fuel bills, so I urge my colleagues to oppose this ill-conceived idea.

I want to indicate to the Presiding Officer that I received letters of concern in opposition from the following: the Kansas Farm Bureau, the Frontier Farm Credit folks, the National Sorghum Producers, the Kansas Soybean Association, the Kansas Independent Oil and Gas Association, the Air Transport Association, the National Business Aviation Association, the Kansas City Power and Light, Weststar Energy, and Kansas Electric Cooperatives.

I commend the Fertilizer Institute and the Doane Advisory Services for the analysis they completed on the relationship between energy prices and crop reduction costs.

I also thank Troy Dumler, an agricultural economist at Kansas State University, for analysis on Kansas crop production costs.

I yield back the remainder of my time.

UNANIMOUS-CONSENT AGREEMENT—S. 3101

Mr. REID. Madam President, I ask unanimous consent that the cloture vote on the motion to proceed to S. 3101 occur at 3 p.m. tomorrow, Thursday, June 12; that following the opening of the Senate on Thursday, the Senate resume the motion to proceed to S. 3101, with the time until 3 p.m. equally divided and controlled between the leaders or their designees, with the final 40 minutes prior to the vote controlled as follows: 10 minutes each, Senators GRASSLEY, BAUCUS, MCCONNELL, and REID of Nevada, or their designees, in that order.

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

The Senator from Michigan.

MEDICARE PHYSICIAN PAYMENTS

Ms. STABENOW. Madam President, I rise today in support of S. 3101, the bipartisan effort introduced by our Senate Finance chairman, Senator BAUCUS, and the distinguished Senator from Maine, Senator SNOWE, that will strengthen Medicare. This is a critically important bill that I hope we will have the support of the Senate on tomorrow to be able to proceed to and to pass.

This important legislation not only prevents harmful cuts from jeopardizing patient care, but it also sets the stage for modernizing our health care system through information technology. This is a very exciting part of this bill for me, with Senator SNOWE having worked on this issue, with many other colleagues now for some time, and it is a very important step forward.

First and foremost, though, this legislation protects patients' access to their trusted physicians. If Congress does not act soon, Medicare payments to physicians and health care professionals will be cut by 10 percent—10 percent—as a result of the fatally flawed sustainable growth rate formula or, as we call it, the SGR. It is sad that we are once again going through this exercise. If I could, I would reform the flawed SGR formula once and for all. Personally, I wish to stop this process and create a new one that makes much more sense for physicians and for patients and the Medicare system. It makes no sense for us to go through this ordeal every 6 months or so and risk jeopardizing seniors' access to care when we know the kind of cuts facing physicians under Medicare would be devastating and would, in fact, directly impact access to care for those who rely on Medicare.

Physicians are the foundation of the Medicare system and our Nation's health care system, and patients of all ages depend upon our physicians for their health care services, which they provide in an outstanding way every single day. Every aspect of our health care system, from hospitals to rural health clinics, relies upon the skills and services of physicians.

When I introduced my bill, S. 2785, earlier this year on stopping the SGR cuts, I heard from countless seniors and physicians, medical group practices, and hospitals in my State, all expressing support for the effort to stop these cuts. For example, one orthopedic practice in southwest Michigan wrote me and said:

Every year we have to wait until the last minute to see if the rates will be cut or fixed. It makes it impossible to budget and project for the next year. Especially for a practice like ours, with nearly 50 percent of our patients receiving Medicare. With the uncertainty and the increases that we do get not keeping up with the cost of living, we have to err on the side of caution, which leads to job cuts.

That is certainly an ongoing issue all across my State. We certainly don't want to be seeing cuts as they relate to

jobs or access under health care, compounding what is already happening in the health care system.

A radiologist in southwest Michigan reported having to close three outpatient x-ray offices over the past 5 years, and they are looking to close another one this year. A surgery center told me it had to put off investing in an EMR and was forced to freeze any wage increases and possibly lay off staff. A medical group in mid-Michigan that staffs two emergency room departments determined that the scheduled reduction would reduce its Medicare payments by nearly \$175,000 a year—\$175,000 a year.

