

Harry Reid, Max Baucus, Barbara Boxer, Amy Klobuchar, Benjamin L. Cardin, E. Benjamin Nelson, Maria Cantwell, Patty Murray, Bernard Sanders, Daniel K. Akaka, Robert Menendez, Ron Wyden, Debbie Stabenow, Blanche L. Lincoln, Patrick J. Leahy, Richard Durbin, Sheldon Whitehouse.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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 Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DOMENICI. Madam President, parliamentary inquiry: Is it appropriate to speak now as in morning business?

The PRESIDING OFFICER. Yes, by unanimous consent.

Mr. DOMENICI. I ask unanimous consent to speak for 15 minutes, and I ask the Chair to advise me when I have 2 minutes remaining. I also ask unanimous consent that Senator DODD be recognized following my remarks.

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

#### ADDRESSING HIGH GAS PRICES

Mr. DOMENICI. Madam President, over the last several weeks, I have come to the Senate floor to discuss my ideas on how to address the high price of gasoline in this country. I understand the toll these high prices are taking on the American people, and I understand the grave consequences of continuing our cycle of dependence upon foreign oil.

Americans are looking to us for some solutions and leadership. But, so far, all they are getting is gridlock and fighting. However, I think there are some things that we ought to be able to come together on that would truly address the fundamental global supply and demand imbalance. Today, I would like to talk about them with the Senate and anybody who is interested out in the hinterland of America.

This morning, my friend, the senior Senator from New York, said the Republican leader was incorrect in his assertion that the Democrats do not want to increase American oil and gas production. I was glad to hear him say that because given the votes that the other side has taken, I had my doubts. Just in the last month alone, they have opposed exploring in Alaska, opposed deep sea exploration, opposed lifting the moratorium on final regulations for commercial leasing of oil shale, and they have opposed converting coal to liquid fuel. That liquid fuel could be used by the U.S. military, as an example. They will be using it in one way or another. They could use the liquid that comes from conversion from coal.

In fact, in the past, a large majority of the other side of the aisle has op-

posed taking inventories on our U.S. lands to simply find out how much oil and gas we actually have. Why would that proposition be objectionable? Wouldn't it seem appropriate, with such large resources offshore, that we would inventory them, even if it costs some money? The amount we could find out there may be terrific and tremendous in size. Yet we have had objection to even doing that.

If the United States were to explore in our deep sea and move to develop our vast quantities of oil shale—just those two things—we could completely shift our dependence upon foreign oil in ways I suspect my friends on the other side of the aisle don't even realize. The amount of oil shale potential alone in our Nation is massive. This morning, I met with officials from the Department of the Interior who told me that in the coming decades, American companies are predicting production of up to 3 million barrels per day from our American oil shale. That gives us a good idea of just how much our Nation has at its disposal that we are not taking advantage of.

Nevertheless, my friend from New York pointed out that he supported my effort in 2006 to open a portion of the Gulf of Mexico to exploration. In fact, he even said he "helped lead the charge." Well, if that was the case, then I invite him to help me once again lead the charge to increase domestic production. Everything I have tried so far, his side has said no to. Tell me, what proposal will get them to say "yes"? The Senator knows that I have been here a long time, and I have had a hand in passing many pieces of legislation. I understand it usually takes some bipartisan compromise to get something done. So I say to my friend, on the production side, how can we compromise?

One reason I have been so discouraged about our ability to get something done is because even a limited, reasonable proposal to allow one single State to explore natural gas was rejected by the other side last year. My good friend from Virginia, Senator WARNER—who you all know is respected for his bipartisanship—introduced an amendment a year ago this week, with Senator WEBB's support, that would have allowed his home State to conduct natural gas exploration in the deep sea over 50 miles off the coast. He did this because the Democratic Governor of Virginia, and Republicans in the legislature expressed interest in possibly developing Virginia's coastal resources.

It all sounds pretty reasonable, doesn't it? What is the harm in letting Virginia explore for natural gas if Virginia is interested in it? And yet Senator WARNER's amendment was defeated by the Senate. Six Members from the other side of the aisle voted for it, and 39 voted against it—including my friend from New York.

America has enormous oil and gas resources. Total offshore oil reserves are

around 85.9 billion barrels of oil. Over 19 billion of that is completely off-limits for exploration. On shore, we have 30.5 billion barrels of oil, and over 60 percent of it is considered off-limits. We have over 1.6 trillion barrels of oil equivalent in oil shale, which is the equivalent of more than three times the oil reserves of Saudi Arabia.

This policy of taking our own resources off the table simply makes no sense, especially when we face a price of \$135 per barrel of oil and \$4 per gallon of gasoline. No other nation in the world deliberately prevents itself from using its own resources. Look around the world—Brazil, Norway, Mexico, the United Kingdom, Russia and many others. They are producing their own oil and gas off of their own shorelines. So I sincerely hope that my friends on the other side of the aisle will join with me to try to find a way to allow States that wish to explore 50 miles off their coasts to be able to do so.

The other side of the aisle frequently tells us that we can't drill our way out of this problem. This morning, the majority leader said that the "answer to this is not drill, drill, drill." I agree with him. He is right. The answer to this problem is not just "drill, drill, drill." There is no question that our long term future requires us to find solutions other than drilling. We need to reduce our dependence on oil from all sources. But we need to build a bridge to help get us there. On the far side of the bridge is a world in which cellulosic ethanol and plug-in hybrid vehicles are available and deployed on a wide scale basis. But in the near term our experts tell us we need oil to fuel our economy and our lives. So the question remains: is Congress going to choose to create jobs and revenues in America by exploring for our own oil and gas, or are we going to continue to increase our deficit by purchasing foreign oil in greater quantities?

In order to get across this bridge I just described to secure an energy future, we need to develop our own natural resources. So let's build this bridge to a cleaner, more independent energy future by increasing domestic production here at home. It will take time and investments. Congress has already made great progress developing these resources for the long term and for the future of this country, but we are falling short in the near term. So let's come together in a bipartisan fashion to build a bridge to the future and begin to reduce our reliance on foreign oil.

I truly believe that if we decided we could do this, the independence that would be shown to the world because of the great quantities we could say we would produce for ourselves, for the world inventory, would have an immediate impact on those who are speculating and those who are counting on a future of shortage. When they see the United States is going to do something about it, it can do something rather significant, I am convinced.

We don't need to look at those other countries in awe when we have at home great resources that we are refusing to explore just because we refuse to do it. There should be no higher priority than the exploration of these resources, unless it is some great national interest that takes over and takes place and displaces this enormous interest we have to stop sending \$125 a barrel to a foreign country for every barrel of oil we use.

I repeat what I have said before: We are growing poor—p-o-o-r. Our economy is not flourishing, and we are asking why. We are being given all kinds of reasons. This Senator says one of the big reasons is that we are approaching the time when we will have sent \$600 billion a year to foreign countries just for the crude oil we consume at home. If we have some of that locked up offshore of our country, we should say: Where is it, and what damage will it do if we use it? The answer will probably be that we have plenty and there will be no damage to use it. And if we move it out 25 or 50 miles from the shoreline into deep waters, there will be no damage to anyone.

