

State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1231) to amend the Outer Continental Shelf Lands Act to require that each 5-year offshore oil and gas leasing program offer leasing in the areas with the most prospective oil and gas resources, to establish a domestic oil and natural gas production goal, and for other purposes, had come to no resolution thereon.

AMERICAN ANGELS ABROAD

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Mr. Speaker, they are America's angels abroad. They are ambassadors for America, and they are good folks that represent everything that is right about our country. They are the Peace Corps volunteers. And this is the 50th year of the Peace Corps. These are the most wonderful people I think I've ever met.

But there's a problem in the Peace Corps because many times these volunteers go overseas, they help out other countries, but they become victims of crime and victims of sexual assault. In fact, in 2009 there were 122 of them that were victims of sexual assault by predators in foreign countries.

And the problem is there's not much compassion, not much concern, and not much care with the Peace Corps about the plight of these victims according to the victims who testified today.

But those things are changing. Director Williams is committed to making the Peace Corps a safe place for our volunteers overseas. We're going to work with him and these victims to promote legislation so that we will have a protocol that is the law so that they are treated better.

We are the greatest human rights Nation in the world. We promote human rights, but human rights need to also apply to victims in the Peace Corps who are sexually assaulted overseas.

And that's just the way it is.

NATIONAL POLICE WEEK

(Mr. PAULSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAULSEN. Mr. Speaker, I rise today to pay tribute to our Nation's law enforcement officers, the brave men and women who dedicate their lives to protecting our communities.

This week is National Police Week, and thousands of officers from across the country will gather here in Washington to pay tribute to those who have fallen in the line of duty. Sadly, in the past year, 162 officers have died in the line of duty, including two from Minnesota, Sergeant Joseph Bergeron of Maplewood and Mahnomen County Sheriff's Deputy Chris Dewey.

As we remember these officers, Mr. Speaker, I want to call attention to legislation that I have introduced that

would help protect those who protect us. H.R. 1789, the State and Local Law Enforcement Discipline, Accountability, and Due Process Act, would guarantee law enforcement officers have basic rights during disciplinary actions.

I ask and urge my colleagues to sign on to this legislation so we can also help protect our law enforcement officers.

TIME FOR CONGRESS TO GET OUR HOUSE IN ORDER

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, can you imagine in your household, if, for every \$1 you spent, 40 cents was borrowed?

That's the situation we're in with every dollar that we spend in the U.S. Congress today. And yet there are those who do not want to reform or change.

But if I brought in my family and said, listen, guys, for every dollar we spend, 40 cents is borrowed, we would say, okay, what can we cut out? Can we do with less travel? Can we do with fewer clothes? Can we cut back on the kitchen table a little bit? We would come up with some ideas. They might be tough choices, but it's the right thing to do.

It is time for Congress to get our house in order and to think about the next generation, not just the next election.

As a member of the Appropriations Committee, I can tell you, each and every day, people come to see me to ask for more money to be spent. We've got to change our culture of spending here and get the House under control.

RECOGNIZING NATIONAL MILITARY APPRECIATION MONTH

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I rise tonight to recognize our men and women in uniform and join our community in celebrating National Military Appreciation Month. The month of May encompasses a number of celebratory days linked to our Armed Forces, their families, and our Nation's proud history. From Military Spouse Appreciation Day to Victory in Europe Day, and from Loyalty Day to Armed Forces Day and Memorial Day, the month of May is a time for our Nation to come together and give praise to our most heroic citizens.

Our Nation traditionally recognizes our troops' sacrifice in a somber manner on Memorial Day, but National Military Appreciation Month allows us to not only appreciate those who have given their lives for our freedom, but also to celebrate the resolve of our Nation through its most difficult times.

I welcome our Nation to join in recognizing the contribution of our servicemen and -women, past and present, for all that they have done to preserve our freedom and our way of life.

DIFFERING VIEWS ON IMMIGRATION

(Mr. DANIEL E. LUNGREN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIEL E. LUNGREN of California. Mr. Speaker, I noted with interest that the President announced this week he was going to give a major address on immigration. As one who's been involved in this issue for three decades, I was very interested to find out the approach the President was going to take.

So let me register my disappointment at the demonization of those who might have a disagreement with the President that was expressed by him in his speech yesterday. Talking about moats and talking about alligators and talking about intransigence on the other side of the aisle is not the way to attract bipartisan support to deal with one of the most difficult and important questions of our Nation. I wouldn't say I'm outraged. I would say I'm disappointed at the tone of those remarks of the President yesterday.

If, in fact, we're going to work together on issues as important as that, it would seem to me to be important for us to, in some way, at least accept the fact that there may be legitimate reasons for differences and try and bridge those differences, rather than expand them.

THE WESTERN CAUCUS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from New Mexico (Mr. PEARCE) is recognized for 60 minutes as the designee of the majority leader.

Mr. PEARCE. Mr. Speaker, the Western Caucus has several members here tonight. We would like to talk about what is going on right now in the country. The administration seems to be waging a war on the western jobs, and that is carried out through a whole range of activities.

A couple of weeks ago, the administration and the President said that the administration is not doing enough to address the high gas prices. The President said in a speech at Georgetown that he would like to cut foreign oil by one-third by drilling at home. Well, we have been in the process of offering him the solution to what he said he would like to do.

Now, keep in mind that while the President is saying one thing, he's doing another.

□ 1840

While he says that we would like to drill for more oil here, understand that

he has increased the moratorium on the offshore drilling. They have made it more difficult to drill in on-land areas through the Rocky Mountains. Know that they rejected Shell Oil Company's \$4 billion NEPA study because a paragraph was omitted.

