

what is easy. Congress doesn't need to be cowardly. Our Nation and our citizens expect no less than what Daniel Webster's quote says right up on that wall, and that is "to do something in our time and generation worthy to be remembered."

It is far overdue for real banking reform in this country and the return of financial power back to the American people.

Mr. Speaker, I yield back my remaining time.

CARBON TAX AND THE PRESIDENT'S BUDGET

The SPEAKER pro tempore (Ms. KOSMAS). Under the Speaker's announced policy of January 6, 2009, the gentleman from Illinois (Mr. SHIMKUS) is recognized for 60 minutes.

Mr. SHIMKUS. I come to the floor tonight—and I will be joined by a couple of my colleagues—to talk about the President's budget and the issue of the carbon tax proposed therein.

Part of the President's budget submission is \$686 billion raised by a carbon tax. This poses a serious number of questions, and I will highlight the history and then talk about how that addresses a concern from, really, a large part of this country, especially the Midwest.

When the 1990 Clean Air Act passed and was signed into law, a mining operation in my congressional district, Peabody Mine #10, which is located right here, a big facility, very efficient, and the great thing about this facility was that right across the street and down the road was a coal-fired generating plant.

So you have what you hear a lot of people talk about today, a mine mouth operation, where you have the coal located underground and you have the power plant on the surface. So you save in the aspect of transportation either by rail or by truck.

What happened under the Clean Air Amendments of 1990 is what will happen as we move to a carbon-constrained regime when we monetize carbon, is that in this process there will be winners and losers. So I am coming to the floor tonight to talk about who these people are and why are they in this debate. One of the most clearly identified losers in a cap-and-tax regime are the miners.

□ 1815

Now, we hear a lot about green jobs, but I can guarantee you that the green jobs created will in no way match the loss of the fossil fuel industry in this country. And when I say fossil fuel, I talk about all the fossil fuel regimes, from coal to crude oil to natural gas. And we could go, as we talked about last fall oil shale, we could talk about the tar sands, vast resources of energy which, through a climate change regime, through a cap-and-tax provision, we could lose.

Well, these guys lost out and ladies. This one mine in southern Illinois that

had over 1,200 miners was shut down, and it was shut down to meet the requirements of the 90 amendments to the Clean Air Act. So I find it very, very difficult when my colleagues say there will be no effect. And we have been very successful, I think, in this debate to highlight the reality that people will lose jobs as we move to address the climate regime. These guys and these ladies lost their jobs. This is one mine.

I talked to an individual who was a business agent for the United Mine Workers who told me, at one time before these acts were passed there were about 16,000 bargain members of the United Mine Workers in southern Illinois. After this last legislation was passed, he was reorganized into a three-State region and he only was working for at that time 4,000 miners. So he went from 14,000 miners in southern Illinois to 4,000 United Mine Workers in a three-State region. There will be definitely be effects, and it is the blue-collar jobs, the working men and women who have mined our coals.

The historical importance of coal mining is part of the reason why many immigrant families found jobs when they moved here. I am a fourth-generation Lithuanian. My great grandfather came to this country and worked in the coal mine. That story is told over and over and over again and highlights the importance of this debate. So you go from this coal mine, this operation to nothing, you go to this job loss, and then you go to the last revenue for the county.

Now, this is just one story that can be told over and over again in just my State, central Illinois, from central Illinois all the way down to the southern tip, that story of miners losing their jobs. So that is why we come to this debate. And we come fervently to talk about the challenges of a cap-and-trade regime.

In this country, the portfolio of energy, again, in this chamber the electricity produced is by a coal-fired power plant just two blocks away from here. The electricity generated in this country is generated by 49 percent coal. So just imagine that you take coal out of the equation. Now you have current demand and you have less than half the amount of supply. And if you understand supply and demand, costs will then escalate. Who will that cost escalate to? Well, it escalates to everybody.

We hear about the President is making work pay tax credit, the \$300 to \$400 a year for an individual or the \$700 for a couple, that is for 95 percent of all Americans, as he promised. But what he hasn't been able to explain is how, as he passes this cap-and-tax on to the American public, he is going to tax everybody, 100 percent, because we will pay, the consumer will pay for the energy used across the board, because energy is used in everything that we touch, we eat, we consume in this country, and that cost will be passed on in higher costs.

So now let's just talk about the manufacturing sector. If you think that the manufacturing sector that is in this economic malaise right now, you think it is better served with low energy costs or high energy costs? I think the answer is clear: It is better served with low energy costs. If our manufacturing sector is completing against the likes of India and China in the manufacturing sector, do you think our manufacturing sector is better served with higher costs versus the competitors of India and China? Of course they are not. But this Congress and this President is planning to threaten the economic vitality of this country on this cap-and-tax regime and put thousands and thousands of people employed either in the mines or in the power plants or in the manufacturing sector out of work.

And I am just going to end with this story, and then I will yield to my colleague from Minnesota. People say, well, you know, America has got to lead. We have got to lead the folks from India and China. I was in a bipartisan meeting with senior Democrat leaders talking to a senior Chinese official; and I didn't ask the question, two of my democratic colleagues asked this question. The question was: Will China ever agree to an international cap-and-trade regime that is complied by the worldwide organization?

After answering both questions for about 15 minutes, the answer was the same, and this is a paraphrase. He said: You know, the United States and Western Europe built their middle class by cheap fossil fuel use, and now it is our turn. Now it is our turn.

So for anyone who thinks that they are going to comply just because we have now gutted ourselves and made ourselves less competitive and they are going to be goody two-shoes and going to join, they are wrong, and they are not understanding this other simple fact. I think in January, more automobiles were sold in China than in the United States. They are only starting their era of fossil fuel use. They are not going to stop their era of fossil fuel use. They are not going to comply with any international standards.

