

The bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from Colorado (Mr. ALLARD), the Senator from Oklahoma (Mr. COBURN), the Senator from South Carolina (Mr. GRAHAM), the Senator from Arizona (Mr. MCCAIN), and the Senator from Alaska (Mr. STEVENS).

Further, if present and voting, the Senator from South Carolina (Mr. GRAHAM) would have voted "nay."

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 50, nays 43, as follows:

[Rollcall Vote No. 184 Leg.]

YEAS—50

Akaka	Durbin	Mikulski
Baucus	Feingold	Murray
Bayh	Feinstein	Nelson (FL)
Biden	Harkin	Nelson (NE)
Bingaman	Inouye	Pryor
Boxer	Johnson	Reed
Brown	Kerry	Rockefeller
Byrd	Klobuchar	Salazar
Cantwell	Kohl	Sanders
Cardin	Landrieu	Schumer
Carper	Lautenberg	Snowe
Casey	Leahy	Stabenow
Clinton	Levin	Tester
Collins	Lieberman	Webb
Conrad	Lincoln	Whitehouse
Dodd	McCaskill	Wyden
Dorgan	Menendez	

NAYS—43

Alexander	Dole	Murkowski
Barrasso	Domenici	Reid
Bennett	Ensign	Roberts
Bond	Enzi	Sessions
Brownback	Grassley	Shelby
Bunning	Gregg	Smith
Burr	Hagel	Specter
Chambliss	Hatch	Sununu
Cochran	Hutchison	Thune
Coleman	Inhofe	Vitter
Corker	Isakson	Voinovich
Cornyn	Kyl	Warner
Craig	Lugar	Wicker
Crapo	Martinez	
DeMint	McConnell	

NOT VOTING—7

Allard	Kennedy	Stevens
Coburn	McCain	
Graham	Obama	

The ACTING PRESIDENT pro tempore. On this vote, the yeas are 50, the nays are 43. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. REID. Mr. President, I enter a motion to reconsider the vote by which cloture was not invoked on the bill, S. 3268.

The ACTING PRESIDENT pro tempore. The motion is entered.

HOUSING AND ECONOMIC RECOVERY ACT OF 2008

Pending:

Senator REID entered a motion to concur in the amendment of the House of Representatives to the amendment of the Senate to the amendments of the House to the amendment of the Senate to the bill, with amendment No. 5103, to establish the effective date.

Reid amendment No. 5104 (to amendment No. 5103), to change the enactment date.

CLOTURE MOTION

The ACTING PRESIDENT pro tempore. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to concur in the House amendment to the Senate amendment to the House amendments to the Senate amendment to H.R. 3221, the Foreclosure Prevention Act.

Harry Reid, Christopher J. Dodd, Debbie Stabenow, Maria Cantwell, Barbara A. Mikulski, Frank R. Lautenberg, Robert Menendez, Patty Murray, Bill Nelson, Daniel K. Akaka, Jeff Bingaman, Ron Wyden, Ken Salazar, Charles E. Schumer, Daniel K. Inouye, Jon Tester, Patrick J. Leahy.

The ACTING PRESIDENT pro tempore. By unanimous consent, the mandatory quorum call is waived.

The question is, Is it the sense of the Senate that debate on the motion to concur in the House amendment to the Senate amendment to the House amendments to the Senate amendment to H.R. 3221, an act to provide needed housing reform and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from Colorado (Mr. ALLARD), the Senator from Oklahoma (Mr. COBURN), the Senator from South Carolina (Mr. GRAHAM), the Senator from Arizona (Mr. MCCAIN), and the Senator from Alaska (Mr. STEVENS).

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 80, nays 13, as follows:

[Rollcall Vote No. 185 Leg.]

YEAS—80

Akaka	Crapo	Levin
Alexander	Dodd	Lieberman
Baucus	Dole	Lincoln
Bayh	Domenici	Lugar
Bennett	Dorgan	Martinez
Biden	Durbin	McCaskill
Bingaman	Feingold	McConnell
Boxer	Feinstein	Menendez
Brown	Grassley	Mikulski
Brownback	Gregg	Murkowski
Byrd	Hagel	Murray
Cantwell	Harkin	Nelson (FL)
Cardin	Hatch	Nelson (NE)
Carper	Hutchison	Pryor
Casey	Inouye	Reed
Chambliss	Isakson	Reid
Clinton	Johnson	Roberts
Cochran	Kerry	Rockefeller
Coleman	Klobuchar	Salazar
Collins	Kohl	Sanders
Conrad	Landrieu	Schumer
Cornyn	Lautenberg	Sessions
Craig	Leahy	Shelby

Smith	Tester	Whitehouse
Snowe	Voinovich	Wicker
Specter	Warner	Wyden
Stabenow	Webb	

NAYS—13

Barrasso	DeMint	Sununu
Bond	Ensign	Thune
Bunning	Enzi	Vitter
Burr	Inhofe	
Corker	Kyl	

NOT VOTING—7

Allard	Kennedy	Stevens
Coburn	McCain	
Graham	Obama	

The ACTING PRESIDENT pro tempore. On this vote, the yeas are 80, the nays are 13. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. DODD. Mr. President, I move to reconsider the vote.

Mr. SALAZAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEVIN. Mr. President, I have voted for cloture today because unless we end the Republican filibuster and act on this legislation, we will continue to experience the record-high oil and gasoline prices that are badly hurting millions of American consumers and businesses. Without action on this legislation, these record-high prices will continue to reverberate throughout our economy. I have spoken at length in the last couple of days about the investigations conducted by my Permanent Subcommittee on Investigations and the importance of acting now to address excessive energy speculation as a way of bringing down the extraordinary high energy prices, which are not the result of ordinary operation of supply and demand.

Today, I would like to speak more broadly on energy policy and the need to decrease our dependence on oil. We need a long-term comprehensive energy policy that will decrease our dependence on foreign oil and reduce our climate change emissions while at the same time promote use of renewable energy sources and environmentally responsible domestic production of conventional energy sources. We need a balanced portfolio that includes energy from a broad array of sources—renewable technologies such as solar, wind, and biomass, as well as more conventional sources such as coal and natural gas—and we need to develop new and advanced technologies that will allow us to use that energy in a clean and responsible fashion. I am a strong advocate of advanced technology and believe that the Federal Government must play a key role in the development of that technology, both in providing funds for development and in being an early adopter of advanced technology. Equally important to the successful development of advanced technologies are tax incentives for these technologies across the energy spectrum—including energy efficiency

technologies, renewable energy technologies, advanced clean coal technologies, advanced vehicle technologies, and development of clean and renewable low-carbon and carbon-free fuels.

The Congress has passed significant energy legislation three times in the last 4 years. The Energy Policy Act of 2005 included provisions that increased the diversity of our Nation's fuel supply, encouraged investment in infrastructure and alternative energy technologies, increased domestic energy production, improved the reliability of our Nation's electricity supply, and improved energy efficiency and conservation. In 2006, Congress enacted legislation to increase the supply of natural gas in the United States by opening up new areas of the Gulf of Mexico to development. In 2007, Congress enacted the Energy Independence and Security Act, which contained several measures to lower our dependence on oil and reduce our energy consumption, including an ambitious increase in fuel economy standard for cars and light trucks, an increase in the renewable fuel standard, and significant new energy efficiency standards for lightbulbs and for a wide range of appliances. I supported all of these measures because each one moved us toward a sounder energy policy and greater energy security and efficiency for the United States.

Far more must be done, however. I regret that we are unable to move forward with this legislation today because it offered us a vehicle not only to address excessive energy speculation but also to address other critical energy issues—such as development of advanced automotive technologies and advanced batteries, development of new wind and solar energy technologies, assured funding for home energy assistance under the Low-Income Home Energy Assistance Program, and diligent development of areas on Federal land that are already open for oil and gas leasing. These are all issues that were addressed by Senator BINGAMAN's amendment, which we will not have an opportunity to consider because of the Republican filibuster.

Senator BINGAMAN's amendment will take significant strides toward development of the advanced automotive technologies that are needed to meet new fuel economy standards and to reduce our oil consumption and greenhouse gas emissions. We need strong Federal efforts to make revolutionary breakthroughs in automotive technology, and we need to invest in leap-ahead technologies such as advanced batteries and plug-in hybrid vehicles that will reduce our dependence on oil, reduce greenhouse gas emissions, and reduce what we pay for fuel at the pump. Two provisions of Senator BINGAMAN's bill would have taken important steps in this regard—first, by providing funding for direct loans authorized in 2007 for retooling of manufacturing facilities to produce these

new technologies; and second, by requiring a new interagency Federal effort to develop advanced battery technologies. I believe it is critical that this Congress support Federal assistance for retooling of our existing manufacturing facilities and Federal assistance for development of the advanced battery technologies that will be required to support plug-in hybrids and other advanced vehicle technologies. Without this support, our companies will simply not be able to compete with their global competitors who benefit from significant support from their governments and we will not be able to reach the goals for reducing our dependence on oil that we all share. I applaud Senator BINGAMAN's efforts to put these issues before the Senate. Indeed, we have similar advanced battery provisions in the Defense authorization, which we approved in the Armed Services Committee many months ago and which awaits Senate consideration.

Finally, I would like to address the importance of Congress acting this year to extend existing tax credits for renewable production of electricity and for energy efficiency technologies. Renewable technologies such as wind and solar are becoming more economical every year, and our manufacturing sector can play a major role in the production of these technologies. Extension of the tax credits that will expire this year, or in some cases have already expired, is critical to the development of these technologies and critical to our developers' and manufacturers' ability to commit to projects that will utilize these technologies. Also included in the so-called tax extenders package is an extension of the tax credit for alternative fuel pumps and establishment of a new tax credit for plug-in hybrid and all-electric vehicles. These tax incentives are key not only to the development of these technologies but also to consumer acceptance of these vehicles. We have been unable, so far, to pass these critical tax provisions because the Republicans in the Senate continue to filibuster the bill. I hope that we will overcome that filibuster and extend these provisions.

Mr. BURR. Mr. President, I ask unanimous consent to speak as in morning business for 2 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it so ordered.

MASTER SERGEANT MITCHELL W. YOUNG

Mr. BURR. Mr. President, 3 weeks ago, we celebrated the Fourth of July. Nine days after that, on July 13, 2008, MSG Mitchell Young, 39 years old, of Jonesboro, GA, was killed in action while conducting combat reconnaissance patrol to the eastern Helmand Province of Afghanistan.

Master Sergeant Young was attached to Company B, 1st Battalion, 7th Special Forces Group (Airborne) at Fort Bragg, in my State of North Carolina, where he lived with his wife, Robyn. It was Sergeant Young's fourth deployment in the global war on terror.

His awards and decorations include four Bronze Star Medals, a Meritorious Service Medal, a Joint Service Commendation Medal, and three Army Commendation Medals. Today, Sergeant Young's memorial service is being held at Fort Bragg.

A little over a year before his death, Master Sergeant Young posted a letter that was published in the July 4, 2007, edition of his hometown newspaper, the Clayton News Daily, in which he celebrated the spirit and sacrifices of the American soldier.

I would now like to read the text of that letter:

To the editors:

Today is July 4th, our country's Independence Day, and 231 years ago, our forefathers won this for all to enjoy. Today, our country has more freedoms and wealth than any other in the world. We have all of our freedoms granted to us by the U.S. Constitution. This document sets the standards for all Americans to be guaranteed their freedoms and rights.

Of all the freedoms and rights granted to each American, it is not the news reporter or politician who ensures that each American enjoys these rights, but it is the American Service Member (Army, Navy, Air Force, Marines, and Coast Guard). This is the person who every American should be thanking every day for what they do.

Even though less than 1 percent of the American population serves in the military, it is that sacrifice made by an individual to help protect and guarantee these freedoms. While enjoying the day's festivals celebrating our country's birth, take the time and effort to thank a veteran, or a current service member for their sacrifice in helping to protect your freedom.

If you are unable to thank a vet, say thanks to either the parents or the spouse of a vet, because they are the ones who worry the most while the service member is away, protecting your freedoms.

Today, we thank God for the life of MSG Mitchell W. Young.

I yield the floor.

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

Mr. BOND. Mr. President, I commend my colleague from North Carolina for sharing with us those very memorable words from a brave American who gave the ultimate sacrifice. His words and his example ought to be something we keep in our hearts and our minds every day. I thank my colleague for saying it.

I wish to talk about a crisis—a crisis we are going to have to address in the coming week on this floor. The gas prices are a crisis; \$4 and up gasoline prices are hurting Americans.

In my State of Missouri—and I trust in every State in the Union—families, farmers, truckers, and small businesses are suffering record pain at the pump. We deserve real action now to get prices down.

Fundamentally, it is a problem of not enough supply to meet the demand. It is economics 101. We need to find more oil and use less.

My amendments and the measures I support will bring Missouri and America the new oil supplies and conservation we need to bring those prices down, to get the supply we need.

Instead, the Democratic leadership in this body is desperate to deny the people of America the relief they need.

One amendment I have, No. 5122, would lower gas prices through opening opportunities to explore for oil supplies in the United States offshore, the off-coastal drilling area, 50 miles out.

The amendment to the bill currently on the Senate floor—and I plan to stay until I can offer it—would open a potential for 18 billion barrels of oil, a 10-year supply currently off-limits off America's shores.

The bill would give States the choice to opt into production at least 50 miles off their coasts and share lease proceeds with the Federal Government.

Unfortunately, the Democratic leadership is currently blocking this amendment and the gas price relief it would bring to all Americans.

I am cosponsoring another amendment with my colleagues to open oil production in the eastern Gulf of Mexico. There are almost 3 billion barrels of oil in the eastern gulf waiting to help bring prices down for Missouri and America. The Democratic leadership is currently blocking consideration of this amendment as well.

Not only do we need to produce more, but we need to use less. So I have an amendment, No. 5123, to help America use less oil. It would aggressively promote advanced vehicle batteries for plug-in hybrid and electric vehicles. That way, you could avoid using gas—or at least avoid a lot of gas usage. This amendment, when we pass it, will drive down the price of advanced vehicle batteries for hybrid and plug-in vehicles.

My amendment will provide significant new funding for hybrid battery research and development, manufacturing equipment and capabilities, and reequipping and expanding or establishing U.S. domestic manufacturing facilities for hybrid vehicle batteries.

U.S. domestic mass production of hybrid batteries would get their prices down and get the price of hybrid vehicles down.

Right now, we depend largely on supplies from Asia, and there is not enough supply to meet the demand. We need these batteries to conserve oil, give jobs to blue-collar manufacturing workers, and help the environment. But the Democratic leadership is blocking consideration of this amendment.

There is a bill before us to address abusive speculation. I agree we should deal with the areas of speculation that are abusive. We need to cover the over-the-counter market. Fundamentally, it is a problem of too little supply to meet demand. Exports know this. The American people are smart enough to know this.

I don't understand why the Democratic Party continues to block our responsible efforts to get gas prices down through new oil production. The American people deserve better. The people of Missouri deserve better. I think they know better.

We have to get gas prices down. We need to open offshore supplies, and we need to provide ways of using less. I believe the people of our country need and deserve no less.

HOUSING

Mr. President, I voted against cloture on the Housing and Economic Recovery Act, which we concluded.

I commend Senator DODD and Senator SHELBY for working long and hard to address the housing crisis, the need to reform regulatory oversight of the mortgage government-sponsored enterprises, and to modernize the Department of Housing and Urban Development's FHA. The bill also includes emergency authorities for the Government to shore up Fannie Mae and Freddie Mac. I support the Government's involvement in helping struggling responsible homeowners. In fact, I support many key provisions of the legislation, such as a stronger regulator of the GSEs, additional housing counseling funding, increased bond authority for State housing finance agencies to refinance troubled loans, elimination of seller-financed downpayment programs, and improved disclosure and transparency in the home-buying process. That was in the bill I introduced on the floor—the bill that left the floor and went to the House. Unfortunately, I cannot support—and I urge my colleagues not to support—H.R. 3221 because it is a major bailout for subprime lenders and potentially a budget buster for the taxpayers of America.

I am strongly opposed to the proposed expansion of FHA with a new program called the HOPE for Homeowners loan program.

As I explained during our last floor debate about the Senate's version of the bill, the HOPE Program is fatally flawed since it provides limited help to troubled homeowners, while allowing lenders to dump their worst subprime mortgages on an already stressed FHA. Further, the program will result in HUD becoming a huge landlord of foreclosed properties, which we know is an extremely bad outcome for communities and other homeowners based on the Department's history of being unable to manage the real estate it owns.

The CBO estimates that under this program, "mortgage holders would have an incentive to direct their highest-risk loans to the program." This means lenders who were, in a number of cases, either fraudulent or negligent in their treatment of borrowers, will be able to clear out many of the biggest problem loans. Not surprisingly, CBO estimates that a cumulative default rate for the HOPE Program would be 35 percent—meaning that one out of every three loans refinanced would fail. In other words, over 130,000 homeowners would still go into foreclosure, and FHA would be the inept administrator of those.

FHA is significantly limited in plan managing and implementing its loan activities, which have been documented by the HUD inspector general

and GAO for several years. Not too long ago, the entire department was on the GAO's high-risk list.

Unfortunately, FHA's history of problems is going unheeded. I am further concerned that we are setting up this new program when FHA is playing a growing role in assisting distressed homeowners. And to add 400,000 of the worst new loans to FHA's portfolio would create a perfect storm for failure. We can do better.

We have characterized Fannie Mae and Freddie Mac as being too big to fail. I believe this 694-page bill has become too big to succeed.

We have to address the solvency of Fannie and Freddie, but it must be done responsibly. We must address the GSEs' management and a new regulator with new personnel must ensure that the GSEs act consistently with their mission and better manage risk. CBO's cost estimate of the GSE rescue plan reported that the "riskiest loans, known as alt-A and subprime mortgages, account for about 15 percent" of the GSEs' portfolio. Not surprisingly, a significant portion of the subprime portfolio was likely originated by lenders such as Countrywide. According to Fannie Mae's annual report, filed with the SEC for the fiscal year ending December 31, last year, its top customer was Countrywide. The report states that Countrywide accounted for 28 percent of Fannie Mae's single-family business volume in 2007, which was actually higher than its volume in 2006. No one can deny that holders of Countrywide paper will be the biggest beneficiaries of this bill. It will not be homeowners. They are not bailing out homeowners; they are bailing out the banks that hold the Countrywide paper and the other financial institutions that hold them.

The legislative process was supposed to be a compromise, but this compromise is unacceptable. Let me state for the record that I have great respect and confidence in our current Treasury Secretary. He has stated he would take care to protect the American people, and I believe in the months he has left in that office he will do so. But this GSE rescue authorization will continue for a full year after he leaves. This is a huge gamble we are taking, and this compromise does not address that issue. It provides too little benefit to struggling homeowners, too much benefit to the subprime lenders, such as those who hold Countrywide paper—who contributed to the housing crisis—and it provides too much risk to the American taxpayer.

I cannot support this legislation, and I urge my colleagues to vote against the bill.

I thank the Chair, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Idaho.

AMENDMENTS TO S. 3268

Mr. CRAIG. Mr. President, my colleague from Missouri has just spoken very clearly about a fundamental problem facing the American consumer and

the American family, and he has used the word "crisis." I totally agree with him that \$4-a-gallon gas or more at the pump today is truly a crisis for the American family and for the budget of every American household.

He joined with me in cosponsoring an amendment, and he spoke of that amendment a few moments ago that we would like to offer to the bill the majority leader, the Democratic leader, has brought to the floor, S. 3268, a bill to allow drilling in this area of the gulf where we know there is substantial oil potential. The Senator from Missouri spoke of some 3 billion barrels, or somewhere near that, available in this yellow zone off the coast of Florida and down from the coasts of Alabama and Mississippi and Louisiana.

It is critical that the American oil industry be allowed to lease that land and begin development and exploration. Why? Not only do we believe the oil is there, but it is immediately adjacent to pipelines, refineries, and the facilities that will immediately process that oil and put it into the American distribution system.

Many are saying: Well, it is going to take 5 years, 6 years, 7 years, or 8 years if we drill now in the Outer Continental Shelf. It will take some time. But in this area, it will take potentially a great deal less time because we know the oil is there and it is immediately adjacent to the distribution system of this country and the refinery capacity in the Gulf States.

The American consumer today goes to the pump and pays \$4, \$4.10, \$4.15, nearly \$5 in some States and asks the question: Why? Here is what has happened in the American oil supply system that answers that question.

Starting in 1950, as the rate of use of oil in our country grew, we began a slow but very aggressive spread between our supply and the demand. As you will notice here, starting in the 1990s, we actually begin to supply less of our own oil into the market and we begin to buy more and more oil from foreign countries.

This debate today is about a supply-and-demand issue. Yes, there could be—pointed out yesterday by our Federal Trade Commission—a small amount of speculation in the market, and we ought to address it. But the reason there is so much activity in the market is the equation right here—the dramatic difference between what supply is entering the market and the demand from use, world use, in the market.

It really is that fundamental a problem. When we are using more than we are producing in the world market—and it is a world commodity—then, of course, prices begin to escalate, as they have dramatically over the last several years and now in the last year even more so.