So while we are hearing bold language from this administration about increasing the amount of oil that we are drilling here at home—and that would create American jobs but it would also create lower energy prices—understand that it appears that the President is not following through on what he said.

So in the past couple of days, this Congress, this House, has passed out H.R. 1229, which says that we are going to put the people back to work in the Gulf of Mexico.

I think everyone understands that BP is accountable and should be accountable for the problems that they caused, but we should not have killed 100,000 jobs offshore.

Our Nation is stuck at 9 percent unemployment. We are stuck with a deficit that is having to be financed by our own Federal Reserve. We are putting the Nation's economy at risk because of the way that we are treating jobs and because of our deficit.

So we are saying: Put the American workers back to work in the Gulf, produce American oil, produce American jobs, and bring lower prices of gasoline to the consumer.

The same bill improves the safety by reforming current law. It sets timelines for the Secretary to act on permits to drill. Right now, one of the things that the Secretary is doing is holding off approvals for those applications for permits to drill, the APDs. Know that the administration has within its power to improve the situation with jobs immediately, but instead they are doing the things that harm our work.

H.R. 1229 also establishes expedited judicial review processes.

We also have passed in this House H.R. 1230, which says we are going to restart the American Offshore Leasing Now Act. It passed last week. It requires that the four lease sales in the gulf and Virginia take place. Those lease sales were previously scheduled, but instead of going ahead with them, the administration has put them on hold. Let's simply produce the energy which has been verified to be there, which would create American jobs and which would aid American consumers by lower prices of gasoline.

H.R. 1231 has also been passed, which reverses President Obama's offshore moratorium. The President made a big deal just after he was sworn in 2 years ago about reversing the moratorium. But after one analyzed the moratorium that he reversed, we actually saw that he increased the moratorium, that more areas were put off limits to drilling rather than the message that he gave the American people.

So H.R. 1231 says to the President: We would like for you to join us in cre-

ating American jobs, jobs that the West would be proud of, jobs that would produce energy, jobs that would produce high-paying careers and not just jobs. We believe that these are the things that the American people are looking for. This is the leadership that they are asking for out of Washington.

H.R. 1231 requires each 5-year offshore leasing plan to include lease sales in areas containing the greatest known oil and natural gas reserves. Our offshore areas are tremendous reserves of energy. All we have to do is tap into them and use them. It requires that the Secretary establish a production goal when writing a 5-year plan.

I am joined tonight by several members of the Western Caucus. Each one has got their own particular interest area where the administration appears to be conducting a war on western jobs. So tonight, to lead off, I would like to yield time to my good friend CYNTHIA LUMMIS from Wyoming such time as she would consume.

Mrs. LUMMIS. Mr. Chairman, I thank the gentleman from New Mexico for yielding. I appreciate his leadership of the Western Caucus and look forward to this robust discussion tonight.

The West is rich in natural resources. And natural resources, their good stewardship and using them for the benefit of our country is what the West does best.

This administration is turning its back on the stewardship that is available in the West as we produce our natural resources and, instead, is taking away the jobs, the environmental progress, and replacing it with further dependence on foreign energy from places like Saudi Arabia and Venezuela.

We can produce our own energy in this country. Between the resources of Canada and the United States, we can produce enough energy for us to meet our foreseeable needs. But that requires us to use the technologies and the jobs associated with those technologies that will create tens of thousands of jobs, in fact, hundreds of thousands of jobs. Instead, we are actually going in exactly the opposite direction. Let me give you an example.

Fracking technology is advancing dramatically the ability of America to recover its rich natural gas resources, and it allows us to do so by casing a well with perforations. There is an explosion that cracks the tight sands or the rock. Then fluids are forced into these gaps in the rock, keeping the seams open, allowing this gas or oil to percolate back up the well casing and be produced, allowing Americans to use American-grown energy. But the attack on fracking technology is based not on science but on the idea that fracking could damage drinking water.

None of us want to see our precious drinking water polluted by contaminants that some people believe are being used in fracking fluids.

The States know their own geology better than anyone in Washington

could and the very diverse geology that is different from State to State. You are going to be hearing later this evening from G.T. THOMPSON, a Member of Congress from Pennsylvania, where the Marcellus shale formation is being produced. I am going to talk about the use of fracking technology in my State, where the geology is very different from the Marcellus shale, but where it can be used in a responsible manner to produce American oil and gas with American jobs.

The Wyoming Oil and Gas Conservation Commission, recognizing the concern that our drinking water could be imperiled, set about and created a set of rules and regulations to disclose the contents of fracking fluids and the processes that are being used by companies that are fracking wells in the State of Wyoming. Those rules are being used to provide people with the information that is needed to assure them that fracking fluids are not contaminating our water.

Furthermore, there have been repeated stories, using an example from Wyoming, in Pavillion, Wyoming, of an area that some argue was fracked to the detriment of local water wells. Well, we are learning more and more about those water wells. And what we are finding is, out of over 100 water wells in the area, only about one-fifth of them are permitted, and some of them are not even cased. Well, this allows for the natural percolation of gas into water that has nothing to do with fracking.

If we look at the science and apply it correctly, using good stewardship principles, we can produce oil and gas and have good drinking water.

□ 1850

I even have a photograph from someone in my home State, Mr. Speaker, that has a flame coming out of a pond. The flame is a consequence of a natural methane seep coming out of the water that has been on fire as long as this gentleman can remember. These are natural phenomena.