This technology has been perfected. Hurricane Katrina hit a part of the offshore where we had many of these rigs. Some were old and some were brandnew technology. It didn't matter, the technology was strong enough to where there was no leakage, no oil was spilled.

I believe my friend has been waiting; therefore, I will not use my last 2 minutes. I will certainly yield to my good friend from Connecticut. I told the Senator that if he lets me go first, good things would follow.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

#### ENERGY PRODUCTION

Mr. DODD. Madam President, I thank my colleague from New Mexico, who is a wonderful friend. I appreciate his kindness and generosity.

I wish to speak, if I may, about the so-called Merida Initiative. This is a proposal which was made by President Bush, along with President Calderon of Mexico, to deal with the raging drug violence that is occurring along the Mexican border, particularly in Mexico itself. However, I also wish to briefly address, if I may, the issue of energy production.

We had this debate earlier this week on energy issues. I know one of the arguments being raised is, of course, that we are denying the oil and gas industry the opportunity to drill for more of these products off our own shores, and if we did more of that, then we would be reducing our problems and bringing down costs.

Let me announce to my colleagues that I intend to propose legislation directly addressing this issue of oil production and development. I commend the Members of the other body—Congressman MARKEY, Congressman HINCHAY, Congressman RAHALL, and Con-

gressman EMANUEL. They proposed a bill over there, which I will offer here, which addresses this issue.

We hear this argument that if we allow production in the Arctic National Wildlife Refuge and some of the coastal regions, we will be in great shape. But, Mr. President, there are 44 million offshore acres that have been leased by the oil companies, but these companies have put only 10.5 million of those acres into production. Of the 47.5 million onshore acres under lease for oil and gas production, only 13 million are in production. Combined, oil and gas companies hold leases to 68 million acres of Federal land and waters on which they are not producing any oil and gas, despite the fact they have the leases and could be drilling there. Compare that with just 1.5 million acres of ANWR that proponents of drilling say they want us to open. The vast majority of oil and natural gas resources on Federal lands are already open for drilling, and they are not being tapped.

I hear complaints about the 1.5 million acres closed off in ANWR, and yet we are sitting on roughly 68 million acres under lease but not in production—why don't they talk about that?

So our bill is basically a "use it or lose it" lease idea. If you are going to sit on these leases and do nothing with them, then you ought to be paying a higher fee. In our proposal, this fee would be \$5 per acre per year for the first three years. We would then raise the fee, if the property remains unused, to \$25 per acre in the fourth year and to \$50 per acre in the fifth year and beyond. This will be an incentive to companies to put these millions of acres where leases have already been granted for oil and gas production to actually use this land they control. This is our answer to the great complaint: Let us drill in ANWR. Why not use the leases you have already been given?

I will offer that legislation.

By the way, the revenue that would come in from those production incentive fees would be devoted to the development of wind, solar, other alternative energy ideas, weatherization programs, and, of course, low-income energy assistance, to help with what is sure to be a staggering cost for moderate and lower income families come next winter.

This is an idea that I think will debunk this notion that if we can only produce more by drilling in new areas, we will solve our energy problems. Well, why aren't you drilling on the millions of acres you have leases on already instead of complaining about 1.5 million acres or a few more offshore when there are literally millions of acres already under lease that oil companies are doing nothing with? If they are not going to drill on it, they are going to pay more.

#### MERIDA INITIATIVE

Madam President, I wish to address the Merida Initiative. As all of my colleagues are aware, this bilateral initiative, the Merida Initiative, is a pro-

posal between the United States and Mexico designed to combat the shocking increase in drug-related violence in Mexico over the past year.

Last weekend, I spent the weekend at an interparliamentary meeting in Monterrey, Mexico, with our colleague from Tennessee, Senator CORKER, at their annual meeting. This is the 47th gathering of the bilateral Members of Congress of the United States and Mexico to meet and talk about bilateral issues. I am pleased that this was my 20th or 21st year in which I participated in these bilateral meetings with our neighbors to the south. But the issue of the drug cartels and the violence they are causing in that country, not to mention our problems on the border, was the dominant theme of this past weekend's gathering. Much of the discussion, as I say, focused around this initiative, in large part because of the grotesque increase in drug-related violence in Mexico within recent months.

While in Mexico, I expressed my condolences to the Mexican people on behalf of our colleagues here and the American people for what they have gone through. Some 4,000 people, police officers, military personnel, have lost their lives to the drug cartels in recent months, including the assassination of the chief of police of the country, Millan Gomez, who was gunned down inside his home. Cartel members waited inside his house to assassinate him. This would be tantamount to the Director of the FBI being gunned down in his home in the United States. That is how violent these cartels are. That is how unafraid they are of any retribution. So I think the notion of cooperation between our two countries is absolutely critical.

Mexico, as I said, has been under siege, and they need and deserve a combined effort. Though it is the Mexican people who bear the brunt of so many of these problems they are facing, there are, indeed, common security challenges affecting both of our people. So let me say unequivocally that the United States is committed—I believe all of us are—to helping and working with our colleagues, our neighbor to the south, Mexico, to end such violence.

President Calderon of Mexico made a very sincere gesture in reaching out to the United States for cooperation in this battle. Combating drug trafficking and related violence and organized crime through intelligence sharing, law enforcement, and institution building is critically important.

But it was unfortunate that the proposal that was made to the Mexican Government by the Bush administration lacked any input or consultation with the respective two legislative bodies. That was not just a violation of good manners. Rather, if you are going to propose these kinds of initiatives, it is critically important that you invite the Members of Congress who will have

to appropriate the money and be responsible for the oversight of these programs. So at the outset you need to involve Democrats and Republicans in both Chambers, not because you fear they are going to object to the proposal, but because you are going to need their ongoing support.

In the case of the Merida Initiative, while all the good intentions are there, when you announce these proposals and do not invite input, you invariably end up with a train wreck that caused the problems that I had to listen to all weekend long in Mexico about whether we are putting conditions on these proposals, in some way limiting them or certifying this kind of financial assistance to Mexico, which was met with incredible hostility by every political party in the country—political parties that rarely agree on anything, by the way, but on the response to the Merida Initiative, there was unanimity among the political parties in Mexico despite what I think is a clear desire to see the kind of cooperation we absolutely need if we are going to have any success at all in taking on these cartels.

There also needs to be more accountability on both sides of the border. My primary concern is that Merida, as presented to both Congresses, focuses too much on the short-term fixes, which are of course needed, and very little on the longer term problems which we must address. I do not and would not object to this program on that basis alone, but I think it is important that we acknowledge this shortcoming.

No one denies that we need well-trained and well-equipped police forces to confront the most violent criminals, and no one doubts that Mexico urgently needs assistance fighting these violent criminals. They are tremendously well financed, and they are incredibly well armed. They have equipment and armaments that would compete with almost any military in the world, let alone a police force.

But what is equally needed is well-trained and well-equipped civilian judicial authorities and institutions to enforce and uphold the rule of law. We must work to combat corruption and do a better job of sharing intelligence.

