

I urge my colleagues, in the last week or two before the August recess, we have to start planning for opportunities to visit with constituents over the recess, get the information together so we can present it to them and they can tell us what they think about these ideas. I suspect that, at the end of the day, they will say they don't want a government takeover, just fix what needs to be fixed and leave the rest of it, which works, alone.

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

Mr. INHOFE. Mr. President, first, let me say I agree with the points of my friend from Arizona. They are significant. He saved the best until last, because we hear people say the Republican Party doesn't have any answers, when we do have answers. There are real reforms we have tried, and they have worked. The health savings accounts—we tried that on a pilot project basis, and it was tremendously successful.

Health coverage and health services are the only things in this country on which individual decisions can be made that would encourage us to save what we are spending. There is no other product or service out there that doesn't have some kind of a competition.

I think it is only natural, if you have an insurance policy that covers all these things and you find out you have a problem, rather than worry about what it is going to cost or what treatment to get, you go out and get it all because it doesn't cost you anything. That is one of the problems you have. Health savings accounts have been successful. In fact, we have none of this stuff.

In the discussion they have had on socializing medicine, they have not talked about medical liability or malpractice. The Senator from Arizona did a very good job talking about this issue. Just imagine, a doctor has to pay \$200,000 upfront before he can do anything for an entire year. Who pays that? It is not the doctor; it is everybody else whom he is treating. That is where you get into the real need for reform.

We have a system that has worked very well.

By the way, I inquire of the Chair, are we in morning business?

The ACTING PRESIDENT pro tempore. Yes.

Mr. INHOFE. Mr. President, I ask unanimous consent to be recognized for such time as I shall consume.

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

SUBJECTS TO CONSIDER

Mr. INHOFE. Mr. President, I have three subjects I think we need to talk about during the August recess. I want to touch on each one.

The Senator from Arizona has already touched on the health care issue

that is out there. I don't think Arizona and Virginia are all that different from my State of Oklahoma. That is all people talk about when I go back. They want to know: Am I really going to have a government bureaucrat standing between me and my health provider? So those are huge issues. I never thought we would be dealing with that in this country, but we are.

What I want to pursue is, I get very upset when I hear people on the other side of the aisle say we have to do something to stop our dependency on the Middle East for our ability to run this machine called America. Here are a couple. Many people don't want to drill, don't want oil, gas, nuclear, or coal—they don't want all these things. If you don't want them, how do you keep the machine going? The answer is that you cannot. The day will come when maybe wind energy or solar energy or renewables will take care of our needs, but that is down the road. That will be 30, 40, 50 years from now. In the meantime, we have to produce the energy to run this machine called America.

One of the things is a little bit technical, but I think that since it is looming out there, it needs to be talked about. Of course, I am sensitive to this issue, being from Oklahoma, which is an oil State; we produce oil. I have looked at one of our systems that is used to get the most oil and gas out of oil.

At this point, I will yield to the Republican leader, and then I will continue my remarks.

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

Mr. MCCONNELL. Mr. President, I thank my friend from Oklahoma. I will be brief. I appreciate the opportunity to work in my comments. Thank you so much.

HEALTH CARE WEEK VIII, DAY I

Mr. MCCONNELL. Mr. President, the American people want health care reform—and they want us to take the time we need to get it right. As I have said repeatedly, and as an increasing number of Senators and Congressmen from both sides of the aisle are also now saying, the last thing Americans want is for Congress to rush through a flawed bill that would make our health care system even worse just so politicians in Washington can have something to brag about at a parade or a press conference.

The President and some Democrat leaders in Congress now acknowledge that getting health care reform right is more important than rushing through some slipshod plan no one has even looked at and calling it reform. Last week, the President said he wants to get health care reform right and that the most important thing is that Members of Congress continue to work together on the difficult issues in this debate. And one senior Democrat said

last week that "it's better to get a product that's based on quality and thoughtfulness than on trying to just get something through."

Republicans agree, and so we are encouraged to hear our friends on the other side acknowledge that health care reform is too big, too important, and too personal an issue to rush.