So our pain, our job loss, our inability to get out of this recession or this economic malaise is going to be held hostage to the fact that China is going to do nothing. We are going to tell our blue-collar workers out there, yeah, we are going to shut down this coal mine in the hopes that we can encourage China to join us? Are they kidding me?

So that is why we took to the floor. There is a lot more to talk about. I appreciate my colleague and friend from Minnesota for coming down, and I would like to yield time to her.

Mrs. BACHMANN. I commend the gentleman from Pennsylvania (Mr. SHIMKUS) for all the work that he has done, the tremendous work on energy. The energy fight that we all participated in last summer when we talked about how we needed to adopt an all-of-

the-above-energy standard so that we can increase America's energy supply, your leadership was exemplary on that effort.

We all remember how much fun that was last July 4, when we were all paying \$4 and more a gallon, thinking that we were on our way to paying \$6 a gallon, \$8 a gallon. We had no idea where it would lead, because what we are seeing was that the world was diminishing its supply, raising its prices. And here in the United States we adopted a policy that was to not produce more American energy, and that constricted and constrained the American public because they had less supply and they had to pay more money. This was not a scenario that the American people were very happy about, and we can see why.

Now, it is curious that under President Obama's spending plan, and that is what we talked about last week on the floor, that the President's budget spends too much, it taxes too much, it borrows too much. All of this radical historical level of spending is mandating massive tax increases. Mandating.

Just the stimulus plan alone, which we found doesn't do anything to stimulate, was over \$1 trillion in spending. Then we saw after that a \$410 billion budget bill which included almost 9,000 earmarks. And our President, who said he would not sign a bill with earmarks, signed a bill loaded with earmarks, and he did it behind a closed door where no cameras were present. And sandwiched in between all that massive spending was a fiscal responsibility summit. Now, that was a little humorous to me, but now here we are today talking about the budget.

Moving forward. This historic level of spending, \$3.7 trillion, where will the money come? Where will the money come from to fund all of this massive spending? I can guarantee to the American people, there is no vault back here in the Capitol filled with wrapped \$100 bills. There is no money here. There is no money tree out on the Capitol lawn that produces money every morning that we can shake and go gather that money up and spend on all these programs, socialized medicine, all the programs that the President is envisioning. So where will we go to get this money?

To fuel this radical historic level of spending, we are looking at the system that Mr. SHIMKUS has spoken of so well, and it is the cap-and-trade system, which we all know now is a subterfuge for an energy tax. This is a massive tax. And just as our President stood right here in this room several weeks ago and looked into the camera and said to the American people: 95 percent of the American people will pay no increase in taxation. And that absolutely is not true. We know it, because during the course of those remarks he said he wants to pass a cap-and-trade system.

What will cap-and-trade do? It will increase the price of almost every

product and service in the United States. Why? Because think of any commodity that somehow doesn't have energy attached to it. There isn't one.

I hail from great State of Minnesota, Minnesota's Sixth District. I will tell you one thing. When October hits in Minnesota, you turn on your furnace, and your furnace stays on until April. Our furnace is still on in Minnesota. It stays on. Energy is a fact of life. And under this cap-and-tax system, we are looking at a minimum 40 percent increase in the monthly energy bill, the monthly electric bill, let alone the increase in the gas tax when you go to the gas station, let alone when you go to the grocery store the increase in taxation. We know this.

As a matter of fact, we have some quotes from our President. We have a quote just a few days ago when the President said that he wants to pass this cap-and-tax system, but he said we may need to delay implementation until 2012. Why? Because our President said, in our current economic meltdown, we will not be able to afford a cap-and-tax system. Well, we know something about our economy. We engage in business cycles where we have good times and not so good times. What are we going to do, suspend this tax in not so good times? The President by his own words is admitting this will harm our economic future.

In fact, when President Obama was running for President, he said, and I quote, "What I said is that we would put a cap-and-trade system in place that is more, that is as aggressive if not more aggressive than anybody else's out there." So if somebody wants to build a coal powered plant, they can. It is just that they will bankrupt them, because they are going to be charged a huge sum for all that greenhouse gas that is being emitted.

And then he went on to say, "When I was asked earlier about the issue of coal, uh, you know, under my plan of a cap-and-trade system, electricity rates would necessarily skyrocket."

Coal is the number one energy electricity producer in the United States, and we have coal in abundance in this country. Coal isn't evil. Oil isn't evil. Natural gas isn't evil. It has given us the energy to fuel the greatest economy that has ever been known in the history of man. And I fear that what we will be seeing is the demise of the American economy if we tie cement blocks onto the coal, oil, and natural gas industry. And I fear even the biofuel industry will be negatively impacted, the solar and wind industries I think also will be negatively impacted, because we need to have money in private hands to be able to create these new, wonderful alternative forms of energy that we need to have in the United States. We want to see more nuclear powered plants, zero emissions.

□ 1830

Now, if the President is truly worried about the emissions problem into our

atmosphere, why not embrace nuclear power? It produces zero emissions. We should be building nuclear power plants all across this country.

I don't want to take up all the time here, and I would be happy to dialogue with my colleague. Again, I want to thank Mr. SHIMKUS, because Mr. SHIMKUS understands, unfortunately all too well personally in his own district, what the cost has been when government rolls the dice with people's lives and thinks that they have come up with some grand new idea, but that grand new idea, as we have already seen economists forecast, is a loss of at minimum 1 million jobs. How could America accommodate right now 1 million more job losses because of this new tax? I yield back.

Mr. SHIMKUS. I think there is a group that will have jobs in this regime, and it is the Wall Street traders.

Mrs. BACHMANN. That's right.