Why are we saying to the rest of the world: Drill your oil; we don't want to drill ours. Produce from your oilfields; we are going to keep ours off limits. I

don't understand and I don't think the average consumer in any way understands that kind of an argument. Yet, for the last 15 years, that has been largely the public policy of this country—to put off limits known oil reserves while we ask the rest of the world to supply for us.

This is a larger picture of exactly what we are talking about. We are producing oil in this area of the gulf now. Our largest domestic volume of oil is coming from that area. But look at this area here, almost equivalent in size and potentially as rich in oil, and yet it is off limits. It is politically off limits. We can go there and we can explore and we can develop it if we have the political will to say yes to it. And the amendment I am offering—or I would like to offer to the bill that is on the floor—would allow us to do that and create a 50-mile safe zone for the citizens of Florida. But we are not given that opportunity. That is really the fundamental issue at hand.

The bill that we refuse to let go any further until we get the opportunity to offer amendments is this bill, S. 3268. As I said yesterday, look, not one drop of oil in it, not one drop of oil to satisfy the supply side of a very aggressive, demanding market. The only way we are truly going to bring prices down at the pump is to send a very clear message to the marketplace that we are going to allow a greater volume of supply to enter that market. While we are doing that, over the next 5 to 10 years, we are going to make every effort, through loan guarantees, through new types of technology, to reduce the demand side of our market. That is what we ought to be about here as we shape public policy for our future—to assure that we have the abundant supplies we need, while we recognize that it is a finite item and that there will be a day when there will be substantially less oil out there than there currently is and that we ought to be going toward the new technologies—the electric cars, the plug-ins, the hybrid, and all different kinds and versions of that.

I am one of those who now believe we ought to be looking at every possible source of energy for the energy supply of our country. But we shouldn't be openly denying known supplies today, and that is exactly what is happening here on the floor of the Senate. For the last 2 days, or nearly 3 days now, the leader has simply refused to allow the process to go forward, to allow my amendment and other amendments by my colleagues that would ensure a public policy allowing us to go into this area and develop it and to go into other areas we have taken off limits for political purposes only and put them within our limits again. Our technology is there. The technology we have for the deep water of the gulf is truly the finest in the world, it is the safest, and it is environmentally far the soundest of any other country in the world. Yet we deny ourselves the right to use our own technology to sup-

ply our own energy to the American household.

No, I suspect the average person listening can't quite figure out what is going on here on the floor of the Senate, and it is really a fundamentally simple argument: The Democratic leader will not allow this country to produce in the areas where we have known oil reserves that we can get to the quickest and that we can bring online the fastest. I hope the phones start ringing as Americans grow angry with a politician who denies them the supply to the marketplace that would bring down the price of oil at the pump. S. 3268 is the vehicle with which we could do that if we were allowed to amend it, if we were allowed the normal process of the Senate.

Republicans unanimously said today that we ought to have the right to amend it, that we ought to stay here all next week working on it, until we can say to the American people that the energy crisis isn't over, but we have done everything within our power to bring down the price and lessen the burden on the family budget.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mr. CORNYN. Mr. President, I know Senate procedure can be confusing, but by the vote that was just held, we have said we are not leaving, we are not giving up, and we intend to fight to help bring down the price of gasoline at the pump.

People may ask: How in the world can Congress do that? Well, the reality is, Congress has been the problem when it comes to accessing the American sources of oil we have right here at home. The consequence has been that we send \$700 billion a year to foreign countries for the oil we consume here in America because we are so unwise and so stubborn and so opposed, for some reason, to developing those natural resources right here in America.

That is what this vote meant, that we are not going to quit and we are going to stay on this issue until we can convince the people responsible for setting the agenda here in the Senate to provide us an opportunity to vote on additional supply as we consider a comprehensive approach which includes conservation, renewable fuels, and clean energy alternatives. The fact is, we know we are not going to be able to deal with the high price of gasoline at the pump until we increase American supply—until we find more and we use less right here at home.

It is important to talk about responsibility. None of us here in the Senate can control what the majority leader, the Democratic leader of his caucus, does. Only he has the power to allow a full debate and an amendment process that will allow Democrats and Republicans a vote on additional supply.

I know Congress is held in low esteem. All you have to do is look at a public opinion poll. But it is important for the American people to know that

it is not necessarily Congress as a whole. It is the leadership that actually has the power and the authority to allow something to happen.

We are here imploring the majority leader, the leader of the Democratic caucus, to allow us a vote on provisions in this bill which we believe will have a dramatic impact on the price of gasoline at the pump.

Right now, we have, in effect, a moratorium on 85 percent of the domestic natural resources here in America, whether it is the submerged lands in the Outer Continental Shelf along the coastlines or the oil shale out West or the oil up in the Arctic. We not only have a moratorium, or a ban passed by Congress for the last 30 years prohibiting the production of those natural resources, but we have a political blockade. And the people who have imposed that political blockade are the Democratic majority leader, HARRY REID, Speaker NANCY PELOSI, and the presumptive nominee of the Democratic Party for President, BARACK OBAMA. They have the power to allow an opportunity for the American people to get some relief at the pump, but they are the ones who are blocking it through this political blockade.

We know there are at least 44 Republicans who agreed to a bill we call the Gas Price Reduction Act. We are looking for about 10 or 11 or 12 Democrats to join us in saying: Yes, we can. Because all we hear on the other side of the aisle is no, we can't.

Yes, we can. We can tear down these walls that prohibit domestic energy production here in America and I hope BARACK OBAMA, if he thinks it is important enough to go to Berlin yesterday and talk about tearing down walls, will come back here to the Senate and say let's tear down this wall. If he does so, and the Democratic leadership follows suit, we can open up America's vast national resources to production. We can acknowledge the existence of the laws of supply and demand, and the American people will get the relief they want and so desperately need.

I yield the floor.

The ACTING PRESIDENT pro tempore. The majority controls the next 30 minutes.

The Senator from Minnesota is recognized.

AGGRESSIVE DRUG PRICING

Ms. KLOBUCHAR. Mr. President, I come to the floor today with outrage over what some of the pharmaceutical companies have been doing with pricing for important medications affecting the lives of people in this country. I know that you, the Presiding Officer from the State of Rhode Island, have been a leader in this health care area and share many of the concerns I have and in fact are working on this issue as well.

Yesterday I chaired a hearing of the Joint Economic Committee to discuss the phenomenon of dramatic price increases of these medications. These are drugs that, because of aggressive pricing

practices, have seen dramatic increases in cost. Oftentimes because of a limited market or other factors, the drug's price goes up to an astronomical level.

I first became aware of this issue when I received word from Children's Hospital in Minneapolis, one of the leading children's hospitals in the country, that the price for a drug called Indocin—it is also known as indomethacin—has increased substantially. It is a medication used to treat little babies with patent ductus arteriosus, PDA, and it is a disorder that prevents holes from healing in the hearts of premature infants. This drug has been around since the 1970s and it is the commonly used method of treating this condition. It is a great drug because it allows doctors to prescribe medication instead of resorting to surgery.

We had an event in Minnesota a few months ago with the head of Children's Hospital and a number of doctors who are specialists in this area and a family named the Bensons, whose little child survived because of the help of this drug. To see this little baby and then to think of what this drug company had done when they jacked up the price of this drug—you cannot even imagine why they would have done such a thing. I will go into the facts.

This drug has been around since the 1970s. Merck had the drug, this drug called Indocin. Two years ago Ovation Pharmaceuticals acquired the rights to the drug from Merck. The company quickly increased the price by more than 18 times—from \$100 a dose to \$1,800 a dose. Was there research? No. Were there more changes to the drug? No. It was the very same drug and they increased the price, because they could, from \$100 to \$1,800 a dose, for three 1-milligram units of the drug.

Even though it is an American company, and this is what gets outrageous—even though it is an American company, the price Ovation charges for this lifesaving drug for babies is now 44 times higher in the United States than what they sell it for in Canada. It is 44 times higher in the United States than they sell the same drug for in Canada. Nothing can justify this kind of price disparity except that this company wants to bring in more money to their coffers.

As it happens, there is only one other drug approved by the FDA for this heart problem, a formulation of intravenous ibuprofen. Ovation, interestingly enough, the same company that bought the drug from Merck when the drug was selling at \$100 and now it's up to \$1,800, is the sole source of the other drug in the United States. Not surprisingly, the price it charges for this medicine is nearly identical to what it charges for Indocin.

A number of other Ovation products have seen similar drastic price increases, drugs that, like Indocin, have been around for a long time and are the premier treatments for a number of diseases.

In a recent article in the medical journal *Pediatrics*, Dr. Alan H. Jobe of Cincinnati Children's Hospital, described Ovation's pricing of its two drugs for the premature babies' heart condition as "quite extraordinary." He didn't mean extraordinary in a good way. He wrote:

Words such as "unconscionable," "unethical," and "socially irresponsible" come to mind.

The issue we have is that an upstart company purchases a number of drugs from another company and, even though these drugs have been on the market for years, the upstart company increases the prices drastically.

But Ovation is not the only company engaged in this disturbing trend. Look at this chart. It shows why this is a timely issue as we approach the major health care debate we are going to be going into next year. Look at why this is such a timely issue. These are what we call, using the doctor's language, extraordinary price increases.

What this chart shows is they are becoming more and more common. What this measures is the number of branded drug products whose prices have more than doubled in a single price increase. We are used to going to the drugstore, sadly, these days, and seeing a 1-percent increase or 5 percent increases going up. Then we see other markets, such as the oil market, where things are completely volatile. Here you have it in the drug market. Look at these drug products where the prices have more than doubled in one single price increase. Back in 1988 it only happened five times. Back in 1994 it happened zero times. Then you see this gradual trend up where to we are now, in the year 2008: It has happened 64 times. This is a full-year projection, based on 6 months of data. This is a projection of 64 times. Then, in 2007 you see it was at 47 times.

Questcor Pharmaceuticals—this is an example—was once losing money at the rate of \$1 million a month. The company's fortunes turned around after they purchased HP Acthar from Aventis. This drug was approved in the 1970s, similar situation, a drug approved years and years ago to treat multiple sclerosis, but it is now primarily the gold standard for treating infantile spasms, a disorder that affects about 2000 families in the United States.

We were privileged to have one of the families from Rhode Island, the home of the Presiding Officer, there with us at the hearing. Danielle Foltz was the mother who testified—I will never forget her story about how her little baby is sick in the hospital, suddenly having spasms. These could actually have affected his brain. His name is Trevor. He is in the hospital and she tries to get the drug that helps with this, this Acthar. She found out it is about \$1,700 per vial at the initial stages. That is what they thought it was going to be. Then what happens? Once it was sold to Questcor, when her little baby needed

this drug, the price of the drug skyrocketed to \$23,000 per vial—that is a 14-fold increase. This mom and dad are in the hospital with their little baby Trevor and this drug has gone up to \$23,000 per vial. What do you think is going to happen? Do you think the insurance company, when they used to pay for it when it was \$1,700, was going to say: Oh, no problem. They had to negotiate for 5 days with the insurance companies, they had to get their neurologist involved, and she had to write a letter saying that this is going to affect this baby's life, the baby could be mentally retarded if he doesn't get the drug. It is actually a short-term treatment. I think the baby had the drug for a matter of months and then went off the drug—talk about short-sighted. Eventually, after 5 days, she was able to get the drug approved.

These people were missionaries in Africa. They had worked in Africa. They didn't have the money, they didn't have the house to mortgage, but they were able to save their little baby's life because finally they fought hard enough to get it covered.

From the data we heard yesterday we are hitting only the tip of the iceberg because the problem is not isolated to drugs that benefit a small number of patients. Abbott Pharmaceuticals increased the price of Norvir, a drug used to treat AIDS. The drug was often used as an ingredient in their drug therapies. In 2003, Abbott jacked up the price for Norvir by 500 percent. This was done at the same time they began marketing their new product, Kaletra, another AIDS product that included Norvir, and served as a replacement for the competition's drug therapy. The result forced patients and providers to turn to Abbott's Kaletra instead of the formerly cost-effective alternative that used Norvir and competitors' drugs. Previously undisclosed documents and e-mails reviewed by the Wall Street Journal in 2007 show that Abbott's leadership actively considered ways to promote Kaletra over Norvir.

As you can see from this bar graph of the price increase of Norvir, you see before the change was made, \$257.18 and then up to \$1,285.89. This is an egregious increase.

Another example. The next chart shows only a few examples of enormous price increases that we have seen. Mustargen, which is used to treat rare cancers, had a 1,000-percent increase. You see Cosmegen, which treats kidney disease—that had a 3,500-percent increase. You can see the names of the companies here: Abbott, Questcor, Ovation, Sigma-Tau. You can see what the prices were before. Here is Cosmegen, \$16.79. It goes up after the sale to \$593.75, a 3,436-percent increase in the drug price.

Look at what we have seen with Matulane. Matulane goes nearly off the charts. Look at this. This is used to treat rare Hodgkin's lymphoma and you see an increase of 7,999 percent. That is an 8,000-percent increase. What is this?

I am not an economist. To me this looks like simple price gouging. It not only hurts the hospitals that have to purchase these expensive drugs, but also the patients who rely on them.

An elderly woman from Park Rapids, MN, who suffers from cutaneous T-cell lymphoma was forced to pay over \$8,000 in out-of-pocket expenses for Mustargen, the drug I discussed which was sold by Ovation, whose single dose price increased from around \$50 to nearly \$550 after the company acquired the rights to the drug.

What is the solution? In America, we have a serious problem with health care inflation and runaway costs. That is not a surprise to anyone. It is no wonder, when we have pharmaceutical companies such as Ovation or Questcor increasing prices to astronomical price levels because of the lack of competition in the market. Their actions are able to exploit an extremely vulnerable and captive market. It is not as though the pharmaceutical industry is withering on the vine. You can see pharmaceutical companies earn higher profits than other Fortune 500 companies. Here you have the profits for other Fortune 500 companies. These are huge companies. Then you look at pharmaceutical profits. What have we seen over time? They are always significantly ahead of other Fortune 500 companies.

I want to mention the Orphan Drug Act because this is timely for what we are talking about, the treatment of these rare diseases. The Orphan Drug Act was passed in 1983 to provide incentives to drug companies to develop innovative drugs for rare diseases because, without incentives, drug companies may never be able to recoup research and development costs in niche markets. What we have seen, however, is that at least a handful of drug companies have used the status of orphan drugs to keep increasing costs well beyond the cost of research, development, and manufacturing. These staggeringly high prices in turn threaten the financial security of middle-class families relying on these drugs.

Where generic drugs have helped lower the cost of many prescription drugs on the market, generic competition is also less likely to occur for orphan drugs. According to a study published in the RAND Journal of Economics, the market size for a drug has to be about \$32 million—that is 2007 dollars adjusted for inflation—to justify the entry of a generic into the market.

When we are talking about indomethacin to treat populations of only a few thousand, there is often not enough of an incentive for the generic drug to enter the market.

Beyond hospitals and patients, a dramatic, unforeseeable increase in price for one of these drugs has a significant impact on the Federal Government—Medicare, Medicaid. Look at what is going on. I know Representative WAXMAN in the House held a hearing show-

ing what is going on with the pricing of these pharmaceuticals across the board.

I have asked the Federal Trade Commission to initiate an investigation into any potential anticompetitive conduct or consequences arising out of Ovation's market actions and dominance in the area of nonsurgical treatment for PDA.

We need to ensure that the FTC continues to conduct these crucial investigations to guarantee competition; keeping costs low for consumers and encouraging innovation. That is one drug that is coming out of my State, the State of Minnesota, because some doctors had the foresight to see that this was outrageous and figured out that one company owned both of the drugs that were competing with each other. It is disturbing that our providers, hospitals, and patients are being blindsided by these exorbitant price increases. Our Federal Government should be able to track these trends in pharmaceutical pricing. If we start to monitor the data, there is more of a paper trail, giving us enhanced ability to do something about these companies' practices.

You know, I am a supporter of reimportation of drugs from Canada; I favor negotiating under Medicare Part D to save our seniors some money. All these things must be on the table as we approach health care reform in the next year.

When provided with the right information on drug prices, especially in smaller markets, doctors can be alerted of big price increases, potentially spurring generic alternatives to expensive drugs and giving the Centers for Medicare and Medicaid the tools and the information to better track pricing in this market. To start looking at this information, I am in the process of working with the GAO to look into the issue of drug pricing and these enormous increases.

Finally, I intend to investigate whether the FDA can fast-track approval for generic drugs, that that would be just as safe and effective but much less expensive, creating competition in markets with dramatic price increases.

I understand we have a market-based economy. It is fine for companies to make money on the products they sell. They should. But when we are dealing with the well-being of sick patients, babies and the elderly and everyone in between, we know something is wrong.

These companies cannot be allowed to make money off the backs of little babies who have holes in their hearts. I hope yesterday's hearing was a starting point for addressing problems that accompany such enormous price increases, problems that have been plaguing our doctors, our insurance companies, our Medicare and Medicaid Programs, and most importantly, our patients for far too long.

I yield the floor.

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

Mr. CARPER. I appreciate the opportunity to talk for a few minutes about two subjects. First of all, the legislation, one of the two pieces of legislation that came before us today dealing with speculation in the oil markets, I wish to talk a little about that. And then maybe a word or two, if time permits, on the housing legislation, which we have taken another step forward toward enacting.

On this chart, we see a couple of numbers mentioned. In a moment, I hope they will be clear why they are relevant to this discussion, with respect to oil prices and the availability of oil.

The first number is 25 percent. We consume, as a nation today, this week, this month, this year, roughly 25 percent of the oil that is consumed on our planet, 25 percent. But we have, within this Nation, onshore and offshore, less than 5 percent of the world's oil reserves. When people wonder why are prices running up, this is one of the reasons.

When people say we ought to simply drill, whether it is in the Arctic National Wildlife Refuge or on the Outer Continental Shelf, drilling is part of the answer, not necessarily in those places, but drilling is part of the answer.

But when you are consuming 25 percent of the world's oil every day, and we have less than 5 percent of the world's known oil reserves, there is a mismatch here. That suggests to, among others, T. Boone Pickens, a long-time renowned Texas oilman, that this is a problem we cannot drill ourselves out of.

While drilling is part of the solution, it is by no means the entire solution. What we need is a comprehensive strategy. I wish to talk a little bit about that this morning.

We have had any number of hearings in recent weeks, actually in recent months in the Senate, that focused on why are oil prices, why are gas prices going up. I keep coming back to three major reasons. The first of those is supply and demand. There is a limited amount of oil that is being produced. The nations that have most of it in their control do not want to produce a whole lot more. They do not want to increase supply dramatically.

Demand meanwhile continues to rise. We are a country in love with our cars, trucks, and vans. For every 1,000 Americans in this country today, there are about 800 vehicles. Pretty amazing. There are 800 vehicles for every 1,000 people who live here.

Over in China, for every 1,000 people who live there, they have 16 cars, trucks, and vans. I do not know that they want to get to 800 right away, but they are going to have a lot more than 16 per 1,000. They may have 116, 216, 316. But they want to buy and they want to be able to have their own vehicles.

They are adding dramatically to the number of vehicles on the road.

That, along with the growth in the economy and other aspects of the economy in China, places such as India, we have seen a dramatic increase in demand, and we are going to continue to see that increase in demand.

The second thing that is going on is the drop in the value of the dollar. The dollar today, we all know, is not worth what it used to be. Some friends of mine returned from traveling in Europe, and they told me how unfortunate they felt in having gone this year instead of about 3 or 4 years ago because the value of the dollar has dropped by roughly a third against most of the European currencies. In fact, it has dropped dramatically in currencies around the world.

And we see, it takes more dollars because oil is traded in dollars. These countries that have all this oil, they want to make sure they are getting their money's worth. As a result, they raise the price of oil to offset the drop in the value of dollars. So that is part what is going on.

The third thing that is going on, and we have heard from people a lot smarter than I on these issues, but the third thing that is going on is there is a lot of trading in oil futures, people who do not have any intention of ever taking possession of a barrel of oil, but they see it as a way to make money—not buying oil and refining the oil and selling the product, but they see a way to make money by speculation and trading in these futures, and they hope the value of the price of oil will go up, they will make money and not take possession of the oil.

In the meantime, we as consumers are paying more for oil. Not every day. We have seen some trending down in the at least week, which is good, but this is part of what is going on.

Is speculation 10 percent of the problem, 20 percent of the problem, 30 percent of the problem? I do not know. I do not know that anyone knows. But as we can be convinced that that supply and demand is part of the problem. It is not the whole problem. The drop in the value of the dollar is part of the problem. It is not the whole problem. And neither is speculation. But each of them is a contributing factor in the runup in the price of oil. If we want to bring down or stabilize the price of oil, to keep the price from getting any worse, we need to work on supply, we need to work on demand, we need to do some things here at home to restore the value of the dollar, to prop it up, to strengthen the dollar, and we need to do something with respect to speculation.

I wish to mention a thing or two about the legislation I supported, introduced by the majority leader on speculation. Without getting into the weeds on the legislation, the bill that is designed more than anything to provide greater transparency, not to come in and command control the way the

markets are being run but to make sure we have a little better disclosure, a little better transparency into that operation.