In the coming weeks, Congress should work to achieve real reforms that actually address the problems in our health care system without tampering with the things that Americans—and many other people from around the world—like about our health care system and can no longer find in other countries.

The American people want health care that is more affordable and easier to obtain. What they don't want is a government takeover of health care that costs trillions of dollars, adds to our unsustainable national debt, forces them off the health insurance they have, leaves them paying more for worse care than they now receive, and leads to the same kind of denial, delay, and rationing of care we see in other countries.

One thing Democrats and Republicans should be able to work together on are practical ideas the American people support, such as reforming malpractice laws and getting rid of junk lawsuits; promoting wellness and prevention programs that encourage people to make healthy choices like quitting smoking and fighting obesity; encouraging more robust competition in the private insurance market; addressing the needs of small businesses through new ideas that won't kill jobs in the middle of a recession; and leveling the playing field when it comes to taxes. Right now, for example, if your employer offers health insurance, they get a tax benefit for providing it. If they don't, and you have to buy it yourself, you don't get the same benefit they do. In my view, this isn't fair, and we should change it to make it fair.

These are commonsense ideas that would enable Republicans and the increasingly vocal block of skeptical Democrats to meet in the middle on a reform that all of us want—and that all Americans could embrace.

The President has already acknowledged that both Democratic bills working their way through Congress are not where they need to be. In fact, by the President's own standard that any health care reform must not increase the national debt and must reduce long-term health care costs, he would not even be able to sign either of these bills we have seen so far.

According to the Director of the Congressional Budget Office, both bills would lead to an increase in overall health care costs. Just this weekend, the CBO said there is a high probability one of the administration's central proposals for reducing long-term costs would not lead to any savings in the near future and would generate only modest savings in the future.

Moreover, even if this proposal did generate any savings, they would likely be dwarfed by the new spending and deficits in the Democratic bills we have seen. It is like charging a new Cadillac to the family credit card and getting excited about saving a few dollars on the cup holder.

On top of that, the CBO says both bills would add hundreds of billions of dollars to the debt. Simply put, these bills are moving in the wrong direction and would make the problems in our health care system even worse than they are today.

So it is clear we need to hit the restart button and begin working on real reform that would address the problems in our health care system. Americans want the two parties to work together on something as important and as personal as health care reform. Embracing the ideas I have mentioned and finding responsible ways to pay for reform are a good place to start.

Mr. President, I yield the floor and thank again my colleague from Oklahoma.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, first, I thank the minority leader for his comments. I said before he came in that there is no issue more meaningful to our people in Oklahoma than health care. I think there is an awareness. If you look at the polling data that was given by the Senator from Arizona, people are now aware this is not the way we should go.

We do have good ideas on this side of the aisle in terms of the health savings account, medical malpractice, and small businesses getting together to resolve this problem.

OIL AND GAS EXPLORATION

Mr. INHOFE. Mr. President, a surprise to a lot of people as to what we can do in the oil and gas business when we are concerned right now about the problem we have—our dependence on foreign countries for the ability to run this machine called America—is that we actually could resolve that problem. We could produce enough oil and gas and all the other resources I mentioned earlier so we would not have to be dependent on the Middle East for anything.

Increasing attention has been given to hydraulic fracturing, a key production method which aided in U.S. production of oil and gas from more than 1 million wells and continues to aid in the production from over 35,000 wells a year.

Hydraulic fracturing is a system that forces water into the ground to release oil and gas coming up. In fact, there are two things that open our potential. One is horizontal drilling and the other is hydraulic fracturing. It is a 60-year old technique. It has been responsible for 7 billion barrels of oil and 600 trillion cubic feet of natural gas. The National Petroleum Council reports that

60 to 80 percent of all wells in the next 10 years—most of these are gas wells—will require hydraulic fracturing to remain productive and profitable.

The first use of hydraulic fracturing was near Duncan, OK, in my State, way back in 1949. Since that time, companies such as Oklahoma's Devon and Chesapeake have perfected the practice. Very simply, it is the temporary injection of mostly water with sand, nitrogen, carbon dioxide, and other additives to fracture and prop open a ground formation to improve the flow of oil and gas through the rock pores and increase oil and gas production. Mr. President, 95 percent of the fluid is water; 99 percent is water and sand. We are talking about putting in the water and sand that would already be there. Hydraulic fracturing is used for both oil and gas production, but I would like to focus mostly on natural gas.