Mr. SHIMKUS. The cap-and-tax regime, the cap-and-trade regime is predicated on the fact they are going to trade these carbon credits on a trading floor. So we are going to allow folks like Goldman Sachs and Bear Stearns—my colleague from Ohio just left the floor talking about the demise of the economy based upon shady actions. My colleagues on the other side who are on the floor are always throwing bombs at the New York Mercantile Exchange and these traders, the people who trade these instruments on the floor. This is a way for rich people to get richer, when you have a trading floor for carbon.

If my colleagues on the other side were intellectually honest, and I don't think they are being intellectually honest, they would say, let's outright cap, let's tax carbon emissions. Let's put a monetary amount on the carbon emission, and let's make it transparent so the public understands how much they are going to pay to try to mitigate carbon use. But they can't go that route because they can't be intellectually honest in this debate because they know the public will not accept the increase in energy cost and the job losses that are going to incur. So what do they do? They package this cap-and-trade trading floor scheme. And the same people they vilify, the Wall Street traders, are the people they are holding up saying, oh, no, but this system is going to work fine.

So, this carbon tax, I pulled this out, this is the President's "making work pay tax credit." I think we are being generous saying it is \$800. I think it is about \$700. The impact of a cap-and-tax provision as proposed in the budget is \$1,600 per individual. So the net loss to the individual, the household and the family is \$800. We are in the hole. We are not making money on this deal. We are behind.

Who is going to determine where this money goes to? The story I like to tell is that it is like the bank robbers. They rob the bank. They go to the hideout. And they put the loot on the table. And

where do the real fights begin? The fights begin as to how they are trying to split the proceeds. What is going on here in Washington now is my friends on the other side are trying to buy off votes to pass this regime promising this largess, which is a tax increase paid for by us, saying, "don't worry, you will get your share." It is just like the bank robbers. And that is why I'm so angry about it.

I yield to my colleague from Minnesota.

Mrs. BACHMANN. I thank you for yielding.

When we are looking at the money and where all of this massive amount of money will be spent, again, the placeholder in the President's budget is \$646 billion. But we are told that is maybe one-third of the true amount of revenue that will be generated. Now just think, that is between \$1.5 and \$2 trillion in new taxation. That is just one new taxation burden on the American people. And the President has already indicated that he may be using that money not to build new nuclear power plants, which would have zero emissions, but to redistribute the wealth, as he is wont to do, with paying for socialized medicine. So we are going to embrace a socialistic view of socialized medicine for the American people which will further be a burden on the American people.

I just wanted to go back on your previous comments on China. There is an article in today's Washington Times newspaper. Open up the inside of the paper. It said this regarding China, China made the comment that they will not be engaging in a cap-and-trade system. They won't be engaging in reducing their own emissions. Why? Because they said the United States are the consumers of products. Japan is the producers of products. They said, with a straight face, "as the producers of products, we aren't the ones who are truly generating the emissions, it is the consumers." Now they are ignoring the fact that they probably have one of the largest pools of consumers in the world.

They have no intention of paying this tax. And if you would give Al Gore and the people who are embracing the whole global warming narrative, if you would give them every aspect of what they believe, if you presume every premise they believe, and if the United States would implement all of their radical ideas, all of this cap and tax, let's say we did everything, gave it all to them, what would we produce in lowering emissions? By their own numbers, it shows that we would be reducing emissions by the year 2095—which is a long time from now—by less than 1 percent. That is a negligible amount. And we know that China is going to continue to grow as a manufacturer. India will continue to grow. Their emissions will overtake any savings the United States would possibly have.

So we need to recognize the truth of what cap and tax is. Cap and tax, pure

and simple, is a big government attempt to reach into Americans' pockets, pull more money out, bring it to Washington, DC, to empower the Federal Government so they can decide to do what they want to do with the American people's money.

I would yield back.

Mr. SHIMKUS. I appreciate that comment. That is really the irony of this whole debate. If all this money was going to go to mitigate carbon emissions or to help us adjust to this change, you may get some people, even though I still don't agree with it, who would say, okay, we know where it is going. But the fact that this money is going to go to grow government just shows you the problem they have with the real debate of what the real reason is that this cap-and-tax regime is being initiated.

I'm happy to be joined by my colleague from Tennessee, Congresswoman BLACKBURN. Thanks for coming down.

Mrs. BLACKBURN. It is so good to be with you. I thank the gentleman for his leadership on this issue. You have just been a stalwart on this.

As we have looked at what it takes to address the energy needs of our Nation and how we should go about that, of course, we all know that one of the things we have to do is look at all of the above. And we began talking about this last year and spent some time talking about that we needed an all-of-the-above strategy to make certain that we addressed every component that was out there, every possibility that was going to be held. It is an honor to serve on the Energy and Commerce Committee with the gentleman from Illinois. It is also an honor to work with the Select Committee on Energy Independence. We know that this is a direction where we need to move towards energy independence. We know that we need to do this in a thoughtful way. We also know that we need to do this without raising taxes on the American people. Certainly that is possible.

As the gentleman and my colleague from Minnesota were both saying, the taxes that are out there are of tremendous concern to us. I appreciate the poster that the gentleman has where it shows what it is going to cost every family for this cap-and-tax scheme that the Democrat leadership is wanting to put in place. The MIT researchers feel that this tax is going to end up being \$3,100 per family. That is something that is going to far exceed even the \$1,600 that we see there.

It basically is a tax every time you turn on the light switch, every time you plug in the coffee pot and every time you turn on the computer. Every single time you go to use any energy source, you are going to be paying a tax. That means if you freeze your food, you're going to pay more. If you cook your food, you're going to pay more. Everything you use is going to end up costing you more, \$3,128 per

family per year. That is not my estimate. It is not Mr. SHIMKUS' estimate. That is the estimate from researchers at MIT as they look at this. And CBO, the Congressional Budget Office, also warns us of the burden that this is going to place on our middle income and our working families here in this country.