These are all commonly held goals. We must tackle the larger, systemic problems which only exacerbate the drug trafficking and violence we witnessed over the last number of months.

Only by creating robust economic alternatives to the drug trade can the United States and Mexico together build the kind of future that reduces the number of people who enter into the drug trade either by force or by choice. That is why I am very supportive of an approach that more broadly promotes regional trade and political engagement, an approach that fosters sustainable growth through private investment, increased foreign aid, and supports regional institutions, such as the Inter-American Development Bank. Given our shared border of thousands of miles, the United States

and Mexico must also deepen their bilateral partnership in ways that are mutually beneficial, such as more closely coordinating border security to ensure our goods and services can move through more effectively and efficiently. We should promote more business and cultural ties and more direct investment across the border as well. The United States must also support Mexico's integration with its southern neighbors as well and the role they play in both of our economies.

While a bilateral approach will be necessary, given the interrelated nature of our economies, a regional approach will be required to ensure effective and sustainable economic growth over the long term.

In addition to fostering sustainable economic development, we must also cooperate on financial intelligence and counter money-laundering programs and combat the black-market peso exchange which undermines the very economic alternatives we are trying to create on a bilateral basis.

In addition, of course, our own country must take responsibility for our contributions to the growing insecurity and to the violence that occurs in Mexico. Though we often fail to admit it or take action to address it, one of the biggest markets for illegal drugs, and by far the largest supplier of weapons to some of the most violent cartels in Central South America and Mexico, is, of course, our own country. Any sustainable effort to reduce trafficking and violence in Mexico must seriously address problems on both sides of the border, and here, I think, Merida, while it is a very good proposal and idea, falls a little bit short.

Despite all this, Merida is a very good first start, and I support it. Despite the failure of this administration to work with and consult Democrats and Republicans in both Houses, which should happen if we are going to succeed with this initiative, and despite the fact Merida is focused too much, in my view, on short-term fixes, and despite the fact Congress will most likely not be able to fully fund Merida as much as we would like—given problems in other places around the world, including Burma and Darfur, U.N. peace-keeping and food aid—this is a good beginning and it is deserving of our support—identifying the common concerns we share with our neighbor to the south.

While in Monterrey, I heard many concerns voiced by our Mexican counterparts about some of the language in the Merida Initiative, particularly language which many of our friends to the south are calling conditions in the legislation. Let me be clear, at least for my own part. The intent of the Senate language is not to condition our aid but rather to insist—as Mexicans ought to as well—on accountability from both our administration and from the Government of Mexico.

I, for one, am not going to sign off on a blank check that does not demand

accountability from this administration. Of all the terrible lessons we learned from Iraq and Afghanistan, surely one is that more accountability can only be a positive thing, not only to guarantee taxpayer money is being well spent but also to sustain these programs over the longer term. That said, I understand Mexico's sensitivity to the idea of conditions, and I agree with those sensitivities.

Many in this Chamber will remember the arduous and contentious certification process we used to use to determine whether Mexico was cooperating in counternarcotics programs. My friend and colleague, Senator PAT LEAHY, has been a hero on these issues, to me and many others, over many years. His concern about human rights and accountability of dollars is longstanding and never focused on any country, or one specific issue. He is concerned, as he should and all of us should be, to make sure we abolish the certification process.

He was not only cooperative but also understood better than most when the debate raged in this Chamber about a certification bill, because rather than ensuring cooperation on counternarcotics operations, all certification ensured was that the United States and Mexico would simply feud day in and day out over what qualified—a development that benefitted no one but the drug traffickers.

So as a joint effort, we were able to change that certification process. And cooperation improved dramatically as a result, I might add. So I support the work Senator LEAHY is engaged in. I explained to our Mexican counterparts what his intentions were in regard to the Merida Initiative, and because of the negotiations we have had over the last number of days, I believe the Merida Initiative, as constructed, is going to work well and be received well.

The people of Mexico, indeed, Latin Americans in general, have no greater friend than PATRICK LEAHY, a Senator who champions human rights and has worked throughout his career to foster closer ties and change in our hemisphere.

The United States—including myself, Senator LEAHY, and others—is committed to addressing many of the concerns voiced by Mexico and to reaching a compromise acceptable to everyone, a compromise that will, in the words of Senator LEAHY, “provide support for the Merida Initiative in a manner that addresses our shared interests and concerns.”

So rather than characterize these ongoing talks with our friends in Mexico, as some have in the United States, as “rejecting Merida” or “abandoning Mexico” or an “infringement on sovereignty,” I believe we have an obligation—both countries do—to share responsibilities with our executive branch, to tone down the rhetoric, to lower the temperature, and to work together to craft an effective broad-based

strategy that combats drug trafficking, takes on these cartels, and lets them know they are never going to prevail in the efforts they are using today to advance their narcotics trafficking.

It is important that the cartels understand this debate about the Merida Initiative in no way should be construed as a retreat from our common goals to see that the cartels are soundly defeated; that they are wiped out as cartels trying to do what they do every day.

Secondly, the audiences in our respective countries should understand that we will work cooperatively, that we will work together to advance this cause. I believe that is a sentiment that we all share in this Chamber, and that people across this country share too.

So working together, I think we will get Merida right. I am confident that, in the end, we will produce an agreement that will be acceptable to both the Mexicans and Americans so we can join together in building a safer, more productive future and successfully combat those engaged in the violence within Mexico and along our border area. That is our shared goal. That is the kind of lasting change I think we all want. And through this process, this is what I believe we can produce together.

I yield the floor for my colleague from Pennsylvania, who is here and ready to speak.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

#### U.S. AND IRAQ AGREEMENTS

Mr. CASEY. Madam President, I rise to discuss two agreements under negotiation between the United States and Iraq that have grabbed headlines in recent days as more and more Iraqi politicians announce their strong opposition to these agreements. The two agreements will shape the presence of American military forces in Iraq long beyond the tenure of the current administration. Unfortunately, the administration, in my judgment, is handling these negotiations in the same manner that has characterized its entire approach to Iraq since 2003. Its approach is this: unnecessary secrecy, a disdain for congressional input, and an arrogant insistence that its course of action—the administration's course of action—is the only reasonable option.

Let me talk about each of these agreements. The first agreement to which I am referring is a proposed Status of Forces Agreement, known by the acronym SOFA. The Status of Forces Agreement would define the authorities, privileges, and immunities of American troops on Iraqi soil and allow U.S. forces to remain in Iraq beyond December 31, when a U.N. Security Council mandate, authorizing the presence of coalition troops, is scheduled to expire. Administration officials insist the extension of the U.N. mandate, which has been repeatedly renewed on an annual basis, is no longer possible; the Iraqis seek to return to a normal

status in the international system and no longer want to be the subject of a U.N. authorized military operation.

The second agreement involves a more ambiguous “strategic framework,” which would lay out the broad political, security, and economic ties between our two nations. While the administration walked back from previous statements indicating the United States is prepared to offer a binding security guarantee to Iraq's Government to come to its defense in the event of foreign aggression or internal turmoil, it is still prepared to agree to “consult”—consult—with the Iraqi Government under such circumstances. While the promise to consult, in the event of aggression, has been extended by the United States to many nations around the world, and is known in diplomatic jargon as a “security arrangement,” it still raises concern when the United States maintains a large-scale troop presence in a nation. Any promise to consult with a foreign government takes on much greater weight when more than 100,000 troops are stationed there.