We need to make sure that we are assuring people in this country that drinking water will be safe at the same time we recover these resources. Those very assurances require scientists, they require environmental companies, they require fracking experts; more jobs, more oil and gas, more diverse energy for the American economy.

Of course, clean burning natural gas provides us also an extension of the air quality that we value so well. These are American jobs that can be saved, nurtured and grown, and used successfully all over the United States, on and off shore.

Mr. Speaker, you just acknowledged a project in the Beaufort Sea, which is off of the coast of Barrow, Alaska, 87 miles. Shell has put \$4 billion, as you pointed out, into preparing to produce that resource, and still does not have a permit to produce it. At some point, those investments begin to devalue

their sunken costs in a way that may make companies like Shell look elsewhere. That takes jobs away from America and into countries where we are competing for jobs, and in places that sometimes are not our best friends when it comes to foreign policy and human rights.

So, Mr. Speaker, let's produce oil and gas with American jobs, with good pay, with good benefits, and with the residual goal of having an all-of-the-above energy policy that benefits the West and the country as a whole.

Mr. PEARCE. I thank the gentlelady for her comments.

We are joined tonight by my good friend Mr. THOMPSON from Pennsylvania. Before I yield time to him, I would like to walk through just a brief list of some of the other ways that the government conducts war on Western jobs.

Consider the listing of endangered species. No one of us wants to see a species be extinct or go extinct, but what we have seen is an extreme interpretation of the rules which kill jobs at the same time. I think there are ways that we could keep jobs and preserve species, yet we are not doing that right now.

The Coho salmon was listed as endangered. As a result, the farmers in the Klamath Basin in Oregon have been forced into bankruptcy due to prohibitions on water use by the listing of the salmon.

The Methow salmon, water rights holders in the Methow Valley of Washington lost the use of their water, and property owners and timber owners face restrictions on their properties because of the imposition of egregious stream buffers to protect the listed salmon.

The listing of the salmon in general, the court case over whether hydroelectric dam operators have done enough to prevent the death of salmon in Washington and Oregon, billions of dollars have been spent to accommodate, according to Bloomberg Business Week, but the environmental groups continue to sue.

The northern spotted owl, the listing has killed the entire timber industry in much of the West, especially in northern California and Oregon. The Mexican spotted owl, that listing also killed the timber industry in New Mexico and Arizona. Hundreds of thousands of jobs have been lost.

The Delta smelt, the listing of that species, a small 2-inch fish that lives in the San Joaquin Valley, killed 27,000 jobs there. The San Joaquin Valley was the source of 80 percent of our Nation's vegetables. Now those vegetable farms are gone. Bankruptcy. We are now importing food from countries that can spray pesticides that are outlawed in this country, so our food supply is less safe. Fewer jobs, bigger government deficit, greater cost of vegetables and unsafe food supply.

The gray wolf was listed by the Fish and Wildlife Service as endangered and

has killed agriculture and mining jobs throughout the West. Still the list goes on and on. So it is not that these are just hypothetical ideas that the war on Western jobs is occurring by a government. These are ongoing processes.

One group, the Center for Biological Diversity, has declared they are going to list over 1,000 species this year, that they are going to petition for the listing of over 1,000 species this year. Understand that their lawyers get reimbursed at the rate of \$350 to \$500 per hour. For every lawsuit that they bring against the government, every lawsuit that kills jobs provides employment for lawyers in those groups, so know that the taxpayer is footing the bill but yet losing jobs in the meantime.

I would like to recognize Mr. THOMPSON now, and thank him very much for being here tonight.

Mr. THOMPSON of Pennsylvania. I thank my good friend from Hobbs, New Mexico, for yielding. Representing part of Pennsylvania, it is an honor to be part of the Western Caucus. I represent western Pennsylvania and central Pennsylvania and a little bit of eastern Pennsylvania. My district is so large, so rural.

It has many of the same issues, Mr. Speaker, that fit very well within the Western Caucus. We have public lands. All of these issues you are hearing about tonight in terms of what government does as a huge barrier and to kill the jobs, they are the same things that we certainly experience in western Pennsylvania.

Now, I am proud. I chair the largest subcommittee of Agriculture, Conservation, Energy, and Forestry, so I want to go down another road in which how government kills jobs, western jobs, whether it is the West or western Pennsylvania or, frankly, throughout the United States.

We recently had a hearing reviewing the proposed United States Forest Service plan. Our National Forests, it is very clear they are not National Parks. Our National Forests were created to provide sustainable resources, predominantly timber, but timber is not the only thing. Our forests were created to provide us energy, access to oil, to natural gas, to coal, to minerals. So that is why they were put in existence.

As we look around the Nation, certainly in my congressional district, my National Forest is relatively small compared to I think some in the West, 513,000 acres, but it is profitable and home to the world's best hardwood cherry. It has a management plan that says in a sustainable way, to keep the forest healthy they are supposed to harvest over 90 million board feet a year. But yet for over a decade they have been doing 20 million. One of the members of my subcommittee, Mr. SOUTHERLAND, talked about his National Forest, they harvest zero board feet out of his National Forest.

Now, there are a lot of problems with that. First of all, if you don't harvest

timber, if you don't manage that forest in a healthy way, you subject yourself to wildfires, to invasive species. It creates an unhealthy forest. But it also kills jobs, and that is what we have seen. We have seen that all across the Nation, in the West, frankly, all parts of the country with our National Forests where the Forest Service has failed to do its job in terms of managing the forests I think in a productive way. That point came out very clearly in the first of what will be I think a number of hearings that we are going to do on this issue.