Many of my constituents are saying, "what in the world is a cap-and-trade, or what is a cap-and-tax?" And they are asking about how this would go about. And they can't believe that with the greenhouse gasses and the carbon emissions that you would have to go in and buy permits to use this. Indeed, our agricultural community is very concerned about this because what we are hearing from our friends across the aisle is that there would be a tax on every head of cattle. There would be a tax on every pig. What is that going to do? It is going to increase the cost of the food that you eat.

We know that it doesn't stop there, and the taxing doesn't stop there. The gentleman has talked some about coal and clean coal technologies. He has talked about nuclear power and the importance of having that in our strategy of how we solve this problem. What is the best way to take action? Of course, we know that it is going to be more difficult for our electric power generators to generate the electricity that we are going to need. We know that for anyone that works or deals with hydrocarbons, it is going to drive their costs up. Certainly our trucking and logistics companies are going to see incredible increases in taxes. All of that doesn't get equated and rolled into the \$3,128 per family that this would cost. These are all additional costs that would be seen in the increased cost of commodities that everyone is going to have to pay.

Now, one of the things that I have thought was, it's really quite curious, in all of this discussion, we all know that the best economic stimulus is a job. And you can't go anywhere right now without hearing about the economy. We all are worried about the recession and the length of the recession. We are worried about how we can energize this economy. We know the best economic stimulus is a job. And we know that the stimulus plans and the budget, all these ideas that have come from the Democrat side of the aisle, they tax too much, they borrow too much, and they spend too much. We all recognize this. But jobs growth is one of the things that we have focused on. Certainly with pushing the stimulus, we heard from the administration and the Democrat leadership, well, it was going to create 3 or 4 million new jobs. Well, as we have looked at this cap-and-tax proposal alone, just that portion of it, not looking at any other portion of it, we have seen that there are estimates that have come to us from CBO that the cap and tax could cost us as many as 3 or 4 million jobs. So putting this tax in place in the budget

would negate all the jobs that they think they would create by going through the stimulus and the money that they have put out there in the form of spending.

Also, I think that there has been much discussion about green jobs, and would this proposal create new green jobs? There is a good bit of study on this from Heritage Foundation and some others that say, no, such a proposal would actually reduce economic growth, reduce the gross domestic product and reduce employment opportunities. So for those of us who look at this as an issue of how we recover, what are the steps we take for this economy to recover, how do we reduce the tax burden, and then we look at the analysis not from you and me, but from outside entities, we see that this cap-and-tax scheme would be something that would be a jobs killer and a reduction in the gross domestic product of our Nation.

And I yield back to the gentleman from Illinois.

Mr. SHIMKUS. I wonder if my colleague would stay for a minute and just go into a little dialogue as to in an economic decline, where we are fighting for every job, why would we put an additional burden on our manufacturing sector and the average American citizen in the aspect of raising taxes? Why? It just doesn't seem sensible when you need to get the jobs to get the economy moving again. What do you think is going on?

□ 1845

Mrs. BLACKBURN. Well, my constituents ask this regularly, and I have had an opportunity this week to meet with some of my constituents who are in the auto manufacturing industry and who work in logistics. Their question is always what in the world do people in Washington think they are doing? Are they that removed from what is happening in our communities? Do they not understand how jobs growth takes place?

You've got to have some incentives there for jobs growth to take place. Certainly, it seems there is a disconnect here.

My constituents know you cannot spend your way to recovery, and you cannot build recovery on a foundation of debt. They absolutely understand that. And they are very concerned that in the midst of this recession, which troubles us all, and as you look at the jobs loss that is taking place, the amount of jobs loss that has taken place the first quarter of this year, we know that to increase taxes, you can go back and look time and again at how things have taken place through our history. Certainly you can look at the late seventies. If you want a recent example, look at what transpired in 1977, 1978, 1979 and 1980, I was a young mom at that point in time, 13 percent mortgage on homes, 20 percent inflation. Raising taxes in a recession does not work. We do know that lowering

the rate of taxation and spurring economic growth is good for Main Street, it is good for the American people, and it is good for our GDP and for our government and our economy.

Mr. SHIMKUS. I thank my colleague. I think the answer is they have got such a large majority on their side of the aisle that this is the time to pass it. It is a religion now. It doesn't have to be based on facts or the time that is at hand. We can impose an additional burden on business and manufacturing and electricity generation. We can impose an additional burden on the household, but that doesn't matter. But it is going to matter because even in the analysis of the Warner-Lieberman bill, we are talking about thousands of jobs. And that, by the Henry Waxman model, that is a moderate bill. An analysis was done on that bill, and it was summarily dismissed on the floor of the Senate. Why? Because it was a job killer, a job destroyer.

So on this side we are rushing, like we are rushing all legislation, to move a cap-and-tax bill by Memorial Day which will be even more egregious than the Warner-Lieberman bill which projected thousands of jobs lost. It is a religion that has to have service now versus the needs of our citizens.

You know, here is the tax increase. Here is the mine that was shut down. Here are the coal miners that lost their jobs. You were at the hearing. We had the Ohio Coal Association testify. When I talked about the environmental impact and the loss of these jobs, do you remember how many jobs Ohio lost? They lost 36,000 coal miner jobs in the State of Ohio. That is why some of my colleagues on the other side in the other body voted no.

Fossil fuel, here are some basic facts. When we came on the floor during the energy debate, we said all of the above. In our Commerce hearing, there was a proposal given to one of the panelists, if we allowed the company to shut down the coal-fired power plant and they built a nuclear power plant, would they get some of these credits because they are going from emitting some to emitting none. The answer was no.