The legislation did not pass. I think most people here actually favor doing something similar to that. For reasons that are maybe more political than practical, we could not move that legislation today because we did not have the 60 votes to break a filibuster.

Let me talk a bit about supply. Along with Senator VOINOVICH of Ohio, we are privileged to lead a subcommittee of the Environment Committee that focuses on, among other things, clean air and on nuclear power.

Part of the answer to our supply situation is growing in our fields the fuels that we need. I am not suggesting that taking kernels of corn off an ear of corn and turning that into ethanol is a smart idea, at least in the long haul. I do not think that it is. It disrupts our food system, our food chain, makes the prices of meat, poultry, and milk more expensive than it needs to be.

But there are things going on with respect to biofuels that I think are very encouraging. I wish to mention a couple of those. Our folks up at Dupont, they are headquartered in my State, they have a research center. At the research center they have been working on cellulosic ethanol for 3, 4, 5 years.

They have launched joint ventures on cellulosic ethanol with another company. They are going to be building out in the Midwest a refinery to be able to create, in some quantities, a biofuel that will be much better than ethanol; have better energy content than ethanol, travel better in pipelines than ethanol, mix better with gasoline than ethanol.

They are coming up with a biofuel called biobutanol, partnering with our friends from BP, and actually they are test marketing the product over in England this year. Again, biobutanol, better energy density than ethanol, travels better in pipelines than ethanol, mixes better with gasoline at different temperatures than does ethanol.

There is another company called Coskata, C-o-s-k-a-t-a. I had not heard of them before this year. But they are a small startup biofuels company. They have interesting technologies that enable them to take plant waste, corn, corn hulls, cornstalks, corn leaves, corncobs, woodchips, switchgrass, any variety of products, and turn it into a biofuel.

And they not only can take that plant waste, they can take municipal waste and transform it into a biofuel. They can take the old tires off cars, trucks and vans and turn that into a biofuel as well. They use about maybe less than a gallon of water to create a gallon of biofuel. Again, they can create this biofuel from a variety of sources without disrupting the food system.

The energy content of the fuel they create, the biofuel they create is about

seven times greater than the amount of energy that is used to create the biofuels.

The amount of CO₂ that is released in burning this biofuel is about 85 percent less than the carbon dioxide that is created by burning gasoline, and they can create it for maybe about a buck a gallon.

They are going to be creating it in more significant quantities about 2011. Coskata is an example of one biofuels company that has an exciting technology that I think portends hope, should convey hope to all of us as we try work on the supply side.

Some people ask me why I believe nuclear power can actually be helpful on the supply side too. I always say, the answer is two words: Chevrolet Volt. Chevrolet Volt is a vehicle that GM is going to launch toward the end of 2010. This is a flex-fuel, plug-in hybrid vehicle. Plug it into your electric outlet at your house, charge it overnight when electric prices are low, leave the next day, drive away, you can you go 40 miles with a charge on your battery.

We are working hard to develop a lithium ion battery. The Federal Government is helping to partner the research on that. The idea is to go out, run the first 40 miles on your battery, and then when your battery runs low, to recharge the battery with an alternative power source aboard the vehicle. It could be a fuel cell, it could be a low-emission diesel, it could be a traditional internal combustion engine. Those power sources, auxiliary power sources, recharge the battery, and then the battery continues to run the vehicle.

The opportunity to get 80, 90, even 100 miles per gallon off a Chevy Volt flex-fuel, plug-in hybrid is not unrealistic. And it is a source of great encouragement. The question is where are they going to get the electricity to charge the battery.

Today, nuclear provides about 20 percent of our electricity in this country. I think 70 percent of the carbon-free electricity that is produced comes from nuclear. We have about nine new applications in. We have not built a new nuclear plant in 30 years. We have nine applications in right now to build about 14 more. We expect next year maybe another dozen or so applications and the opportunity for a renaissance in nuclear power.

As we go forward, the Nuclear Regulatory Commission has their hands full, as you might imagine, making sure that the 104 powerplants we have in existence today are run well, safely; relicensing a number of those powerplants so their life can be extended for another 20 years, and then saying grace over all these new applications for new powerplants that are coming in.

It is important for us in this body to make sure the NRC has what they need so they can oversee a safe renaissance in nuclear power. And that renaissance will help us on the supply side, espe-

cially as we move toward electric vehicles.

On the demand side, in talking about the Chevrolet Volt, a vehicle that if it gets 80 to 90 miles per gallon, helps us on the demand side, I think that is pretty obvious. There are other things we can do on the demand side as well. For my home, we went out, about a year ago, and bought a new air-conditioning unit. It is one that sits up about this high. It is pretty big. It is a SEER 18; we have energy efficiency ratings on our appliances.

But one of the things we can do is buy more energy-efficient appliances. We basically have cut our electricity bill in half since we went from a SEER 10 up to about a SEER 18. As we buy new appliances, we need to continue to do those sorts of things.

Gee, as I look at the lights in the Senate Chamber, and as we change out the light bulbs in our offices, in our homes, we can buy more energy-efficient light bulbs, change out the ballast systems in our lighting systems, put in new lighting systems. There is a lot we can do in terms of lighting.

The drop in the value of the dollar is coming from a couple things. One of the things it flows from is the uncertainty in the housing market, the collapse in housing prices, great uncertainty about the banking system, the mortgage financing system with Fannie Mae and Freddie Mac.

One of the things we can do—and hopefully we will take the final step tomorrow—is provide a strong independent regulator for Fannie Mae and Freddie Mac. We do that in this legislation. We take steps to make sure people who are facing foreclosure—and it is not something they have done wrong or no malfeasance involved, because we don't want to reward bad behavior—are given an opportunity to avoid it. We make the FHA relevant in the 21st century. We are going to provide housing counselors for thousands.

The ACTING PRESIDENT pro tempore. The time controlled by the Democrats has expired.

Mr. CARPER. I thank the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Utah.

Mr. HATCH. Mr. President, I ask unanimous consent that speakers on the Republican side be limited to 10 minutes each.

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

Mr. HATCH. Mr. President, the U.S. Congress has had its ups and downs, but the way the 110th Congress has handled our energy crisis is a low point.

High energy prices affect every American, whether they are Democrat, Republican, or Independent; whether they are labor unions, school teachers, or lawyers; whether they are white, African American, or Hispanic. But no group is hurt more by high oil prices than the poor. Restricting our Nation's oil supply is the most regressive policy imaginable.

All we have heard from the other side is let's blame oil company profit; let's blame oil companies for sitting on the leases; let's blame speculators for responding to a very small spare capacity of oil in the world.

Our citizens are begging us to drill more, but all the Democrats can do is blame more. Listening to the energy debate these past few days, I couldn't help but wonder whether the Democrats really believe their own arguments. Are they really drinking the Kool Aid the anti-oil environmentalists are serving them, or do they actually know better?

I am no expert on energy, but the arguments the anti-oil environmentalists are selling to my friends on the other side of the aisle are so obviously wrong that I would like to put some of their statements to the test.

Let's take a look at this chart here.

The first item on this chart states that an oil lease allows an oil company to drill. The truth is you cannot drill on your own oil leases without a permit to drill, and there is a huge backlog of applications for permits to drill. It is a very long, expensive, and frustrating process.

Let's take a look at this chart. This is what happens after an oil company gets a lease. First of all, the oil company must pay rental fees to hold onto its lease. Often, the detailed analysis of the actual energy resource is completed after a lease has been won. If the analysis indicates the resource is economic, the oil company must apply for a permit to drill, and that kicks in the NEPA process requiring the environmental studies.

And then there is still no guarantee the oil company will get a permit to drill. But if they do, there are still serious hurdles to overcome. They must comply with hundreds of State and Federal environmental rules, seasonal restrictions due to wildlife patterns, and very, very often, they must overcome protests and lawsuits by anti-oil environmentalists.

So let's go back to our first chart. We can see that this first statement is not true, so I'll put an "F" there for false.

The next line on the chart states that companies don't want to drill. The irony here is astounding, because the Democrats have been fed this line by the very same anti-oil extremists that are putting up all the lawsuits against drilling permits.

Let's take a look what the trend has actually been with oil permits and drilling.

The data on this chart shows what's been happening at the BLM Office in Vernal, UT. This is very representative of the rest of the country. Since the year 2000, applications for permits to drill have doubled, permits granted by the government have doubled, and new wells completed since the year 2000 have doubled. And even with a doubling of efforts by the government and the oil companies, there is still a very large backlog of applications for permits to drill. Mr. President, these are

facts, so I hope we can stop all the inuendo about oil companies not wanting to drill.

The last line is based on data the BLM just gave me yesterday, and this number applies to all oil and gas permitting in the Nation. Since the year 2000, environmental protests against oil and gas permits have gone up 700 percent.

It is an insult to the American people to mislead them this way. Is it any wonder that Americans are getting completely fed up with this Congress?

Anyway, let's go back to our chart and put a big "F" on the line that says oil companies don't want to drill.

And that leads us to the third line on the chart, which states that the release of final commercial lease regulations on oil shale would lead to a "fire sale" on oil shale leases.

It is an argument I have heard more than once, but a very quick review of existing oil shale law proves it to be false.

I was the sponsor of the Oil Shale and Tars Sands Development Act. It is now Public Law and referred to as Section 369. Senators PETE DOMENICI and WAYNE ALLARD were heroic supporters of the proposals, and we consulted with Senators JEFF BINGAMAN and KEN SALAZAR on the legislation.

It is worth taking a look at the actual language in the law, and I am paraphrasing to save time, but the law states it very clearly:

"The Secretary shall consult with the Governors of the States . . . to determine the level of support and interest in the States in the development of tar sands and oil shale. . . ."

Even after final commercial lease regulations are published, not one lease can be put out to bid until after the Secretary of the Interior consults with the relevant Governor to determine the level of State and local support for such activity. Then the law states that:

"If the Secretary finds sufficient support and interest exists in a State, the Secretary may conduct a lease sale in that State."

Notice that the Secretary may move forward only if there is support from the State. Anyone who reads the actual law, Mr. President, will see that issuing final regulations on commercial oil shale leases will not lead to a fire sale.

This chart shows the five major steps the law requires before the final regulations are released and then another set of major steps that must be taken after the final regulations are published, but before a single lease can be put up to bid.

A fire sale is when a business sells damaged goods at basement bargain prices. The public auction of oil shale leases is just the opposite. The auction would offer up valuable leases of only to the highest bidder. The winners will be paying a premium price to the Government with the goal of getting a return on their investment, and the Gov-

ernment wants them to be successful, because everyone wins when energy production occurs.

The oil shale law specifically ensures that no company will just sit on commercial oil shale leases. The law reads that "The Secretary shall, by regulation, designate work requirements and milestones to ensure the diligent development of the lease."

So let's go back to our original chart, and put a "F" on the third line. Oil shale leasing is, in every way, the opposite of a fire sale.

I am the sponsor of the FREEDOM Act, which provides strong tax incentives for plug-in electric vehicles. I also sponsored the CLEAR Act, which is the existing law giving tax credits for hybrids and alternative fuels. I understand that there are alternatives to oil, but I also choose to deal in the real world when I make policies. Just as with oil shale, each alternative will take years to fully develop, but we must work on them today if we want the benefits tomorrow.

Today, alternatives make up only about 3 percent of transportation fuels, and most of that is corn ethanol.

I hate the mandate on ethanol, but I am on record as a strong supporter of incentives for ethanol.

But let me remind my colleagues of some of the points I made on the Senate floor earlier this week. And these facts are based strictly on Government data and science journals.

If ethanol production were expanded to make up 20 percent of our fuel supply, it would move into drier areas and require irrigation.

This chart shows a comparison of how much water would be required to make that much ethanol, compared to the amount of water for the same amount of oil shale. The idea that oil shale needs huge amounts of water is an absolute myth, but the media keeps repeating it.

This chart shows us how much land would be required to produce enough ethanol for 20 percent of our fuel supply. As you can see, it would take the equivalent of Nebraska, Kansas, Iowa, Missouri, and South Dakota combined to grow that much ethanol. This is calculated based on data from the Energy Information Administration which shows it would take about 353,000 square miles to make that much ethanol, which is represented by the green area on the map.

Now, you probably cannot see it from your chair. But this red arrow on the chart points to a tiny dot on the map, which is the smallest county in Kansas. It is about 156 square miles, and that is all the area it would take to produce enough oil shale for 20 percent of our fuel supply. It is important to remember that after an acre of oil shale is used up, the law requires that it be restored back to nature.

If you look at this large green area on the map you can recognize that ethanol requires a lot of land cultivation.

The February issue of Science magazine published a peer-reviewed article

which states that when land is cultivated, it releases gigantic amounts of CO₂ into the atmosphere.

The Science article determined that because of the land disturbance associated with corn ethanol production, ethanol emits 93 percent more carbon than gasoline. And switchgrass, even when grown on existing corn lands, emits 50 percent more carbon than gasoline.

On the other hand, the Department of Energy calculates that oil shale, without using any carbon capture technology, emits only 7 percent more carbon than gasoline.

Whether you are talking about water, land use, or greenhouse gases, oil shale is certainly an improvement over ethanol. I continue to support ethanol production, but I know it is limited in what it can do.

On the other hand, as you can see by this chart, we have between 1 and 2 trillion barrels of recoverable shale oil in the United States. That is a pretty important number, because it is about the same of amount of the entire world's proven oil reserves. All government has to do is get out of the way.

Unfortunately, Congress has been exceedingly dysfunctional when it comes to energy.

On one hand they complain about oil companies sitting on oil leases, which we know isn't true, and on the other hand they ban development of our Nation's biggest oil resource, oil shale.

I wish they would make up their mind. And so do the American people, especially those Americans who fall well under the poverty line.

Let's take a look at the last item on our energy quiz today. It states that our poorest citizens spend about half their income on energy costs.

A book written by one of our Nation's civil rights crusaders, Roy Innis, shows how the poorest of the poor spend up to 50 percent of their income on energy needs. Can you imagine the impact the anti-oil agenda has had on these Americans?

So, for this final item, I will be marking it with a "T" because it is a true statement. Historically, the poor have looked to the liberals to promote their needs in Congress, but on energy, they have been sold out.

Earlier this month, a group of protesters came to Capitol Hill calling on Congress to stop the war on the poor by groups and congressmen who are closing off America's energy resources.

Included in the group were pastors and civil rights leaders calling on this body to unlock America's oil resources for the benefit of Americans and especially for the benefit of lower income Americans.

One of the participants was Bishop Harry Jackson. I would like to quote some of his remarks for the record. These are his words:

I am a registered Democrat, but this has nothing to do with partisan politics. Unless the public understands that there are specific people and organizations that are fueling this war against the poor, nothing will

change and the poor will continue to suffer. We will unmask those behind this war regardless of their political party or ideology. Party labels and partisan ideologies are meaningless when it comes to protecting the lives of America's most vulnerable citizens.

Democrats in Congress must choose between the very well funded extreme anti-oil interests, or the poor, because on energy prices, there is no compromise between the two. To be honest, I believe Americans have put their finger on this conflict, even before their representatives in Congress have fully begun to understand it.

Representative HENRY WAXMAN passed a law that bans the Federal Government from purchasing oil sands from Canada, unless it can be proven that it has a lesser greenhouse gas footprint than gasoline. In other words, we are turning away 1.5 million barrels of oil a day from a friendly neighbor in favor of oil from the Middle East and Russia. What about the greenhouse gas footprint of shipping that oil all the way over here?

Last year, Representative MARK UDALL, who represents Aspen, CO, passed the one-year moratorium on commercial oil shale leasing. At first, I thought he was simply seeking a little extra time for comments, but a year moratorium on leases is a very long time. Now he is trying to extend the moratorium for another year.

I guess there are not too many poor in Aspen. I love Aspen and the people there, but it is no secret that it is home to plenty of wealthy elites and environmentalists. I have no problem with Representative UDALL choosing the elite anti-oil crowd over the poor. But let's be honest about the choices we're making around here.

Just a couple months ago a local Aspen newspaper reported about how the city of Aspen has been besieged with building permit applications. The article states that new building permits every day equate to about \$2 million. From what I know about Aspen, I am sure there are some very nice brandnew homes, stores and restaurants going up, and more power to them.

Ironically, the local governments in Colorado's oil shale areas support oil shale development. But it is the wealthy environmentally minded citizens like the good people of the not so nearby Aspen who are opposing it. I addressed the environmental benefits of oil shale production earlier in my remarks, but extreme views are sometimes extremely hard to change.

The American people are not asking for a big appropriation or some difficult action by Congress. They are not asking us to give oil companies big subsidies or environmental loopholes. All they ask is that this Congress stop locking up our domestic oil resources. They are asking us to stop relying on foreign governments who are much smarter than we are about developing their own oil resources. They are asking us to find more and use less.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. ALEXANDER. How much time remains?

The ACTING PRESIDENT pro tempore. The Republicans control 18½ minutes in 10-minute increments.

Mr. ALEXANDER. I ask unanimous consent to enter into a colloquy with my Republican colleagues for the 18½ minutes.

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

Mr. ALEXANDER. Would the Chair be so kind as to let me know when 1 minute remains?

The ACTING PRESIDENT pro tempore. The Chair will do so.

Mr. ALEXANDER. Mr. President, the Senate just voted, because of the way Republicans voted, to stay on \$4 gasoline until we can find a serious solution to this problem. This is the biggest problem facing our country. The point we are trying to make is that we think we ought to take it up, take a week, take several days, offer our ideas, and the Democratic ideas—there are many about which we agree—and see if we can make some substantial progress to finding more oil and gas and using less oil and gas, which is the way we lower price if you believe in the law of supply and demand.

What we have discovered, to our surprise—we are willing to do both, to find more and use less, but the Democratic leader, at least, is not. Whenever we say we want to use more, he says: No, we can't. More oil shale: No. More offshore drilling: No.

So what we would like to emphasize in these next few minutes is that, unlike the way the Democratic leader has characterized our proposal, we are equally interested in using less oil and finding more. After all, the United States uses 25 percent of all the oil in the world. So if we really want to reduce the demand for oil as a way of affecting price, we need to get serious about using less oil as well as finding more.

I went to Oak Ridge National Laboratory in May and suggested we need a new Manhattan Project for clean energy independence, to put us on a path, over the next 5 years, toward clean energy independence. We would start with doing the things we already know how to do, such as building more nuclear powerplants—we know how to do that—offshore drilling, for which 85 percent of the Outer Continental Shelf is now, by law, off limits.

But I mentioned, then, several things we do not know how to do. We ought to have crash programs and do them quickly. One was to make solar energy cost competitive with fossil fuels in 5 years. Another was research in advanced biofuels so we can make alternative fuels from crops we do not eat as well as crops such as corn that we do eat. That is another way to use less oil. Another is to make all new buildings green buildings. We waste a lot of en-

ergy, and much of it is in our buildings. Another goal is to make plug-in electric cars and trucks commonplace. That is another way to use less oil.

The Senator from Alabama has been an effective spokesman not only for using and finding more American energy but for using less of it. I heard him on the floor yesterday, and I would ask the Senator, isn't it true that an essential part of the Republican plan—but let's call it the American plan—for really dealing with the price of gasoline today is to deal with both supply and demand, and that we are equally interested in the demand part and using less part as we are in the supply part?

Mr. SESSIONS. Mr. President, I certainly agree. I say to Senator ALEXANDER, I think you have articulated that so well. I just heard most of the remarks of Senator CARPER, our Democratic colleague. He was talking about ways to produce more nuclear power, biofuels. I think—don't you—there is a basis for compromise between our parties that will have conservation plus more production? Both of those together, I am convinced, will help break this cycle of ever-rising prices of fuel. That is the direction we need to go. I do find it odd that the Democratic leader is keeping this negotiation—really, this discussion that would occur from a real Energy bill debate—keeping that from occurring and keeping progress from being made.

Mr. ALEXANDER. Mr. President, I say to the Senator from Alabama, I was just thinking last night, we could have been taking these amendments up since last Friday. The Democratic leader brought up his speculation bill, which is a perfectly appropriate energy bill to bring to the floor, and instead of having the Senator from Delaware come make a speech about nuclear power, he could have offered an amendment about nuclear power. So we could have already spent 1 whole week dealing with issues on the supply side and demand side that would help lower the price of gasoline and other expenses.

Mr. SESSIONS. Mr. President, I think that is exactly right. I just want to thank the Senator for his leadership and study. One of our Members said there are few issues in which more Members of this Senate have educated themselves than on energy. I think most of our Members are deeply committed to doing something. If they are listening to their constituents, they are.

I calculated out, I say to Senator ALEXANDER, that according to the estimates of the Government, the average family travels 24,000 miles a year. That means in their budgets they will spend this year, based on the increase in gasoline prices, \$1,260 more. That amounts to \$105 per month. After they pay their Social Security, after they pay their taxes, after they pay their insurance, after they pay their house loan, and all these fixed expenses all of us have, they have that little remaining money

that discretionary money to do the things they want to do to take care of their family and many critical needs, and they have \$100 less per month.