If the reduction were to go into effect and this legislation is not passed, or similar legislation is not passed, the group wrote me it would be forced to reduce the workforce by either one full-time physician or two full-time physician assistants—cutting back on the availability of health care services for seniors and the disabled in my community. That is truly frightening when our emergency rooms are losing staff.

I have, for too many years, heard from hospitals and others across Michigan about the difficulty in finding physicians who are able to take Medicaid patients because the rates are so low. This is the first year I have been hearing such great concern from hospitals, from hospital emergency rooms, about Medicare, the Medicare rates being so low—without these cuts—and the inability to find physicians who are able to take those patients.

I am hopeful we can add language to S. 3101 similar to a bill I have introduced with Senator SPECTER to begin to address the crises facing our emergency rooms because we have a much broader issue we need to address there as well.

I am very proud of the work that over 20,000 MDs and DOs do in Michigan every single day, providing more than 1.4 million seniors and people with disabilities, and over 90,000 TRICARE beneficiaries in Michigan with high quality medical services under the Medicare Program.

If Senator BAUCUS's bipartisan legislation does not pass, physicians in Michigan will lose some \$540 million for the care of seniors and people with disabilities over the next 18 months due to the 10-percent cut in payments for 2008 and the additional 5-percent cut for 2009. Madam President, \$540 million of services, Medicare services, health care services that will not be rendered to the people in Michigan is not acceptable.

Michigan physicians are looking at cuts of more than \$10 billion by 2016; \$10 billion in the next 8 years as a result of this flawed formula, and 9 years of cuts. We certainly can't expect that physicians can continue to provide the same level of care if their payments are cut \$540 million over the next 18 months alone. These cuts will be devastating to our seniors and access to care.

Second, the lack of a predictable and equitable Medicare payment system hinders our investment in information technology, which we all know we need to be investing in. We need physicians in hospitals and other providers to be investing in technology that not only allows people to communicate with one another—electronic medical records and e-prescribing—but allows the very latest technology so that we have the very highest quality, the ability to provide the most efficient processes of providing health care that is possibly available.

Health IT is very important to that. This bipartisan legislation recognizes the need for investing in information technology, something, as I indicated before, that I am pleased to have worked on for the last several years with Senator SNOWE. This bipartisan legislation would increase the list of those sites under telehealth that would include skilled nursing facilities and dialysis centers and community mental health centers that would be able to receive reimbursement for telehealth, which is so important. I thank Senator CONRAD for his leadership. I am pleased to be joining with him and others on the whole question of expanding this part of the technology of telemedicine, telehealth. In addition to improving access to care and facilities, we will see significant cost savings achieved by avoiding transporting medically fragile patients from one place to another. I am so proud, among many other advances in Michigan around health IT, telehealth is something that we have been using in rural parts of northern Michigan and the upper peninsula now for years. We have great leadership that has been developed. I am pleased to have had an opportunity to participate and see what is done that allows people in remote parts of Michigan to be able to communicate directly with physicians, with nursing staff, and so on, to receive care they need without traveling long distances. There are wonderful ways this can happen. This legislation expands the ability for people to receive telehealth services. This is important.

Additionally, this bipartisan bill moves us toward e-prescribing, a basic building block for greater adoption of health information technology. There are incentives for doctors who write prescriptions electronically, that improve both quality and efficiency. I thank Senator JOHN KERRY and Senator JOHN ENSIGN for working with me on the whole question of e-prescribing and being in a position to put this forward, and I thank Senator BAUCUS again for his leadership in strong support of this effort.

Again, we in Michigan have been recognized as one of the top five States in e-prescribing. We have had huge success in a regional collaborative in southeastern Michigan called SEMI, the Southeastern Michigan ePrescribing Initiative that has brought together General Motors, Ford,

Chrysler, the UAW, insurers, and providers to work with consumers to be able to electronically create e-prescribing so the physician can in fact communicate directly with the pharmacy in the most accurate way with the most accurate information. We have some 2,500 physicians in southeastern Michigan who are engaged in this.