Frankly, timber production is down. I am proud to say that it is up to 40 million board feet in the Allegheny National Forest, but that is only with the persistence of kind of being with the Forest Service almost on a constant basis. But it is still a long ways from 90.

The production of timber is down. That means timber jobs, first of all. Our sawmills, our timber industry, those jobs, in many parts of the country those jobs have gone away. They are extinct today. And the forest products jobs that come as a result of having that timber supply are going away.

□ 1900

And the economies. Our rural communities were taken in order to create these national forests by the Federal Government. And the economies of our rural communities that make up those forests depended on the promise that was made when the forests were formed that the timber industry, minerals, oil, gas, coal, all those sustainable resources would be provided, would be produced, and that would maintain the economies of those rural communities. Well, that's been a lie by the Federal Government. They haven't done that. They haven't met their responsibilities. And that has killed jobs and killed our economies in rural communities.

In terms of energy, in my district I was sworn in for the first time in Congress in January 2009. Within a week of when I was sworn in, the Forest Service chose to place a moratorium on any new drilling permits in my national forest.

Now, you have to understand, 93 of the subsurface rights are privately owned. So these are owned by private individuals. And they came in and imposed this moratorium because of some lawsuit, as my good friend talked about, and the taxpayers paid their lawyers and paid the organizations to file, basically, and we went over a year with people losing their jobs, families suffering for just that reason.

Thankfully, a Federal judge overturned that decision. Of course, the Forest Service appealed and the Federal judge threw it out again. And now the Forest Service has appealed again. They've taken it down to a different court, down to the Philadelphia court, and we'll see what turns out there. But that's just another example of just bad government.

My good friend Mrs. LUMMIS from Wyoming talked about the Marcellus natural gas. Let me just say that's all private sector. The government is not involved in it. Natural gas is mostly private lands. And it works. It has created over 88,000 jobs in Pennsylvania. I have counties that, for the first time in history, their unemployment rates are below both State and national averages.

Prosperity is a good thing, and everybody benefits—not just the people that are getting the royalties or the leases, but, frankly, the churches, the Boy Scouts, the Girl Scouts, the little leagues, the fire departments, the hospitals, because rural folks are generous and they support good causes.

And so the communities are growing. The annual average earnings are going up. Frankly, government is benefiting because local, State, and even the Federal Government is getting a little more tax revenue by all that economic activity. And unemployment is down and energy security is there, and it's lower energy costs for everyone, and it's private sector.

If the government owned that land, we'd never be experiencing those benefits. Though, despite that fact, despite these are private lands—and I'll end my comments with these, because I know we've got other Members that want to speak tonight—this administration is going after that natural gas production. They are. There are some in this body that are proposing Federal Government overreach.

We're accessing that energy as a good steward. We've got regulations. The Department of Environmental Protection in Pennsylvania is a tough agency, but they do a fair job. They're always looking at their regulations. But we've got this administration who wants the Federal Government to employ the EPA and to send them into Pennsylvania and other parts of our country where we're producing domestic energy, which will essentially shut down our energy production and will shut down this prosperity, will shut down these jobs that are being created, will shut down the movement that we're making towards energy security.

I want to thank my good friend from New Mexico for hosting this hour tonight. I'm proud to be a part of the Western Caucus and proud to be with you this evening.

Thank you.

Mr. PEARCE. I thank the gentleman from Pennsylvania for his comments. So far, the quote of the night is "prosperity is a good thing." Yet our government seems to have a war on prosperity. Why is our government trying to undermine the economy when we're struggling with high deficits and unemployment? It defies imagination that that's going on.

I would like to recognize now my good friend from Georgia (Mr. BROUN) for such time as he may consume. I appreciate your being here. Georgia and Pennsylvania in the Western Caucus,

that's the way it should be. We're west of somewhere. Thank you for being here tonight.

Mr. BROUN of Georgia. Thank you, Mr. PEARCE. I appreciate your yielding me some time. Let me go forward with what Mr. THOMPSON was just saying and what you were just commenting on about prosperity.

Just today, I had a businessman in my office relaying to me a conversation he had with one of the liberal Democrat Senators, and he was talking about the issues that concerned him and his business. She was arguing over and over again about how government needs to do all the regulatory constraints on business and how businesses need to be taxed higher, and it's not fair for businesses to be making money at the levels that they are. In fact, just today, we saw some of our Democratic colleagues talk about the oil companies and the kind of money that they have been making with increased prices of gasoline. Finally, in frustration, this Democrat Senator said to this businessman: All you're concerned about is profit. You just want to make a profit.

Well, that's what business does. It makes a profit for its shareholders. If it's a corporation, it makes a profit for small businesses.

The policies of this administration, the policies that we've seen from our Democratic colleagues when NANCY PELOSI was running the House, now with HARRY REID running the Senate, and certainly the Obama administration, they're trying to destroy profits. They're trying to destroy our economy, in my opinion.

In fact, the President, himself, has said that he doesn't mind seeing gasoline prices go up as long as they go up incrementally. He doesn't want to see the massive increases, but as long as they keep going up. His own Energy Secretary, Dr. Chu, fairly recently said somehow we have to find a way to make gasoline in the United States at the same price that it is in Europe, which is roughly \$8 a gallon today. The policies of this administration are doing just exactly that.

