

reserves are. Instead of using "recoverable reserves," they use "proven reserves." That is a technical term. In order to prove a reserve, you have to drill and analyze and core and see how much oil there is. Obviously, if we will not let anyone drill, they cannot prove it.

When they say we only have 2 percent of the world's proven reserves, that is absurd because we have to drill to determine what that is. Other countries do not have that problem. We are the only country in the world that does not exploit our own resources.

People are going to have to realize that if you want to do something, it is such a simple thing to do deal with. It is supply and demand. There is not a person here or a person listening today who has not gone through the elementary experience in school of learning supply and demand. We have the supply in America and we have the demand. The politicians will not let us exploit our own resources. That is the problem we have. You do not have to overly complicate this issue.

It is interesting—and I hate to say it; I am not pointing fingers in a partisan way—when Democrats and the administration say: We are going to tax big oil, they say actually they are going to do away with some of the benefits big oil has. They are not benefits. These would be four huge tax increases the Democrats are doing on big oil. That is not big oil. That is oil, period. I will not go into the details of depletion allowances and percentages. It is not important.

The point is, they have the same benefit every other manufacturer has, and to single them out and say: We are going to punish big oil, all that is going to do is make the price at the pumps skyrocket. It gets right back to supply and demand.

By the way, those who are trying to use the argument that this somehow is going to produce revenue that is going to be used, I suggest even the White House's figures, the maximum revenue generated would be \$4 billion. Keep in mind, they lose all the benefits, so that is not a net of \$4 billion.

Take the State of Texas, for example. They do not have an income tax. They have the oil tax that has run that State very well for a long period of time. Senator MENENDEZ made a statement and said taxing the oil companies is not going to bring down the price of gas. They are not even claiming it will. I just think that when one sees such an obvious solution to the problem—just exploit our own resources—we are very foolish not to do that.

We all talk about the solutions to the problem. We talk about the spending of this administration, more debt increases in just the first 2 years of the Obama administration than the entire debt since George Washington, in the history of this country, the huge spending, the \$5 trillion in the President's three budgets of deficit—I remember coming down and complaining

in 1995, at this very podium, when the Clinton administration came out with a budget for fiscal year 1996 and it was \$1.5 trillion. I said: We cannot sustain that level. Now it is \$1.5 trillion in each of the three budgets, just the deficit. That is more than the entire United States of America back in 1996.

I suggest that when people say there are only two solutions to this problem, either reduce spending, which would be my choice, or increase taxes, which I would not do, I say there is a third option. That option is to do something about the cost of regulation. Right now, if we just take what the EPA is doing in five—in fact, I will say three of the major overregulations we are going over right now—people in the Senate know we have defeated cap-and-trade legislatively by massive percentages five times since 2003. This administration says: If we cannot have cap and trade, we are going to do it, not legislatively, we will do it through the EPA. That is what is going on now with greenhouse gases.

If you add up what the administration is doing in terms of the cost of greenhouse gas regulations, that is between \$300 billion and \$400 billion; on ozone, if they choose—and they said they are going to choose—the 60-parts-per-billion standard, that would be \$676 billion; the boiler MACT would be something in excess of \$1 billion. Throw in utility MACT and cement MACT, it comes to \$1 trillion. This is what I am trying to get at. I used the figure that for every 1 percent increase in economic activity, it produces new revenue of \$42 billion. That has changed. According to the Congressional Research Service—they are bipartisan, they are factual—for every 1 percent increase in GDP, it produces \$50 billion additional revenues.

If we just take these regulations and add them up, all the increase of costs to GDP of the three regulations I mentioned, that is \$1 trillion. If we take the fact it is \$14 trillion GDP in a given year, this would be 7 percent of that \$14 trillion. For each 1 percent, it would be \$50 billion. We could generate new revenue of \$350 billion just by taking this overregulation out of our society.

One can argue: INHOFE, that is not true because these regulations have not passed yet. That is right, so it would probably right now be about half that. When the Obama administration came in and announced these regulations were coming, the manufacturers, the producers, those who are driving the economic ship were the ones who said that because of the uncertainty of these regulations, we are going to slow down what we are doing. If we were to lift all these regulations, I assure my colleagues we would be approaching, at least by 1 year, \$350 billion. That is without a tax increase. That is without reducing spending.

