

We have said, of course, it is only part of the equation. While we need to find more, we also need to use less.

Yesterday we also did the third leg of the stool. We voted to extend the various tax credits and subsidies that would encourage development of alternative sources of energy. In Texas, we are known as an energy State. I bet most people would be surprised to know that in addition to oil and gas, we are the No. 1 electricity producer in the Nation from wind energy. Obviously, those alternative sources of energy are very important.

I caution my colleagues to the fact that no matter how much we act to eliminate the moratorium on the ban on offshore exploration, we still haven't done enough to open western oil shale. We still haven't done anything to open exploration and production in the Arctic Coastal Plain. I know while this 824 billion figure seems like a lot, it is estimated, once on line, it would produce about 3 billion barrels of oil a day, reducing our dependency. Just as the President's elimination of the executive ban on offshore exploration is a hopeful sign and elimination of the Federal moratorium on exploration and production in the Outer Continental Shelf is likewise a hopeful sign, it is a necessary but not a sufficient answer to the problem. That is because significant oil and gas reserves that exist in America, where producers and leaseholders already have a right to explore and produce that oil and gas and where they have invested more than \$2 billion into these projects, because of lawsuits, opponents have blocked drilling in a way that, unfortunately, is going to take years and years and years to resolve.

There are many examples of litigation thwarting approved drilling projects on existing leases. The area I am talking about specifically is, the Federal Government has leased land and approved drilling in the Beaufort Sea off the coast of Alaska's Arctic National Wildlife Refuge. Too often, long-term planning and heavy investments of human and financial resources necessary to develop and produce these reserves are frustrated, and future investment discouraged, when projects that have been extensively reviewed and approved by the responsible Federal agencies are shut down and effectively thwarted by frivolous litigation.

It is undisputed that oil and gas can be extracted from below the surface in a cleaner and more environmentally sensitive way than ever before. This is something that is vividly demonstrated by the fact that if you land or take off from an airplane at DFW Airport in the metroplex of Texas, the Dallas-Fort Worth area, you can actually land at the DFW Airport and you will see a number of drilling rigs on the DFW Airport property. What they are drilling through there is something called the Barnett Shale, a prolific producer of natural gas right there in a highly populated area. It is being done in an

environmentally responsible way, a way that is safe to the human occupants of that area and a way that, because of modern drilling technology, you can use a single well bore and basically go in all directions by thousands of feet and produce a lot more natural gas than you could have using old drilling technology. So just like when it comes to coming up with better sources of alternative energy, technology has produced a more efficient, more environmentally responsible way of drilling for oil and gas right here in the United States.

But to get back to my point, even if we lift this ban—all of these bans—unless we do something about the limitless litigation that prevents drilling from ever starting, we might as well have done nothing because this effectively shuts down drilling and production of American energy as much as any moratorium could. Unless we reform this litigation system, any repeal of a drilling ban does nothing to help consumers at the pump.

So I urge my colleagues to work with me and all of us who are interested in trying to find a solution to this tremendous dependency on foreign oil. Lifting the moratorium is an important step. I congratulate the Democratic leadership coming together with Republicans who have been calling for this for many months now. But no one should be fooled—and this would be the most cynical of all—if Congress pretended to actually be solving a problem when we know that this frivolous litigation effectively bans development of America's natural resources. This would be the most cynical move of all if we did nothing about that second part, about the frivolous litigation, because already I think people across America look at Congress as appearing to do things, perhaps superficially appearing to be responsive to their concerns, but in the end roadblocks continue to exist which impede, if not block, any realistic reform or progress on the particular subject.

So this is something I hope we will not give up on. I think today if, in fact, we do pass a continuing resolution that eliminates the moratorium on Outer Continental Shelf exploration development, it will be a great day. It is a necessary—again, a necessary—but insufficient way of addressing the ultimate dependency on imported oil.

We know high energy prices affect our economy. As a matter of fact, even though prices have dipped some, the fact is, today, according to USA Today, the average price of gasoline is \$3.72 a gallon in America. It had gone as high as \$4.11 a gallon and has come down a little bit, but it is hard to remember just a year ago a gallon of gasoline sold for an average of \$2.80 a gallon. In other words, it is up about 92 cents a gallon over a year ago, even though it has come down a little bit.