I believe we have to do something. I do not believe we should go home without confronting this question. It requires conservation, less utilization, alternatives to this high price of oil, as well as more production.

Mr. ALEXANDER. Mr. President, I say to the Senator from Alabama, one of the parts of the Republican proposal is to make plug-in electric cars and trucks commonplace, which sounds like a startling idea the first time you hear it, the idea that you would just take your car or your truck and plug it into the wall at home and fill it up with electricity instead of gasoline.

But the fact is, Nissan announced in Tennessee the other day that it will have a pure electric car out in about 3 years. General Motors, Toyota, Ford—they are all going to be selling these cars. We are going to have the cars. The Tennessee Valley Authority, which serves the region where we live, says it has plenty of electricity at night which it can sell at low cost. So we have the cars coming. We have the electricity. All we need is the cord.

We could use a debate and discussion on the Senate floor to help make this country a place in which plug-in electric cars and trucks would succeed. That is part of our amendment.

I ask the Senator from Alabama, don't you think there is widespread support for plug-in cars and trucks on that side and widespread support on this side? Why don't we have some amendments about that? Why aren't we allowed to do it?

Mr. SESSIONS. Mr. President, I could not agree more. In fact, Senator CARPER, our colleague, just 10 or 15 minutes ago emphasized plug-in hybrids as one of the key solutions. I think you and I agree from our discussions that in the immediate future, a plug-in hybrid automobile may have more potential to reduce our dependence on fossil fuels than almost any other thing that is within our technological capabilities to achieve. Would the Senator agree with that?

Mr. ALEXANDER. Mr. President, that is exactly my view. What makes it especially appealing is that the Government is not in charge of it. The car companies are making the cars. The utilities have the electricity. It is estimated that we could electrify half of our cars and trucks in America without building a single new powerplant.

Mr. SESSIONS. Mr. President, I ask Senator ALEXANDER this. I get so frustrated when I say and Members on this side say: Well, we need to produce more oil and gas, we have blocked 85 percent of our offshore lands—not south of Alabama, we have supported that, but other areas are blocked—and they say that is because we are for oil companies. But the truth is, this idea you and I are talking about—a plug-in hybrid—would take us from oil, would give

some competition to the big oil companies, and would have a significant effect, would it not, in, hopefully, reducing the price of oil and their profits in the process?

Mr. ALEXANDER. It would.

I see the Senator from South Dakota, who has been in many ways the foremost champion of renewable energy here. We often hear him say that in the Dakotas they have more opportunity for wind energy, which, to the extent we use it, would reduce the amount of oil we use if we plug in electric cars and trucks, as an example, or use biofuels that are an alternative fuel.

I wonder if the Senator from South Dakota would not agree that using less oil, giving big oil some competition, is not a big part of the Republican proposal?

Mr. THUNE. Absolutely, the Senator from Tennessee is correct. I appreciate his leadership on the energy issue. I think putting it in very simple terms—finding more and using less—is something the American people understand and something that is seriously missing in this debate.

The Democratic leadership, by filling the amendment tree, has prevented the opportunity for Senators on our side or Senators on their side to offer amendments that would address the very basic issue of finding more and using less. What we have before us on the floor is a very narrow solution that does nothing to address America's dangerous dependence upon foreign sources of energy, does nothing to add to our domestic supply in dealing with the "finding more" side of the equation, and, frankly, does nothing to deal with the "using less" because all the good amendments—and I have looked at the list of amendments here on our side, at least—we have 24 "finding more" type of amendments, 14 "using less" type of amendments. We have a number of people who would like to offer amendments with regard to conservation and renewable energy.

As the Senator said, I am very much supportive of renewable energy. We are just going over—South Dakota will eclipse now the 1 billion-gallon level annually in ethanol, biofuels. We think there is a tremendous upside in the potential future in advanced, what we call next-generation biofuels, cellulosic ethanol, which would geographically diversify ethanol production in this country. So, I say to the Senator from Alabama and the Senator from Tennessee, their States might be able to participate in that as well because they would be able to make it from other forms of biomass.

I am very much for having a wide-ranging debate that includes opportunities to offer amendments on conservation, on renewable energy, on biofuels, on wind. South Dakota is home—maybe second to Washington, DC, because there is a lot of hot air in Washington—but when it comes to wind energy, South Dakota and the upper Midwest, the Great Plains

States, probably have more of an abundance of wind than about anywhere in the country.

Everybody says: Well, wind is intermittent, and it does not blow all the time. That is true, although you would have an argument from people in South Dakota because it does seem to blow all the time there. But we have very consistent wind which can be converted to energy and help address the "find more" part of the energy solution in this country.

But here we are in the Senate, the world's greatest deliberative body, having amendments being blocked that would do anything to address this issue of supply and demand. In fact, as to the Energy bill we voted on in 2005, we adopted 57 amendments and we spent 10 days on the floor debating amendments. As to the Energy bill we passed in 2007—late last year—we spent 15 days of time on the floor of the Senate and adopted 49 amendments. So we have a history on big issues such as this of allowing the Senate to work its will, and here we have probably the most important economic issue affecting America, not only currently but in the future, and the pocketbooks of every single American—and that is this incredible toll and economic hardship that the high price of fuel is taking on our economy and on Americans' pocketbooks. And we are being cut off from even offering any debate that would address these issues of conservation.

We have some great ideas on conservation, renewable energy, advanced battery technology. The Senator from Tennessee talked about—and so did the Senator from Alabama—having these electric hybrids that run for 40 or 60 miles on electricity and then convert over to fuel. I would like to be able to talk about and offer some amendments that would—once they get to that, where they start kicking in and running on a gasoline engine, making those flex-fuel vehicles because then you could run on any type, whether it is gasoline, whether it is E85. You could use blends that could be used to not only run the cars but also move us away from dependence upon fossil fuels and petroleum and more toward biofuels.

But in any event, the point of all this is, we are standing on the floor of the Senate with an opportunity to do something about an issue that is incredibly impacting Americans in this country, and we are being blocked from even having an opportunity to have some of these amendments that would impact the "finding more" side of the equation in additional domestic production and also the "using less" side, which is the conservation component.

Mr. ALEXANDER. Mr. President, the Senator who has helped us frame the debate has arrived on the floor, the Republican leader. I have heard him say repeatedly that we want a result. This is not a time for playing games. This is not a time for scoring points. This is a

time when Americans—South Dakotans, Alabamians, Tennesseans—we are all hurting.

I get stories from marines who do not have money for their vacation with their family after 18 months in Iraq, from moms who are losing their job because they cannot afford the commute.

We have an opportunity. We could be doing it this day. We could be debating Senator THUNE's proposals on wind and renewable energy and biofuels, Senator SESSIONS' proposals on conservation and plug-in vehicles. Yet we are in this parliamentary procedure to block us from offering anything that has to do with finding more and using less—except the one proposal.

I see the Republican leader in the Chamber. I wonder if he would agree with me that the American people are ready for the Senate to act and get a result on \$4 gasoline, and the Republicans are at least as interested in using less oil, giving big oil some competition, as we are in finding more?

Mr. MCCONNELL. Mr. President, it strikes me that the public opinion polls are overwhelming. People, frankly, do not care who gets it done, but they know they need both sides to cooperate to get there. I think Senate Republicans this morning spoke almost with one voice, saying: Let's stay on this subject and get it right now.

Mr. SESSIONS. Mr. President, I say to Senator ALEXANDER, I have great affection for the Democratic leader, but I just could not agree with his statement that we do not have time. We have a whole month coming up for which we are supposedly going home for recess. Our soldiers are working 7 days a week, with 15-hour days. This Congress cannot stand to stay in session a while and confront this issue and do some things we know will work?

I know there are a lot of specific steps everybody in this Chamber would agree would be positive to deal with this problem. We need to take those steps, and on a bipartisan basis; but we can't get there unless we are able to bring up the bill and debate it.

Mr. ALEXANDER. We should start today. I wonder if the Senator would agree with me. What I hope I never hear on the Senate floor again is it will take 10 years or it will take 5 years because, I wonder what we are supposed to do, not look ahead for the kind of country we want for our children?

What if President Kennedy said: I would like to go to the Moon, but it will take 10 years, so forget it. What if President Roosevelt had said: We need to build an atom bomb to win World War II, but it is going to take 3 years, so we better drop that idea. Or what if Benjamin Franklin had said: I would like to see a republic for these colonies, but it might take 50 years, so let's not do that.

Our job is to look down the road a few years and try to create a better environment for people. In addition, the price of gasoline today is based upon the expected supply and expected de-

mand tomorrow. So if this world saw the United States of America take major steps today to change the supply and demand in the world for oil and gas, the price would be affected today, in my view.

I wonder if the Senator from South Dakota would agree that the family budget—

The ACTING PRESIDENT pro tempore. The Senator has 1 minute remaining.

Mr. ALEXANDER.—that the family budget is more important than the legislative calendar, and that the family budget in America is more important than a legislative vacation, and what we ought to be doing today and over the weekend and next week is figuring out what to do about \$4 gasoline by finding more and using less.

Mr. THUNE. There is no doubt the folks I represent in South Dakota, as well as the people of Tennessee and the people of Alabama, are speaking loudly and clearly about this. They want this addressed. They think all this finger-pointing and playing the blame game in Washington isn't doing anything to solve their problem, which is the tremendous toll and impact this is having on their pocketbooks. I would hope we would be able to have a wide-ranging debate, be able to vote on amendments, look at a balanced, comprehensive approach that includes more production, that includes conservation, that includes use of renewables.

That is not happening in the Senate, and it is not happening because the Democratic leadership has decided they don't want to take votes. They don't want to take votes on additional production, and so they have done what they call in Washington "filling the tree." In simple terms that basically prevents anybody—including Members on their side but Members on our side as well—from offering amendments that would actually solve the problem.

It is unfortunate where we are, but the Senator is exactly right.

The ACTING PRESIDENT pro tempore. The Republican time has expired.

Mr. ALEXANDER. Thank you, Mr. President.

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

Mr. MCCONNELL. Mr. President, I wish to proceed on my leader time. I am unsure what the time situation is.

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

Mr. MCCONNELL. Mr. President, the Senate took a defining vote this morning.

Americans have been crying out, asking us to act to lower high gas prices. They just heard the official response from the Democratic leadership in Congress: A few new guidelines for the energy futures market is enough. We don't need to do anything other than that. That is it. That is the Senate Democratic position.

The American people have been telling us for months that the house is on fire, and the Democrats just showed up at the scene with a squirt gun—a squirt gun.

The vote we took this morning was their response to \$4-a-gallon gasoline. That is what a few of our friends on the other side are doing for all of those people out there who are standing at the gas pump, hopping mad at what it just cost them to fill the tanks of their cars. They have told 49 Republicans and more than a dozen Democrats who are open to increased domestic exploration the same thing: take it or leave it, speculation or nothing.

Americans are insisting that we do a lot more than that. They want us to do something to cut the price of gas and to lessen our dependence on oil in the Middle East. They don't want us to quit working until the job is done, and leaving this issue is what the Democratic leadership just voted to do.

A majority in the Senate wants America to be self-reliant and to find more American energy, but the Democratic leadership says: No, we can't.

To drive down gas prices, we should be opening the Outer Continental Shelf today, but the Democratic leadership says: No, we can't.

To drive down gas prices, we could be lifting the ban on development of the vast oil shale deposits in Western States that sit on three times the reserves of Saudi Arabia. The Democratic leadership says: No, we can't.

To drive down gas prices, we could have approved incentives for battery-powered electric cars and trucks today. The Democratic leadership says: No, we can't.

To drive down gas prices, we could have voted to open up untapped American oil today, but the Democratic leadership says: No, we can't.

To drive down gas prices, we could have voted today for new, clean, nuclear technology, but the Democratic leadership says: No, we can't.

To drive down gas prices, we could have approved new coal-to-liquid technology today, but the Democratic leadership says: No, we can't.

Nearly eight in ten Americans say we should do these things, but the Democratic leadership and their Presidential nominee have the same simple response to every one of them: No, we won't.

A dozen Democrats in the Senate say we should consider these things, but the Democratic leadership had the same answer for them: No, we won't.

The Democratic leadership just voted to give up on finding a solution to high gas prices. They just voted to give up on trying to find more and to use less. They just voted to give up on our effort to consider serious ideas from both sides of the aisle. They want us to tell the American people the Senate's time would be better spent on other things, and that it is time to simply move on.

Well, Republicans have a three-word response for the Democratic leadership: No, we won't.

I just voted to keep the Senate on the most important domestic issue facing our Nation. If there is a more important domestic issue facing the country, let's hear it; otherwise, let's get serious and work toward a big solution to this very big problem.

I mentioned yesterday that I received recently a letter from a dialysis center in Kentucky. They were pleading with the Senate to take action now on the high price of gas at the pump. The letter said that some of the rural patients who have to go to this center for treatment three times a week are now foregoing some of their treatments because they can't afford the gas to get there.

So I ask my friends on the other side the same simple question I asked them yesterday: If you won't act now, with dialysis patients cutting back on treatments because of high gas prices, when will you act? What is it going to take?

I know my colleagues across the aisle are stuck between the "No, we can't" position of their Presidential candidate and the Democratic leadership—stuck between them on the one side and the guy at the gas pump with smoke coming out of his ears on the other. For me, though, that decision is an easy one: I am going to be with the guy at the pump.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The senior senator from Rhode Island is recognized.

HOUSING

Mr. REED. Mr. President, I wish to talk about the pending passage of extraordinarily important legislation: the Housing and Economic Recovery Act. We are debating it today, and it is one of the most significant pieces of legislation that we will address in this Congress and perhaps in many Congresses to come. It is in direct response to the housing crisis, which has not only undermined home values throughout this country, forcing thousands and hundreds of thousands of people into foreclosure or onto the verge of foreclosure, but its effects have essentially been transmitted throughout the entire economy, and we are seeing a huge economic downturn. Unless we provide some type of footing for housing in the United States, I do not think the economy will begin to recover. It is perhaps the most significant economic issue that we face.

For months now we have been battling to get this legislation through, and we are now on the verge of passing this significant bill. I am excited for that moment, and I wish to first commend individuals who have played a critical role. Senator DODD has been remarkable in his management of this legislation, along with Senator SHELBY. They have played a dynamic and very creative and very positive role in bringing this legislation to final passage. They have been ably assisted by their staff, and I have been particularly assisted by my staff members, Kara Stein and Didem Nisanici. They have done a remarkable job.

For the first time in a generation with this legislation, we are beginning to update, modernize, and strengthen the institutions that undergird our mortgage and housing markets to provide some footing, some economic traction, so that Americans can begin to feel somewhat hopeful and confident about their economic future again. We are also providing grants and tax incentives to encourage the development of housing across the Nation for low-income families.

One of those issues that has been persistent and, indeed, pernicious for many, many, many years before the onset of this housing crisis is the lack of affordable housing in many parts of the country—in fact, practically every part of the country. Low-income families have been struggling for decent, affordable housing.

In this legislation, we are providing a response to their struggle—a response I think will not only benefit low-income families but benefit communities throughout the Nation.

This legislation is a comprehensive and realistic response to the current crisis. I believe it will help millions of Americans to find decent, safe, and affordable housing.

Again, let me thank Chairman DODD and Senator SHELBY for all of their hard work and their very astute, very wise judgments at various places along the way where this legislation could have gone off the track. They have done a remarkable service for this body and for the American people. This bill is not just going to provide families with some hope; it is also going to provide families with real help, and that is so critical at this juncture.

For families, such as many in Rhode Island who are struggling to stay in their homes, this legislation creates a new program at the Federal Housing Administration—the FHA. This HOPE for Homeowners Program will allow families who have mortgages that are underwater—their mortgage is greater than the value of their home at this time—to refinance into 30-year, fixed-rate, FHA-insured mortgages they can afford. It is going to increase funding for home ownership counseling so that more families have access to these much needed services.

This legislation also aids our returning soldiers, sailors, airmen, and marines. I just had the privilege of traveling into Iraq and Afghanistan with Senator HAGEL and Senator OBAMA to personally thank these young men and women and to tell them we are with them. We are with them not just there in the war zone, but we have to be with them when they come home so they have a chance when they come back to maintain their homes and get the services they need. This legislation will help them by lengthening the time a lender must wait before starting the foreclosure process and by providing these soldiers, sailors, airmen, and marines with 1 year of relief from increases in mortgage interest rates. It is

fitting that we spend a moment in this legislation to recognize these brave young Americans.

It will also provide \$3.92 billion for States and local governments for the development of abandoned and foreclosed homes. It has been estimated that Rhode Island will receive about \$56.7 million of this community development block grant funding, which should help stabilize many of our neighborhoods and stem the significant losses in the home values of surrounding neighbors.

What happens when a home is foreclosed? It affects dramatically and traumatically the individual family, but the effect is not contained to that home because the values of the surrounding homes go down as well. Almost like a cascading effect, one foreclosure follows another, home values descend, and then you have a blighted community. We have seen this in Rhode Island.

My colleague, the Presiding Officer and junior Senator from Rhode Island, has traveled through some of our communities where not one home, but two, and then three, and four, and then ten are foreclosed—then suddenly we have a problem which is eating at the heart of the community.

This CDBG money will help cities move aggressively, first, to protect the physical structures of these homes. One of the things we have seen—not just in Rhode Island but nationwide—is that when these homes are abandoned, they are subject to predators who come in, rip out the copper piping, the wiring, take off the siding, and before you know it, you have lost that opportunity to put another family in that home. It is a great loss to the community.

We have done much over the last several decades to begin to turn the corner in many of our communities in Rhode Island. You could see the sense of pride and progress as homes were fixed up and new properties were developed, but we stand the chance of losing that, of letting it slip away. So without this community block grant development money, we will see neighborhoods turned inside out, begin to fail, and provide a further pull downward on the economy in so many communities in this country. This is another important aspect of this legislation.

This legislation also will help to stabilize and stimulate the real estate market.

This has been one of the great engines of our economy over the last decade or more.

This legislation contains a provision that will provide a \$7,500 tax credit for first-time homebuyers—help people get back into the real estate market.

It will also provide States with \$11 billion of additional tax-exempt bond authority in 2008 to help refinance subprime loans, make loans to first-time homebuyers, and finance the building of affordable housing. Many States—particularly in our State of

Rhode Island—have housing authorities that have done a remarkable job of partnering with private, not-for-profits, and local commercial and financial institutions to try to help develop affordable housing, help people who are having difficulties with their mortgages. This additional bonding authority will give more support to these local efforts. It is a critical issue.

The legislation also increases the GSE—which are Fannie Mae and Freddie Mac—FHA, and VA loan limits. This is going to allow more families to access conventional mortgage rates and be able to place themselves in affordable and sustainable mortgage products. One of the problems we have seen over the last several years has become much more vivid. Looking back, because we didn't empower the VA, FHA, and GSEs to more aggressively provide access to conventional loans, many families turned to these exotic mortgages with accelerating interest rates. As a result, they find themselves now in a great dilemma. Studies have shown that many people who were getting these subprime loans would have qualified for one of these conventional loans with a conventional interest rate. Because we weren't reaching out through these Government agencies, the VA, Federal Housing Administration, and also incentivizing the quasi-governmental agencies, Fannie Mae and Freddie Mac, these people had very little choice but to be subject to the blandishment and allure of these seemingly good deals in the subprime mortgage market. Now we are getting much more aggressive with conventional mortgages. That will be, I think, going forward a good thing.

Important also, this legislation helps restore confidence in Fannie Mae and Freddie Mac. It creates a new, strong, independent, world-class regulator for Fannie Mae, Freddie Mac, and the Federal Home Loan Banks.

The bill also includes a provision, at the request of Secretary Paulson and the administration, which will authorize the Department of the Treasury to provide an explicit backstop should the GSEs encounter grave financial problems.

I am pleased also that the Federal Reserve's consultative role with the newly created regulator will also be also limited to the duration of this authority rather than in perpetuity.

I firmly believe that issues surrounding regulatory reform need to be seriously considered at length for the remainder of this year and in the upcoming year. We should not be merely bootstrapping these issues to the current bill without significant deliberation on the role and the ability of the Federal Reserve to perform such responsibilities. Let me say that again. It is vitally important to signal to the markets and the American people that Fannie Mae and Freddie Mac are still vital, valuable parts of our mortgage market. In fact, they represent right now roughly 70 percent of that market.

If they are faltering, if our real estate markets decline further, that is going to be a significant weight on our overall economy—even more significant than in the present day. Restoring confidence in Fannie and Freddie and the marketplace is one of the building blocks to beginning to restore and rebuild our economy going forward. These provisions will, I hope, do it in such a way that they provide psychological support so that actually drawing down funds by Fannie Mae and Freddie Mac may be unnecessary. This backstop will send, I think, the right message to the marketplace so we can move on to begin to deal with some other issues with respect to the larger financial markets of this country, and indeed the world.

Finally, let me mention some of the provisions I am particularly proud of in the bill. They represent the culmination of years of work—not my work alone, but work on which I have taken upon myself to provide some, I hope, leadership.

