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Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable TOM UDALL, a Senator from the State of New Mexico.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

O God of infinite goodness, today empower our Senators to use their time, understanding, and talents to do what You desire. May this passion to serve You guide their thoughts, words, and work. Grant that they may not be too much lost in regret for the past but instead inspire them to do with their might the task which lies in their hands. Lord, strengthen them to fight the good fight, to finish the race, and to keep the faith. At the end of their journey, reward their faithfulness with a crown of righteousness and the harvest of work well done.

We pray in Your sacred Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable TOM UDALL led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 16, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TOM UDALL, a Senator

from the State of New Mexico, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. UDALL of New Mexico thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. REID. Mr. President, following leader remarks, there will be a period of morning business for 1 hour. Senators will be permitted to speak for up to 10 minutes each at that time. Republicans will control the first 30 minutes and the majority will control the second 30 minutes.

Upon the conclusion of morning business, the Senate will resume consideration of the House message on H.R. 4213, the tax extenders legislation. There will be up to 5 minutes for debate on the Baucus amendment, with the time equally divided and controlled between Senators BAUCUS and GRASSLEY or their designees. The Senate will then proceed to vote on the motion to waive the Budget Act with respect to the Baucus amendment. Senators should expect additional votes this afternoon in relation to amendments to the tax extenders bill. Senators will be notified when any additional votes are scheduled.

RECOGNITION OF THE MINORITY LEADER

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

NEEDING PRACTICAL SOLUTIONS

Mr. MCCONNELL. Mr. President, last night the President provided more detail on his administration's efforts to stop the oilspill in the gulf. If implemented successfully, some of what he said was encouraging. However, I wish the President would have used this opportunity to focus entirely on stopping the spill and to cleaning it up instead of using this crisis as an opportunity to push for a new national energy tax.

The immediate issue here is a broken pipe that has been spewing hundreds of thousands of gallons of oil a day into the ocean for more than 8 weeks. The fact that the White House wants to use this crisis as an excuse to push more of its legislative agenda on the American people—with the same kinds of arguments it used to push health care—is really nothing short of startling.

During the health care debate, Americans were told we couldn't afford to put off the administration's vision of government-driven reform. Health care costs were rising so quickly, the President said, that inaction was not an option. We heard the same thing last night. It is a recurring theme out of this White House.

In the middle of a jobs crisis, Americans were told they needed to spend nearly \$1 trillion on longstanding Democratic priorities that Democrats called a stimulus bill. They passed it, and we lost another 3 million jobs.

Out-of-control health care costs are pricing people out of the market and threatening to bankrupt government, so they passed a massive government-driven health care bill that promises to send health care costs even higher than they already are.

Our financial crisis was caused in large part by recklessness at government-sponsored entities such as Fannie Mae and Freddie Mac, and their solution to that crisis was to pass a massive government intrusion into Main Street without even addressing Fannie or Freddie.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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Now, in the midst of the worst environmental catastrophe in American history, they are talking about a new national energy task to achieve their ideological goal of passing global warming legislation. Americans are pleading with the administration to fix the immediate problem in the gulf and the White House wants to give us a new national energy tax instead.

Every time we face a crisis, it seems this administration takes us on another ideological tour of the far left's to-do list, when all the American people want from it are some straightforward, practical solutions.

So the White House may view the oil spill as an opportunity to push its agenda here in Washington, but Americans are more concerned about what it plans to do to solve the crisis down in the gulf. Americans have had enough of this crisis rhetoric coming out of this White House. They want real answers to real problems. And it doesn't get more real than the problem in the gulf.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period of morning business for 1 hour, with Senators permitted to speak for up to 10 minutes each and with the time equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the final half.

The Senator from Illinois.

ORDER OF PROCEDURE

Mr. DURBIN. Mr. President, I see no one on the floor on the Republican side. If there is no objection, I would like to speak as in morning business, and I will yield as soon as a Republican Senator comes to the floor.

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

GULF OILSPILL

Mr. DURBIN. Mr. President, last night the President of the United States addressed one of the toughest issues any President has ever had to face. This is an environmental disaster of historic magnitude. It is one that could not have been anticipated. We have never had anything quite like it—at least near the United States. It is certainly one the President and our government did everything they could do to respond, but this frustrating situation continues.