Today, in the Science, Space and Technology Committee, we were talking about fracking. The EPA scientist that is studying fracking admitted that there has not been one single incident—not one—where fracking has been implicated in contaminating drinking water. Not one.

But I believe this administration is doing everything it can to try to destroy energy production in this country and to try to destroy the free enterprise system. In fact, the President, himself, said that if his policies go into effect, to use his own words, energy prices will "necessarily skyrocket."

Well, who's going to be hurt? Who's going to be hurt when fuel prices go up and food prices go up, not only gasoline and diesel fuel?

I was talking to a manager in a restaurant just last week in Athens, Geor-

gia, and was asking him about his food prices in his restaurant and what is going on because of the high cost of gasoline. He said his suppliers are adding a fuel surcharge onto the cost of the foods that he's buying and selling in his restaurant. And it's the policies of this administration that are doing that.

Just yesterday, I had a constituent of mine who's an egg producer in Georgia come in and talk about some of the issues that he faces. I am from Georgia. I'm a good southerner, and I love my grits and cornbread. For folks who are not southerners, grits are made from corn. Cornbread, obviously, that's self-explanatory where that comes from. I think even Yankees will know that cornbread comes from corn, too. The thing is that I, as a good southerner, cannot see driving down the road, burning up my grits and cornbread in the fuel tank of my GMC Yukon that I used as my office, actually, when I was making house calls as a medical doctor.

I hear our Democratic colleagues talk about we need to remove the subsidies for the oil companies. Well, the American people need to know that those subsidies are actually tax credits. They're not true subsidies as such. In fact, HARRY REID was recently wanting a subsidy for gold mining in his own State of Nevada. He also wanted us to continue funding the cowboy poetry festival in his home State.

We've got to stop spending these outrageous funds that the Federal Government has been spending, and we need to start creating jobs in a strong economy. The best way to do that is to get rid of the policies of this administration that are destroying jobs, destroying our economy, increasing the cost of gas and diesel fuel for farmers and everybody in this country.

But back to my egg producer friend. I've got a chart here that we made up in our office, a dozen eggs in Georgia. We have the subsidies—which are really not subsidies for the oil companies; they're just tax credits. But we have subsidies for ethanol production, which are true subsidies. Our administration has tried to pick winners and losers. One of the winners that they picked is the ethanol production.

□ 1910

That's been a total failure, and what that has done is increase the cost of gasoline. It's increased the cost of food across this country too. In fact, the major ingredient in feed for chickens is corn. Corn, when I when I was farming back a number of years ago, was \$2.50 a bushel. Now it's approaching \$8 a bushel. In 2005, before this ethanol subsidy, the total feed cost per dozen eggs—so when a consumer goes out and buys a dozen eggs—the food cost in that dozen eggs was 21 cents per dozen of eggs. Now, 2011, it's approximately 52 cents per dozen.

So who pays for that? Does the egg producer? No, it's the consumer. When

you go to the grocery store and buy a dozen eggs, you're paying more money for the failed policies of this administration, particularly when it has to do with energy.

If we start drilling for oil, tapping into our natural gas supplies, start producing coal, particularly doing the clean coal technology that we have, having an all-of-the-above energy policy, what's going to be the long-term outcome for the American consumer? For every single American, it's going to lower the cost of eggs and milk and bread because it's going to lower the cost of the production of all the food-stuffs. Every single good and service in this country is affected by these high costs of gasoline and fuel oil, diesel fuel, et cetera. The people who are going to be hurt the most are the poor people, those on limited incomes, our senior citizens.

I hear over and over again our Democrat colleagues say that Republicans are in the back pockets of Big Oil. Wrong. I would like to see us end all subsidies, all of them, but particularly the ethanol subsidy, which has not made any sense whatsoever. And let's start developing our own energy resources, which will create jobs here in America.

Just yesterday and today, we've been debating three bills that came out of our Natural Resources Committee. Those three bills will enable us to start tapping into the God-given energy resources that we have in this country, help us to be less dependent upon foreign sources for energy. If the President will ever sign those three bills into law, the short-term effect, I think it's been estimated, is that 200,000 new jobs are going to be created. So 200,000 new jobs will be created just with those three bills, just to be able to open up developing our own energy resources here in America that the President is blocking. Long term those three bills, it's estimated, will create 1.2 million new jobs here in the United States, American jobs, and help create a stronger economy.

The failed energy policies of this administration are hurting job creation. They are hurting our economy. They're raising the cost of gasoline. They're raising the cost of diesel fuel. They're raising the cost of fuel oil. They're going to hurt egg producers and thus egg consumers, consumers of all goods and services. Your food costs are going to go up. The cost of every good and service in this country is going to go up all because of the failed policies of this administration because we cannot develop our own energy resources, our God-given resources, that we have in this country. I submit if a nation is not energy independent, it's not a secure nation. And that's where we are today. We've got to become energy independent. And how is that going to happen?

Former U.S. Senator Everett Dirksen one time said when he feels the heat, he sees the light. The most powerful

political force in America is embodied in the first three words of the U.S. Constitution: We the people. When we the people start contacting Members of Congress, particularly the Democrat Members of the House, and the Members of the U.S. Senate, and demand that we develop our own energy resources here in America, that we have an all-of-the-above energy policy that looks at everything—nuclear energy, alternative sources, clean coal, oil, gas—everything, which we must do, and that's what Republicans are fighting for, if enough people all over this country will contact their Senators and their Members of Congress and say, let's develop our own energy resources, let's develop American jobs, let's develop a strong economy here in America, then we can do so. But it's up to we the people to be able to demand that from your elected Representatives.