I have been working to create a national affordable housing trust fund, this in response to the needs I have seen—and my colleague, the junior Senator from Rhode Island, has seen—around the country, with families struggling to find a decent place to live. Without a decent and a permanent place to live, how can you expect children to succeed in school, if they are in three different schools when families move from one rental to another one? How can families choose between shelters at all, when apartments are riddled with lead hazards, which impacts the health and welfare of a child and the family? How can you expect someone to confidently go out and look for a job and maintain a job, when they are asked for a permanent home address and they have to scribble something—either make it up or change it repeatedly? These are the challenges many face because we don't have adequate affordable housing for many of our citizens. Prompted by that, I have, since I have been in the Congress—the House and the Senate—been working for the day we can provide more support for affordable housing for our citizens.

When I was chair and ranking member of the Housing and Transportation Subcommittee of the Banking Committee during the last few Congresses, it became clear to me that our Nation had this affordable housing crisis. One of my first public policy endeavors as a young lawyer in Rhode Island was to be the pro bono legal counsel to Amos House, a wonderful organization in our home State, in Providence, which attempted to provide support to people who were poor and also provide some housing. I first became convinced that if we can provide stability in housing, that would go a long way towards giving people the confidence, self-esteem, and the skills needed to master the challenges of living in a very difficult economy.

Housing is expensive now—very expensive. It is falling, but it has gone up dramatically. The affordable housing crisis continues to be with us. Indeed, one of the ironies of the marketplace will be—and I hope quickly—when the market restores itself and home values begin to rise because of this legislation and other legislation, it will make it even more difficult for low-income and modest income Americans to find a place to rent or buy. We want the economy and the housing market to come back strong, and we want housing values to rise. But we cannot forget the people who may be left behind because their income is flat.

So this affordable housing provision is critical. There is no place in this country, for example, where an individual with a full-time job, at the minimum wage, can afford a two-bedroom apartment. Today, the minimum wage is going up, which is long overdue; but even at \$6.65 an hour, that doesn't leave a lot for a good, safe two-bedroom apartment for a family. We have to do more. This legislation does more.

In my State of Rhode Island, the average wage for a renter is \$11.61. In order to afford the fair market rent for an apartment at this wage, a renter must work 68 hours per week, 52 weeks a year. If you are making the average wage, in order to afford a decent two-bedroom apartment, you have to work 68 hours a week, 52 weeks a year. People are doing that. They are doing it for their children; they are doing it to make sure that at least there is a safe and healthy place for their children. That is an extraordinary burden. That is just to pay the rent. What about the increased food prices? What about the gasoline prices we are all recently talking about with such intensity?

This legislation creates an affordable housing trust fund from a less than one-half cent fee on each new dollar of business that Fannie Mae and Freddie Mac engage in. This is not from the taxpayer. This is from the business activities of these government-sponsored entities. A less than a half-cent new fee on each new dollar of business.

The fund, we estimate, is going to provide approximately \$500 million per year for the building, preservation, and rehabilitation of housing for low-income families. Rhode Island should receive approximately \$3 million from the trust fund program once it gets up and running.

Part of the money collected from Fannie Mae and Freddie Mac will also be allocated to a new program that will be run by the Secretary of the Treasury, called the Capital Magnet Fund.

Community development financial institution and nonprofit housing developers will be able to apply for funding if they can show an increased investment in the development, preservation, rehabilitation, and purchase of affordable housing for primarily low-income families. So there are basically two funding streams. We hope it will incentivize the use not just of these

funds but additional private funds so we can provide even more support for affordable housing.

The grantees of the capital magnet program must show they can leverage at least \$10 in private dollars for each dollar they receive from the Capital Magnet Fund. That is a pretty good deal. If they can leverage \$10 of private investment for \$1 of investment from that fund, that will multiply many fold the effect of these affordable housing dollars. These grantees will have to show that leverage and show innovative ways in which they can deliver affordable housing services. This will be a private solution to this problem. These grantees are primarily community development financial institutions or not-for-profits, who want to go ahead and support affordable housing in their communities.

This funding will be used to create and support financial programs that dramatically increase investment in low-income housing, such as revolving loan funds, risk-sharing loan programs, loan-loss reserves, and affordable housing trust funds at the local level.

I also helped draft provisions that would require Fannie Mae and Freddie Mac to purchase more mortgages made to low- and very low-income families. This should increase the access of these families to 30-year fixed rate conventional mortgages. These provisions also require Fannie and Freddie to purchase more mortgages for rental housing built for low-income families, which decreases the mortgage rates on these mortgages. Frankly, more financial institutions will make the mortgages because they will be able to sell them to the secondary market.

The legislation also includes the text of a bill I introduced, called the Mortgage Disclosure Improvement Act. These provisions require that consumers are provided with timely and meaningful information regarding the terms of their loan, including loans that refinance a home or provide a home equity line of credit. As we look back on this subprime crisis, so many times borrowers were totally unaware of the details of the mortgage. They might have been able to afford the first year of payments, but once the escalator kicked in, they were out of the box. They never understood this fully. Frankly, there were more incentives for the brokers and dealers of the loans to obscure the bad news than to deliver the news to the borrowers. With these improvements, people will have fair warning. They will have the information they need to make a better judgment about the mortgages they will sign up for.

In particular, the TILA, the Truth-in-Lending Act form, will now show the maximum payment a consumer might have to make under the terms of the loan, and increase penalties if a lender doesn't provide this information in a truthful and timely way to the consumer. You will know the maximum exposure you will have as a borrower.

That should be a sobering caution for people who are trying their best to get into a home.

I am also pleased that this bill includes language I authored to expand access to HUD-approved counseling programs by allowing any low or moderate income homeowner to be eligible for financial counseling services. This provision will allow many more families to get the advice or assistance they need to help keep their homes.

As most of you know, FHA also insures reverse mortgages that can be used by homeowners age 62 or older to convert their home equity into monthly streams of income, or a line of credit to be repaid when they no longer occupy the home.

As the coauthor with Senator AL-LARD of a bill to improve the home equity conversion mortgage program, I am pleased this bill contains our language to remove the current congressionally imposed 275,000 cap on the number of reverse mortgages that FHA can insure per year. This should allow the successful FHA program for seniors to expand and serve more seniors.

The bill also includes important provisions to protect our seniors from fraudulent practices, such as requirements for independent, third-party counseling before they enter into the mortgage, limits on the amount of origination fees that can be charged, and prohibitions on requiring the purchase of other products, such as insurance or annuities. This is a good program. We think we have made it better and believe it will now be able to serve more seniors.

Additionally, the legislation contains language I authored to use \$25 million in FHA savings every year for the purpose of modernizing and improving FHA's technology, processes, and program performance. This funding can also be used to provide more staffing for FHA's newly expanded programs. This funding is critical to ensure the success of the FHA modernization proposal since it will allow FHA to access cutting-edge mortgage industry practices and procedures. If we want the FHA to be a strong participant in the mortgage market, they have to have the modern tools to do that, not only to serve more borrowers but also to protect against problems, to protect the resources they are committed on behalf of the Government to use for the benefit of our fellow citizens. So this modernization provision is absolutely critical, it is important, and I am glad it is in the bill.

We are at a critical juncture, and I am very pleased that we have finally been able to reach bipartisan agreement on this legislation. Again, it is a tribute to Senator DODD and Senator SHELBY and so many others and to a remarkable staff who have worked so hard. I am most proud of what we have been able to do to increase access to credit and affordable housing for low-income people in Rhode Island and across the Nation. This legislation is

going to be the linchpin that helps millions of families have decent, safe, and affordable housing.

It also should restore confidence in not only our Nation's housing market but in our Nation's economy. As we move forward, I think we have much to learn from this experience, including how integrally connected our housing markets and capital markets have become. Safe, decent, and affordable housing should not just be the American dream, it should be the American promise. I look forward to witnessing the good this bill does in moving us in that direction.

As a final point, my colleague, Senator SANDERS, has shown remarkable leadership to get LIHEAP funding onto the floor of this Senate. We need it. One of the responses, one of the immediate responses—not talking about drilling that 10 years from now will put more gasoline into the world market—in immediately dealing with the crisis this fall and winter for families everywhere is to pass a LIHEAP bill. I hope we can do that.

I yield the floor.

The PRESIDING OFFICER (Mr. PRYOR). The assistant majority leader.

Mr. DURBIN. Mr. President, first, I wish to welcome back our colleague, Senator REED of Rhode Island, who has returned from a trip to Iraq and Afghanistan with Senators OBAMA and HAGEL. I know he has made many trips there and I thank him for his service in the Senate and his contact with our troops and we are glad to have him back.

Mr. President, how much time remains on the Democratic side?

The PRESIDING OFFICER. There is 5½ minutes.

Mr. DURBIN. Mr. President, briefly, I will say that we have pending before us a housing bill. You couldn't have missed this story in America; it has hit so many communities so hard. My home State of Illinois is fourth or fifth in the Nation in mortgage foreclosures. Our largest county, Cook County, is No. 2 among counties in the Nation in mortgage foreclosures. I have gone to the west side of Chicago and taken a look—with Bob Fioretti, the local alderman—and seen a beautiful row of houses, and among those are many well-kept places, with the lawns manicured, and smack dab in the middle is one boarded-up house with trash all over the front yard and a sign that says it will be up for auction in a few weeks.

Of course, that is dragging down the property values for the good neighbors who are trying to keep their homes nice and make their mortgage payments on time. So mortgage foreclosure isn't just your neighbor's misfortune, it is your misfortune. And when 2½ million Americans lose their home to foreclosure, 44 million homes see a decline in values.

In my hometown of Springfield, IL, when somebody files for foreclosure a block or two away, it affects my property value. Of course, a home is one of

the most important assets most families own. So we want to get this under control.

Those people who have been defrauded by mortgage practices that never should have been allowed need a second chance. I don't have any sympathy for speculators—those high flyers trying to make a fortune. But for those families who need a second chance to stay in their homes and not lose everything they have put into them, this bill can help.

We worked on this bill on a bipartisan basis. We now have the President's support. The fact is, this bill should be on the President's desk today, and it could be. Sadly, one Republican Senator is holding up this bill and making the Senate stay in session until tomorrow. I hope that Senator is here for the vote when it takes place tomorrow, but this is totally unnecessary. It is just a matter of delaying critically important bipartisan legislation that can try to address the terrible home situation we have across America.

The National Association of Realtors has reported that home sales have dropped yet again last month, leaving sales 15½ percent below where they were a year ago. The median price of a home sold in June dropped 6.1 percent from a year ago. That is the fifth largest year-over-year price reduction on record.

In Illinois, my home State, sales were down again, and the median sale price was down 6.1 percent from June of last year. Unfortunately, it doesn't look like it is going to get better soon.

Six months ago, the Center for Responsible Lending estimated that 2.2 million homes may be lost to foreclosure in the near future. That means 44½ million families will see a decline in the value of their homes. The total decline in home values across America from neighborhood foreclosures is expected to be over \$220 billion.

This bill that we have before us, that will be passed—I hope tomorrow—with a strong bipartisan vote, the Housing and Economic Recovery Act, will take several steps to help families facing foreclosure keep their homes, help other families avoid foreclosure, and help communities that have been devastated by foreclosure to recover.

Chairman CHRIS DODD, a Democrat from Connecticut, and ranking member RICHARD SHELBY, a Republican from Alabama, came together and crafted a bipartisan bill and worked hard to do it. Chairman BARNEY FRANK of Massachusetts, over in the House, did an extraordinarily good job, and we were able to not only improve the regulation of Fannie Mae and Freddie Mac, two Government agencies that are directly involved in almost half the home sales in America, but the bill also gives tax benefits to families who want to buy homes and cities trying to rebuild low-income housing.

It helps veterans—and we should always do that—by increasing loan lim-

its for their mortgages and extending the period of time that lapses after a soldier returns from service before he can face foreclosure.

Cities receive \$4 billion under the bill to purchase and rehab foreclosed property, and it helps avoid foreclosures in the future by tightening licensing requirements on mortgage brokers.

All these steps are in the right direction, but we also need a good-faith effort from lending institutions. For too long they have stood by the sidelines watching these foreclosures stack up. They should be in the game, working with these families to save the homes, where they can. That is not only the right thing to do morally, it is the right thing to do for their industry. If we are going to get the American economy moving again, create jobs, and have a bright economic future, we need to get our housing sector back on its feet.

I am sorry that one Senator makes us wait until tomorrow to get it done, but I trust tomorrow we will get it done. We are going to pass this bill, send it to the President, and I hope start the economic turnaround this country needs.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. COLEMAN. Mr. President, I join with the assistant Democratic leader in looking forward to passage of the housing bill. Americans are caught in what appears to be a perfect storm. The subprime mortgage crisis, of course, causes a collapse in that area, and then all other housing is impacted by what happens to a neighbor. People lose value in their homes, they lose equity, they can't reinvest, can't fix the floors, and then we see jobs impacted. It is a problem, and I look forward to dealing with that tomorrow. I am pleased we have come together in a bipartisan way to address this very critical problem.

ENERGY

The other side of the coin—that perfect storm—is the issue of energy, the gas crisis—\$4-a-gallon gas, a barrel of oil costing \$130, \$135, \$140, and who knows where it ends. I come to the floor to discuss an energy amendment I introduced yesterday, with the support of 24 other Senators, including the distinguished ranking member of the Energy and Natural Resources Committee, Senator DOMENICI.

Before I begin making my remarks, I wish to make a parliamentary inquiry: I filed an amendment to S. 3268, the energy speculation bill. When the Senate resumes consideration of that bill, which I presume we will go to after we deal with the housing bill, would it be in order for me to offer that amendment?

The PRESIDING OFFICER. It would take unanimous consent to offer that amendment.

Mr. COLEMAN. So if anyone on the other side objects, then I do not have the opportunity to move forth that amendment; is that correct, Mr. Presiding?

The PRESIDING OFFICER. If any Senator objects.

Mr. COLEMAN. Mr. President, we are dealing here, for those who watch the Senate, with a procedure where the majority leader has done what is called filling the tree. It is a tactic where the Democratic leader brings a bill to the Senate, fills the tree so no amendments can be offered without his consent, and then files cloture on the bill, which stops debate. The end result is a process that is designed to fail because it prevents any other Senator from offering amendments.

I would note the number of times the amendment tree has been filled by the present majority leader has been 14 in this 110th Congress. That is more than the total number of times that procedure was used by the leaders in the 107th Congress, the 108th, and the 109th Congress.

Here we stand in the Senate, while our constituents are raising their voices, expressing their frustration, and asking us to do something on an issue which is “the issue” of the day. We worry about the high cost of food. My farmers have an increase in the cost of energy that is driving up the cost of food, and we are taking more money out of our pockets now to pay for gas. I tell folks at home, not so jokingly, that when you go to the gas station today and you put the pump in the tank, you wonder what is going to get filled first, the tank or your credit limit. So what we have is an energy speculation bill. This is what we are allowed to debate when it comes to answering the most urgent crisis facing America. This is the Senate. It is supposed to be the greatest deliberative body in the world, and this is not the way you deal with the energy crisis. You don't set up a procedural process that is designed to fail. I am going to talk further about speculation, but we have to do all of it.

In Minnesota, we play hockey. It is a way of life for many. There is no question we have plenty of ice to play on, and everyone knows hockey isn't exactly a no-contact sport. In the same way, it is reasonable to expect there will be differences of opinion and lively debate among Senators when an important bill is considered on the floor. But what the majority leader has done with the process on this Energy bill is akin to a hockey team throwing their gloves on the ice before the puck is even dropped.

This isn't about solving a problem. This no-amendment process is set up to deliver a political fight, and that is not in the best interest of the American people. It is the last thing Americans want and need. Minnesotans are smart—Americans are smart—and they get it. They know we need to use every resource at our disposal to deal with this energy crisis. They also know politicking when they see it. I don't think either party wins if we go home in August without passage of a strong energy bill. Not this. Not this, designed

to fail, addressing a narrow aspect of it. I wish to address it, but there is so much more that has to be done.

I agree speculation is an important issue. I have been looking into this matter, as ranking member of the Permanent Subcommittee on Investigation and when I was chairman before that. So as both the chairman and ranking member, since 2006, we have been looking at this. But speculation can't be dealt with substantively without changing the current supply-and-demand dynamic. The bottom line is we need to find more, we need to produce, and we need to consume less.

Speculation is based on the belief that there is going to be scarcity in the future. If you tell folks: No, no, there is not going to be scarcity because we are going to tap into American resources, we are going to do what has to be done to break that dependence on foreign oil, to do what we have to do to tap into our resources in an environmentally safe way—you change the dynamic.

We had testimony before our subcommittee, and one of the witnesses said that if we did it—and he was talking mostly, by the way, about renewables and conservation and production—if we put it all together, the price of gas would drop like a rock. Now, I can't guarantee that, but I can tell you if you are concerned about speculation, then one of the things you want to do is to tell the speculators who are betting on scarcity that there is not going to be scarcity in the future because we are tapping into American resources.

We have those resources to tap into. That is what the Coleman-Domenici amendment would do; it would untie America's hands as we try to deal with this energy crisis by allowing States to explore for deepwater oil and natural gas that is 50 miles or more off the Nation's east and west coasts. That amendment would also focus on the conservation side because you have to do both. It would pave the way for plug-in hybrid vehicles, by making battery production more efficient and more affordable.

Currently, 85 percent of the lower 48 Outer Continental Shelf acreage is off-limits—85 percent of the OCS is off-limits right now in the lower 48. Meanwhile, undiscovered OCS reserves are expected to be as large as 86 billion barrels of oil and 420 trillion cubic feet of natural gas. Producing just 1 million barrels a day from the OCS would increase domestic oil production by nearly 20 percent for 40 years.

I live in a State that is cold in the winter, and that winter starts early. We are going to see the price of natural gas start spiking in September and October. My farmers are impacted by that because natural gas is important to the production of fertilizer. They are having trouble getting price quotes—not just for next year, some are having trouble getting price quotes for the near future. If we tell the world we are tapping into this resource that is

there, regardless of when it comes on, we are going to change the dynamic today.

On the demand side, widespread use of plug-in hybrid electric vehicles will reduce our dependence on foreign oil, greenhouse gas emissions, and the costs associated with driving. In fact, we could reduce the petroleum consumption by 3 to 4 million barrels a day by the mid-21st century and cut the cost of driving by about 75 percent.

This amendment is not a silver bullet. In fact, there are many other areas we need to look to—coal to liquid, oil shale, ethanol, expand nuclear production now, wind energy—expand that now. We had Boone Pickens come into our caucus—and he spoke to our colleagues on the other side—and say: Do it all. Do wind, do nuclear, do Outer Continental Shelf exploration, do oil shale—do it all. I think there is a better way to address the speculation issue than what has been done in the underlying bill.

Unfortunately, the Senate has been handed a take-it-or-leave-it process on a speculation bill that doesn't cover production and doesn't cover conservation. I believe if we abandon the type of take-it-or-leave-it process that failed to allow full consideration of a whole range of bills, as we have seen with this process of filling the tree, and look to the bipartisan template that was so effective during the farm bill debate, we have a chance to pass an energy bill. That is the way the Senate works.

There are Senators on both sides of the aisle who want to do this. They are listening to their constituents. They understand.

I want to go back to the farm bill. If you recall, last November it looked as though the farm bill was dead. The legislation responsible for ensuring America's food security had fallen victim to disagreement about amendments. There were 285 amendments filed to the farm bill, and the stalemate over process lasted weeks. But at the end of the day, the majority and minority leaders agreed to 20 amendments on each side. Voting began on December 11, and the farm bill was passed by 79 votes on December 14. Argument over process had lasted for weeks. Yet in 4 days the Senate was able to breeze through an incredibly complex reauthorization bill. Senators did not need to vote on 285 amendments, but they did need enough votes to ensure the Senate could fully consider the measure and do the job.

The farm bill debate not only proved reasonable accommodation of process can be found on important issues, but it also proved the power of bipartisanship to allow this body to serve the American people. The farm bill couldn't have been passed without Senators on both sides coming together for the greater good of the Nation.

The American people are in desperate need of a good energy policy. We don't need to vote on every amendment that has been filed, but there is no reason we can't start out with seven amend-

ments on each side. Time should not be a problem either, as surely it will not take the 4 days it took doing the farm bill. Maybe this could be shorter. But we need to do it. We need to move forward. Americans are demanding it.

I will be the first to sign up. I want to work with the Presiding Officer. I want to work with others. We need to find a bill that finds more and uses less. Let's find something for production, for conservation, and speculation. Do it all. That is what the Senate should have a chance to vote on.

I yield the floor.

The PRESIDING OFFICER (Mr. CASEY). The Senator from New Mexico.

Mr. DOMENICI. I understand I am entitled to speak now, for how long?

The PRESIDING OFFICER. Up to 10 minutes.

Mr. DOMENICI. Before the Senator leaves the floor, I wanted to say—I wanted to talk about three things, briefly.

First, the Senator is talking about an amendment that I cosponsored with him. He adequately explained that if the tree were not filled by the majority leader, that amendment could very well be before the Senate. It is very important and very simple. We would have a chance at some point in time to vote, would we not, on that amendment? And it would say we are going to open the 85 percent of the offshore of the United States that is closed today, and we are going to let the Governors work with us and try to give them part of the royalties so we can have a seamless growth in the offshore production, which could indeed change the supply-demand pendulum that is currently causing this big spiral upwards that causes gasoline prices to go up—that is what that amendment is for?