The underlying problem that is putting so much pressure on gasoline and oil prices is, of course, the law of sup-

ply and demand and the fact that growing economies such as India and China are using more and more energy, which means we are competing globally for the same oil, which, of course, unless we produce more, the law of supply and demand tells us the price will continue to go up.

So we should not be fooled into thinking we have solved the problem by eliminating only the moratorium on the Outer Continental Shelf—and there is more that remains to be done with the western oil shale and the Arctic Coastal Plain—we should not fool ourselves into thinking we have solved the problem, even if we were to lift those moratoria, unless we address this frivolous litigation that has had a way of bogging down this development in areas already leased and where leaseholders and producers have already invested billions of dollars. We need to do something about that.

So I hope we will return—if not this week—and my hope would be we could do this at the same time. There are a number of proposals. Congressman SHADEGG over in the House of Representatives has done good work in this area. Senator TED STEVENS from Alaska has some very good and interesting proposals. I have heard Senator KIR BOND of Missouri talking about some ideas he has. I have a proposal we have been working on that we think will address the delays in this frivolous litigation, while preserving to those who were genuinely harmed the right to recover compensation if, in fact, there is damage as a result of some misconduct on the part of the individuals who are producing or exploring for energy in America.

So far so good. I think we ought to acknowledge the progress that is being made after all of these months. But we are not there yet. I hope we will see continued cooperation as we actually help to bring down the price at the pump and reduce America's dependency on imported oil in a way that endangers our national security and threatens our economy at a time when our economy is quite fragile indeed.

Mr. President, I ask unanimous consent to speak for an additional 5 minutes.

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

Mr. CORNYN. I thank the Chair.

#### THE ECONOMY

Mr. CORNYN. Mr. President, I want to say a few words about the principles that will guide my consideration and my vote on the proposal made by the administration, by the Secretary of Treasury, Henry Paulson, and Ben Bernanke, the Chairman of the Federal Reserve Board.

I have to tell you I am extremely upset we find ourselves in this terrible situation. I can tell you the phone calls I have been getting from my constituents are that they are overwhelmingly angry at how we could possibly find ourselves in this situation.

First of all, I think there has been a perception that—listening to Treasury Secretary Hank Paulson—is actually not true: that this is somehow a bailout for Wall Street. In other words, the people who have profited mightily from the enormous sums of money that have been made recently on Wall Street, in the end, they are going to get off scot-free and the taxpayer is going to end up holding the tab. That is completely unacceptable.

First and foremost, I think we need to ask ourselves how we can protect the American taxpayers. The vast majority of Americans played no part in the collapse of some of the largest financial institutions in America, and they should not be forced to pay the price for the irresponsible and risky conduct of those who were at fault.

Secondly, we need to make sure this American economy remains stable and that small businesses, which are the lifeblood and the job creators in our economy, have the ability to grow and to create new jobs.

I think in the end economic growth is the key. What can we do to keep this great economy growing and producing jobs? I believe responsible tax relief helps small businesses grow and helps create jobs. Now, how would I know that? Well, all I would have to do is look back to the tax relief we passed in 2003, which cut the dividends and capital gains rate, which gave rise to a net increase of about 7 million jobs in America. That is what life was like before we hit the subprime mortgage crisis and high energy prices.

But we ought to look to what works, and we should not use this as an excuse to grow the size of Government and increase the size of the tax burden on hard-working American families and small businesses because that will make things worse, not better.

Third, we need to ask ourselves if this proposal does enough to safeguard transparency and accountability. Frankly, I think a lot of work needs to be done here. I think the very fact that Moody's and other entities which actually grade the investment value of many of these mortgage-backed security projects completely missed the target and failed to predict the precipitous drop in value of these subprime mortgages and the securities that are backed by these mortgages is evidence this is simply an opaque and nontransparent system and that not even the people who should know were able to evaluate what the true value of these mortgage-backed securities were. So I think we need to have certainly more transparency in this process, and we need to make sure those who are responsible are held accountable.