Thank you, Mr. PEARCE, for yielding to me. I appreciate the great job you're doing as chairman of the Western Caucus, and I'm honored to be a part of that caucus.

Before I close, I encourage people to go on my Web site, broun.house.gov, and they can actually look at all the things on this chart. They can look at it in fine detail and understand how high energy costs are creating high prices for eggs in the grocery store.

Thank you, Mr. PEARCE.

Mr. PEARCE. I thank the gentleman for his comments and his perceptions.

As he mentioned, it seems that Washington has a war on profits. I think that maybe our friends on the other side of the aisle don't understand that profits pay high salaries. If you work in an industry with no profits, you work at low salaries.

Profits pay to reinvest in new buildings, creating construction dollars in neighborhoods. Profits are put into youth training, baseball leagues, soccer leagues. Profits are reinvested into new equipment, causing manufacturing firms to thrive. Profits are invested in dividends, and they cause increased values of stocks, helping retirees.

And, finally, profits are the only thing that corporations pay tax on. They do not pay taxes on losses. So when we begin to talk about taking away the profits of companies, understand that we're talking about undermining the American way of life. This attack on profits is an attack on the American way of life.

I am pleased to be joined tonight by a good friend from Utah (Mr. BISHOP), and I yield to the gentleman.

Mr. BISHOP of Utah. I thank Chairman PEARCE from New Mexico for using the Western Caucus to illustrate some of these ideas and situations that are here.

I'm also grateful that the gentleman from Georgia (Mr. BROUN) was just here and tried to show how whenever you have a policy that prohibits or discriminates or lessens the amount of energy that we have in this country, it has a direct impact on individuals and

people. As he was showing, it has a direct impact on the cost of food. For every dime that diesel fuel increases, that's \$400 million the agricultural industry has to put onto the cost of food. Not just in transporting the food but for the fertilizer to grow it, for the boxing, the shipping, the manufacturing of it—all of those things are added to it. For every penny that the cost of gasoline increases at the pump, that is \$1 billion that's taken out of the household income of Americans.

And whom is that going to impact the worst? Obviously the people at the lower end of the economic scale, who have the most difficult time making their budget stretch to pay for higher transportation costs through fuel, for higher food costs because fuel goes up, for higher heating costs because fuel goes up. They're the ones who are hurt.

Now, I also appreciate Mr. PEARCE for illustrating that actually we have a situation in which the West, without trying to be specific to a region, but the West has been treated with the heaviest hand over the past few years and has suffered the greatest consequences of that heavy hand.

Last year, according to the Bureau of Labor Statistics, they simply said that the region that had the highest unemployment for last year and the year before happened to be the West. Six of the top 12 States that had the largest decline in employment-to-population ratio since the recession that began in 2007 are found in the West.

□ 1920

Three of the top five States showing the most stress last year in the summer were found in the West, and unfortunately, Washington's misguided policies over the last several years are simply making these situations worse.

Let me, if I could, talk about a couple of specific situations that I have found in my State that have added to this problem of what we call the "war on the West," because they have had the dual whammy of not only increasing the price of energy, which is the price of living and the price of doing business, but at the same time of decreasing jobs in our particular area. Part of that is because the West simply has, as a region, over half of its land owned by the Federal Government. This government—it was not planned this way; it just kind of happened—owns 1 out of every 3 acres in the United States. Yet, west of Denver, it owns 1 out of every 2 acres in the United States, and we get to have the fun of working with the heavy hand of the Federal Government on all sorts of efforts, especially when the Department of the Interior has unlimited, arbitrary and capricious powers given to them.

For example, the Bureau of Land Management in the State of Utah went through what they call "regional management plans." I have 16 areas. Half of them went through a regional management plan. The people on the ground,

who are working there, who live there and who know that area, spent 7 years in developing a regional management plan, which means simply: How will the land owned by the Federal Government—and remember, it's still half of it—be used for development purposes?

For 7 years, they held the public hearings, and they went through all the processes. They came up with their plan. The Secretary of the Interior came into office, and in the first few days, he simply said, Those plans don't fit the needs of this country because they authorize 77 oil and gas leases, places where the professionals on the ground determined that the best use of government land was used to develop oil and gas in the State of Utah. The Secretary simply said no. He believed the last administration had made a rush to judgment, and therefore it was his best decision to suspend not only those oil leases but also the land management plans at the same time. He did it simply by the stroke of his signature. There was no work with it. There was no counterbalance. There was no checks and balance system. He simply said, I think it was wrong. It was a rush to judgment. I'm going to stop it.

Now, like everything else, this situation went to court, and the judge ruled that, actually, the Secretary was wrong. There was not a rush to judgment by anyone other than the Secretary when he suspended those leases. However, because there was a timing element—one of those technicalities—and because those who were suing waited too long to file the lawsuit, the decision of the Secretary would stand. Now, what the Secretary said is, I'll be magnanimous, and of the 77, I'll let 17 go forward. The other 60, they stay off the table. I don't care what the regional management plan did.

The end result of that was simply that you don't have a whole lot of leases that will be put out for development. Unfortunately, it has a ripple effect through the community because not all leases are found on Federal land. There is also State land and very few pieces of private land; but oftentimes they abut one another, and if you block the leasing opportunity on this piece of land, it sterilizes the leasing development opportunity on its neighbor land at the same time. Plus, if all of a sudden the Department of the Interior is sending a message that they're going to be tough on this kind of development, industry gets the message, and they're not going to fight that kind of issue, and they will leave at the same time.