Mr. COLEMAN. I say to my colleague from New Mexico, if the tree were not filled, and the majority had not used that procedure, we could put it on the table and it would be another option for Americans to tap into the resources that we have, more production and more opportunity. That would have an impact today by telling folks we would have less scarcity in the future.

I tell my friend from New Mexico, because the tree has been filled, we are not going to have the opportunity to have that debate.

Mr. DOMENICI. I want to make one more point. I heard the Senator talk about his hope for a bipartisan bill. We could get plenty of people on because there ought to be Democrats who are for this. Wouldn't it help a lot if eight or ten Democrats on the other side were to tell their leader they do not like this, they do not like the way he has filled the tree, he ought to take down some of those amendments so we could go to work, bipartisan or otherwise, so we could try to have an amendment to vote on? That would help, wouldn't it?

Mr. COLEMAN. I tell my friend from New Mexico I certainly can't influence what the majority leader does. But I

have to believe the American people are talking to me as I know they are talking to the Senator from New Mexico. When I go home, they are scared, they are anxious. They have to be speaking to folks on both sides of the aisle. If that voice is then heard by the majority leader, maybe then we could have an opportunity to fully debate and fully consider the most important issue facing Americans today.

Mr. DOMENICI. I don't know where the voices are going. All the voices in America, up to 75 percent, are saying they want to open the offshore so we will have that asset for them to use. You cannot do that without having a vote on the Senate floor. That would not happen but by a miracle; you would have a vote.

Mr. COLEMAN. I say to my colleague, as one who is on the forefront of renewable technology in Minnesota, we pride ourselves as being the land of 10,000 lakes. Actually, we have more than that. Minnesota is prone to understatement. But clean water and clean air is an important part of where we live. We are an environmentally strong State. The people of Minnesota are telling me: Senator COLEMAN, we have to do it all. We need to open drilling in the Outer Continental Shelf; we need more production; we need commitment to consume less, but we also need the opportunity to find more and produce more. Those are the voices I am hearing in Minnesota. I have to believe we are hearing it in New Mexico and Arkansas and Pennsylvania and throughout this country.

Mr. DOMENICI. That amendment the Senator has spoken of that he was going to offer, but it is out of order—he is going to have to ask the majority leader for permission. That is a real strange U.S. Senate. I never understood that we had anybody of whom you had to go ask permission, but that is the way they have it set up. You will have to go ask him. If he says no, you can't offer this wonderful amendment.

The second part of your amendment is the part that concerns energy, and it could be working within a couple of years, couldn't it? The part on batteries that would help us with new electric cars, it could come on by the numbers, by the hundreds?

Mr. COLEMAN. I would say to the Senator from New Mexico, there has to be strong bipartisan support for moving forward on new battery technology. I do not know who is against that; it is part of the solution. More production is part of the solution. More conservation is part of the solution. Addressing speculation is part of the solution. But, unfortunately, because of this process that we are seeing so much more frequently today, we are losing the ability for the Senate to do what the American public expects the Senate to do, and that is to have a full debate, put the ideas on the table, and let it come to conclusion. I want to come to conclusion.

I want a bill. We have a process that is set up right now to fail, to say we ad-

ressed it or say somebody blocked it, and move on without any real desire to solve the problem. I think that is a great tragedy. I think it is inconsistent with the traditions of the Senate.

Mr. DOMENICI. I want to say, the Senator from Minnesota couldn't put it more clearly before the American people than he has done. He has tried to offer an amendment that goes right to the problem and confronts it head on. The Senator has heard from the Parliamentarian—you have requested permission to offer the amendment, and you heard you cannot. Why you cannot is because the tree is filled; that is, the number of amendments allowed has been filled by amendments by the majority leader, and there is no more room. There is no more room for something really good—your amendment. There is no room for it.

You have shown everybody what that all means. This means we are going to be around here telling the American people: We cannot help you. We cannot help you with the amendment that you talked about because we cannot consider it.

Mr. COLEMAN. Unfortunately, the Senator from New Mexico is right. We do not have the opportunity to come before the American public and say we fully debated, fully considered the opportunity to produce more energy, to find more energy, to do more with conservation because the tree has been filled. Now, I believe that right of the Senate, that obligation and responsibility, cannot be fulfilled.

I yield the floor.

Mr. DOMENICI. Mr. President, I am going to proceed. How much time do I have?

The PRESIDING OFFICER. The Senator has 2½ minutes remaining.

Mr. DOMENICI. I think the Senator from Oklahoma wanted to speak?

Mr. INHOFE. I have been listening to the debate. We need more supply. We need to have about 10 Democrats come along and help us to pass the legislation, the amendments that we have that would allow us to go out and drill and bring in energy.

Mr. President, I have two unanimous consent requests. First of all, I ask unanimous consent that my statement be reflected in the RECORD tomorrow on the LIHEAP, S. 3186 vote; and, second, my statement pertaining to the housing, H.R. 3221 vote tomorrow be printed in the RECORD.

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

Mr. DOMENICI. Mr. President, I have spoken on the Senate floor about how the majority leader has used this process and eliminated our ability to offer amendments. I refer my colleagues to a speech given on the floor last night by the senior Senator from Pennsylvania where he lays out a compelling case against the growth of this process known as filling the tree by the majority leader in the Senate. It is a good speech. My colleagues should read it and heed it, heed the warning, because

the more it is used, the less this place is a Senate. The more it is used, the less we have the rights of Senators to offer amendments and debate and have votes because we are curtailed, cut off, eliminated by this process. You ought to read the speech and be fearful of the future of this institution but, more important—equally important—your rights as a Senator. You ought to be worried about that.

It will not be the Senate you thought it was if you sit around and let this happen. We are going to stay on it until the leader understands that there is a group of Senators who do not like it and are not going to sit here and take it.

I would like to speak for a minute for the American people. I would like to talk about a great amendment that is going to be pushed aside because of this short-circuiting in this bill. This amendment gets to the heart of what we have been saying. We need to find more and use less.

We have a great quantity of American resources on the Atlantic and Pacific offshore coast. So the first part of the Coleman-Domenici amendment which Senator COLEMAN has been speaking about would allow the coastal States—to say to those areas that we can open the waters within their offshore boundaries for leasing 50 miles out. Believe it or not, we know how to do that. Platforms can be built 50 miles out or 60 miles out, drill down 50,000 feet and have 12 or 14 wells under one platform. They do not have to drill a platform for each well.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOMENICI. I ask, who has time next? How much time does the Senator have?

The PRESIDING OFFICER. There is 9 minutes remaining under the control of the Republicans.

Mr. DOMENICI. All right. I yield the floor and hope later on to talk some more with the Senate about this issue.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. DEMINT. Mr. President, I commend Senator DOMENICI on his passion for energy and what we need to do to preserve the future of our country. I have had a chance, as many Senators I am sure have, as well as Americans all over the country, to look in on the debate about energy this week. Frankly, if it were not so serious and perhaps sad, it would be entertaining. I have been entertained to see my Democratic colleagues bobbing and weaving and trying to change the subject and deflect the attention from the real needs, trying to obscure 20 years of obstruction on developing American energy and to shift the blame to big oil, to speculators or President Bush instead of talking about the real subject.

It is sad that this is probably the most important issue of this generation. We know it is hurting Americans every day, who are paying more and

more for gasoline, families who are just making ends meet, increasingly having to make the decision of whether to buy the gas they need to go to work or even buy the right food they need for their children.

This is a serious crisis. Yet we are playing games here on this very important issue. The Democratic majority will not even allow an open and honest debate. They will not allow Republicans to bring amendments down because they fear their Members will have to take a vote to show America where they stand on the issue.

If we had an open and honest debate, America would find out that Democrats would prefer the prices to be high; that based on the input from the environmental extremists who tell them the higher the price is, the less fossil fuels we will use, that is better for the environment.

The problem is, over the last 20 years, as the Democrats have obstructed the development of nuclear energy, they have obstructed the development of America's own oil and natural gas supplies. Our dependence on foreign oil has gone up. We have burned more coal than other countries that have developed clean alternatives such as nuclear.

The environmental extremists have actually hurt the environment. They have made our country hostage to other countries that would like to harm us. And when it comes to the point where we need to decide what we are going to do as a country, the majority leader will not even allow us amendments. He wants to ram it through and change the subject and go on to the next thing.

That is where we are today. We have put in the middle of this the housing bill, which, like the Energy bill, the majority leader will not allow any amendments to. This is a huge, unprecedented bill, putting on the line \$300 billion that can be used for mortgage companies to unload bad loans onto the taxpayers, making the Federal Government the owner of mortgages in real estate for the first time, and crossing that line between freedom and socialism where we actually get so involved in the private sector and the managing of the financial markets that our country is moving more toward a European style of socialism than the America we know.

We have a bill here that on one side adds nearly \$1 billion of taxes on Fannie Mae and Freddie Mac, and then, on the other side, is asking America to bail them out because they are not making enough money. That is the kind of logic Congress is using.

And we do not want to debate it. We want to get this thing done immediately. The majority leader scheduled a vote that would come out on Saturday. He did not give us the courtesy of offering one amendment. Then he is demanding that we shorten the time period so he can have a Friday vote and let folks go home.

I have been entertained by the suggestion that I have actually scheduled votes tomorrow. As I understand it, and the Parliamentarian may want to correct me, there is only one person in this Senate who can schedule a vote. That is the majority leader on the Democratic side, and he scheduled a vote on Saturday and will not change it in order to give us an amendment.

There are a lot of amendments that could improve this bill. Setting up a slush fund so local communities and their agencies can buy real estate and rehab it and sell it is a bad idea. It is a slush fund that is not going to be accountable. It puts those governments in the real estate business.

I wish to have an amendment to remove that, and to remove the new taxes that are going to cost everybody who buys a home after we pass this bill. Everybody is going to pay more to get a mortgage because this bill adds taxes to it. The folks who are pushing it do not want you to know that. The President had threatened to veto it over this bad policy, but he decided to change his mind because he felt we so much needed to provide the backup for Fannie Mae and Freddie Mac. So because we cannot have the amendments that we need to improve the bill, I asked for one amendment that is basic and common sense.

We have seen in the Wall Street Journal and publications all over the country the growing suspicion that the fact that the reforms that were needed for Fannie Mae and Freddie Mac over the last 10 years were not even talked about in Congress because of so many political contributions to Congressmen and Senators.

Now, we do not like to think that about ourselves, but there is a reason Fannie Mae and Freddie Mac spent over \$200 million over the last 10 years on campaign contributions to those of us here in the House and the Senate, and they got something for it. They got left alone. They grew out of control. They grew into a big monster where now we say they are too big to fail. If we let them fail, they are going to bring down the whole American economy. So we have got to put the American taxpayer behind them with an open checkbook to write any check that is needed to keep them in business. That is what we are being told in this bill right now. If we are going to do that, if we are going to make the American taxpayer stand behind those companies, then there is one common-sense thing we can do to keep it more open and honest. These organizations that are now guaranteed by the American taxpayer should no longer be able to spend millions of dollars buying influence in Congress. That is a conflict of interest. My amendment would simply stop the political activity, the lobbying and the contributions of these organizations which are now a part of the Federal Government because of this explicit guarantee. That is the only amendment I asked for. We could

have voted on it yesterday and finished the housing bill yesterday if the majority leader had wanted it. We could vote on it today and move straight to passage.

I have offered the majority leader several options. It does not even have to be a part of this bill if he thinks it is going to delay it. All I have asked for is a straight-up vote on this bill that would eliminate lobbying by Fannie Mae and Freddie Mac, and we could do it sometime before the end of the session.

We could vote on housing immediately, right now, send it to the President unchanged, so there would be no delay. But the majority leader is so afraid of asking his Democratic colleagues to vote on this bill that would ban lobbying, that benefits us so much in our campaigns, he does not want them to take that vote in public view. So, instead, he is going to keep everyone here Saturday and try to say I am scheduling this vote when, in fact, he is scheduling that vote because he does not want the lobbying and the campaign contributions to stop from these organizations which are now basically being backed up by the full faith and credit of the American people.

That is what is going on here. It would be entertaining if it were not so sad. Again, the blame is trying to be deflected to someone else so the American people cannot see where people stand. Instead of having amendments we can vote on, and instead of seeing where people stand on the lobbying of these organizations the American people now have to stand behind, they are trying to blame it on the fact that we are going to have a Saturday vote.

Over half the American people do not want us to pass this bill. They deserve a voice in this Chamber. And if there is no one else who is going to stand up and speak against it, I will, because it is wrong to pass a bill of this magnitude so quickly, 700 pages that have not been read by one Senator here. It has so many flaws in it that they want to get it off the floor before people figure out what is in it. It is a mistake to pass this bill so quickly. I am not going to allow it to go through today. We are going to be here tomorrow for a vote because people are afraid to show the American people what they stand for.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. NELSON of Florida. Mr. President, if we wanted to solve this problem on energy, if we wanted to solve the problem on health care, if we wanted to solve the problem on housing, which we are finally going to get to final passage on tomorrow, if we wanted to do it and we had the political will, we could.

The problem is the Senate is all wound around the axle because people cannot get along with each other. That is being reflected in the two leaders not being able to get agreement on unanimous consent, which to operate in this

Senate is necessary to have that kind of good will and mutual trust.

Yet we do not have it. So now someone is listening on TV or sitting up in the galleries right now and hearing the statements on this floor that are completely contradictory of each other. We have had statements on this floor over the last several days. People say, for example: Well, there is no problem drilling out in the waters off of the Outer Continental Shelf of the United States because we do not have any experience on oil spills now.

As a matter of fact, we have had Senators on this floor who have said there were no oil spills after Hurricanes Katrina and Rita. And, of course, I have pointed out the White House itself came out with a report, Lessons Learned After Hurricane Katrina. It came out in February of 2006. I quoted at length from that document that pointed out over 7.4 million gallons of oil were spilled after Hurricane Katrina. That is the White House report.

But let me give you another example. We have had, including the Republican Leader has said: There was not a drop of oil spilled after Hurricane Katrina.

I want to show you a satellite photo. This is a NOAA photo 4 days after Hurricane Katrina. This is the coast, the gulf coast. Would you look at the oil spills that are out there as a result of Hurricane Katrina, a Category 3, and it was a Category 4 at one point out in the Gulf.

What is it doing to those oil platforms? What do you think all of that is? That is oil. What do you think all of that is? It is oil. What do you think all of that is? And that. And that. And that. And that. It is oil.

I am pointing out that people are making extreme statements that have no basis in truth. As a result, we are getting ourselves so worked up into our own little positions that if we wanted to, we could come together and we could have a bill that could be part speculation, part drilling.

There are still plenty of places out there to be drilled. I am not talking about the 68 million acres that are under lease, under lease by the oil companies on public lands, the lands of the U.S. Government, the 68 million acres that are under lease to the oil companies that have not been drilled that are out in the Gulf of Mexico. There are 32 million acres that have been leased and have not been drilled.

This Senator knows something about that because 2 years ago, we did a compromise to try to protect the interests of Florida from oil spills on our beaches, from oil spills in our delicate estuaries that spawn so much of the marine life in the gulf, indeed, to try to protect the interests of the national security of the country in keeping oil rigs away from the military testing and training area, which is the largest testing and training area for our military in the world.

So we struck a compromise. Originally they wanted 2.5 million acres, but

it was headed on a line straight from Tampa Bay, entering the military mission area. Instead, we worked out a compromise where they got four times as much. They got 8.3 million acres. But we kept it away from the military testing and training area and kept it away from the coast of Florida where that testing and training area is.

We worked it out then 2 years ago. But now that is not enough, even though none of that 8.3 million acres has been drilled. This is getting to be ridiculous in the amount of hyperbole and rhetoric and, oh, the sky is falling, the sky is falling, when it would take that for us to come together and have a bill that would go after speculation, the unregulated speculation after the Enron loophole was opened that allows unregulated trading.

I have commentary here. I will not go through it. I have got three oil executives who have testified to the Congress saying that in normal supply and demand, one executive says, would have oil at \$60 a barrel; another executive says it would be \$50 to \$55 a barrel.

These are oil company executives saying, if the world oil market were only operating by supply and demand, but it isn't. It is up close to \$130 a barrel. So there are other factors contributing to it. One of them is unregulated speculation on these unregulated markets that bid that price up and up and up. We can address that. We can address drilling in other parts of the gulf. In addition to the 68 million acres of public lands, there are more public lands that you could drill in in the central and western gulf, if we really wanted to, but everybody wants to sit around here and fight.

Then we could do something really important. We could get serious about putting Federal money into research and development for alternative fuels and creating new engines and tapping renewables such as Sun and wind, really get serious about that, get serious as we did when we finally raised the miles per gallon. It only took us the 8 years that I have been in the Senate to increase the miles per gallon on the fleet average of our cars.

My goodness, look who is in trouble in Detroit. It is not Toyota and other foreign manufacturers. They have a 50-miles-per-gallon standard in Japan and in the high 40s in Europe. It is not those automobile companies. It is the American automobile companies that are in financial trouble because they have fought us the whole way on increasing miles per gallon. Their problems, as we say back home, are like chickens coming home to roost. We could do that, if we just had the political will and we would put our differences aside.

On this issue of speculation, the bill that was turned down today because we can't get 60 votes to cut off debate to get to the speculation bill, I know Senators on the other side are saying they are not able to offer amendments, but again, it could happen like "that," if

we would get together to offer a certain number of amendments and use the speculation bill that Senators on that side have already spoken in favor of. If we wanted to, we could get it done.

We do need an additional law on speculation because when we tried to plug the loophole in the farm bill, we didn't completely plug it. Senator REID has offered this leadership bill that reins in speculation by imposing limits to ensure that legitimate speculation doesn't get out of hand. It is a complicated approach, but it can get us to where we need to be. I believe there are some improvements that could be made to the bill. If we really wanted to come to agreement, we could have those amendments offered. If we pass a bill that allows speculators to evade limits of how much they can control, then we are going to be in the worst of all possible worlds—a bill that purports to tamp down on speculation but fails to do so.

Wall Street financiers and the Wall Street Journal call the effort to shut down excessive speculation "misguided." They say that the spiking price of a barrel of oil is just the market telling us that demand exceeds supply. But ask yourself if that makes sense. When the Saudis agreed to increase production—in other words, increasing supply—there wasn't any decrease in the price of oil. The price of oil keeps on spiraling, and there is no evidence that dramatically increased demand is going to do anything but allow speculative money to pour into the energy futures markets.

We have had the CEOs of all the various airlines come to see us. They wrote all Senators a letter. They said:

Normal market forces are being dangerously amplified by poorly regulated market speculation. The nation needs to pull together to reform the oil markets and solve this growing problem.

That is the CEOs of every major airline.

What do we hear in this debate? We hear: Drill here, drill now, pay less. It is an easy slogan, but it will not solve it because it is cruelly misleading and deceitful.

If we are really going to do something, we are going to have to have the political will in a bipartisan way to get to the bottom of this. Think about it. Why such a seductive argument about "drill here, drill now," when, in fact, there is 68 million acres that has not been drilled of public lands? What does that do for oil companies? The more leases of acres they can have, the more reserves they can show on their books, which is shown as an asset, increases the value of the oil company. That, of course, is to their advantage. But unless we can get them to start drilling and show good faith that they are going to drill on the 68 million acres they have now, why is that the answer? Well, it isn't.

That is, again, where we need the balanced approach—alternative fuels,

rein in speculation, drill where it is available now with existing permits, drill onshore, offshore, continue to work with our international partners, lessen our consumption of foreign oil by doing all of the above plus shifting to alternative fuels with a vigorous research-and-development project of developing those alternative fuels and alternative motors.

I have had the privilege of being a part of one of this Nation's great accomplishments; when a young President said, in the midst of the Cold War, when we looked as if we were having our lunch being eaten by the Soviet Union because they were taking the high ground in space and we had not even flown John Glenn in orbit, President Kennedy said: We are going to the Moon and back in 9 years. If ever there has been an example of a nation having a determination and coming together in a bipartisan way and focusing the political will on solving what seemed to be an insolvable task and committing the resources, that is the example of how to do it.

Another example I can think of is 1983. We were at a point in which Social Security was going to run out of funds within 6 months. Social Security was not going to be able to pay its bills. Two old Irishmen—one the President of the United States, President Reagan, and the other one the Speaker of the House, Tip O'Neill—got together and said: We are going to solve this in a bipartisan way. We are going to put together a bipartisan, prestigious panel, and they are going to come up with the recommendations of how we can make Social Security actuarially sound and safe. That is another one of the great examples where political leaders of different parties came together in a bipartisan way and took that highly volatile issue of Social Security off the table at the next election by saying: We are going to solve it, because we had the political will. We had the political will in the Apollo project going to the Moon and, in 1983, to solve the Social Security crisis.

If we had the political will in a bipartisan way to solve this energy crisis right now, right here, we could do it. But you can't do it if the attitude is "my way or the highway." You have to do what this body is best adapted to do. As the Good Book says: Come, let us reason together. Let us work this problem out together.

