

world's supply of oil and gas. They are saying that because they are using the term "proven reserves." In order to have proven reserves you have to drill to find out and prove the oil is there. Obviously, if we have a government, an administration that will not let us drill for oil and gas, then we cannot get about proving it, so we have to go by "recoverable." No one will argue with this—well, they might argue but they cannot do it with a straight face—that our recoverable reserves are very large. Here, in the case of oil, it is this amount right here—135 billion barrels of oil, 83 percent of the oil. By the way, 83 percent of the oil that would be on public lands that we will not allow ourselves—or the liberals in this body will not allow us, and the White House, to drill on because of not just a moratorium but they stopped us from doing it sometimes through not issuing permits.

But we have enough oil out there to run this country for 50 years without relying upon anybody else, without relying upon, certainly, the Middle East or any of the rest of our hemisphere.

If we were to go ahead with the friendlies in our hemisphere, Canada and Mexico, we could be independent of the Middle East in a very short period of time.

The United States has 28 percent of all of the coal, and that is very significant. As far as natural gas is concerned, we have enough natural gas to actually run this country for 90 years at the rate we are using natural gas now, only on our own, if we would allow ourselves to go ahead and produce it.

So that is where we are right now. Of course, I would be remiss if I did not say we have been wanting my amendment. It is amendment No. 183 to the Small Business Act. We have been trying to bring it up for 3 weeks now. Several times it has been postponed. I think it has been postponed for one of two reasons. Either they do not have the votes to stop it—and according to Senator MANCHIN, West Virginia, who stated just the other day there are 12 or 13 Democrats willing to vote for my amendment, and you get all the Republicans, that would be enough to reach 60 and pass my amendment.

What does my amendment do? It takes away the jurisdiction from the Environmental Protection Agency from regulating greenhouse gases. Simple as that. So maybe we have the votes, but the other reason is—and I do not blame the leadership on the other side of the aisle—they do not want to subject their Senators to voting, to have to cast a vote that would allow the EPA to continue harassing and overregulating manufacturers and refineries and businesses and farmers and the rest of America.

Well, there are two votes that are out there that they have offered as cover votes. One is the Baucus amendment; the other is the Rockefeller amendment. The Baucus amendment would

exempt some of the smaller ones. Frankly, I think everyone knows that is something that would not work. In fact, somewhere I have the quote from the American Farm Bureau. Well, I do not have it right here, but, by and large, what they say is that they want to be sure everyone understands we cannot pass the Baucus amendment because that will just—we could exempt some farmers and some other smaller people, schools, maybe churches; but with the higher price of energy, it all trickles down to them. So that is why the American Farm Bureau, the Association of Manufacturers, and others are very much in favor of my amendment.

The other one is the Rockefeller amendment that would merely delay it for 2 years. The reason I am opposed to this—and on the floor of the Senate, Senator ROCKEFELLER made some statements the other day that were not very flattering. That is unlike him because that is normally not the way he would do it. Unfortunately, my effort was dubbed as "childlike," "immature," and, yes, you guessed it, "crazy" too. But I will only say that over the years Senator ROCKEFELLER has stated that the EPA—well, I will just read to you what he has stated: EPA has little or no authority to address economic needs. They say they do, but they don't. They have no ability to incentivize and deploy new technologies. They have no obligation to protect the hard-working people. And on and on.

So I would agree with those statements of Senator ROCKEFELLER. I would just say, if we are going to get rid of this, the overregulation, let's go ahead and do it. Let's not postpone it for 2 years. We have documentation from various companies, industries that say we are going to put something in place that is going to employ a large number of people, but we cannot do it so long as the uncertainty is out there.

At Point Comfort in Texas, 1,182 jobs were lost. They wanted to—they were planning—Formosa Plastics—had been planning a \$1 billion expansion. It would have employed 700 construction jobs, 357 service jobs, and 125 full-time operations and maintenance jobs. Yet they are not doing it because of the regulation that is taking place and the uncertainty of what the EPA is going to be doing to us.

