

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

want to leave in the Tax Code—according to the Republicans—those provisions which create incentives to ship American jobs overseas. That makes no sense to me.

Last night I attended a meeting of the deficit commission, to which I was appointed by Senator REID. There was an economist there who tried to make the argument that allowing businesses in the United States—and giving them incentives, incidentally—to locate and produce overseas was good for the American economy. He argued if they could produce more overseas, it would ultimately mean they would be more profitable and produce more jobs in the United States.

I told him if that logic applied, then we ought to have a record number of manufacturing jobs because, over the last 20 years, more and more American businesses have moved production facilities offshore, overseas.

Instead, the opposite is true. In my State and in Michigan, all across the United States we have seen manufacturing jobs declining dramatically while production facilities have been sent overseas. This theory that is obviously behind the Republican Thune substitute is that we ought to reward American companies for locating and producing overseas. I do not agree with that. I hope we will oppose the Thune substitute and we will move as soon as we can to deal with the situation where we have increased jobs here in the United States to deal with this recession.

I understand we are going to have speakers later on in the Democratic side and I want to reserve time for those speakers. I reserve the remainder of time on the Democratic side, and if there is no one here to speak on the Republican side, I will yield the floor and suggest the absence of a quorum.

Is it my understanding that the time will be taken from the Republican side at this point?

The ACTING PRESIDENT pro tempore. Without objection.

Mr. DURBIN. I believe the Republicans, if I am not mistaken, under the unanimous consent were first in morning business.

I yield the floor and suggest the absence of a quorum, with the understanding the time that runs now will come from the time previously allotted to the Republican side.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALEXANDER. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

Mr. ALEXANDER. Mr. President, could you please let me know when I have consumed 10 minutes.

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

MISSED OPPORTUNITY

Mr. ALEXANDER. Mr. President, all of us watched the President's remarks last night. It is rare for a President to make a speech from the Oval Office. President Reagan did it with the Challenger tragedy. President George W. Bush, spoke about 9/11. I thought the President was right to focus on what the government is doing to clean up the oil spill, and what we are doing to help those who are hurt. I think he missed an opportunity, though, in terms of looking to the energy future.

He mentioned the climate bill. Of course that is House passed cap-and-trade bill which doesn't have enough support to pass the Senate. He mentioned windmills and solar panels, which have nothing to do with reducing our dependence on foreign oil. I thought the missed opportunity was the President could have announced a mini-Manhattan Project to reduce our dependence on foreign oil by electrifying half our cars and trucks, which we could do without building any new powerplants by plugging them in at night. The President is in favor of that. Secretary Chu is a leader in it. In a bipartisan way we support that goal. All 41 Republican Senators support electrifying our cars and trucks. Senator DORGAN, Senator MERKLEY, and I support legislation for that. He could have talked about that.

A second part of the clean energy future could have been creating the environment to build 100 new nuclear power plants. The President has taken some impressive steps to create a better environment for nuclear power. All 41 Republican Senators support that. That would be for clean electricity, not for fuel, but it would be a clean energy future.

Third, the President could have focused on mini-Manhattan Projects for energy research and development, such as reducing the cost of solar power by a factor of 4; recapturing carbon from coal plants; trying to invent a 500-mile battery, which would have made sure that we electrify a significant part of our cars and trucks in America; recycling used nuclear fuel; and biofuels—all 41 Republican Senators support the goal of doubling energy research and development. So does the President. So those are three steps toward clean energy independence that we agree on.

He mentioned windmills and solar panels, which have nothing to do with reducing our dependence on foreign oil—those are for electricity, not fuel. They are puny amounts of electricity, in any event. If he would stick with the things that we and he agree on, he could have used that speech for an important step forward for our country. In that sense, I think it was a missed opportunity.

This past weekend the President sent a letter to Congress urging us to approve \$50 billion in emergency aid to State and local governments. I want to speak about that today from the vantage point I have as a former Governor

and former U.S. Secretary of Education. According to the Wall Street Journal on Monday, the letter said budget cuts at State and local levels were leading to massive layoffs of teachers, policemen, and firefighters.

The two points I want to make are that, No. 1, we here in Washington—I tried not to, but the majority did—created this financial cliff over which the States are about to run. And, No. 2, when it comes to the question of \$23 billion for teachers, I think we need to ask, where is the money going to go? And from whose schoolchildren are we going to borrow it? Because right now we do not have extra money lying around in Washington, DC. We have a great big problem with spending and debt.

Let me start with what I said first, which is that we in Washington have created this financial cliff over which State Governors are running. As we were debating the health care bill I said, not really in jest, that everybody who votes for it ought to be forced to go home and serve as Governor of their State under the new rules.

Take Tennessee, for example. We were very fortunate that our State was one of the two winners in the Race to the Top education plan. Give credit to the Governor and teachers in the State. Tennessee will get a half billion dollars as a result of it. Yet, according to our Governor, the health care bill will take away more than twice as much during the same period of time by imposing \$1.1 billion in new Medicaid costs on the State between 2014 and 2019. So we are causing problems for the State that caused the layoffs.

Let me not ask you to take my word for it. Here is a January op-ed from the Wall Street Journal by the Democratic Lieutenant Governor of New York, Mr. Ravitch, who says the Federal stimulus, which Congress passed at the beginning of 2009:

... has provided significant budget relief to the states. . . .

He approved of that.

but this relief is temporary and makes it harder for States to cut expenditures. In major areas such as transportation, education and health care, stimulus funds come with strings attached. These strings prevent States from substituting federal money for state funds, require states to spend minimum amounts of their own funds, and prevent states from tightening eligibility standards for benefits.

Lieutenant Governor Ravitch goes on to say:

Because of these requirements, states, instead of cutting spending in transportation, education and health care, have been forced to keep most of their expenditures at previous levels. . . .

We did that. Congress did that.

... and use federal funds only as supplements. The net result is this: The federal stimulus has led States to increase overall spending in these core areas, which in effect has only raised the height of the cliff from which state spending will fall if stimulus funds evaporate.

That is the Lieutenant Governor of New York talking about the evaporation of stimulus funds which comes