Last October, a patient safety analysis found that SEMI alerted doctors of potentially incorrect drug prescriptions that resulted in nearly 423,000 prescriptions being changed or canceled because of the information the doctor was able to receive. Possibly the physician was looking at a particular medication that had an adverse drug relationship with something else the patient was on, or maybe there were concerns about allergic reactions or other information that was helpful and gained through this process in the program through e-prescribing. SEMI also sent out more than 100,000 medication allergy alerts. When a formulary alert was presented, so physicians were alerted as to a problem with a particular drug they were thinking of prescribing, 39 percent of the time the physician changed the prescription.

Madam President, I ask unanimous consent for an additional 3 minutes.

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

Ms. STABENOW. Madam President, 39 percent of the time when the physician had more information they changed the prescription and therefore addressed safety concerns or saving the patient or the employer dollars.

In February, a physician satisfaction survey found that 9 out of 10 physicians believed that e-prescribing met or exceeded expectations. This is only one region of Michigan where it has been extremely successful. We have incentives in this bill to be able to support physicians using e-prescribing and being able to have some assistance to be able to purchase the equipment they need. I believe there are a thousand reasons why that is a great idea and one of the reasons I enthusiastically support this bill.

Third, this bill reauthorizes important rural provisions to ensure that all Americans, regardless of where they live, have access to health care. We have, in Michigan, again, many small- and mid-sized providers serving vast rural areas around our State. This is very important, to approve the payments for community health centers and ambulances and other providers who are hit by declining Medicare reimbursement—as well as high gas prices, I might add.

Finally, let me say I am very pleased that an area of the bill addresses gathering more information on health disparities regarding gender or regarding race. It is taken from language in my HEART for Women Act, to be able to gather more information for providers as to gaps where we need to be focusing more on particular kinds of services.

Many organizations such as the American Medical Association and the AARP have endorsed this bill and endorsed it strongly. I again thank Senator BAUCUS, as Finance chairman, for his leadership. I support fully his goal of providing this 18-month fix for physician payments as well as providing other very important incentives for the future.

This bill is very much about the future with e-prescribing and with telehealth and other information gathering. I very much hope that we, on behalf of the 44 million people who rely on Medicare, will have a very strong vote to proceed to this bill and have a strong bipartisan vote to adopt it. I am very hopeful that with a strong vote the President will decide to support this bill and sign this initiative.

It is critically important that we get this done. The physician cut is going to take place very shortly if we do not act. This bill does the right thing and moves us in the right direction as it relates to health care reform.

Mr. LEAHY. Madam President, I am disappointed that those across the aisle would not join with us to move to consider and debate the Consumer-First Energy Act of 2008.

This legislation is designed to protect consumers from artificially high fuel prices, to curtail the massive giveaway of taxpayer resources through the continuing tax breaks to oil companies, and to recapture a portion of the windfall profits they are making at the expense of hard-working Americans. While the presumptive Republican Presidential nominee today recognized that gas prices can be expected to continue to climb, I continue to wonder why so many Republican Senators voted along party lines to ignore one of the biggest problems facing families across the country.

Did they not want to debate why oil and gas companies should not continue to benefit from tax breaks while raking in record profits? Did they not want to debate why members of the OPEC cartel, such as Iran and Saudi Arabia, when acting anticompetitively and fixing output so as to artificially raise oil prices, should be held accountable through laws intended to protect competition, market forces, and consumers? The NOPEC provisions of the bill are drawn from the bill I cosponsored and the Judiciary Committee has reported repeatedly over the last several years, including in May 2007. Or did Republicans not want to debate why the administration has failed to crack down on excessive speculation and manipulation of the oil commodities markets?

I guess none of us should be surprised that so many Senate Republicans voted to prevent debate over these concerns and this legislation. The Bush-Cheney administration opposes it and has already threatened a veto. Senate Republicans are simply doing what they have been doing for the last 7 years—falling in line.