El Dorado, AR, similar situation. Arkansas-based Lion Oil was forced to delay several hundred million dollars in refinery expansion because of the uncertainty of the regulation by the Environmental Protection Agency. Louisiana, the same thing; 1,850 jobs were lost.

I have had people ask me over the years: Inhofe, what if you are wrong? Well, this is what I would say and how I respond to that. When you stop and say I am wrong and actually that greenhouse gases do cause catastrophic global warming, if that is the case, then you are not going to resolve it by

having the United States of America do something unilaterally.

The Chinese are over there celebrating right now, hoping we will pass something to stop us from regulating or make us regulate greenhouse gases because those jobs we have—we have all of the figures. If anyone is interested, my Web site is Inhofe.Senate.gov. We can quantify the jobs lost and money involved.

Stop and think about it. Anyone who has a comparable State to Oklahoma, do you want to increase your taxes by over \$3,000 a year and get nothing for it?

With that, I would make another appeal to the administration and to the Democrats in the Senate, to call a vote on my amendment No. 183. Just call it and let's get this behind us. Let's try to save energy for America.

I yield the floor.

The PRESIDING OFFICER (Mr. BLUMENTHAL.) The Senator from Arizona.

Mr. KYL. Mr. President, I want to compliment my colleague from Oklahoma for the leadership he has exercised with respect to the rogue Environmental Protection Agency attempting to regulate, in effect, what we breathe and the job-killing program that would result from the regulations that would be prohibited from being adopted were the Inhofe-McConnell amendment to be adopted by this body. I share his desire that we be able to vote on that and stop these onerous regulations from being put into effect.

I ask unanimous consent to speak not to exceed 15 minutes in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### HEALTH CARE

Mr. KYL. Mr. President, I want to address two things but start with health care. I recall that during the debate over health care—and we celebrated the 1-year anniversary of the signing of the health care legislation a little over a week ago. But I recall then-Speaker of the House NANCY PELOSI saying: We will have to pass the bill in order to find out what is in it. I do not think she realized how true her statement really was.

I just read something over the weekend from a March 31 edition of the Washington Examiner. I ask unanimous consent to have this article by Byron York printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1).

Mr. KYL. I will read the first sentence and then a couple of other items from it. The headline is "Uncovered: New \$2 billion bailout in Obamacare."

Here is the first sentence in the story:

Investigators for the House Energy and Commerce Committee have discovered that a little-known provision in the national health

care law has allowed the Federal Government to pay nearly \$2 billion to unions, state public employee systems, and big corporations to subsidize health coverage costs for early retirees.

Then the article goes on to point out that they discovered this in oversight hearings of an obscure agency known as the CCIO, or the Center for Consumer Information and Insurance Oversight. The idea under the law apparently was to subsidize unions and States and companies that had made commitments to provide health insurance for workers who retired early.

They point out that there was a \$5 billion appropriation in the bill, and at the rate of spending by this agency they will burn through the entire \$5 billion as early as 2012. And where is the money being sent to? Well, by far and away, the biggest single recipient is the United Auto Workers Labor Union, which so far had received well over \$200 million.

Other recipients include AT&T, Verizon, General Electric, General Motors Corporation, and a few State public employees retirement systems. But, by far and away, the contribution to the United Auto Workers and the Teamsters and United Food and Commercial Workers was more than the amount of money sent to the State pension funds—the point being that we learn something new almost every week about Obamacare.

As I said, it was just a little over a week ago that it celebrated its first anniversary, and we are only now discovering some of the things that were hidden away in it, which I think had we been able to debate the bill in a more appropriate fashion—remember, it passed on Christmas Eve day of the year before last—we probably would have been able to discover these things. Had the bill been read, had we had time to read all of the fine print, these are the kinds of things that we would have discovered; and I suspect the proponents of the bill, those who voted for it, might not have been so quick to vote for it.