The net result of this one action by the Department of the Interior was that unemployment in one rural county in Utah was a loss of 3,000 jobs in a county that only has 30,000 residents. The unemployment tripled over a course of months and only and solely because of this one decision: that not only did we not have the ability of drilling on those Federal lands, but you also lost the opportunity for the pri-

vate sector to go onto State lands and onto certain private lands. Then there was the ripple effect as they realized what simply happened, which is that the private sector said, I'm not going to put up with this. They took the investment capital that they were willing to put into the region of rural Utah and took it somewhere else where they didn't have to deal with the Department of the Interior.

We have the same situation in the West in another particular area, specifically with oil shale. The U.S. Geological Survey, which oddly enough is part of the Department of the Interior, has estimated that, in a 16,000-square mile area of Colorado, Utah and Wyoming, there are, roughly, 2 trillion barrels of oil that can be extracted from oil shale. That is more energy than we get from Canada. This is not a new and unusual process. Estonia, in the Baltic states, has been using this same process of extraction from oil shale for 80 years, and they have done it successfully and in an environmentally friendly manner.

We could copy that same proposal—but no. Once again, this administration has decided to slow-walk any development, slow-walk any allowance of projects to go forward to demonstrate what we can and cannot do. The net result of losing this opportunity for oil shale is at least \$1.9 trillion added to the economy of this country, and there is projected to be up to 100,000 new jobs that would be lost simply by this one decision as well.

Now, this is a small area, but if you compound that fact of what is happening not just in my State of Utah but what is happening in Colorado and Wyoming and New Mexico and Nevada and the rest of the West and if you see the compounded problem we have, you truly can understand why in the recession the West was the hardest hit—because we were dealing with the Federal Government in a way that was certainly unfair.

I'd like to say one last thing before I yield back to the gentleman from New Mexico.

In the last days, as the gentleman said, we have been talking about the ability of trying to jump-start our energy portfolio, our energy self-dependence, our energy ability in three bills specifically dealing with offshore development. We have that same potential for energy development onshore as well that we need to talk about at the same time; but sometimes we also need to talk here simply about understanding how words have meaning. We have been throwing around words in the debate over the last couple of weeks in a way that, I think, has been somewhat unfair and somewhat dilatory, and it has clouded the actual issue of what is going on.

For example, there are those who are saying we don't need to actually develop any new oil or gas resources. There are plenty of leases out there that aren't being produced. I want you

to know, when you deal with words, that "lease" is not the same thing as a permit to drill, and a "permit to drill" doesn't mean you're going to find anything for production. Just because there is a lease does not mean there is production. I had a company that was in my office today which has a lease in one of the Western States. They received the lease 6 years ago. Only this year did they finally check off all the boxes, run through all the bureaucratic hoops and do the environmental impact statements to get the permit 6 years later to finally start preparing to drill to see if it is actually productive. Those 6 years cost a lot of money to that company, money which could have gone to providing work, providing jobs, as well as resources to help grow the economy of this country. That's a real cost, and that is real and legitimate.

We've heard comments before about how this country doesn't have enough oil because we don't have enough reserves to make it worthwhile. According to the CRS, Congressional Research Study, we have \$1.2 trillion worth of gas that is available for production here in the United States. That puts us in the top five countries in the world for oil. We are not an oil-poor country. However, when we talk about reserves, reserves are not the same thing as the amount of money that's available. Our reserves are a definition that is established by the SEC, and by the definition we use, we will always have fewer reserves than other countries, by definition.

In addition to that, a reserve can't count as a reserve until you can actually get to it. When we put parts of this country off, when we have a moratorium, by definition, that takes us out of the reserve. So, when someone says we don't have as many reserves as other countries, it's probably true. That doesn't mean we don't have enough oil that can be used and produced. It simply means it doesn't fit the definition. "Reserve" is not the same thing as "amount of producible oil."

Just like as the gentleman from Georgia said, a subsidy—and we talked about all the subsidies the industries are getting—is when the government actually pays cash to somebody. The oil companies are not getting cash from the government.

□ 1930

A subsidy should not be confused with a tax credit or a tax deduction. If it were, when I fill out my long form and I write down my charitable contributions and get to write them off, that means the Federal Government is subsidizing me or subsidizing the charity to which I'm giving. That doesn't make any sense.

What we need to do is talk about the words as the words really are meant to be and make sure that the words are used the proper way and not for some rhetorical effort to inflame the situation and reach some other result.

The last word we need to talk about is simply "jobs." Right now, there are twice as many government jobs as in all of manufacturing combined. In 1960, those ratios were reversed. We have gone to a lot of effort over the last 2 years to pass jobs bills, all of which produced government jobs. What we need to do is look at jobs in the private sector, and the private sector which creates a reliable, long-term job, a job that also equates wealth that goes back into the system and helps to grow our economy and grow our country.

Those are the jobs we should be after, and those are the jobs we need to do. Unfortunately, we will never develop those jobs until we have a governmental energy policy that is reliable, that is not dependent on the whims of some foreign country, and that helps us develop the resources that we have in this country. We can do it and we need to do it, and I appreciate Mr. PEARCE from New Mexico for bringing up this issue because that's exactly what we need to do as a policy.

With that, I thank the gentleman.

Mr. PEARCE. I thank the gentleman for his comments. He pointed out that this Nation is rich in shale oil. We do, in fact, have 2 trillion barrels in reserve in shale. That all was outlawed from use by the American consumers back in 2007 in a bill passed by NANCY PELOSI off the floor of the House.