I am very pleased to hear in today's news that the Federal Bureau of Investigation has decided to investigate, among others, the actions of Freddie Mac and Fannie Mae to determine whether fraud or corruption on the part of key players was the cause or contributed to the cause of our current

financial turmoil. After the collapse of Freddie and Fannie, I sent a letter to the Attorney General of the United States, Michael Mukasey, and asked for a full investigation because in 2006 the very titans of industry who reaped millions of dollars in financial gain ended up with a slap on the wrist and no criminal penalty for cooking the books in order to generate larger bonuses and financial returns for themselves. That is completely unacceptable.

We need to make sure those who are responsible for precipitating this financial crisis are held accountable. If that means they are guilty of crimes, they should go to prison and pay the price as an example to others who would take advantage of the American taxpayer and would be motivated by the kind of greed that lets them forget their responsibilities not only to their shareholders but to the American people themselves.

So I am pleased the Attorney General is taking an aggressive posture and the Federal Bureau of Investigation is going to be conducting a thorough investigation. I say let the chips fall where they may. I do not care who it is. I hope they will pursue that to the fullest extent of the law.

Mr. President, I appreciate the opportunity to come and address these very important topics, and I hope that as the days go by Congress can work together in a bipartisan manner to try to find a way to address these problems. But certainly the initial proposal by the Secretary of Treasury is unacceptable on a number of bases, but he has my commitment, as do my colleagues, that I will do my best to work with him to try to protect the American taxpayer.

The PRESIDING OFFICER. The Senator from Ohio.

#### ECONOMIC POLICY

Mr. BROWN. Mr. President, I appreciate the opportunity to address the Senate today. I second the words of my colleague from Texas of the concerns of this economy and question how we got here. It is pretty clear to me, with 8 years of Bush economics, with deregulation of Wall Street, more tax cuts for the rich, and a trade policy that Wall Street has pushed through the House and Senate, these job-killing trade agreements that have caused literally millions of manufacturing jobs to flee our country, combined with a tax policy that gives incentives for companies to go overseas, rather than passing Senator OBAMA's, Senator DURBIN's, and my Patriot Corporation Act, which gives incentives for those companies that are staying right here in the United States, whether it is in Omaha or Cleveland, whether it is in Houston or Columbus, those companies that play by the rules, rewarding them with tax policy and others that those companies deserve.

Let me, for a moment, Mr. President, take the Senate around on a tour of my

State. There are so many good things happening in Ohio. I was with Governor Strickland for a couple days on Friday and Saturday going through eastern and southern Ohio. We were talking with people we met and talking to each other about all that is happening in our State, all the good that is happening, particularly in the area of biomedical research and development and job creation and especially in alternative energy.

Ohio is on the precipice—as many of us have pushed for in my State for many years—Ohio is on the precipice of being the Silicon Valley of alternative energy. It started in Toledo, which has the largest solar energy manufacturer in the country. The research going on at the University of Toledo on wind turbines is the furthest reaching, furthest advanced research in the country.

Go around the State to Akron and you can see what the University of Akron is doing with polymers and the kind of spinoff of jobs replacing lost jobs in the auto industry.

Go to Dayton where we have the National Composite Center that is making major contributions with lighter, stronger, more durable materials that can help with more efficient, better mileage automobiles, not to mention what they are doing on alternative energy with wind turbine blades.

Go to Cleveland and look at what the Case Western Reserve University, in conjunction with the Cleveland Foundation, is doing with plans to be the first place in the world where there will be a wind turbine farm in fresh water off the coast of Cleveland in green Lake Erie, supplying much of the electricity needs of northern Ohio.

Go to Columbus and look at the Center for Automotive Research and the work they are doing for Ohio State. Look at the great university facilities at Cincinnati Children's Hospital and the University of Cincinnati and what they are doing on biomedical research and alternative energy too.

You can see in my State of Ohio, as many jobs as we have lost, this State is coming back.

Now, we can't do what we need to do—and the Governor was emphatic about that, as I am in the Chamber of the Senate—we can't do what we need to do unless we get a little more help from the Federal Government, not so much giving us things but just not standing in our way.

Instead, we have seen, for the last several years in our State and in our country, a betrayal of the middle class. The drug companies wrote the Medicare law, the insurance industry has written health care legislation in this Congress, the oil companies have dictated energy policy, and Wall Street has pushed through these job-killing trade agreements. On issue after issue after issue, the Republican majority in the House and in the Senate, for most of the last 8 years, and the Bush administration have betrayed the middle