We were looking around asking, Isn't that why you are proposing this? Don't you understand that we still need electricity, a 30 percent increase in the next 20 years. I have a teenage son. I have told the story numerous times. At home I go down to the basement, he is watching cable TV, he has his iPod in and he is surfing on the wireless Internet; three times the amount of electricity. That is what America is today.

The demand is going up and we are going to stop the production of electricity, and then people talk about renewables. Let me quote the President, and I use this one quite a bit. This is from his inaugural address. "We will harness the sun and the winds and the soil to fuel our cars and run our factories." No, we won't. There is no possible way.

Mrs. BLACKBURN. If the gentleman would yield, I wish you would read that quote one more time because as we talk about renewables and the renewable standards that are being placed out there that would be so harmful to our electric power generators, I think this is very important.

Mr. SHIMKUS. Before I read it again, the fact that in the renewable fuels debate, there is a debate upon calculation of the use of land which the EPA is going into. So if you are using bio-diesel, soy-diesel, they want to say if you produce soybeans, that encourages the Brazilians to go into the rainforest and so we want to mitigate that loss of the ability to sequester carbon in the rain forest, so we are going to say no to renewable fuels.

But here is from the inaugural address. "We will harness the sun and the winds and the soil to fuel our cars and run our factories." Now I am a big renewable fuels guy. I like ethanol and I like bio-diesel. I think the thing that really stood out for me is "run our factories."

The stats I use are this. I just ask for one steel mill. I take a steel mill that uses 545 million kilowatts a year. It would require roughly 138 wind turbines on roughly 12,443 acres of land for that total output. However, during peak load at the steel mill, it requires 100,000 kilowatts. For that you would need roughly 825 turbines on 33,000 acres of land to account for peak load. Now that is just one steel plant that may be close to me. Now add to that the second steel mill and add to that the refinery. What we are trying to do in this process is help educate the people. Right now 1.6 percent of our electricity is generated by renewables. So let's double it. That's a good goal. So 3.2 percent of the energy would then be by renewables. You are still going to have 50 percent coal, 20 percent nuclear, 20 percent hydro. It is still going to be part of the electricity generation mix, and a critical part if we want low-cost energy.

Mrs. BLACKBURN. If the gentleman will yield, I hope you will put those figures on the amount of space it would take for the wind turbines and other components to fuel one steel factory. I would imagine your research also shows that one steel factory probably has one power generation area, and it would be interesting to see the amount of acreage required for that. But I would encourage the gentleman to put this on his Website so that constituents of ours who are listening to this debate can pull those down because what we are hearing is as people have moved to growing corn and growing products to make renewable fuels and ethanol and the bio-diesels, but especially the ethanol, we are hearing of food shortages in some areas because corn is not being used for food. And certainly Haiti and some other countries that have food shortages, we have that documented evidence that shows that there is a need to move that production into the food arena and not

necessarily into the ethanol area because of the food shortages that are existing in this world today. And certainly also because of the subsidies that are required to make ethanol affordable and to get the amount of energy that is used in producing a gallon of ethanol, to get that down.

Certainly research and innovation will help us with the renewables, but we are not to the point where this can become the primary source of our electricity, or it is going to shut down our manufacturing, our productivity, the movement of our transportation fuels, the use of transportation fuels, the movement of products and commodities around our country, and the ability of people to be able to go from one area of the country to another in a reasonable amount of time.

It is something that is of tremendous concern to us because as I said earlier, the best economic stimulus is a job. And all of the outside research and the data we have been able to compile shows that this is not going to create jobs, it is going to cost us, and there is going to be a negative impact on our GDP.

I yield back to the gentleman.

Mr. SHIMKUS. I thank my colleague from Tennessee for joining me. Many States have power companies. I am fortunate to have some that aren't for profit. They are rural electric coops, like the Illinois Municipal Electrical Association. So their ratepayers are their constituents, so the elected officials are running this electricity generating and operation and distribution system for the people who vote for them.

They have made themselves pretty clear that this cap-and-tax regime will create a huge tax burden on the people who vote for them.

I have some stats that were sent to me. The Illinois Municipal Electric Association revenue requirements, without allowances in 2015 are approximately \$320 million, or \$60 per megawatt. The cost with allowances at \$20 per ton is \$510 million.

This is additional cost incurred to the utility that has not been planned for. When you have an additional cost and you are providing a service or a good, business, whether it is profitable, for profit or not for profit, will cost will pass that cost on to the consumer. That's where we make this claim that a cap-and-tax regime will raise taxes on the individual and it will cost jobs.

One of my colleagues talked about this article in the paper today, "China: Importers Need to Share Blame for Emissions," and it basically says that global warming would not require China to reduce emissions caused by goods manufactured there to meet demand elsewhere. The basic premise is that it is the people who are purchasing the goods who will pay for any burden increase.

Another story, "University of Wisconsin-Milwaukee Study Could Realign Climate Change Theory," and I want to quote one paragraph.

"In climate, when this happens, the climate state changes. You go from a cooling regime to a warming regime or a warming regime to a cooling regime. This way we were able to explain all of the fluctuations in the global temperature trend in the past century," Tsonis said. "The research team that sound the warming trend of the past 30 years has stopped and in fact global temperatures have leveled off since 2001." The most recent climate shift probably occurred at about the year 2000."

That is why the climate-change activists and those who promote the carbon tax regime, that is why they are so befuddled and they want to move this quickly because what has happened to the temperatures over the last 7 years? Has it gone up? No, it hasn't. The average temperature has gone down, and since it has gone down, it has got them very frustrated on how they are going to sell this cap-and-tax regime to the public.

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Madam Speaker, I would like to submit for the RECORD these two articles for submission with this Special Order.