To put that in perspective, what does 2 trillion barrels of shale oil mean? We have only used 1 trillion barrels of oil completely in our history in just shale oil. That's not natural gas. That's not normal petroleum. We have double in shale oil what we've consumed up to this point.

Another comment that was made earlier is that we subsidize and that consumers end up paying for things that they don't know they're paying. I just talked to a constituent last week. He said that he was given a tax credit for 40 percent of a solar facility that he put on his own home. That was from the Federal Government; from the State government, another 10 percent. So about 50 percent of the cost of the program was completely reimbursed by the government. But the big deal is they're paying him 22 cents per kilowatt hour of energy that he is able to sell back into the system. Now, that 22 cents needs to be compared to the 7 cents that electricity normally costs. So the consumer is tagged with three times the cost of electricity that is provided by solar power that is bought from individual producers. The consumer will pay more for the power. It is not an easy process to understand, but consumers will ultimately pay all of the higher energy costs.

We hear much today in Washington about the subsidies for Big Oil. Be aware that there are no subsidies for Big Oil. There are simply write-offs that every company is allowed to take legally; write-offs to encourage them to invest in machinery; write-offs that sound like depreciation, amortization;

write-offs that are allowed by accounting techniques across the board in this country. Understand that when we begin to penalize these oil companies, we're going to cost America jobs.

So let's talk just a bit about the different supposed subsidies that are, in fact, legitimate write-offs that companies are given.

The suggestion was made that we repeal the expensing of the intangible drilling costs. The intangible drilling costs usually represent 60 to 80 percent of the cost of a well. Historic U.S. policy allows a deduction for development. That's since 1913 in this government's Tax Code; and yet, today, we're talking about reversing it at a time when we're starving for jobs, 9 percent unemployment, and we're going to talk about making it harder to employ people in this country.

Other businesses are able to expense their research and development projects. Pharmaceutical companies, IEC specifically targets U.S. oil and gas companies. It will discourage innovation in the energy sector at a time when we need more innovation, not less. Disallowing the expensing of intangible drilling costs will put the American consumer in a worse position and endanger American jobs.

The second idea that's talked about in raising taxes for oil companies is to do away with the write-off, the dual capacity rule. The dual capacity rule was to ensure that income that is taxed by another nation is not also taxed by the U.S. It's something that the U.S. has been alone on in taxing double. We tax not only the amount that is made here but the amount that is made in other countries, the profits made in other countries. That's a tax inversion that has cost us many jobs.

Now then, we have the allowance of dual capacity rule in place to stop that, and yet our friends on the other side of the aisle are saying that we must stop this practice. All it's going to do is make the U.S. more inhospitable for investment in energy resources. At a time when we're seeing \$4 gasoline, at a time when our economy is struggling, when we need jobs, we're talking about making American businesses less competitive and making American jobs more scarce.

The final section is maybe the most egregious of all, that is, the repeal of section 199 manufacturing exemptions for oil and gas companies. In 2004, the Congress enacted section 199 for manufacturing companies to encourage them to bring jobs back to this country. From 2004 to 2007, the oil and gas industry was responsible for 2 million new jobs that were created. The oil and gas companies currently support 9.2 million jobs. Almost all manufacturers receive a 9 percent credit. That's, again, in order to encourage them to come back to this country.

The oil and gas companies have only been receiving a 6 percent credit because they've already been picked on by the people in this town. But now

they're suggesting that we would want to completely do away with the manufacturing credit. Keep in mind, that's the refining of gasoline. That's the definition of manufacturing in oil and gas.

So at a time when we're starving for jobs, we're going to make U.S. manufacturers, the U.S. refineries, less competitive. We're going to encourage Venezuela and Hugo Chavez to send more jobs there, to take more jobs and to send more gasoline here. It just doesn't make sense.

Tonight, I'd like to wrap up with this one picture about the status that our country is in. Our country right now has a tremendous problem with its economy. The problem is this: in Washington, we spend \$3.5 trillion. Our revenues to the government are \$2.2 trillion. That's a \$1.3 trillion deficit. The accumulated deficits over the lifetime of this country are almost \$15 trillion.

I show those deficits running out the end of the pipeline into our debt barrel to show the accumulated debt to the Nation. I also show a green sludge pouring over the edge of the barrel because we've got \$202 trillion of accumulated costs of Social Security, Medicare, and Medicaid. These are the things that are wrecking our economy.

This chart given by OMB and CBO, the Congress, and the White House both show that our economy is going to fail in 2038 because of these practices. At a time when we're starving for jobs, this administration has a war on western jobs. It has a war on our energy. It has a war on the jobs in the timber industry. It has a war on our way of life.

This is not the time to be conducting partisan politics in this town. It's a time for us to create jobs. With each job created, the 2.2 is greater because each person pays in increment more taxes, but they also are no longer receiving welfare, unemployment, and food stamps. So the 3.5 decreases.

The path forward is simple. We simply ask that the President get on board.

□ 1940

LOST JOBS AND THE TRADE DEFICIT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 60 minutes as the designee of the minority leader.

Ms. KAPTUR. Mr. Speaker, jobs need to be America's number one priority. When people go back to work, it seems fairly obvious that we'll not only balance family budgets, but we'll be able to balance America's budget. They're tied together. But for some reason, too many officials here in Washington, both elected officials and those who lobby, simply haven't gotten that message. At the end of last month, The Washington Post ran an excellent piece, asking, "What is it about the word 'jobs' that our Nation's leaders