What the President reminded us of last night is that we need to coordinate

every effort, but understand that, in the end, there is no U.S. department of deep sea drilling. What it comes down to is that we need to turn to the private sector, which has the resources, the expertise, and the capability of not only dealing with the continuing oil spill in the Gulf of Mexico but the aftermath as well.

It has been clear from the outset that this President has been very firm and resolute that British Petroleum, this oil company, is going to be held responsible for the damage that has been done. It will be at their expense, and not at the expense of American taxpayers, that we will help the businesses affected and do anything within our power to restore the devastation which has occurred to the environment.

It was interesting yesterday that in testimony before the House of Representatives, many of the leaders of the major oil companies that compete with BP were as forthright publicly as they have been privately in other conversations. They made it clear that many of the activities engaged in by BP were inconsistent with the highest standards of their industry. They made it clear that when it came to this blow-out preventer, which should have stopped the flow of oil, it was inadequate. It hasn't been tested. It was not the kind of technology that had redundancy built in so that there would be some peace of mind and understanding that in the event of a rig disaster, it would work. It failed, and it failed in a situation which has caused more environmental damage in our country than we have ever seen from one occurrence.

I saw 21 years ago what happened in the Prince William Sound of Alaska, and I can tell you that more than two decades later, they are still suffering—suffering from lawsuits against the Exxon oil company, which unfortunately were ruled against the plaintiffs; suffering from environmental damage which will continue at least indefinitely.

What we have in the situation in the gulf is different. We have an admission by BP that they are at fault and an acceptance of responsibility for what they characterize as legitimate claims. I think it is proper—and many of us in the Senate joined majority leader HARRY REID in making the request—that BP set aside some \$20 billion in an escrow fund, a trust fund that will be available to pay for these damages. It troubles me that this company is talking about declaring a dividend and paying out billions of dollars to its shareholders when, frankly, we don't know what the ultimate cost is going to be of the cleanup in the Gulf of Mexico. I want to be certain BP continues in business and meets its responsibility, that it sets aside the funds necessary to protect our Nation from the damage it has caused.

I also believe we need to increase the responsibility of oil companies when it comes to future drilling. Right now,

there is a tax on each barrel of oil of 8 cents—8 cents. A barrel of oil is now selling for about \$75. So 8 cents on each barrel is paid by an oil company into an oilspill liability fund. That has generated a little over \$1 billion in the event that we run into a disaster which needs to be taken care of. In the BP circumstance, the company is assuming liability. But tomorrow, God forbid, if another tragedy occurs with a company that doesn't have BP's resources, it will be this oilspill liability fund that will be called on to repair the damage, and \$1 billion is not enough. Eight cents a barrel is not enough.

Before the Senate today is an extenders bill which will increase the amount per barrel to 41 cents. This will be gathered together over time from the oil producers and the oil industry into an insurance fund, a basic oilspill insurance fund. I think that is only reasonable. The bill also increases the liability cap of companies under this oilspill liability to \$5 billion. Currently, it is \$1 billion. So both of these items are in our bill in an effort to hold the major oil companies accountable for any future disasters and to protect the taxpayers from paying out-of-pocket or paying out of the Treasury for any of these costs.

What is interesting is that the Republicans are going to come forward with a substitute brought on by JOHN THUNE, who is a Senator from South Dakota. The Republican substitute eliminates the increase in the tax on a barrel of oil for the oilspill liability fund. Of course, the big oil companies don't want to pay it, and this elimination of the tax is certainly on their agenda. It is unfortunate that Republican Senators are going to come forward and propose this. We need this money in the oilspill liability fund. To have a situation where this money is not being collected leaves us vulnerable in terms of future disasters where the taxpayers will be picking up the bill.

There is a provision in the Thune amendment, the Republican substitute, which eliminates the provision in our bill relating to the Tax Code when it comes to American companies shipping jobs overseas. Most of us believe that if we are going to get out of this recession, we need to strengthen American businesses and certainly hire more people in the United States, pay them a decent wage, and bring them back to work and out of the ranks of the unemployed.

At this point in time, many American companies are locating production facilities overseas because of perverse incentives which we have created in our Tax Code. The bill brought to the floor eliminates many of these incentives—eliminates the tax loopholes companies are using to be more profitable by locating overseas. So the Thune amendment, the Republican substitute amendment, comes forward and says: We don't want to do that. We