Madam Speaker, in the fall of last year, we really made a concerted effort to talk about the energy needs of this country, and we brought to the floor the basic debate that we wanted a more-of-the-above strategy. We wanted to incentivize coal, we wanted to incentivize nuclear power, we wanted to incentivize wind and solar, renewables, and we wanted them to compete for the public's demand based upon cost so that you would create jobs.

I brought this chart to the floor numerous times over the last Congress to point out the fallacy of not having an all-of-the-above strategy. And why I bring this up now is that this cap-and-tax regime will not help this all-of-the-above strategy, will not broaden the portfolio of fuels that we are able to use and compete for. It will restrict them to a point where we are going to price ourselves out of the ability to use fuels.

This chart is pretty clear; it just shows jobs being created in a—I wish it was a coal mine that is about 3,000 feet under the ground in southern Illinois, but it is an open mine probably in the Wyoming basin in Montana or Wyoming. And you see people working, recovering the coal. Recoverable coal.

Then you take that mine and you move it to a coal-to-liquid refinery. The jobs to build this refinery would be good-paying, building trade jobs. We have an expansion of an oil refinery in my district. Right now, in this economic decline, 1,000 jobs are being created to expand this refinery. That's the type of jobs you could have by building a coal-to-liquid refinery.

Then, wherever this refinery is located, you then develop a pipeline. I saw a natural gas pipeline being laid from my district last fall. It takes a lot of skilled labor, a lot of time, and a lot of patience to move a pipeline. And that is good-paying American jobs.

Then, in this case, the coal-to-liquid debate is a national security issue. We have in the United States an Air Force base where coal-to-liquid has been tested to be used in Air Force planes. This is what the Department of Defense wants for national security purposes to not be held captive to imported crude oil. This proposal, and proposals like this, are dead on arrival here in Washington. Why are they dead on arrival? They are dead on arrival because of this carbon tax provision, this carbon tax regime.

Again, I want to be clear; if my colleagues on the other side want to be intellectually honest, let's just tax it, know how much we're going to receive, and watch the pure transparency of the money going from the payees to the government, who is going to pay up. It is not the best solution, but it is better than setting up a trading floor, like so many that have been demagogued on this floor, of the rich getting richer by working the trading floor markets—the Bear Stearns of the world, the Goldman Sachs of the world, the NYMEXs of the world. And hopefully this will not get passed and signed into law, but I know that if it will, my friends will be down here arguing and complaining about the people who are manipulating that market. And that manipulation is going to cause costs to increase. And there is going to be a lot of wealthy people making a lot of money on a carbon tax regime, and it is going to cost many thousands of people their jobs.

In a slow economy, when you are trying to encourage job creation, job development, the best way to be competitive is to have low-cost energy. When only 1.6 percent of your electricity in this country is generated by renewables, you have to understand that you are not going to get to 90 percent of your electricity being generated by renewables. If we are good, we may get to 3.2. If we are extremely good, we may get to five.

So that begs the question of where the other electricity is being generated. If we want low-cost power, it has to be with the use of recoverable coal in our Midwest States and our northwestern mountainous States that have, arguably—this country has, arguably, 240 years of recoverable coal. That is coal that we can recover and use for practice. Now, we have a lot more, but that is the amount that we know that we can recover and still make money on it because their coal seams are big enough, you can engineer it and the like.

Madam Speaker, I appreciate this opportunity. I have been talking about energy for many years now on the floor. In the Energy and Commerce Committee, we have had numerous hearings on climate change and how to address this.

You will hear the terminology of cap-and-trade. Remember that the trading floor, which people will buy credits, those purchases of credits will raise the costs of people who use energy—whether they are truck drivers, whether they

are people who manufacture goods and services and use a lot of electricity, you name it, you buy it, there is going to be an added cost to that good or that service based upon climate change. That money will then go to the table to be split up by legislation that we pass here.

I would just hope that, first of all, we don't do that; but if we do, that that money goes to mitigate the loss of jobs or the increased cost to the individual consumer, not to grow government, not to create new policies. That money has to go to transform this Nation. I fear it will not. I fear it will not do the job.

My friend from Iowa is here. I only have a couple minutes. If he would like to join me, I would be happy to hear any comments he wants to add.

Mr. KING of Iowa. I thank the gentleman from Illinois. I appreciate the recognition.

I wanted to come down here and thank JOHN SHIMKUS for leading on energy all summer long with an intense effort, and for standing up for the fuel that means so much to the parts of this country, this massive supply of coal that we have, as a big piece of the entire picture of energy that we need to do.

What happens if they put this cap-and-tax on us? We are going to need more and more articulate voices to defend our values and to defend our economy. And the very idea that we can put a tax on energy is a tax on every consumer, it is a tax on our economy, it shrinks the American economy, and it lets the rest of the world out-compete us. And I just appreciate a minute to say so. I thank you. And congratulations to the gentleman from Illinois. I yield back.

Mr. SHIMKUS. I thank my colleague. And I think even my colleagues on the other side will understand the kind of sincerity I bring to this debate. Because in 1992, I was at a rally to save these coal miner jobs. It was at the Christian County Fairgrounds. This mine was closed because of the Clean Air Act Amendments of 1990. They shipped in western coal to meet the standards, and 1,200 miners lost their job.

There was a rally that brought in a lot of politicians who said they were there to fight to save these jobs. One of them whom was there voted for the Clean Air Act that destroyed these jobs. I think that's a little hypocritical. If you pass legislation that is going to destroy these jobs, don't come crying and saying, shame on that company for closing that mine down.

My job, through this whole cap-and-tax debate, is to make sure that, when all is said and done, this body, my constituents, will know that I did everything possible to save the remaining coal mining jobs in southern Illinois and I did everything possible to make sure that coal-fired electricity generation is still part of our portfolio because it is a low-cost fuel, and it will help us in our competitive nature in this country.