The Congress and the American public first learned of these two proposed agreements when President Bush and Prime Minister Maliki signed a “Declaration of Principles” last November, outlining their shared intention to conclude negotiations by July 31. A week later—a week after July 31—joined by five other Senators, I sent a letter to President Bush expressing deep concern over the proposed security guarantees to the Iraqi Government and the insistence of the administration that it could conclude both these agreements without—without—congressional input or approval. Since then, many Members of Congress, on both sides of the aisle, I might add, have expressed deep unease with the administration's approach. Some of the questions we have raised, including at a Senate Committee on Foreign Relations hearing in April, include the following: Here are a couple pertinent questions we should be asking and the administration should be answering.

First, why the sudden insistence on a termination of the U.N. Security Council mandate for the U.S. and other coalition troops in Iraq at the end of this year? Why not simply extend the mandate for another year and allow the next President to negotiate a bilateral accord with the Iraqis instead of a lame-duck President?

Why would we accept a bilateral accord with the Iraqi Government that incorporates greater restrictions—greater restrictions—on U.S. troops, including limitations on the authority to conduct combat operations and detain prisoners of war than the current mandate? Why would we agree to that? I am a strong opponent of an open-ended U.S. combat presence in Iraq, but so long as American troops remain in Iraq, they should retain the discretion to conduct necessary operations to ensure their safety and security. Amer-

ican troops can never answer to a foreign government, especially one as dysfunctional as the Iraqi Government is now.

Why has the Iraqi Government committed to submitting these agreements to the approval of the Iraqi Parliament, acknowledging a national consensus in Iraq must exist to support their implementation. Yet the Bush administration stubbornly insists the Congress of the United States—the Congress—can have no formal role in approval, even refusing to share a draft text with key Members of the Congress.

Finally, why did the administration first characterize the Strategic Framework Agreement as a nonbinding “declaration” but has now changed its tune and has agreed, at the request of the Iraqis, to categorize it as an executive agreement that imposes binding obligations on both sides?

At a news conference yesterday during his overseas trip to Europe, President Bush responded to a question on the ongoing negotiations by asserting:

There's all kind of noise in their system and our system. I think we'll get the agreement done.

Well, this isn't noise, Mr. President. What you are hearing is bipartisan unease over the course of United States-Iraq negotiations and puzzlement over the supposed urgency of concluding these accords instead of merely extending the U.N. mandate.

For the President of the United States to dismiss these concerns expressed by some of the leading foreign policy and national security voices in the Congress as mere “noise” is offensive and I think represents a fundamental misreading of our constitutional system of government.

As on other issues, I encourage the President to listen closely to his Secretary of Defense. In a television interview yesterday, Secretary Gates responded to a question over congressional input on this issue and on these agreements by acknowledging:

If it emerges in a way that does make binding commitments that fit the treaty-making powers or treaty ratification powers of the Senate, then it will have to go in that direction.

Let me conclude with this. There is no urgency to concluding long-term agreements that define the future of U.S. military presence in Iraq. There is even less reason to conclude agreements that impose unhelpful restrictions on American military personnel and obligate the United States to an ambiguous commitment to Iraq's future security. I urge the President to acknowledge the importance and essential role the Congress has to play. If the President insists on completing these agreements during the last days of his administration, he should fully involve the relevant congressional committees in the ongoing negotiations and agree to submit any final accords for congressional approval.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. BARRASSO. Madam President, I rise today in strong support of the Preserving Access to Medicare Act. It was introduced by the ranking member of the Senate Finance Committee, Senator GRASSLEY, and I have cosponsored the act.

Having practiced medicine for almost 25 years, I can tell you that our Nation's health professionals and our hospitals face tremendous pressures. If these pressures are not addressed, it can and it will impede access to quality health care services. That is why we must act now to stop the upcoming Medicare physician reimbursement cuts.

But this is not just a physician issue, it is a Medicare access issue and a Medicare quality issue. If Congress does not act, many Wyoming physicians could be forced not only to stop seeing Medicare patients, some could decide to lay off staff, to restrict office hours, or may even leave rural America and move to the big cities.

We, the Senate, must put aside partisan differences and craft a reasonable bill that President Bush can and will sign into law before June 30. But we have to act quickly. Senator GRASSLEY has offered legislation that would allow us to do that. The Preserving Access to Medicare Act provides a 1/2-percent physician update for the remainder of 2008. It also makes sure doctors will receive a 1.1-percent update in 2009. These payment increases will preserve access to health care for millions of Medicare beneficiaries. But the Grassley bill accomplishes much more. It improves the quality of care and it gives doctors an incentive to report quality measures. Senator GRASSLEY's measure also retains the Physician Assistance and Quality Improvement fund. Congress created that fund specifically to help stop future cuts. The bill that has been defeated eliminates this fund.

The Grassley proposal promotes e-prescribing, it promotes electronic health records, and it returns ownership of oxygen equipment to the supplier, not the beneficiary. The bill curbs abusive Medicare Advantage marketing practices, but it does not make large across-the-board cuts to Medicare Advantage. Doing so would disproportionately affect patients in rural areas and it would alter policies designed to maximize patient choice. Most importantly, the Grassley bill protects access to quality health care for rural patients.

By now it should come as no surprise that rural health care issues are near and dear to my heart. I practiced medicine in Casper, WY, for almost 25 years, so I have some firsthand knowledge of the obstacles families face to obtain medical care in rural America. I also understand the challenges our hospitals and providers must overcome to deliver quality care to families in an environment with limited resources.

In my maiden speech on the floor of the Senate, I made a simple pledge to the people of Wyoming. I promised them I would fight every day, I would fight every day to strengthen our rural hospitals, our rural health clinics, and our community health centers; that I would fight every day to increase access to primary health care services, and I would fight to help successfully recruit and retain health care providers in rural and in frontier America.

Over the past year I have kept my word. Working with the bipartisan Senate Rural Health Caucus, I led and joined in several efforts to preserve and strengthen our Nation's rural health care delivery system. I believe the Federal Government must recognize the important differences between urban and rural health care providers and respond with appropriate policy.

Senator GRASSLEY's Preserving Access to Medicare Act includes a robust but responsible rural health package. Most importantly, the Senator from Iowa pays tribute to the late Senator Craig Thomas. The bill's rural equity title is called the Craig Thomas Rural Hospital and Provider Equity Act. As Members of this body know, Senator Thomas honorably served as cochair of the Senate Rural Health Caucus for over a decade. In that position he worked closely with his caucus colleagues to advance rural and frontier-specific health care legislation. Due in part to Craig's efforts, comprehensive rural health care bills have a long history of collaboration and cooperation on both sides of the aisle and at both ends of this building.