I have kind of good news and bad news. First, let me tell you the good news.

The Potential Gas Committee at the Colorado School of Mines reported in June that the United States has—it is kind of hard to talk about figures such as this—1,836 trillion cubic feet, or 1.8 quadrillion cubic feet, of technically recoverable natural gas. This is the highest reserve total ever reported by this organization in the last 44 years.

When the U.S. Department of Energy proven reserves are added to the total, the future natural gas supply of the United States is over 2,000 trillion cubic feet. At today's rate of use, that is enough natural gas to meet demand for the next 100 years. Only 1 trillion cubic feet of natural gas can heat 15 million homes for a year or fuel 12 million natural-gas-powered vehicles for a year.

T. Boone Pickens is often quoted in this Chamber. He characterizes the reserves this way: 2 quadrillion cubic feet of gas is equivalent to Saudi Arabia's total petroleum reserves.

I guess what we are saying is people are complaining we are importing from the Middle East oil and gas, and then they find we have it all right here. We don't have to do it. If the argument is, we don't want to use oil and gas which we think pollutes—which it does not—if that is their argument, then why are we willing to import it from Saudi Arabia and the Middle East? We can produce it right here in the United States.

Much of the increase noted in the news report comes from estimates of shale gas found in formations throughout the United States. In fact, shale gas accounts for one-third of America's total gas reserves. Again, we are talking about natural gas, which is very low in fossil fuels, burns very cleanly, very inexpensively, and certainly, as we can see by this chart, is very abundant.

The U.S. Department of Energy reports that by 2011, most new reserves growth will come from nonconventional shale gas reservoirs. The Amer-

ican Petroleum Institute forecasts that unconventional gas production, such as that from coalbed methane, or CBM, and shale will increase from 42 percent of total U.S. gas production to 64 percent in 2020. However, shale resources are largely only economically and technologically available due to hydraulic fracturing, that technique of forcing the gas out of the ground.

The good news does not only involve oil and gas reserves, it also means good news for jobs. For example, the 10,000 wells producing in 14 counties in north Texas, Barnett shale—Barnett shale is the type of shale that is characteristic in the northern part of Texas—in 14 counties, they are responsible for 110,000 jobs and \$4.5 billion in royalty payments. That is the people who own the land. That is a property rights issue. They account for 8 percent of the personal income, 9 percent of employment, and over \$10 billion in increased economic activity in north Texas.

The Haynesville shale in Louisiana has created 33,000 jobs, \$2.4 billion in business sales, \$3.9 billion in salaries, and \$3.2 billion in royalty payments. This is the economy we are talking about. We are talking about two separate issues: one is making us independent, the other is doing something for the economy.

People look at these things and say: Why in the world will the Democrats in this Chamber not allow us to drill offshore, won't allow us to get into shale production in the Western United States, and yet they complain about the fact we are importing our oil and gas from the Middle East?

The IPAA reports that the Marcellus shale in Pennsylvania and New York contains 516 trillion cubic feet of natural gas, which is enough to satisfy the U.S. demand for more than 35 years—in two States, Pennsylvania and New York, enough to satisfy our needs for the next 35 years.

A 2008 report on the Marcellus shale attributes production in the Marcellus to two key methods. One is hydraulic fracturing, again, the system used to make sure we are able to retrieve, to produce this shale. Oil and gas development employs more than 26,000 and continued development in the Marcellus shale is forecasted to create over 100,000 jobs. These jobs pay more than \$20,000 above the average annual salary in Pennsylvania. We have New York and Pennsylvania, two States—they do have economic problems. This is a way to produce 100,000 jobs, and those jobs average \$20,000 a year more than the average job in Pennsylvania and New York.

The Walton School of Business at the University of Arkansas recently completed an economic forecast of the Fayetteville shale. It estimates a business and capital investment in the area of \$22 billion, the creation of 11,000 jobs, and new State revenues of more \$2 billion by 2012.

We are talking about just in the State of Arkansas. In my State of