And so I want to walk away from this debate—hopefully I'll win, but I want to walk away from this debate saying, it is for these folks that I came down to fight. I know my colleagues on the other side, those who even disagree with the basic premise I think will appreciate the emotion and the fervor that I am going to bring to this.

[From the Indianapolis Star, Mar. 16, 2009]

CHINA: IMPORTERS NEED TO SHARE BLAME FOR EMISSIONS

(By Dina Cappiello)

WASHINGTON (AP).— Countries buying Chinese goods should be held responsible for the heat-trapping gases released during manufacturing in China, one of its top officials said Monday.

The argument could place an even greater burden on the U.S. for reducing pollution blamed for global warming.

Li Gao, China's chief climate negotiator, said that any fair international agreement to curb the gases blamed for global warming would not require China to reduce emissions caused by goods manufactured there to meet demand elsewhere.

China has surpassed the U.S. as the world's largest emitter of greenhouse gases. But 15 to 25 percent of its emissions are generated by manufacturing goods for export, Li said.

"As one of the developing countries, we are at the low end of the production line for the global economy. We produce products and these products are consumed by other countries. . . . This share of emissions should be taken by the consumers, but not the producers," Li said during a briefing at the Capitol's visitor center.

Li directs the climate changes department at the National Development and Reform Commission and was in Washington, along with negotiators from other countries, to meet with Obama administration officials. President Barack Obama has indicated a willingness to enter into a global agreement to reduce greenhouse gases.

But China's stance could be one of the stumbling blocks facing the U.S., China's largest trading partner, when negotiations to broker a new international treaty begin in Copenhagen in December. Li said China was not alone in thinking that emissions generated by the production of exports should be dealt with by importing countries.

Li also criticized proposals by the U.S. to place carbon tariffs on goods imported from countries that do not limit the gases blamed for global warming. Lawmakers on Capitol Hill are considering it as they draft legislation to control global warming pollution to ensure that U.S. goods can compete with cheaper imports from countries without regulation.

"If developed countries set a barrier in the name of climate change for trade, I think it is a disaster," Li said.

Neither China nor the U.S. ratified the last agreement, the Kyoto Protocol, which expires in 2012.

China has long insisted that developed nations bear the main responsibility for cutting emissions. As president, George W. Bush refused to sign the Kyoto Protocol because he said developing nations like India and China should not be exempt.

Negotiators from other governments at the Monday briefing, including the European Union and Japan, said that they would not support China's proposal to unload a portion of its greenhouse gas emissions on importers.

"I think the issue here is we take full responsibility and we . . . regulate all the emissions that come from our territory," said Artur Runge-Metzger, who heads the climate change strategy and international ne-

gotiations unit at the European Commission. Runge-Metzger said that if China's approach were adopted, it would require allowing other countries to have jurisdiction and legislative powers to control emissions outside their borders.

Li was joined by Vice Chairman Xie Zhenhua of the National Development and Reform Commission in his visit to Washington.

Xie met with U.S. climate envoy Todd Stern at the State Department on Monday. The talks in Copenhagen were among the topics discussed, said State Department spokesman Robert Wood.

"There's a willingness, particularly on the Chinese side, to really engage on the subject of climate change, and we welcome that," Wood said.

UW—MILWAUKEE STUDY COULD REALIGN CLIMATE CHANGE THEORY—SCIENTISTS CLAIM EARTH IS UNDERGOING NATURAL CLIMATE SHIFT

MILWAUKEE.—The bitter cold and record snowfalls from two wicked winters are causing people to ask if the global climate is truly changing.

The climate is known to be variable and, in recent years, more scientific thought and research has been focused on the global temperature and how humanity might be influencing it.

However, a new study by the University of Wisconsin-Milwaukee could turn the climate change world upside down.

Scientists at the university used a math application known as synchronized chaos and applied it to climate data taken over the past 100 years.

"Imagine that you have four synchronized swimmers and they are not holding hands and they do their program and everything is fine; now, if they begin to hold hands and hold hands tightly, most likely a slight error will destroy the synchronization. Well, we applied the same analogy to climate," researcher Dr. Anastasios Tsonis said.

Scientists said that the air and ocean systems of the earth are now showing signs of synchronizing with each other.

Eventually, the systems begin to couple and the synchronous state is destroyed, leading to a climate shift.

"In climate, when this happens, the climate state changes. You go from a cooling regime to a warming regime or a warming regime to a cooling regime. This way we were able to explain all the fluctuations in the global temperature trend in the past century," Tsonis said. "The research team has found the warming trend of the past 30 years has stopped and in fact global temperatures have leveled off since 2001."

The most recent climate shift probably occurred at about the year 2000.

Now the question is how has warming slowed and how much influence does human activity have?

"But if we don't understand what is natural, I don't think we can say much about what the humans are doing. So our interest is to understand—first the natural variability of climate—and then take it from there. So we were very excited when we realized a lot of changes in the past century from warmer to cooler and then back to warmer were all natural," Tsonis said.

Tsonis said he thinks the current trend of steady or even cooling earth temps may last a couple of decades or until the next climate shift occurs.

ALTERNATIVE ENERGY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for 60 minutes.

Mr. BLUMENAUER. Madam Speaker, I enjoyed listening to my colleague from Illinois. In fact, this is the second time today I have heard him speak on the floor and I have seen him point to the picture of the coal miners and talk about the problems of the Clean Air Act. And I hope every American was listening to that because that is exactly what we are talking about today.

We had, for decades, people burning dirty coal, turning rivers and lakes in other parts of the country, acid rain, destroying forests, posing problems to people's health. And what this Congress did, in a bipartisan effort, was create a mechanism to make it so that it was no longer free to pollute the air with dirty coal that created acid rain and destroyed lakes and forests.