For example, when Congress enacted the Medicare Modernization Act of 2003, it included a broad health care package specifically tailored for rural communities, rural hospitals, and with rural providers in mind. This was the largest rural health care provider payment package ever considered by Congress.

The Medicare Modernization Act finally put rural providers on a level playing field with their neighbors in larger communities. With the passage of the act, Congress put into place commonsense Medicare payment provisions critical to maintaining access to quality health care in isolated and underserved areas. Rural and frontier America achieved a significant victory, and there was much to celebrate.

The mission, however, is not complete. Several of the act's rural health provisions have expired and many are set to expire soon. The Craig Thomas Rural Hospital and Provider Equity Act, which is a title included in S. 3118, reauthorizes expiring health care provisions included in the Medicare Modernization Act. It also takes additional steps, steps to address inequities in the Medicare payment system that continually place rural providers at a disadvantage.

First, the legislation recognizes that low-volume hospitals have considerably more volatility over time in the

demand for in-patient services. This makes it very difficult for those hospitals to set budget and recruitment goals. Many small rural facilities are often backed into a financial corner. They are forced to convert to what are called critical access hospitals in order to make ends meet. This provision will help certain rural hospitals cover the higher cost per patient and stay within the prospective payment system.

Second, the bill reinstates the "hold harmless" payments to rural sole community hospitals. This is a temporary fix until analysts can find out why some rural hospitals do not perform as well under the Medicare Program. S. 3118 extends the geographic practice cost index work floor. As we all know, Medicare payments for physician services are based on a fee schedule. There are three components to the fee schedule: liability, practice, and work. Physician work is defined as the amount of time and skill and intensity necessary to provide the medical services. Prior to the Medicare Modernization Act, the physician work component was lower in rural communities than it was in big cities. Rural physicians put in as much or even more time and more skill and greater intensity into their work as doctors in the big cities. Rural physicians should not be paid less for their work. This is a simple fairness issue and it is addressed in the Grassley bill.

Additionally, the bill would allow independent laboratories to continue billing Medicare directly for certain physician pathology services.

Finally, S. 3118 would help rural areas maintain access to lifesaving emergency medical services. Senator GRASSLEY's bill makes sure that rural ambulance providers receive a 3-percent add-on payment. This extra payment is critical and it is critical because rural emergency medical service providers are primarily volunteers. They have difficulty recruiting, difficulty retaining, and difficulty putting the time and effort into educating the personnel. They also have less capital to buy and upgrade essential equipment.

The Grassley legislation clearly preserves the achievements gained in the Medicare Modernization Act. It also gives much needed relief to our rural hospitals and to our rural providers.

The time has come to move beyond this political wrangling. We need to send a bill to the President that the President will sign. Wyoming's seniors and disabled patients are counting on us to get it right. We must enact bipartisan legislation now that protects seniors, that pays doctors fairly, and that strengthens the rural health care delivery system.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

ENERGY

Mr. SANDERS. Madam President, a few months ago I asked my constituents in the State of Vermont, and it turns out people around the country, a



very simple question. We sent out an e-mail and said: Tell me, what does the decline of the middle class mean to you personally? Not in great esoteric terms, not in academic terms—What is going on in your life? Frankly, in my State we expected to receive a few dozen responses. We ended up receiving over 700 responses.

Then I asked people in Vermont and also around the country: Tell me what these high gas and oil prices mean to you. We received 1,100 e-mails that came in, 90 percent from Vermont but some from around the country.

I want to do two things this afternoon. I want to read, in the words of ordinary people, what these high gas and oil prices are meaning, in terms of how they impact their lives; and what the decline of the middle class means in the words of people who are in the midst of that decline.

For many years I have been very angry about the Bush administration talking about how strong the economy was, how robust the economy was. That is like the operation being a success except that the patient died. The economy has been so great except that the working people in the economy are seeing a decline in their standard of living. What we are seeing, generally speaking, in the economy is poverty increasing, the middle class shrinking, while the people on top have never had it so good since the 1920s.

Let me read some e-mails that came to my office within the last several months, mostly from Vermont but occasionally from other parts of the country. This is what we heard recently:

I am a single mother with a 9-year-old boy. We lived this past winter without any heat at all. Fortunately, someone gave me an old wood stove. I had to hook it up to an old unused chimney we had in the kitchen. I couldn't even afford a chimney liner—the price of liners went up with the price of fuel. To stay warm at night my son and I would pull off all the pillows from the couch and pile them on the kitchen floor. I would hang a blanket from the kitchen doorway and we would sleep right there on the floor.

State of Vermont, United States of America, 2008.

Another letter:

My 90-year-old father in Connecticut has recently become ill and asked me to visit him. I want to drop everything I am doing and go visit him, however I am finding it hard to save enough money to add to the extra gas I will need to get there. I am self-employed with my own commercial cleaning service and money is tight, not only with gas prices but with everything.

In other words, here is an instance where a 90-year-old father is ill and a son cannot even visit him because of the high price of gas.

Another story:

My husband and I are retired and 65. We would have liked to have worked longer but because of injuries caused at work and the closing of our factory to go to Canada, we chose to retire earlier. Now with oil prices the way they are we cannot afford to heat our home unless my husband cuts and splits wood—which is a real hardship as he has had

his back fused and should not be working most of the day to keep up with the wood. Not only that, he has to get up two or three times each night to keep the fire going.

Another story:

I, too, have been struggling to overcome the increasing cost of gas, heating oil, food, taxes, et cetera. I have to say this is the toughest year financially that I have ever experienced in my 41 years on this Earth. I have what used to be considered a decent job. I work hard, pinch my pennies, but the pennies have all but dried up. I am thankful my employer understands that many of us cannot afford to drive to work 5 days a week. Instead, I work 3 15-hour days. I have taken odd jobs to try to make ends meet.

Another story:

I am 55 years old and worse off than my adult children. I have worked since age 16. I do not live from paycheck to paycheck, I live day to day. I can only afford to fill my gas tank on my payday. Thereafter, I put \$5, \$10, whatever I can. I cannot afford to pay for the food items that I would. I am riding around daily to and from work with a quarter of a tank of gas. This is very scary as I can see myself working until the day that I die.

Another story:

I am a working mother of two young children. I currently pay, on average, about \$80 a week for gas so that I can go to work; \$80 a week just to go to work. I see the effects of the gas increase at the grocery stores and at the department stores. On average I spend about \$150 per week at the grocery store. And, trust me, when I say I do not buy prime rib, I buy just enough to get us through the week, and I cannot afford to make sure that we have seven wholesome meals to eat every night of the week. Some nights we eat cereal and toast for dinner because that is all that I have.

Another story. This is an interesting story because I am sure it applies all over the country:

As the chief of a small ambulance service, I have seen the impact of rising costs. As the service is made up of primarily volunteers, we have seen our numbers decline. When soliciting for volunteers in the community, we have been told that they are unable to put the time in due to the need to work more to pay their bills.

Our costs associated with running an ambulance

—this is a volunteer ambulance service—

have also risen in the last few years. When discussing with our supplier fuel prices, they play a large part in the increase both to the manufacturer and to transport.