Maybe we will have a chance to repeal this particular provision of the bill if there is any money left that has not been spent by the time we get around to doing that. I will propose to my colleagues that we try to accomplish that.

The second point with respect to Obamacare that continues to trouble me is something called the Independent Payment Advisory Board. This is troublesome for three reasons, two of which have to do with process and the third the substance. The Independent Payment Advisory Board goes by the acronym of IPAP, and it was created in order to try to find savings in the Medicare Program.

Now, obviously, we have read a lot about the billions, tens of billions of dollars of waste, fraud, and abuse in Medicare. The problem is, this board is not likely to get at that waste, fraud, and abuse because its primary mis-

sion—and, in fact, it is restricted to finding cost savings only as a result of reducing the payments to providers. In fact, James Capretta of the Ethics and Public Policy Center has done some very good writing on this subject, and he notes that the board is strictly limited to what it can recommend and implement and that the board can only “cut Medicare payment rates for those providing services to beneficiaries.”

Well, that is a problem because it does not get to the real heart of a lot of the waste, fraud, and abuse in Medicare. Secondly—and I will conclude my remarks with this main point—when we cut the payment rates for the doctors, for example, who are taking care of Medicare patients, what happens? We get fewer doctors willing to take care of Medicare patients.

We are all familiar with the stories in our own States of more and more physicians either not taking any Medicare patients or at least not taking any new Medicare patients. As a result, there are far fewer doctors available to treat folks, which means there is a much longer waiting time for people to get the care they need. The end result of that is, of course, care delayed is frequently care denied. That is the problem that exists in other countries such as Great Britain, our neighbor to the north, Canada, and it is coming to your own community pretty soon as a result of the fact that we are not paying the physicians and other providers enough as it is. That is the only thing that IPAP can do to further reduce the costs.

But I mentioned two procedural problems. The first is that this board is comprised of 15 unelected bureaucrats. The President makes the appointments. He does not have to balance them politically, so they can all be members of one political party. He can make recess appointments so the Senate may not even have an opportunity to pass on these individuals.

The second procedural problem is, when they make their recommendations it comes to the Congress in a take-it-or-leave-it procedural posture; that is to say, either Congress adopts the recommendations of the board or at a number equal to that, with what we decide ourselves is the appropriate way to achieve that amount, or the Department of Health and Human Services must implement the board's original recommendations, period. That is it.

So we are ceding authority to an unelected board of people whose political views could reflect, for example, only those of the President of the United States, and whose recommendations almost automatically become law. Only if the Congress, within a specified period of time, is able to recommend an alternative that can get the votes, and it would have to be a 60-vote majority, would the recommendations of the board be overridden.

So for procedural reasons this was not the right way to tackle the prob-

lem of costs of the Medicare Program that we do need to get a handle on. It is a very undemocratic approach. But as I said, the procedure is part of the problem. The real question is, how are we going to address costs in Medicare?

Now, we are going to see some very innovative ideas from the House of Representatives, from the Budget chairman, PAUL RYAN, this week when the House budget is released. He will tackle the tough problem of helping to constrain the costs of Medicare. One of the ways I find very unappealing to control Medicare costs is putting a cap on how much we can spend and reimbursing the providers, in particular physicians, with that particular cap in mind.

As I said, the reason is because it is going to cost physicians a certain amount of money to take care of each patient. If they cannot be reimbursed in an amount sufficient to cover their expenses and a little bit more, they are simply going to turn to other kinds of patients.

They have already turned away from Medicaid patients because Medicaid does not reimburse at a level that meets their requirements. As a result, it is a dirty little secret in the medical profession that Medicaid is rationed health care. That is not right. These are the poorest in our society. They need support. They need help. But they have to wait a long time. A lot of times, there just aren't the people to take care of them. Now we are going to convert the system that takes care of senior citizens into the same kind of whatever-we-have-available kind of service because when we begin reducing payments to providers, we will get fewer providers, with the result that we will get less care. It is a simple matter of economics.