I am tired of hearing all of this excessive rhetoric. I am tired of hearing this rhetoric that does not display truth. I am tired of hearing the "it is my way or no way" attitude. Our people out there want us to solve this problem, not only for here and now but for generations to come. For example, since we get in excess of 60 percent of our daily oil from foreign shores, can you imagine the disruption of any one of those foreign sources such as coming out of the Persian Gulf, such as coming from Nigeria, such as coming from Venezuela, all of which are substantial

percentages of our daily consumption of oil? Can you imagine what that would do if it happened today or if it happened to our children or our grandchildren? It is up to us to solve this by coming together.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. SALAZAR. Mr. President, let me first say to my colleague from Florida that he is very correct in making the statement that the only way you solve big problems around here is if you work together. That has happened in the past. It certainly has happened here in the Senate in the last several years, as we have worked on energy legislation. The passage of the 2005 act was an example of Republicans and Democrats coming together and passing what was one of the most significant pieces of energy legislation in recent times. The passage of the 2006 legislation, which the Senator from Florida supported, which opened lease sale 181 and 8 million acres of the gulf coast for exploration, is another example of that bipartisanship. This last year, passage of the Energy Efficiency Act, signed by the President in December, was also another example of Republicans and Democrats working together to reach for higher efficiency with new CAFE standards that have been long neglected and doing other things to move forward with alternative fuels and trying to create an energy future for America that works.

Those pieces of legislation all came together because of the willingness of Democrats and Republicans to move forward on the energy agenda. I hope we can find the same kind of bipartisan spirit in moving ahead now on the next chapter to try to address the pain Americans are feeling at the pump. I appreciate his comments and his wisdom in this area.

I come to the floor to speak in support of the housing bill which we are now debating in the postcloture time-frame.

Housing is an incredibly important part of the American economy. Housing is, in fact, a cornerstone of the American economy. Many of the economic ills which the United States is feeling today, frankly, have been brought about because of the housing crisis we are seeing today.

Since housing prices peaked in the summer of 2006, our Nation has seen some very sharp declines in home values. We have seen a staggering decrease in the number of home starts and home sales, and we have seen a dramatic increase in the number of foreclosures nationwide.

For most people across America, and certainly in my State of Colorado, when you drive down a neighborhood and you see there are signs, where there were very few of these signs 2 years ago—but now the signs are not only sprouting up everywhere with houses that are for sale, but you also see price-reduced signs—we know we

have a tremendous glut in the housing market, in part, caused by the number of homes we have in foreclosure.

So a picture of this kind of a sign that you see in front of a home is a picture that tells a story about a family who has lost their home or is losing most of their equity in their home, as they try to sell it at some reduced price. It is a pain that is being felt all across the country, and it is certainly being felt in my State of Colorado.

In the State of Colorado, this is what has happened with respect to foreclosure filings over the last 4 years. In the year 2003, the whole State of Colorado saw about 10,000 foreclosures that year. Now in 2007, we are seeing a foreclosure number that is almost 50,000 homes being foreclosed upon in the State of Colorado. You can see the dramatic increase in the number of homes that have been foreclosed upon in my State of Colorado.

Mr. President, 1 in 45 households in the State of Colorado has filed for foreclosure. This is not a problem which is circumscribed in some way only to those tens of thousands—hundreds and hundreds of thousands—of Americans who are facing foreclosure. It is also a problem that affects the entire American population that is in home ownership because as houses have been foreclosed upon, as the housing market has faced such a huge glut in terms of the large inventory that is out there in the market, it has had a dramatic impact also on the values of the homes in the neighborhoods.

In Colorado, as we look ahead at 2008 and 2009, we know there are about 50,000 more homes that will be foreclosed upon in 2008 and 2009, as adjustable rate mortgages adjust upward and families will no longer be able to afford to pay the higher mortgage rates. But what also happens as that occurs is the surrounding homes will suffer declines in values.

According to the Center for Responsible Lending, it is expected that about 750,000 homes in the State of Colorado will see a decline in their value. So it is a problem which does start with the foreclosure market and the financial markets that we have seen, but it spreads out into all of America that is in home ownership, including most of the home ownership in my State of Colorado.

Mr. President, 748,000 homes—almost 750,000 homes—represent almost half of the homes in the State of Colorado that are going to see a significant decline in value. So it is a major problem we face.

I am thankful for the leadership of the chairman of the Banking Committee, Senator DODD, as well as the ranking member, Senator SHELBY, and all of those who have worked to put this housing package together.

As a member of the Finance Committee, I am honored to have had a small part in putting together parts of this bill working with Senator BAUCUS, the chairman of the committee, and

Senator GRASSLEY, the ranking member of the committee.

I think it is instructive that this legislation appears to have the kind of broad bipartisan support we ought to have when we are addressing the major problems that face America today. Certainly, I am hopeful by the time we get to about this time tomorrow we will have had a housing bill that will help the people of America.

This legislation contains numerous provisions that will help us address this cornerstone of our economy.

First of all, the bill provides targeted relief to families and communities that are affected by foreclosure. The legislation will reverse the downward trend in home values and sales and get the housing market back on track.

The housing bill contains help for homeowners, for homebuilders, and for home buyers. It creates a tax incentive to reinvigorate the housing market by providing a refundable first-time home buyer credit of 10 percent of the purchase of a home—up to \$8,000—for homes that are purchased between April of this year and April of 2009. That \$8,000 tax credit will create major incentives for new homeowners to buy homes and help us get rid of the glut we currently have in the market.

In addition, the legislation provides tax relief for families that are facing high property taxes. It is the kind of middle-class tax relief we ought to be working on more in this country. This tax relief will provide nonitemizing taxpayers the opportunity to deduct their property taxes from the taxes they currently pay.

In addition, the housing bill will increase the availability of stable home financing, and it will do so by allowing Fannie Mae and Freddie Mac and the Federal Housing Authority greater flexibility in terms of the kinds of mortgages they can purchase and insure. That will have the direct consequence of increasing the availability of stable credit.

In addition, an amendment in the Finance Committee that was sponsored by Senator KERRY will add \$11 billion in the use of tax-exempt mortgage revenue bonds. That will provide low-interest financing and refinancing assistance to low- and moderate-income home buyers. That is an important component of this legislation.

The housing bill also contains help for families and communities affected by foreclosure. It does so in a variety of ways. One way is it will provide \$150 million for credit counseling.

In the State of Colorado, we have developed a foreclosure assistance hotline. It has helped tens of thousands of families since the beginning of this program a few months ago. What we have found through foreclosure counseling in the State of Colorado is that 80 percent of families who contact the foreclosure hotline ultimately end up renegotiating their loan terms at their bank and are able to stay in their home. So it is a very successful pro-

gram, and the \$150 million that is included in this legislation for mortgage foreclosure counseling assistance will be very helpful in keeping people in their homes.

The legislation also helps communities which have been, in many cases, devastated by the number of foreclosures, and it will do so by adding \$3.9 billion for the Community Development Block Grant Program, which will help communities purchase and rehabilitate foreclosed homes.

It is also important there are protections against future foreclosures by requiring mortgage companies to have stronger disclosure requirements, all in the name of truth in lending, so home buyers know what it is they are getting into prior to the time they are signing on the dotted line of very extensive documents.

I am proud of this bill. This housing bill sends a strong signal to the families and businesses of America that we care about one of the cornerstones of our economy in America today.

It sends a strong signal to the financial markets that we in Congress can work together, Democrats and Republicans, to address one of the toughest economic issues our country has seen. Indeed, the housing crisis we are looking at today is probably the worst housing crisis since the Great Depression. That is why it requires strong medicine to cure the problem. The legislation we have in front of us will do exactly that.

In conclusion, this legislation represents months of hard work and bipartisan cooperation to address this key cornerstone of our economy. Congress should pass this legislation here, hopefully in the next 24 hours, and send it to the President for his immediate signature, so the legislation can start providing the cure that is so needed for America today.

Mr. President, I thank you for listening and I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

ENERGY

Mr. INHOFE. Mr. President, yesterday I drew the Senate's attention to an editorial in the Wall Street Journal. It said that liberal leaders in Congress are "gripped by a cold-sweat terror. If they permit a vote on offshore drilling, they know they will lose. . . ."

Today's Washington Post featured a similar editorial, which you normally don't get that would be favorable to the conservative view. They said:

Why not have a vote on offshore drilling? There's a serious debate to be had over whether Congress should lift the ban on drilling in the Outer Continental Shelf that has been in place since 1981. Unfortunately, you won't be hearing it in the House of Representatives—certainly, you won't find lawmakers voting on it—anytime soon.

This same editorial ended with another good question. It said:

If drilling opponents really have the better of this argument, why are they so worried about letting it come to a vote?

That is critical.

The distinguished senior Senator from Florida and the junior Senator from Colorado were talking about: Let's all get along. Let's work together. Let's have a bipartisan solution.

I think we should. All you have to have for a bipartisan solution is a vote. For those people—and I am sorry to say it is right down party lines—ever since the veto took place back in the middle 1990s, when we, the Republicans, were the majority, we tried to open everything for exploration: the Outer Continental Shelf, ANWR. And, of course, we have those huge other reserves that if we had been able to do that, we would not be faced with this problem today. Yet all we want now is a vote.

So I do not know why becoming self-sufficient for America should be a partisan issue. Look at the reserves. Look at the possibility of what is out there, what we would be enjoying today if it had not been for that veto.

Now, that is not the worst part. The worst part is that if you go to my Web site, epw.senate.gov, you will see I have called up every vote that has taken place since that 1995 veto; and right down party lines, Democrats refused to increase the supply of oil and gas in America.

Look at the Outer Continental Shelf. We have been talking about that. That is what all these editorials are about. Look at ANWR. That is not as much as a lot of people think, although anyone who has been to ANWR, who has been up there, they don't come back saying it is a pristine wilderness, because it is not. It is a frozen tundra. Everybody up there wants to explore there. We know. We have a pipeline ready. That could be coming down here.

The Rocky Mountain oil shales—that is the biggest of all reserves out there. Right now we are under a Democrat-sponsored moratorium that keeps us from getting at those oil shales. We are talking about 2 trillion barrels. It is huge.

The Senate has been in session all week. It held one vote Tuesday and two votes this morning. Those were both procedural votes. All we want to do is consider amendments.

When my good friends from Florida and Colorado say: We want to all cooperate with each other, all we have to do is bring out amendments and vote on them, I would love to have the Senator from Colorado have the opportunity to vote in favor of expanding the supply of oil and gas in America.

A lot of people have tried to denigrate the idea of supply and demand, and yet there is no one I know of in America who has gone through the high school level who has not studied supply and demand. It is a very simple thing.

The Senate Democrat majority, after wasting an entire week, is engaged in a process, a scheme, to go ahead and have some votes tomorrow.

By the way, let me share, as I did once before earlier, the two bills that will be voted on tomorrow are bills that I have opposed in the past. I think it is very interesting, when they talk about LIHEAP, when they talk about doing something about supplying gas to heat homes in the Northeast, instead of subsidizing, let's open the supply line, let's start producing gas and oil, and bring the price down so we do not have to subsidize it. It is a very simple thing. So I am going to vote "no" on that. I oppose it. In fact, I do not even think I will stay here for that vote.

The other one—the housing vote—I respectfully disagree with some of the comments that were made. Of course, we do not have some of the problems in Oklahoma they do in other places. But, nonetheless, the idea is we could have been doing these all week long, but we also could have been doing amendments. We could have been voting on amendments.

We have consistently tried not only to go out there and explore and to develop the resources we have—we are the only country in the world that doesn't export our own resources—but we also have to have an increase in refinery capacity. I have to say this: We have—I personally have in legislation not just opening it up for exploration so that we can increase the supply but also refining it. If we had all the supply in the world, we wouldn't have the refining capacity because of some of the stringent requirements we have in this country and the unwillingness to allow new refineries in the United States. We wouldn't have the refinery capacity. So I have what is called the Gas Price Act. I introduced it some time ago—I guess 3 years ago now—and we never have been able to get it passed. It divides right down party lines. The Democrats will not allow us to increase our refining capacity. This is a bill no one should be opposed to.

A lot of people know what the BRAC process is, the Base Realignment and Closure Commission. What we have had an opportunity to do is to close some of these bases, these military installations that are not performing a function commensurate with the cost. What do the adjoining communities do when this happens? They are in dire straits economically because they don't have anything to do with that property. Yet this would allow them to do it and have EDA grants to attract refining operations in these areas.

That is what the Gas Price Act was all about. That is what we have currently in legislation that we hope will be considered before very long.

We are presently considering a bill to impose new rules on speculating, claiming that speculators have been driving up the price of oil. It is always easy to find somebody to blame when we have not done the responsible thing as legislators. I know it is tough for some Democrats to face up to some of the extremists, the environmentalists,

and agree to go ahead and develop the resources we have and explore and produce and drill for oil. However, if you talk to the smart people out there who are looking at this bill—this bill we are talking about is trying to blame everything on speculators. T. Boone Pickens, who has had a lot of attention recently, says:

Speculation doesn't have anything to do with it. You have 85 million barrels of oil available in the world and demand is at 86.4.

Warren Buffett:

It is not speculation, it is supply and demand.

Walter Williams. This is a good one. He says:

Congressional attacks on speculation do not alter the oil market's fundamental demand and supply conditions.

Then the International Energy Agency says:

Blaming speculation is an easy solution which avoids taking the necessary steps to improve supply-side access and investment.

I see the Senator on the floor who will be able to go into some other aspects of this. I think this debate is very significant, but the debate in absence of votes is really meaningless, except we are letting the American people know that it is the Democrats in the Senate and in the House of Representatives who are not allowing the Republicans to pass legislation that will increase the supply and will bring down the price of gas at the pumps. I will be going back tonight to my State of Oklahoma, and I can assure you, the No. 1 problem in the Nation is the price of gas at the pumps.

Let me clarify one thing before I yield the floor. I have known Boone Pickens for a long time. Let me tell you, he is not very pleased with the misinterpretation that the Democrats are coming down and attributing to him. When he ends his ad saying, "We can't drill ourselves out of this problem," he is talking about, we have to drill everywhere. This is his statement. We need to drill on the Outer Continental Shelf. We have to drill in ANWR. We have to have the Rocky Mountain oil shales. We have to preserve access to the Canadian oil sands. We need it all. Even after all of this, we still need to do more. I agree with that. I have another piece of legislation that will help him in taking the compressed natural gas so it can be used to get a more immediate response to this growing problem in America.

So I would only say we need to keep talking about this. The American people need to keep listening until they realize and accept the fact that the Democrats are blocking the Republicans from increasing the supply of oil and gas, and we are not going to be able to bring down the price at the pumps until we are successful and have enough public support to get this country back producing again.

It is interesting. If you look at the polling data, one State—I won't mention the State because it is quite a lib-

eral State philosophically—2 years ago, only 28 percent of the people in that State wanted to drill on ANWR and the Outer Continental Shelf. Today, it is 68 percent. So with that, I think it is a very simple solution. We need to get busy with it to increase our supply.

I yield the floor.

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

Mr. GREGG. Mr. President, I believe I am recognized for 10 minutes; is that correct?

The PRESIDING OFFICER. The Senator is recognized to speak for as long as he wishes to speak under his 1 hour of cloture.

Mr. GREGG. I ask the Chair to advise me when I have spoken for 10 minutes.

The PRESIDING OFFICER. The Senator will be so advised.

MAJORITY POWER

Mr. GREGG. Mr. President, first, I wish to congratulate the Senator from Oklahoma for bringing some facts to the floor of the Senate which need to be stated over and over, one of which is that we as a nation have a significant supply of oil and natural gas which we are not using and which, if we did use, would significantly reduce the price of gasoline and home heating oil for Americans. If we produce more American energy and we conserve more American energy, we will reduce the price of gasoline and home heating oil for Americans.

As the Senator from Oklahoma has so appropriately pointed out, there is a huge amount of available resources which are locked up now because of language in legislation which was placed there by the Democratic leadership of this Congress—language which limits our ability to drill on the Outer Continental Shelf, which we can do in a safe and environmentally sound way, and language which limits our ability to use oil shale, of which there is 2 trillion barrels of reserve, which is twice the reserves of Saudi Arabia. So the resources are there, but we can't get to them because we have legislative language at the Federal level which locks down those resources.

What we have asked for as a party is the ability, first, to debate that fact, and secondly, to have a vote in this Senate of the United States on the issue of whether we should be able to drill on the Outer Continental Shelf and explore on the Outer Continental Shelf, to use oil shale, to use more nuclear power, to create electric cars, to conserve energy, to have renewables. But we are being barred from having that vote.

The Democratic leader, for the 15th time in this Congress, has done what is known as "fill up the tree," which means he has essentially locked down the floor so that only one person, one person in this body, gets to decide what is voted on, what amendments are allowed to come to the floor, and what the debate will be about, and that becomes the majority leader of the

Democratic Party of the Senate, the leader of the Democratic Party.

That is not the way the Senate was supposed to function. We are on a serious slippery slope to destroying the integrity and the purpose of the Senate. This continual action of barring Members of the Senate from coming to the floor and offering amendments in what has been the regular and typical order of the Senate for over 200 years is truly undermining the character of the Senate and, as a result, it undermines the character of democracy in this country.

You don't have to believe me. Let me quote from a little pamphlet that is put out called "Traditions of the U.S. Senate." It is actually published by the Senate, and I think the majority leader's office may pay for this. Let me quote from the leading authority in the history of the Senate on the issue of the way the Senate works—on its history, its prerogatives, and procedure—a Senator who has served in the Senate longer than any other Senator and who has cast more votes in the Senate than any other Senator. He has held the position of majority leader. He is the senior Senator from West Virginia, and he still serves here. Let me quote. He was giving a lecture or a speech or a set of comments to a new group of Senators who had come to the Senate in 1996.

ROBERT C. BYRD said to those Senators:

Few, if any, upper chambers in the history of the western world have possessed the Senate's absolute right to unlimited debate and to amend and block legislation passed by a lower House.

Let me read that again because it is very important because it really does go to the essence of what the Senate has for its power:

Few, if any, upper chambers in the history of the western world have possessed the Senate's absolute right—

Absolute right—to unlimited debate and to amend and block legislation passed by a lower House.

He goes on to explain why this is the situation:

The Framers recognized that a minority can be right and that a majority can be wrong.

This is ROBERT C. BYRD, the leading authority on the Senate, its purpose within the context and the constellation of American democracy.

The essence of the Senate is the ability of Members to bring amendments to the floor—especially minority Members of the Senate—to bring amendments to the floor and have them voted on, have them discussed, and have unlimited debate if that is what is needed. Without that right, the Senate no longer functions as set up by the Framers. The Senate becomes an institution like the House of Representatives, which is dominated by the majority to the point where the minority essentially has no rights.

It is not minority Senators who are being denied their rights when the Senate rules are changed so fundamentally

by one individual—the majority leader—when 200 years of precedence is thrown aside, and when the majority leader decides to take an autocratic position here in the Senate. It is not minority Members whose rights are being lost; it is all the people of this Nation who are represented by those of us who are sent to the Senate to speak for them in the American people's forum. Where they get to be heard and they cannot be muzzled is here in the Senate. It is not in the House of Representatives because in the House of Representatives, Members can be muzzled. In the Senate, for 200 years, Members and the rights of Members have never been trampled on to the point where Members have been muzzled, but that is exactly what is happening under this Putin form of democracy which is being placed on the Senate.

What we have occurring here is a situation where power—the desire for power by the majority party—is taking absolute precedence over the ability of the people to present policy, have it debated, and have it voted on.

In this instance, of course, where the right of the people, through the amendment process, to be heard on whether we should have drilling on the Outer Continental Shelf, on whether we should use oil shale, on whether we should use more nuclear power, on whether we should have electric cars—the denial of the right of the people to be heard on those issues is doing the people fundamental harm because we are not being allowed to bring up those issues, as the price of gasoline is really having a staggering impact on Americans.

I can tell you that in New England and in New Hampshire, the fear of having home heating oil prices triple this winter has a lot of folks very scared—and rightly so. Those people whom I represent and whom others represent in this body have every legitimate right to expect that the Senate will debate and will vote on the issue of whether we should expand America's supply of energy. They have every right to expect that the Senate will vote on whether you can reduce the price of energy in this country by bringing more supply to the market and have it be American supply. The American people have every right to expect that amendments will be taken up on the floor of this Senate and will be voted on that address the issue of whether we should be paying Americans to produce energy or whether we should be giving our money to Venezuela and to Iran, nations which have expressed a deep resentment of us. The American people have every right to expect that amendments can be brought up on the floor of the Senate and can be voted on that deal with conservation, that deal with renewables, that deal with a whole panoply of ideas as to how you can better deliver energy to the American people.

But those rights are being trampled on here. They are being trampled on in

a way that has never occurred in the history of the Senate. That is what is important to focus on. This has never happened before. Fifteen times, on major pieces of legislation, the majority party has filled the tree, so the minority does not have the right to bring forward an amendment. And then the majority says we are obfuscating, delaying or in some way impeding progress—when they are pursuing such a clear autocratic approach.