Here is another story. This is just incredible. It reminds us of all of the ways that this increase in gas and oil is impacting our people and our communities. Here is this story:

My story involves my capacity as an oncology social worker working with cancer patients in an outpatient clinic. I also run an emergency fund through the Cancer Patient Support Program which provides funds to cancer patients in need during their cancer journey, including the initial diagnosis, surgery, and treatment period in which they experience a significant decrease in income during a medical leave.

This is an oncology worker at a hospital.

I cannot describe how devastating it has been for these folks who need to travel great distances to get to and from their cancer treatment and followup care with the way

gas prices have been. Many of these folks need to travel on a daily basis to radiation therapy for several weeks, while others come from surrounding counties every 1 to 2 weeks for chemotherapy. The high price of gas has had a tremendous impact on our ability to provide the financial assistance to our emergency fund to all of those in need.

Imagine someone living in a rural area dealing with cancer, dealing with chemotherapy, dealing with radiation, sick as a dog, worried about the future, and then having to worry about how they can afford to get to the hospital to get the treatment they need.

Another letter:

First of all, I am a single mother of a 16-year-old daughter. I own a condominium. I have worked at the hospital for 16 years and make a very good salary, in the high \$40,000 range. I own a 2005 Honda Civic. I filled up my gas tank yesterday, April 1. It cost me almost \$43; that was \$3.22 per gallon. That was on April 1. If prices stay at that level it will cost me \$160 per month to fill up my gas tank. A year ago it cost me under \$20 to fill up my tank.

On and on it goes. I think the message is that high gas and oil prices are having a devastating impact on tens of millions of Americans in every aspect of their lives and on our economy. As bad as it is all over this country, it is especially bad in rural areas where people have to travel long distances to work, and it is especially devastating in cold States where people have to spend a huge amount of money for home heating oil.

It seems to me it is absolutely imperative that we get our act together and that we do everything we can to lower the price of gas and oil. In that regard, let me talk a little bit about some of the events that have taken place on the floor of the Senate in the last couple of days.

I think it is interesting that many Americans have already given up on any belief that the Bush-Cheney administration even understands the problem, let alone is prepared to do anything about it. It is amazing that no one even looks to the White House for leadership on this issue, and for appropriate reasons; that is, because Bush-Cheney, from the day they have been in office, have been much more concerned about the profits of large multinational corporations, including the oil companies, than the needs of ordinary Americans.

There are a few points that I want to focus on at this time. First, it is a national obscenity that at a time when oil prices are off the wall, when people are paying over \$4 for a gallon of gas, at exactly this same moment the major oil companies are enjoying record-breaking profits and are giving their CEOs outrageous compensation packages.

It seems to me that while there are multiple causes for why oil and gas are soaring, one of the reasons certainly has to do with the greed of these huge oil companies. And the time is long overdue for the Congress to say enough is enough and stop ripping off the American people.

During the last 2 years, ExxonMobil has made more profits than any company in the history of the world, making over \$40 billion in profits last year alone—\$40 billion, one company.

But it is not only ExxonMobil; Chevron, ConocoPhillips, Shell, and BP have also been making out like bandits. For example, in the first quarter of this year, BP announced a 63-percent increase in their profits—a 63-percent increase in their profits—and people are paying over \$4 for a gallon of gas.

As a matter of fact, the five largest oil companies, the five largest companies in this country, have made over \$600 billion since George W. Bush has been President; 7 years, \$600 billion in profits.

Let me mention what these large oil companies have been doing with some of their profits. In the year 2005, Lee Raymond, who was then the CEO of ExxonMobil, received a retirement package of \$398 million. Let me repeat that. Former CEO leaves his position, retirement package of \$398 million.

Workers all over this country, as indicated in the letters that I have read, are finding it harder and harder to fill their gas tank and get to work.

In 2006, Ray Irani, who is the CEO of Occidental Petroleum—that is the largest oil producer in the State of Texas—received over \$400 million in total compensation, one of the biggest single-year payouts in U.S. corporate history.

People here tell us, often my friends on the other side of the aisle say: Well, we have to trust the oil companies. They really are concerned about the American people.

I do not think so. I think one has to be very naive to believe companies in the midst of this energy crisis, when people are struggling with these very outrageously high prices, when these companies are giving hundreds of millions of dollars in compensation packages to their CEOs, and then they tell us that the oil companies are concerned about the American people. I do not think so. I really do not.

The situation is so absurd that there was an article the other day in the Wall Street Journal. Not only are these companies giving huge compensation packages to their CEOs, they now have a deal that if the CEO dies while he is CEO, their heirs and families will receive huge compensation packages.

According to the Wall Street Journal a couple of days ago, the family of Ray Irani, the CEO of Occidental Petroleum, will get over \$115 million if he dies while he holds that job. The family of the CEO of Nabors Industries, another oil company, will receive \$288 million.

Meanwhile, in the northeastern part of this country people are saying: How am I going to stay warm this winter? Prices of home heating oil are soaring.

We need a windfall profits tax on the oil industry. We need to tell them: Enough is enough. The windfall profits tax on the oil industry is not the only thing that we should be doing. We need

to take a hard look at speculation that is taking place in the industry.

As you well know, as I think the American people increasingly know, there are estimates out there that as a result of the activities of major financial institutions, such as Goldman Sachs, Morgan Stanley, JP Morgan Chase, and others, there are estimates that between 25 and 50 percent of the cost of a barrel of oil today has to do with speculation in oil futures.

Earlier last week, George Soros told the Commerce Committee that rampant speculation in oil and gas futures is “intellectually unsound and distinctly harmful in its economic consequences.”

We have had representatives in the oil industry themselves who have told us that speculation is one of the reasons oil prices are so high. Mark Cooper with the Consumer Federation of America told the Commerce Committee last week that the speculative bubble in the price of oil has cost the U.S. economy over a half trillion dollars over the past 2 years and has cost U.S. families an average of a \$1,500 increase in gasoline and natural gas costs.

So I think those are two areas at which we have to take a hard look. Now, in terms of speculation, people say: Well, this sounds like a conspiracy theory. Well, let's talk about some recent history. In 2000 and 2001, as the American people well know, especially the people on the west coast, Enron successfully manipulated the electricity markets and drove up prices by 300 percent.

Now, what was interesting is during the debate over this terrible tragedy on the west coast, what was Enron saying? They were saying: The reason that prices are going up is supply and demand. It is the natural forces of the market. Do not blame us.

That is what they said. I guess that is what some of the guys who are now in jail, after being convicted for massive fraud, told the public.

It was not supply and demand, it was excessive manipulation. But it was not only Enron in 2000 and 2001, in 2004, energy price manipulators moved to the propane gas markets. That year the Commodity Futures Trading Commission found that BP artificially increased propane prices by purchasing “enormous quantities of propane and withholding the fuel to drive prices higher.” That was the Commodity Futures Trading Commission.

By the end of February of 2003, BP had almost 90 percent of all propane delivered on a pipeline that stretches from Texas to Pennsylvania and New York. BP's cornering of the propane market caused prices to increase by 40 percent during the month of February 2004. And as a result of their illegal actions, our friends at BP paid a \$303 million fine.