My friend didn't want to talk about the problems to health, didn't want to talk about the issues that relate to the damage to the environment, or the fact that we were able to create the most effective market system in history that was able to solve a real problem to the environment, to health. Life went on. Yes, there were some changes in terms of the economy. There were some people who didn't—when it became too expensive for them to foul the air, spoil our lakes, and destroy our forests, then they shifted. Well, I would suggest, Madam Speaker, that any independent observer would suggest that that was a solid program and a good tradeoff.

I don't hear my friend from Illinois coming to the floor and saying, repeal the Clean Air Act so we can have a few more miners at work creating dirty coal that is going to ruin our environment and destroy health. That issue is over.

We are facing a very real challenge today about what we are going to do to protect the future of the planet. I will get into, in a moment, talking about some of the discussion that we have heard from our friends on the other side of the aisle, but one of the things that is very, very important to note is that they have no answer in terms of what we do to the slow cooking of the planet. They ignore the costs that are being incurred right this minute. Temperatures in Alaska have already gone up several degrees, permafrost is no longer permanent, roads are buckling, coastal villages washed away. These are costs and consequences that we are already seeing as the ocean levels slowly, imperceptibly to most of us, but very clear to scientists when they see the fabled Inland Passage in the Arctic Ocean free of ice, when we watch the habitat shrink for arctic animals, when we watch diseases shifting from vector control—West Nile disease, for instance, popping up in places where it shouldn't be, where invasive species are

infesting our forests. These are costs and consequences that we are seeing now that my friends on the other side of the aisle refuse to come to grips with.

But we are not going to be able to have the same head-in-the-sand attitude that we saw from the Bush administration alone—of all the major governments in the world, alone—denying the imperative of global warming, withdrawing from opportunities to be collaborative on a national scale.

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What we had to have in the last 8 years, where the other side of the aisle simply accepted that sort of behavior from their administration and, in fact, aided and abetted and supported it, we had over 900 cities across the country come forward and say wait a minute, we're not going to wait for the Bush administration and the Federal Government. We are going to take it upon ourselves to deal with climate change and global warming and move to change our local economy, to prepare it for the future, and to help slow this damage to the environment by carbon pollution.

I come from a community in Portland, Oregon, where we have actually reduced greenhouse gas emissions for 4 years in a row. We're very close to being Kyoto compliant. It gave us an opportunity, frankly, to create new green jobs. We were competing with Houston and Denver for being the wind energy capital of the United States because we've been serious about energy conservation, transportation choices, land use, all of the things that are going to be part of a comprehensive solution to the threat of these changes to the climate and the carbon pollution. We've actually been able to make some progress and be positioned to deal with a carbon-constrained economy.

We need, Madam Speaker, for people to reflect on what is happening now. Just like my friend from Illinois didn't talk about the cost of acid rain. It didn't matter to him. He was concerned about a few miners in his district and didn't care about the damage to forests and human health and lakes and fishing. But we are already seeing the damage that is occurring as a result of climate change.

Speaking of acid rain, one of the things we are seeing is that the ocean is slowly becoming more and more acidic. This increased acidic content of the ocean is having a consequence in terms of damaging coral reefs. I mean these are the rain forests of the ocean. This is where billions and billions of different animals and plants reside up the food chain throughout the ecological system of the ocean that makes a difference in terms of how people on this planet are going to be fed. We are watching what has happened. There may be consequences in terms of the Earth's climate because of the change in the ocean's current and acidic level.

We are seeing across the country increases in extreme weather events, ex-

actly what the scientists told us would happen. Yes, the world's atmosphere is increasing in temperature. Yes, we're seeing an increase in the sea level that could be 2 to 6 feet by the end of the next century. But we are already seeing vast stretches of this country in the flame zone being subjected to increased forest fires, to drought. In your areas in the Southeast, you have seen drought where it has not been a problem for years. In the Southwest, Lake Mead that supplies the city of Las Vegas is going down, causing massive disruption. We are watching changes that are taking place in terms of snowpack. My good friend and colleague from the Pacific Northwest, Mr. INSLEE, and I depend on snowpack for water supply and energy production. This makes a great deal of difference.

Madam Speaker, one of the concerns I have as I am listening to our friends on the other side of the aisle make things up about what is going to happen with a proposal to reduce carbon pollution and put a price on it, they assume somehow that this is going to result in money disappearing, that somehow this is just a tax that goes into the great government maw and there is nothing that comes out the other end. Well, as a practical matter, and I'm confident that in the course of this hour as I work with my friend Mr. INSLEE, who I see poised here in the front of the Chamber and I am hoping that he's willing to enter into this conversation with me because he knows a great deal about it, we hope that we will be able to encourage, if not our Republican friends, at least the American people to look at the President's budget. Look at what he has proposed to begin a comprehensive approach to transform our energy supply and slow global warming.

Yes, he recommends putting a price on carbon pollution, but he also recommends that this money would be generated by having the carbon polluters pay for the privilege, just like we did with acid rain so successfully that my friend from Illinois now is against. There are opportunities to be able to put this back into place because the program, and I'm just quoting from the President's budget, would be implemented through a cap and trade, like we did with acid rain, that will ensure that the biggest polluters don't enjoy a windfall. The program will fund vital investments in a clean energy future, which I think my friend Mr. INSLEE may have some thoughts about, \$150 billion over the course of the next 10 years. The balance of the auction revenues are to be returned to the people, especially vulnerable families, communities, and business, to help the transition to the clean energy economy.

You know, there's a great NRDC blog that talks about Newt Gingrich's assertion that climate change will result in a \$1,300 tax per household. And they point out it's simply voodoo economics.

First of all, he ignores the value of the carbon market. It just disappears.