We need a President who will stand with the American people, not with the oil companies and market speculators. I know that both President Bush and Vice President CHENEY have longstanding ties to the oil industry, but over the last 7½ years, American consumers have suffered enough. This administration has stood by and watched as the price of a gallon of gasoline has gone from \$1.45 to over \$4.00. I would have thought that an oil man who claims to be from West Texas would recognize that when top executives of the oil industry come before the Senate Judiciary Committee and testify under oath that they would make profits if oil were sold anywhere from \$55 to \$65 a barrel but that it is, in fact, selling for over \$130 a barrel, action needs to be taken. I would have hoped that the President who promised the American people when he ran for office that his family's close ties with the Saudi ruling family would help him successfully persuade them to increase oil production and cooperation would recognize that his two recent, unsuccessful trips to the Middle East to beg the Saudis to increase oil production should lead to effective government action by the United States, not a threat to veto legislation. Most of all, I would have hoped that Senators would join together to debate this matter and take action to help the American people.

President Bush's ballyhooed statement in his State of the Union a couple of years ago that we must end the oil addiction was nothing more than empty words. They rank with his space travel initiative that went nowhere and more tragically with his hollow promise to rebuild New Orleans.

Their votes against debating the Consumer-First Energy Act ranks with their votes against debating the bill to correct the Supreme Court's Ledbetter decision that locked American workers out of the courts, their votes against debating the restoration of habeas corpus, their votes against debating comprehensive bipartisan legislation to begin to confront global climate change, their vote against debating congressional voting rights for the District of Columbia, and their votes on so many matters that Republican Senators have acted to block. I hope that when the majority leader moves for reconsideration of the vote on the Consumer-First Energy Act, Senators will search their consciences and do the right thing by voting to allow Senate consideration of that legislation in the best interest of the American people.

Mrs. FEINSTEIN. Madam President, I rise to speak in support of the Consumer-First Energy Act, and in particular title V, which would increase oil market transparency and accountability.

Oil prices continue to set records. Last week the price of oil hit \$138 per barrel. Not too long ago \$38 seemed like an unheard of price, not \$138.

Gasoline prices now average above \$4 per gallon nationwide. Some gas stations have to charge by the half gallon.

Their pumps cannot calculate in prices this high.

And there seems to be no relief in sight for consumers as we enter the summer travel season.

Energy markets are not working—and speculation is adding an extra \$20–\$25 per barrel to the price of oil. We must protect these markets from manipulation, excessive speculation and fraud.

In the farm bill Congress finally closed the “Enron loophole,” and placed all major electronic trades that could drive energy prices under the watchful eye of the CFTC.

However, I remain concerned that there are no comparable protections in place when U.S. energy futures are traded on international markets—presenting yet another regulatory loophole for energy traders to exploit. So title V of this bill would close that loophole and ensure that the trading of all U.S. energy futures—whether on foreign or domestic markets—is done with transparency and with an audit trail.

Title V is based upon the Oil Trading Transparency Act, which I introduced recently with Senator CARL LEVIN.

The Oil Trading Transparency Act would close the London loophole, whereby traders of West Texas Intermediate Crude Oil execute trades on an electronic exchange “located in” London, England, outside the jurisdiction of American regulators.

Specifically: the bill directs the Commodity Futures Trading Commission, CFTC, to ensure that any foreign exchange operating a trading terminal in the United States for the trading of a U.S. energy commodity meets two regulatory requirements that currently apply to U.S. exchanges: (1) It must impose speculative trading limits to prevent price manipulation and excessive speculation, and (2) It must publish daily trading information to ensure market transparency.

The bill would also require the CFTC to obtain information from the foreign exchange to enable it to establish an audit trail and determine how much trading in U.S. energy commodities is due to speculation.

Today the CFTC’s weekly publication of speculation data for U.S. markets lacks any information about the oil trading conducted in London which makes up approximately 30 percent of the trading volume in West Texas Intermediate Crude Oil.

Let me explain why this provision is necessary. The United States places limits on speculative energy trades that contribute to high prices.

But traders of U.S. crude oil know that they can avoid U.S. limits and transparency requirements by trading crude oil futures on the London’s ICE Futures Europe instead of the NYMEX exchange in New York.