So we have Enron, those guys are in jail, having caused severe economic damage on the west coast. We have BP,

a major oil company, paying a \$303 million fine.

But it goes on. In 2006, 2 years ago, energy manipulators moved to the natural gas market, when Federal regulators described that the Amaranth Hedge Fund was responsible for artificially driving up natural gas prices.

Amaranth cornered the natural gas market by controlling as much as 75 percent of all of the natural gas futures contracts in a single month. The skyrocketing cost of natural gas cost American consumers an estimated \$9 billion. I should point out that the Amaranth hedge fund eventually collapsed, as a result of their illegal activity.

When people say, let us take a hard look at speculation, this is not conspiracy theory. This is based on some very real economic realities which have taken place in the last few years.

Today, the price of oil has more than doubled over the past 14 months. We need to find out who is manipulating oil and gas prices. Right now, oil and gas futures are largely traded on unregulated markets and enormous conflicts of interest exist between investment bank analysts, energy traders, and employees involved with oil and gas infrastructure.

The Commodity Futures Trading Commission has the authority and responsibility to prevent fraud, manipulation, and excessive speculation in U.S. commodity markets. Unfortunately, this authority and responsibility has largely been abdicated through the use of over-the-counter energy derivatives that are largely unregulated and by foreign boards of trade that have received no action letters from the CFTC to operate terminals inside the United States, trading U.S. commodities to U.S. investors free from regulatory oversight. It is pretty complicated stuff. But the bottom line is, huge amounts of money in oil futures are being traded in an unregulated, below-the-radar-screen market, and we don't know who is controlling what.

Congress needs to end what some have referred to as the “Wild West” of energy trading by requiring anyone operating a trading terminal in the U.S. trading U.S. commodities to U.S. investors to register with the CFTC and be subject to CFTC oversight. We also need to substantially increase margin requirements for these trades to make it harder for speculators to manipulate oil prices.

In addition, major conflicts of interest exist in the commodities markets. Goldman Sachs and other large financial institutions seem to have a corner on virtually every sector of this market. When Goldman Sachs and Morgan Stanley predict the price of oil will go up, so do their profits in the oil futures market. When ExxonMobil wants to sell or buy oil in the futures market, they go to Goldman Sachs or other large financial institutions. When Sovereign Wealth Funds, pension funds, or

smaller dealers want to invest in energy derivatives, Goldman Sachs and other investment banks facilitate those trades. Goldman Sachs, Morgan Stanley, BP and other major institutional investors even co-founded the InterContinental Exchange that now trades West Texas Intermediate crude oil to U.S. investors free of U.S. regulatory oversight.

And when Morgan Stanley and other investment banks need insider knowledge of the heating oil market to benefit their traders, they physically purchase large quantities of heating oil for storage and delivery. This is an issue that I am paying particular attention to. Heating oil prices right now are skyrocketing. Right now, fuel dealers in my State have told me that the residential price for heating oil would cost about \$5 a gallon. If heating oil prices keep climbing there are a large number of my constituents who are in danger of freezing to death. We cannot let that happen.

I want to know why heating oil prices are high right now and if Morgan Stanley or others are manipulating these prices through excessive speculation. We have got to get heating oil prices to go down before winter.

We need to end these massive conflicts of interest in the energy markets. There are a number of ideas that I am exploring on this issue, but for starters, I strongly believe that the commodities market should have similar laws prohibiting insider trading that our securities market currently has.

Further, we must once and for all begin to break up OPEC. OPEC is an illegal price-fixing cartel that is clearly in violation of international trade rules. The high price of oil is expected to increase OPEC's crude oil export earnings by more than \$300 billion this year to a record of over \$1 trillion. That is an astronomical figure.

The time has come for the President to file a complaint with the World Trade Organization and demand the dismantling of OPEC. The ending of collusion with regard to oil production will result in increased production and lower oil prices.

Finally, and perhaps most importantly, over the long term we need a strong program to break our reliance on fossil fuels once and for all. That means transitioning electricity generation away from fossil fuel power and demanding automobiles that get substantially more miles per gallon. Plug-in hybrid prototypes currently get in the range of 150 miles per gallon. We need to get them out of the laboratory and onto the roads. We also have to invest heavily in mass transit, including rail and rural bus transportation. These steps can help break the power of the big energy companies, reduce damage to our environment, and create millions of good-paying, green-technology jobs across the country.

The bottom line is this: Congress and the President can no longer sit idly by

while Americans are getting ripped off at the gas pump, and ExxonMobil, greedy speculators, and OPEC are allowed to make out like bandits pushing oil and gas prices higher and higher. The time for action is now. We need to lower gas prices.

That is something we must address, if the Congress is going to gain, perhaps once again—hopefully regain the confidence of the American people that we understand what is going on in their lives, we understand the absolute necessity of addressing this crisis of high gas and oil prices, that we understand the necessity of transforming our energy system away from foreign oil and our dependence on foreign oil, away from fossil fuels which is causing so many problems in terms of global warming, that we understand that the potential for moving toward energy efficiency, toward sustainable energy such as wind, solar, geothermal, biomass is sitting there right in front of us.

Yesterday there was a conference right here in Washington where people were talking about plug-in hybrids that get 150 miles per gallon. These are the kinds of developments we need. There has been a lot of discussion about a so-called Manhattan project. I believe in it. I think if we focus and are aggressive and are prepared to transform our energy system, take on the big, powerful special interests, we can not only create millions of good-paying jobs, we can reverse global warming. We can address environmental concerns. That is what we have to do.

The challenge we face is to understand that the oil industry and the coal industry have put hundreds of millions of dollars into lobbying, campaign contributions, advertising. They are very formidable folks. They want the status quo. We have been represented by the people, presumably not by the special interests. Our job is to represent ordinary people. I hope we can do that. If we do the right thing, I believe not only can we lower gas and oil prices today, we can transform our energy system and create a much better tomorrow for our kids and grandchildren.

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

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

Mr. COCHRAN. Madam President, the high cost of gasoline has had a crippling effect on the economy of my State of Mississippi. The people in my State, where earnings are below the national average, are simply not able to keep up with the rising cost of living. High gasoline prices not only increase the cost of going to work, they also result in an increased cost of food and other consumables.

As a constituent who called my office yesterday said: I can stand the high price of gas, but my utility bills have stretched me to the breaking point.

The Daily Journal, a newspaper in northeast Mississippi, quoted another constituent, Jennifer Skinner, of Tupelo, as saying:

Working class people can barely make it. I'm a single Mom with three kids.

We have been very fortunate that our farmers have been getting record prices for corn, soybeans, and wheat, other commodities as well, over the last 2 years. While the value of these commodities is high, energy costs have caused the inputs for farm operations to rise significantly. This has affected costs of fertilizer, pesticides, electricity, and the diesel fuel farmers use. As a result, some farmers who have worked so hard to produce food at a lower cost to the consumer than in any other country are not able to sustain their farming operations. These high prices and high costs have created a cycle of higher food costs that have been added to the burden of my constituents.