This is being recommended not by physicians, not by the patients groups, and so on, but by people who are unelected bureaucrats appointed to this board. According to Mr. Capretta, under the law this is all the board can do. This is what it is restricted to doing. By cutting Medicare patients, the board will only delay and deny care. That is the critical point.

I am painting this picture of physicians not being paid enough. The reality is that today Medicare already pays physicians 20 percent less than private insurance companies do. Part of that is because private insurance companies are cost shifters. When a physician can't make enough money serving government-paid-for patients—Medicare—then they charge more to private sector-paid patients. We therefore are paying more in the private sector for our insurance than it really would cost, but that is in order to subsidize the payment of physicians who don't make enough under Medicare today. What the IPAB would do is reduce those payments even more. This, in turn, will lead to reduced access to care for seniors, and reduced access to care means rationed care.

I quoted James Capretta before. He says:

In a very real sense, seniors will be the ones holding the bag from these cuts when they can't access care due to a lack of willing suppliers.

I will close this point by noting that there is another government health care program I am very familiar with because of the large number of Native Americans in Arizona who have access to health care from the Federal Government under the Indian Health Service. In Indian Country, they have a saying that is not really facetious. They say it with a bit of a wry smile on their face, but they are not at all happy. They say: Just get sick before July. The reason is, there is a definite limit on how much the program will pay out. They set a cap at the beginning of the year, and when enough people have gotten sick enough to a certain point in the year, that is the end of the coverage. So they wait until money is available the next year.

That is an oversimplification, but it is what a total single-payer government system does. When we need to cut costs, we reduce the amount of money available. And who suffers? The people to whom we promised care. We see it in the Indian Health Service. We are seeing it now in Medicaid. We are going to see it in Medicare if we are not careful.

That is why we need to repeal the IPAB, the Independent Payment Advisory Board established under ObamaCare. There is legislation introduced to do this. Senator CORNYN and I cosponsored the Health Care Bureaucrats Elimination Act, S. 668, which would eliminate the IPAB. I hope we will have an opportunity to bring that legislation to the floor so that my colleagues can join us in excising this piece of ObamaCare so that our seniors don't suffer from rationed health care. There is a long group of organizations which joins us in our opposition to IPAB, groups such as the American Health Care Association, the American College of Radiology, National Senior Citizens Law Center, National Association of Social Workers, Volunteers of America, and others.

I hope that when the time comes, we will have an opportunity to have a debate about this aspect of ObamaCare. I know the supporters of the health care reform act did not intend this negative result. I am not suggesting that colleagues who supported ObamaCare love seniors any less than I love my mother, and they love their parents and others. That is not the point. Laws have unintended consequences. When we create a mechanism to save money such as this one and constrain it the way we have, I know what we will get, and we will not like it. We will hear from seniors. And before I hear from my mother, I would just as soon get this problem fixed.

#### EXHIBIT 1

[From the Examiner, Mar. 31, 2011]

#### UNCOVERED: NEW \$2 BILLION BAILOUT IN OBAMACARE

(By Byron York)

Investigators for the House Energy and Commerce Committee have discovered that a little-known provision in the national health care law has allowed the federal government to pay nearly \$2 billion to unions, state public employee systems, and big corporations to subsidize health coverage costs for early retirees. At the current rate of payment, the \$5 billion appropriated for the program could be exhausted well before it is set to expire.

The discovery came on the eve of an oversight hearing focused on the workings of an obscure agency known as CCIO—the Center for Consumer Information and Insurance Oversight. CCIO, which is part of the Department of Health and Human Services, oversees the implementation of Section 1102 of the Affordable Care Act, which created something called the Early Retiree Reinsurance Program. The legislation called for the program to spend a total of \$5 billion, beginning in June 2010—shortly after ObamaCare was passed—and ending on January 1, 2014, as the system of national health care exchanges was scheduled to go into effect.