CFTC acknowledged in a June 2 letter to me that traders can even use London as a refuge from U.S. speculation limits. CFTC’s acting chairman wrote:

If CFTC instructed an oil trader to reduce the size of his NYMEX West Texas Intermediate crude oil position, the trader would not be prohibited, under either the [Commodity Exchange Act] or the Commission’s regulations, from establishing a similar position in the ICE Futures Europe WTI crude oil contract.

That regulatory disparity means U.S. traders trading U.S. oil on the London exchange can engage in excessive speculation that affects U.S. prices and not report their trades.

The traders can do it by using computer terminals in the United States with direct access to the London exchange. The contracts in London settle on the price in New York, so they are functionally equivalent “look alike” contracts.

According to CFTC, every single week since 2006 at least one trader has held positions in London above the NYMEX spot month speculative limit of 3 million barrels of oil.

Most weeks, five to eight traders have been above these limits, and at one point 22 traders were above the NYMEX limit.

And its not only contracts in the spot month. Sixty-four percent of the time since 2006, at least one trader in London has exceeded out month position accountability levels that are set at 20 million barrels of oil in New York. CFTC reports that 48 different traders have been above these limits at one time or another since 2006.

This legislation is necessary in order to close this loophole and require that foreign boards of trade that operate trading terminals in our country comply with the same speculation trading limits and reporting requirements that apply to U.S. trades.

What is Traded in London? Trading in London is regulated by the British, so some might wonder why we would ask our friends in London to impose American regulatory standards.

I believe some of London’s contracts matter more to America than England, and we need to make sure they are subject to our position limit system.

For example, ICE Futures Europe lists U.S. crude oil—West Texas Intermediate—New England heating oil, and U.S. gasoline contracts.

West Texas Intermediate crude oil is produced here, used here, and never leaves the United States.

Heating oil and gasoline are refined and used within our borders.

ICE Futures Europe is a wholly owned subsidiary of an American company, Atlanta based Intercontinental Exchange, or ICE.

Since buying ICE Futures Europe, ICE has shut down the trading floor in London and replaced it with a virtual, electronic floor.

Their American and British systems are so integrated that trading “in London” recently shut down because an ICE data center in Chicago, IL, lost power.

And most importantly, British regulators are accountable to the British people who would naturally prefer that

their government use its resources to prevent manipulation in markets that affect British people, not Americans.

The British only have 80 people monitoring market abuses, investigating, and enforcing rules in all of their financial markets—including stocks, bonds, futures, swaps, and currency. Not one of these 80 people is specifically assigned to monitor trading of West Texas Intermediate, American Gasoline, or New England heating oil.

This may explain why the CFTC tells me that British regulators are yet to bring a single manipulation case against traders in any of the contracts for U.S. delivery.

That is why the audit trail established by this legislation is so important.

If CFTC gets trading data from London, it can pursue manipulation and fraud cases under their existing authority. But CFTC needs the records. It needs the data to monitor markets that impact the price of energy in the United States.

Bottom Line: CFTC needs this legislation in order to protect American oil markets from manipulation and excessive speculation.

In the farm bill we took a major step in closing the Enron loophole. It took us 7 years to close it, and millions of consumers paid the price.

This legislation is needed to close a new loophole that opened in 2006 when ICE Futures Europe began listing a U.S. based energy commodity on its exchange in London. If we vote to pass the Oil Trading Transparency Act, we will close the London loophole in only 2 years.

Today’s markets evolve quickly, and we need to make sure our market oversight responds just as quickly. Let us not wait 6 years to close a loophole so large you could drive an oil tanker through it.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Ms. STABENOW. Excuse me, Madam President, if I might ask my friend, who has already been patient, to suspend for a moment. I have been asked to read a unanimous consent request.

Mr. COBURN. I am happy to yield to the Senator.

Ms. STABENOW. Thank you ever so much. I am here talking about physicians and “the physician” is on the floor. Certainly I would not presume to know more about medicine than my colleague from Oklahoma. I appreciate very much his allowing me to do this.

MORNING BUSINESS

Ms. STABENOW. Madam President, I ask unanimous consent the Senate proceed to a period for morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Is there objection?

Mr. COBURN. Reserving the right to object, I plan on speaking longer than that, so I will ask for unanimous consent after the fact.