Well, I hope to come back to this issue a few more times, since this appears to be the policy of the leadership on the other side of the aisle. But it flies in the face of the essence of the purpose of the Senate, as defined by one of America's great Senators, the historian of the Senate, when he said:

Few, if any, upper chambers in the history of the western world have possessed the Senate's absolute right to unlimited debate and to amend and block legislation passed by a lower House. . . .

The purposes of this right is that:

The Framers recognized that a minority can be right and that a majority can be wrong.

I will add that the minority should be heard from and should be allowed to offer amendments, and those amendments should receive a vote.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Georgia is recognized.

MR. ISAKSON. Mr. President, I ask unanimous consent to speak for 10 minutes.

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

HOUSING

MR. ISAKSON. Mr. President, the Senator from New Hampshire has made a compelling speech with which I associate myself entirely. It is obvious he has traveled to his State, as I have traveled to mine, and listened to constituents who tell me their biggest problem, in particular, is the price of gas. It seems to me the world's most deliberative body should never stop deliberation on what is the crisis of the day. The Senator from New Hampshire made a tremendous speech that was right on point. We may have our differences one way or another on what to do but objecting to letting us debate those differences is not acceptable.

For 25 years, the United States has encouraged consumption and discouraged production. It is time we encourage conservation and empower production, as we bridge our way from gasoline today as an energy source to the next energy source of the 21st century, whether it be the lithium battery, hydrogen engine or whatever.

There is another crisis on our economy I wish to talk about for a second that is equally compelling and that is the housing industry and the tremendous stress our financial markets are under and our financial institutions. There have been a number of speeches made on the housing bill, which we will vote on tomorrow at 11 a.m., which, quite frankly, trouble me because they

have not been on target. For a second, I would like to make a few points.

There are a lot of people saying the housing bill we will pass is a bailout for the people who caused the problem. That is not correct. The people who caused the problem are off the radar screen; the investment bankers and Moody's and Standard and Poor's caused the subprime mortgage problem. Wall Street securitized the paper, and Moody's and Standard and Poor's rated it investment grade. It wasn't investment grade and should not have been packaged, but it was. They put out all over America—the originators and lenders—loans that didn't require documentation or a downpayment and that only cost a high yield on the mortgage to make it a nice instrument to sell.

As the housing crises of 1968, 1974, and 1991 were predicated, in part or in whole, on easy credit and shoddy underwriting, so is the stress on our economy today based on that easy credit and shoddy underwriting generated by the subprime market.

The bill we are doing tomorrow is not a bailout to Freddie Mac and Fannie Mae or the institutions that made bad loans. It is an infusion of confidence the financial markets need. Fannie and Freddie suffer by perception from the difficulties of our mortgage market. If anybody would take the time to go look at default rates, for example, they would look at the loans Fannie Mae holds, and they are at 1.2 percent, well under what is considered a normal, good, healthy balance. The subprime market's defaults are in the 4- to 6- to 8-point range. That is causing that problem. That wasn't Fannie Mae paper, and it wasn't securitized by Fannie Mae. They have \$50 billion in capital, when the requirement is to have \$15 billion, so they are sound. But the financial markets, because of the collapse of the mortgage market, have gotten worse.

I think Secretary Paulson has done the right thing. I commend Senator DODD and Senator SHELBY for the second key component of the bill. The Dodd-Shelby provision ensures that Fannie Mae and Freddie Mac will have regulatory oversight and be held accountable, as the banking system in our country is. What Paulson has done is said, in return for that, we will give to Freddie and Fannie what the American banking institutions have and that is access to the Treasury window for secured collateralized borrowing.

You might say: What does all this mean? What it means is we will put liquidity back into the mortgage market. There will be good underwriting and accountable credit issued by mortgages that are then sold to Freddie Mac and Fannie Mae to provide the liquidity in the marketplace. This is not a bailout for those two institutions. It is an insurance policy that the credit markets will understand that, A, those institutions are strong and the United States is going to hold them account-

able and, B, provide them with liquidity when they need it. That is good for this country and this economy, and it would be a tragedy if tomorrow this Senate doesn't overwhelmingly embrace that legislation.

The second component of the legislation is the reform of FHA, raising the loan limits and providing mechanisms also for troubled loans to be refinanced—not a gift as a bailout but providing a lender whose loan is in trouble because the house depreciated below the outstanding balance on the loan—it is going to be allowed to refinance on a fixed rate—an FHA underwritten loan the individual has to qualify for. If the lender takes the discount down, or takes the hit, that loan can be refinanced and that homeowner, instead of being foreclosed on and having a vacant house, ends up having a chance to pay for that mortgage and the economy is improved.

What is happening today in America is the combination of a large number of foreclosures and no liquidity, as the housing market is off in many areas by as much as 50, 60 percent. Home values are declining at a rate of 15 percent per year this year and 11 percent last year. What has happened to American families' main source of spendable income—their equity line of credit—is that it has vanished. That is why the economy has gone into the tank. We had a housing/fuel boom in the 1990s and early 2000s, and now again we have a housing/fuel recession. The only difference between the boom and recession is, during the boom, we had liquidity, but underwriting got too shoddy. Now underwriting is strong, but the liquidity is not there. The FHA reform and Freddie Mac and Fannie Mae reform will, in fact, do that.

There is a third feature I wish to talk about. It is a feature I introduced, originally, 6 months ago in the Senate. It is a housing tax credit for first-time home buyers to go into the marketplace and buy a house. The United States, in 1974, had a serious recession similar to the one we have today. It was fueled by an oversupply of unsold houses in the marketplace. A Democratic Congress and the Republican President, Gerald Ford, in 1975, passed a \$2,000 tax credit for first-time home buyers who went and bought a standing vacant inventory house and occupied it as their home. That incentive brought Americans off the sidelines and into the marketplace, and we absorbed a tremendous amount of the standing inventory. Values came back in the United States and the housing market responded. The \$8,000 tax credit—\$4,000 a year for the first 2 years—on a home that a first-time home buyer buys and occupies is going to be a huge incentive to the housing market. It doesn't bail anybody out; it incentivizes a market to come back. When that happens, the problems go away. We cannot regulate ourselves, as a nation, into a strong economy. But we can incentivize our people and get confidence to the finan-

cial markets and restore what is a very shaky economy.

I come to the Senate floor with the following message: I thank Senator DODD and SHELBY for all their work. I commend the House on what they did to make this housing bill a good bill.

Again, I reassure everybody we are not bailing out anybody. What we are doing is incentivizing Americans to come back into the marketplace, providing them with good, accountable, credible credit, so there is liquidity in the housing market, and seeing to it that two institutions that ensure that Americans can be homeowners—Freddie Mac and Fannie Mae—are strong, and the investment markets have the confidence they need to have the support of the United States and, lastly, under the same type of transparency and accountability that the American banking system has been under since Alexander Hamilton.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. I ask unanimous consent to speak for 15 minutes as in morning business.

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

DISASTER IN IOWA

Mr. GRASSLEY. Mr. President, I come to the floor today to remind my colleagues and the American people, once again, about the deadly tornadoes, storms, and floods that affected the Midwest earlier this year. Iowa, my State, was especially hard hit by this severe weather event. The people in Iowa have great pride and resiliency. They don't like to complain, and it is even harder for them to ask for help. However, I wish my colleagues to know that Iowans are hurting, similar to people in other natural disasters. I see it in their eyes as they sort through the rubble and try to rebuild their lives.

As their Senator, their friend, their neighbor, I am asking my colleagues to help and to help now. I thank my colleagues who have come to me and the rest of the Iowa congressional delegation and other Members whose States were affected. We have all had colleagues come to us to share their condolences and ask how they can help.

However, I have heard some comments that this disaster was not severe enough to warrant special legislative attention. Washington doesn't seem to understand the devastation. That is the way I see it. In other words, it is not on television for 2 months in a row such as it was in New Orleans, so we don't seem to be getting the attention of colleagues such as we did from Hurricane Katrina. But we do have an emergency, and Congress needs to respond such as we did after 9/11 for New York City or after Katrina for New Orleans.

Ten States were affected by this severe weather system. In Iowa alone, 340 communities were affected by these tornadoes, storms, and flooding. Iowa

suffered well over \$10 billion in damages. Of this amount, approximately \$4 billion was agricultural loss, \$4 billion was business loss, and \$1 billion was housing damage and loss. Right now, those are very rough figures. I think they are only going to climb every day after these initial estimates.

The floods in Iowa were well over a 500-year flood event level in many parts of my State. For example, the Cedar River in the Cedar Rapids area was 11 feet over record flood stage. Since we began keeping records in the 1850s, the highest flood level had been 20 feet. The levees protecting the city are at 22 feet. In June, Cedar Rapids had 31 feet of water, well over the 22 feet of the levee protection and the previous record of 20 feet.

Even my small hometown of New Hartford, IA, was first hit by an F5 tornado, which caused several deaths and severe damages and, just 2 weeks later, hit by severe flooding. Mr. President, 240 out of 270 homes had moderate to complete damage. Many of the businesses also suffered severe loss. They are trying to figure out how to stay in business. Unfortunately, for my small town, several have decided not to reopen.

On Monday, I visited the home you see in this photo. This is one of my constituents in Cedar Rapids, IA. As you can see, they have already taken out the moldy drywall. Here, this lady, Shirley, is showing how high the water was on the first floor, and that is after the basement had been completely filled with water. We also couldn't go to the second floor in this home because half of the steps were washed away.

So we are not just talking about standing water. At one point this was rushing water, turning over appliances and leaving boats in people's living rooms. It is people such as Shirley, who are in limbo because Congress is not acting, needing to know what assistance can be provided. They do not know whether the Government will help. Should they stay or should they leave?

Then we have business owners who are worried about their employees not having homes. Will they leave town because they do not have a place to live? Then will the small businesses be closed because customers who use the local diner won't be there or the local flower shop won't be there? It is a vicious circle when you don't have housing for your workers.

My colleagues in the Midwest and I have been working with appropriators on additional emergency assistance to help us with the recovery and with the rebuilding process. I happen to be concerned that this additional emergency assistance is being held up by non-emergency, nonrelated, and, in fact, quite controversial provisions. I believe we should do what we did for New York and what we did for New Orleans: consider the emergency portion separately from other appropriations that

people think need to be done, and do it before the August congressional recess.

Aid to the Midwest should not be held hostage to politics. Iowans are beginning to notice the inaction in Congress. I get asked why—why hasn't something been done? I would like to read to you parts of an editorial running in the Waterloo Courier. Waterloo is close to my hometown. I am not going to read it all, but, I want to include the entire editorial in the RECORD. I will read from just portions of it because it tells what Iowans are thinking about the inaction in Congress and that maybe there is a double standard.

The headline is: "Congress Needs To Make Time To Help Iowa."

Iowans who don't agree with the recent minuscule approval ratings of Congress may want to take a second look. Congress has delayed consideration of a bill that includes further disaster aid for Iowa until after Congress' August recess.

The editorial goes on:

That's quite a slap in the face to those people and businesses already confused by which direction to take concerning housing and rebuilding issues. The Senate Appropriations Committee was scheduled to take up the supplemental package on Thursday, but Senator Robert Byrd, Democrat of West Virginia, the committee chairman, announced late Tuesday it was putting off consideration until after the recess.

Then they quote Senator BYRD:

There is no opportunity to begin consideration of a supplemental appropriations bill during the next 10 days.

Then the editorial goes on to say that BYRD said the Senate was busy debating legislation on housing, energy, defense policy, and taxes before the recess.

Continuing to quote the editorial:

Our response to Senator Byrd and the rest of the Congress is: Make the time. Delay the recess if you have to. We'd also like to remind the Senator of his comments just last month after areas in West Virginia were ravaged by storms.

The editorial refers to that statement, with Senator BYRD saying this:

Once again, West Virginia has suffered at the hands of Mother Nature. Every moment counts in the recovery efforts, and every little bit of help is crucial.

Then the editorial repeats again the last words of Senator BYRD's statement—"every moment counts." That was his plea then.

It goes on to say:

Sounds very similar to situations faced today by many Iowa communities, businesses, families, and individuals. It appears that Byrd's view on timely assistance doesn't extend to the Midwest.

Mr. President, I ask unanimous consent to have printed in the RECORD the entire editorial so people can read it in its entirety.

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

[From The Waterloo Cedar Falls Courier, July 25, 2008]

CONGRESS NEEDS TO MAKE TIME TO HELP IOWA

Iowans who don't agree with the recent minuscule approval ratings of Congress may want to take a second look.

Congress has delayed consideration of a bill that includes further disaster aid for Iowa until after Congress' August recess.

That's quite a slap in the face to those people and businesses already confused about which direction to take concerning housing and rebuilding issues.

"Congress doesn't seem to understand the devastation," Iowa Republican Sen. Chuck Grassley said. "We've got an emergency, and Congress needs to respond. If my colleagues doubt me that this is an emergency, I'm in Iowa every weekend and I'll be happy to show them around."

Don't expect too many of Grassley's cohorts to take him up on his invitation.

On Tuesday, Iowa Gov. Chet Culver met with a congressional delegation and said he was asking for an additional \$1 billion in disaster relief. The government has already approved \$2.6 billion in assistance.

The Senate Appropriations Committee was scheduled to take up the supplemental package on Thursday, but Sen. Robert Byrd, D-West Virginia—the committee chairman—announced late Tuesday it was putting off consideration until after the recess.

"There is no opportunity to begin consideration of a supplemental appropriations bill during the next 10 days," Byrd said in a statement.

Byrd said the Senate was busy debating legislation on housing, energy, defense policy and taxes before the recess.

Our response to Sen. Byrd and the rest of Congress is: Make the time. Delay the recess if you have to.

We'd also like to remind the senator of his comments just last month after areas in West Virginia were ravaged by storms.

"Once again, West Virginia has suffered at the hand of Mother Nature," Byrd said. "Every moment counts in the recovery efforts, and every little bit of help is crucial. I appreciate the willingness of the Bush Administration to extend relief to additional counties in our state. This wise decision will bring much needed FEMA aid to these struggling communities so they can begin the difficult task of rebuilding."

Just to reiterate: "Every moment counts," was his plea then.

He had previously written to the president asking for a disaster declaration as soon as possible, as the damage was "beyond the capabilities of the State of West Virginia and the affected local governments."

Sounds very similar to the situations faced today by many Iowa communities, businesses, families and individuals.

It appears Byrd's view on timely assistance doesn't extend to the Midwest.

Sen. Byrd's Web page is www.byrd.senate.gov. An e-mail address can be found there. If you feel compelled to leave him a message, please make it brief. We would hate to take up too much of his time.

Mr. GRASSLEY. Mr. President, I have also, as an individual Senator, been working on a comprehensive plan to provide tax relief to flood, tornado, and severe storm victims in the Midwest. My Midwestern colleagues have been helping me with this effort. We urge Congress to act quickly on enacting a tax relief law because we acted very quickly—within 3 weeks—after Katrina for New Orleans.

On Wednesday, I introduced this tax bill with Senators HARKIN, BOND,

MCCASKILL, COLEMAN, KLOBUCHAR, DURBIN, OBAMA, ROBERTS, BROWNBACK, LUGAR, and BAYH and called it the Midwestern Disaster Tax Relief Act of 2008. The same bill was introduced in the House by the Iowa congressional delegation in a bipartisan fashion.

Federal tax relief has proven to be very helpful to disaster recovery efforts in recent years. We modeled this legislation after the tax legislation that Congress passed to help victims of Hurricanes Katrina, Rita, and Wilma in 2005, and the tornadoes of Kiowa County, KS, in 2007. We took into account the lessons learned from the other disaster packages, so we have been able to slim down this package and tailor it to meet the needs of this major natural disaster and not repeat the mistakes we made for Katrina, where some people who weren't hurt by the disaster were able to take advantage of it.

So we are curtailing the cost considerably. But there is another inconsistency. I have been told by the chairman of the House Ways and Means Committee, Mr. RANGEL, that our disaster tax relief package needs to be offset. Well, he didn't hear CHUCK GRASSLEY say the tax package we passed for New York City after 9/11 had to be offset. It was an emergency. New York City needed help and New York City got help from this Senator, chairman of the committee at that time. I guess at that time I was ranking member, but still helping. And when Katrina came along, I was chairman of the committee once again, and we did not ask for offsets for Katrina. People in New Orleans were hurting and we passed the legislation and the President signed it 3 weeks after Katrina. We appropriated \$60 billion within 5 days after reconvening after Labor Day in 2005.

So I don't want anybody telling me that we have to offset a disaster relief package for the Midwest where people are hurting, when we didn't do it for New Orleans. Why the double standard? Is it because people aren't on rooftops complaining for helicopters to rescue them, and you see it on television too much? We aren't doing that in Iowa. We are trying to help ourselves in Iowa. We have a can-do attitude. It doesn't show up on television like it did in New Orleans for 2 months.

So we are going to move ahead. We have targeted this assistance in this tax bill to those who have suffered damage and lost specifically from this severe weather event—individuals and businesses located in presidentially declared disaster areas due to floods, tornadoes, or severe storms, in just these States—Iowa, Arkansas, Illinois, Indiana, Kansas, Michigan, Minnesota, Missouri, Nebraska, and Wisconsin—just where the harm has happened this spring.

Among other provisions, this legislation would let disaster victims with damages to their primary residence tap their assets and access cash by withdrawing money from retirement plans without penalties and suspend limits

on tax incentives for charitable contributions, thus strengthening local and other fund-raising drives collecting money to help small businesses and families recover. We also create tax-credit bond authority to help local governments rebuild infrastructure with interest-free loans; increase the amount of tax-exempt bond authority to help businesses receive below-market interest rate financing; remove limitations on deducting casualty losses due to natural disasters; and reduce the 2008 tax burden for businesses by substantially increasing the 2008 deductions from depreciation and expensing the business property.

We tried to add a disaster tax relief package as an amendment to the housing bill—and I have to say Senators SHELBY, DODD, and BAUCUS were very helpful in that process—but we didn't get all these details ironed out in time to get it in the housing package.

Mr. President, I ask unanimous consent for 4 more minutes.

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

Mr. GRASSLEY. We have agreed to pursue Midwestern tax relief either as a separate bill, which would have to start in the House of Representatives, or on another tax bill that is over here under consideration in the Senate. I want to thank Senators SHELBY, DODD, and BAUCUS, though, for their consideration of putting that in the housing bill.

We have had further discussions since then with Chairman RANGEL and BAUCUS. It is our hope that we can swiftly reach a bicameral agreement with Ways and Means and the Senate Finance Committee on our proposals. I think we basically have it ironed out, except for this offset issue. And we should pass this tax bill in both the House and Senate by unanimous consent before we leave for the August recess. That would get it done in still a longer period of time than it took me to get tax relief for New Orleans.

Once again, assistance to Iowa and the Midwest should not be held hostage to politics and gamesmanship. We treated the victims of the gulf coast with quick and fair action, as I have indicated twice during my remarks. We passed \$60 billion in appropriations bills within a week of returning to Washington after the August recess—Katrina happening just days before Labor Day, during our recess—and we passed that tax relief bill that I have mentioned that was signed by the President within 3 weeks. Those were clean bills. They weren't loaded down with controversial extraneous positions and didn't need offsets.

Efforts underway by Democratic leadership are letting down the people of the Midwest. They are trying to use this disaster assistance as a vehicle to promote an agenda and pet projects, and I will give you some examples. The majority would like to include a provision to give \$1.2 billion in tax credits to New York City, even though New York

City does not pay Federal taxes. This proposal is widely reported to fund the building of a train from Manhattan to John F. Kennedy Airport through the use of New York Liberty Zone tax credits. According to the Joint Committee on Taxation, Congress has never before provided a limited tax benefit such as this to a government unit.

This provision is very controversial, is nonemergency, and it would slow down getting assistance to the Midwest, and Iowans, where people are hurting and hurting right now. I reiterate that politics should not get in the way of helping the victims of the storms and tornadoes in the Midwest. To cut through this hogwash, we ought to pass the Midwestern disaster tax relief bill by unanimous consent even this week.

As Iowans and others in the central United States start recovering and rebuilding their lives and communities after these record deadly storms and floods, they need and deserve swift Federal action. The assistance should not be held up over politics.

I am often asked by constituents not to forget them. Therefore, I am asking my colleagues in Congress this very minute not to forget my constituents or other constituents of Midwestern States. We only ask that Congress give Iowans and those in the Midwest the same consideration we gave victims of other disasters—and most often I mention New York City and New Orleans—nothing more, nothing less.

If any of my colleagues doubt that this is an emergency and that Federal aid is needed, I am in Iowa every weekend—except this weekend, I am sorry to say, because we are in session on Saturday. But whenever they come, I will be happy to show them around. I have all kinds of pictures, which I think my staff has been putting up from time to time, to demonstrate this disaster that we have had in the Midwest.

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

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

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. GRASSLEY. Mr. President, I ask the Senate stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 2 p.m., recessed until 2:03 p.m. and reassembled when called to order by the Presiding Officer (Mr. CASEY).

The PRESIDING OFFICER. The Senator from Ohio is recognized.

LIHEAP

Mr. VOINOVICH. Mr. President, I rise today to speak about the need to