The idea was to subsidize unions, states, and companies that had made commitments to provide health insurance for workers who retired early—between the ages of 55 and 64, before they were eligible for Medicare. According to a new report prepared by the Department of Health and Human Services, “People in the early retiree age group . . . often face difficulties obtaining insurance in the individual market because of age or chronic conditions that make coverage unaffordable or inaccessible.” As a result, fewer and fewer organizations have been offering coverage to early retirees; the Early Retiree Reinsurance Program was designed to subsidize such coverage until the creation of ObamaCare's health-care exchanges.

The program began making payouts on June 1, 2010. Between that date and the end of 2010, it paid out about \$535 million dollars. But according to the new report, the rate of spending has since increased dramatically, to about \$1.3 billion just for the first two and a half months of this year. At that rate, it could burn through the entire \$5 billion appropriation as early as 2012.

Where is the money going? According to the new report, the biggest single recipient of an early-retiree bailout is the United Auto Workers, which has so far received \$206,798,086. Other big recipients include AT&T, which received \$140,022,949, and Verizon, which received \$91,702,538. General Electric, in the news recently for not paying any U.S. taxes last year, received \$36,607,818. General Motors, recipient of a massive government bailout, received \$19,002,669.

The program also paid large sums of money to state governments. The Public Employees Retirement System of Ohio received \$70,557,764; the Teacher Retirement System of Texas received \$68,074,118; the California Public Employees Retirement System, or CalPERS, received \$57,834,267; the Georgia Department of Community Health received \$57,936,127; and the state of New York received \$47,869,044. Other states received lesser but still substantial sums.

But payments to individual states were dwarfed by the payout to the auto workers union, which received more than the states of New York, California, and Texas combined. Other unions also received government funds, including the United Food and Commercial Workers, the United Mine Workers, and the Teamsters.

Republican investigators count the early-retiree program among those that would

never have become law had Democrats allowed more scrutiny of ObamaCare at the time it was pushed through the House and Senate. Since then, Republicans have kept an eye on the program but were not able to pry any information out of the administration until after the GOP won control of the House last November. Now, finally, they are learning what's going on.

#### BUDGET GAME-CHANGER

Mr. KYL. Mr. President, finally, I wish to have printed in the RECORD and discuss briefly an op-ed in the Wall Street Journal of today titled “Time for a Budget Game-Changer.” This was written by Gary Becker, George P. Shultz, and John Taylor. John Taylor and Gary Becker are both economist professors, Becker at the University of Chicago, Taylor at Stanford. Of course, George Shultz is a former Secretary of Labor, Secretary of the Treasury, and Secretary of State. All three are affiliated with the Hoover Institution. In this article, they present a real answer to the two key problems that face us today.

I ask unanimous consent that this piece be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KYL. The two key problems are that we don't have enough jobs and we have a very high unemployment rate. We need to get the economy growing, and we are having to borrow far too much money because of government spending. What this piece points out is that there is a direct relationship between the two. That is not too surprising. The bottom line is that government borrowing and spending distorts the market by making less money available for the private sector to invest. If the private sector can invest, jobs can be created and we can grow the economy.

What they do in this piece is create a credible strategy to reduce the growth of Federal government spending, bring the deficit down, and increase economic growth. Those goals are not only not inimical to each other, they actually fit together nicely.

As they point out, the essential first step is to reduce discretionary spending in the current fiscal year, 2011. That is the work the Senate and House are engaged in right now. We will have to pass a continuing resolution to fund the government through the end of September. We can substantially reduce the spending, and they point out how in this op-ed.

The second part is a longer term plan to get total spending as a share of GDP down. They have a plan to do that in a relatively gradual way but that nevertheless provides real, substantial savings over the next 10 years and longer to a point that is consistent with the historical relationship between the revenues the government has collected and the spending the government makes.