Crude oil prices are, of course, linked to supply and demand. While there are many other compounding factors, such as a weakened dollar, we must remember that at the root of the problem is the increased worldwide demand for energy. According to the Federal Highway Administration, Americans drove 12 billion fewer miles in the first quarter of this year compared with the same period last year. Americans are driving less due to increased costs. However, the decreased demand for energy in America has had little effect on the increased worldwide demand.

We know that demands for oil will continue to escalate as more developing countries use crude oil. According to the International Energy Agency, between now and 2030, China and India will account for 70 percent of all new demand for oil. The Congress and the administration must consider now how much future demands will increase in the coming years. While there are steps I believe the Congress can take to help cope with higher prices in the short term, our future demands for energy independence will require us to move to new sources of fuel. Americans are looking to their leaders for answers. They want to know what the Congress can do to help them through these hard times.

As we consider energy policies that will ease the burdens of higher costs for our constituents and their struggling businesses, we should not impose policies that create higher tax burdens or costs for energy companies. Higher taxes will not lead to lower prices but will only serve to increase the expenses of doing business that will be passed on to the consumers. Our economy relies heavily on transportation. A policy that doesn't provide real long-term reforms to the way our country acquires and uses energy will not provide Americans with a better deal or a stronger economy.



While we search for better energy sources, we must remember that until developing technologies are able to create affordable and efficient fuels, the short-term supply-and-demand problems will still exist. Some Senators have called for increased exploration and drilling. While I am always mindful of protecting our environment, I think we need to be reminded that advancements in drilling technology over the last several years mean we are much better able to protect our valuable natural resources as we explore for new energy.

In addition to acquiring more crude oil within the United States—and offshore drilling provides another opportunity—we should do all we can to promote the exploration and use of oil shale. I know the distinguished Senator from New Mexico talked about his views, which include the use of oil shale. It is already used extensively in many other countries.

According to the Congressional Research Service, there is a potential equivalent of 1.8 trillion barrels of oil to be found in America alone. It is my hope the Congress, the administration, and private industry will come together, work together with those who are concerned about environmental consequences and impacts, deal with those challenges in a thoughtful and effective way, and proceed with exploration and extraction of oil shale. The Energy Policy Act of 2005 identified oil shale as a very important resource that should be developed. While progress in the development of this important resource has occurred, we should do more to make oil shale resources as a motor fuel into a reality.

Peter J. Robinson, vice chairman of Chevron Corporation, recently testified before the House Select Committee on Energy Independence and Global Warming. He said:

The search for the next source of energy—whether it be oil or next-generation fuels from renewable sources—takes enormous capital, specialized expertise and the organizational capability that characterizes Chevron. Transforming raw materials into usable energy products and delivering them to market some six continents takes substantial financial strength, advanced technology, and human energy.

I think Mr. Robinson is correct when he says we face a huge undertaking in determining the next source of fuel. I also believe the Congress should not be in the business of trying to pick a winner for the next form of energy. Rather, we should be doing what we can to promote all forms of alternative energies that show promise through appropriated research dollars, grants, and public/private partnerships.

In Mississippi, we are prepared to play a major role in the development of new energy. Our farmers have the knowledge and expertise to create renewable feedstocks such as corn, soybeans, timber, grasses, animal fats, and even wastewater. The University of Southern Mississippi, for example, is engaged in research to create more ef-

ficient and lower cost fuel cell membranes. The University of Mississippi is using termite research in an innovative approach to cellulosic energy research.

In addition to researching alternative fuels that include waste water, timber, and other feedstocks, Mississippi State University students were winners of the 2008 Challenge X Competition. This competition is a partnership between the Department of Energy and General Motors. It challenges university students to create vehicles that are more fuel efficient and produce lower emissions.

I am proud of my State's commitment and contribution to creating a better energy future, and I hope we can continue to work hard to make the ideas and efforts of these students and university researchers and our entire population in our State who are involved in this challenge a reality.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. NELSON of Florida). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. The Senator is recognized with unanimous consent.

#### HABEAS CORPUS

Mrs. FEINSTEIN. I thank the Chair.

This morning, the Supreme Court struck down as unconstitutional the portion of the Military Commissions Act of 2006 which denied habeas corpus rights to detainees at Guantanamo Bay. In making its decision, the Supreme Court has recognized that detainees at Guantanamo cannot be denied the fundamental legal right to habeas corpus, enshrined in the Constitution.

Writing for the majority, Justice Kennedy wrote:

The laws and the Constitution are designed to survive, and to remain in force, in extraordinary times. Liberty and security can be reconciled; and in our system they are reconciled within the framework of the law.

I think that is a very important statement. I think it crystallizes a lot of the debates this Senate has been having over the past 5 to 6 years. It recognizes the importance of the rule of law, one of the most fundamental values our country was founded upon.

Detainees at Guantanamo have been in a legal quagmire since 2002. As the Court recognized, some have been held without court review for more than 6 years—6 years—many in isolation for long periods of time. The Court specifically stated it was not ruling on the issue of whether the writ for habeas corpus should be issued or whether de-

tainees should be released. Rather, the decision focused on the fact that the detainees are entitled to the fundamental right of habeas corpus as a means to review whether they are being properly held.

Four times now the Supreme Court has stepped in and struck down the Bush administration's policies at Guantanamo. Four times. In the Hamdi and Rasul decisions, the Court stated that U.S. law applied to Guantanamo and that detainees had to be determined enemy combatants before they could be held.

In the Hamdan decision, the Court struck down the administration's claim that the Geneva Conventions did not apply to the detainees at Guantanamo and repudiated the legal framework the Bush administration tried to construct to handle the trials of detainees.

In today's decision, the Supreme Court has once and for all made it clear that even at Guantanamo our constitutional principles remain sound. It also recognizes that President Bush's repeated assertion that he has essentially unchecked powers in the war on terror is simply wrong.

Guantanamo Bay has been a case study in what not to do in the war on terror. Consider all the early choices this administration has made: to deny the protections of the Geneva Conventions, to establish military tribunals based on the theory of unchecked Presidential power, to deny habeas corpus and, finally, to reverse decades of old precedent and authorize the use of coercive interrogation and torture.

These decisions by the Bush administration and its operation of Guantanamo will go down in history as a black mark on the United States, decisions where this administration and this President simply forgot—or worse ignored—our own values and laws.

Today's decision provides another reason why Guantanamo should be closed. Closing this facility is critical to our Nation's credibility and stature and our ability to conduct foreign policy and counterterrorism operations worldwide. If there is one thing that is very clear, the credibility of the United States as a bastion of law, of constitutional rights, and of human rights has gone downhill all over the world. As I have said on this floor before, I have never seen a time in my lifetime where Americans are thought so poorly of by citizens of countries that are our firm allies as well as our adversaries.

Let me be clear: I have no sympathy for al-Qaida terrorists, Taliban fighters or anyone else around the world who wishes to harm Americans at home or abroad. But I strongly believe that continuing to operate Guantanamo, in the face of repeated reprimands from the Supreme Court, the stated wishes of senior administration officials, and a tidal wave of congressional and international condemnation, weakens the United States in its effort to fight the war on terror.