We need to look at this realistically because this is an opportunity we have. A lot of people remember back in the days of Ronald Reagan. I can say the

same thing back in the days of President Kennedy. Of course, he was a Democrat. They felt overregulation and high taxation was an inhibiting factor to slow down revenue. Of course, in the case of Ronald Reagan, the total revenue coming from the marginal rates of 1980 was \$244 billion. In 1988, it was \$466 billion. That was at a time when we had the largest reduction of taxes and regulations in this society. It is shown to be true over the years.

My bottom line is this: People know about spending. People know about taxes. They do not know about regulations. The people who are affected directly—the manufacturers—understand it. The figures I am using are actual figures we have gotten with which no one argues. The fact that \$50 billion of increased revenue comes from each 1 percent increase in GDP is a fact that is supported by the CRS.

I offer that, along with our opportunity to become totally independent from the Middle East, with regard to our ability to run this machine called America.

Before I yield the floor, I see the Senator from Alaska. I hope he was listening to what I was talking about because the opportunities in Alaska are tremendous—26.6 billion barrels of oil. I am sure he understands that. I wish to make sure everybody else does.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

EXECUTIVE SESSION

NOMINATION OF ARENDA L. WRIGHT ALLEN TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF VIRGINIA

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the nomination of Arenda L. Wright Allen, which the clerk will report.

The assistant legislative clerk read the nomination of Arenda L. Wright Allen, of Virginia, to be United States District Judge for the Eastern District of Virginia.

The PRESIDING OFFICER. Under the previous order, there will be 1 hour of debate with respect to the nomination, with the time equally divided in the usual form.

Mr. LEAHY. Mr. President, I thank the majority leader for scheduling today's vote on the nomination of Arenda

L. Wright Allen to fill a vacancy on the Federal District Court for the Eastern District of Virginia. This is the fifth judicial nomination the Senate has considered since returning from the Easter recess. I hope this is a sign of progress. Another 11 judicial nominations are pending on the Senate's Executive Calendar, and with judicial vacancies around the country remaining above 90, we still have a long way to go to address the needs of the Federal judiciary.

Arenda Wright Allen's nomination has the strong support of both of her home State Senators, Senator WEBB and Senator WARNER. When she is confirmed, Ms. Wright Allen will become the first African-American woman to serve as a district court judge in Virginia. Her nomination was reported unanimously by the Judiciary Committee over a month ago, along with that of another Virginia nominee, Michael Francis Urbanski, who has been nominated to the Western District of Virginia.

In her 25-year legal career, Ms. Wright Allen has served as a Federal defense attorney, a Federal prosecutor, and a military attorney. She is currently a supervisory assistant Federal public defender in the Eastern District of Virginia having previously served as an assistant U.S. attorney and in the U.S. Navy's Judge Advocate General's Corps. It is vital to have men and women serve as judges who have been prosecutors and defense attorneys. This nominee has been both, and I am sure her experience will serve her well when she is confirmed.

Recently, Republican Senators have tried to twist qualified nominees' litigation experience against them. Their partisan attacks are not consistent. Republicans oppose some nominees by saying that they do not have sufficient litigation experience. When a nominee has extensive experience and is a successful trial lawyer, they reverse themselves and complain that the nominee has too much experience and will be biased by it. They opposed Judge McConnell of Rhode Island on this supposed ground. They opposed Judge Chen of California despite his 10 years as a fair and impartial Federal magistrate judge. I hope they will not now oppose Ms. Wright Allen because she served as a Federal public defender. All of these nominees have assured us that they understand the difference between being an advocate for a client and serving as a judge. I have no doubt that they do.

With continued cooperation from both sides of the aisle, the Senate should also consider the other 11 judicial nominees ready for final Senate action. We should certainly proceed with the judicial nominees for whom there is no opposition and no reason for delay. That would allow us to confirm another seven nominees. They have all been thoroughly reviewed by the members of the Judiciary Committee and have all been recommended to the Senate unanimously. They are Judge

Urbanski; Clair C. Cecchi to fill a vacancy in New Jersey; Esther Salas to fill another vacancy in New Jersey; Paul Oetken and Paul Engelmayer to fill vacancies in the Southern District of New York; Ramona Manglona to fill a vacancy in the Marianas Islands; and Bernice Donald of Tennessee, to fill a vacancy on the Sixth Circuit.

I also hope that we can soon consider two of the nominees currently awaiting a Senate vote who have twice been considered by the Judiciary Committee and have twice been reported with strong bipartisan support, first last year and again in February. They are Susan Carney of Connecticut to fill a judicial emergency vacancy on Second Circuit and Michael Simon to fill a judicial emergency vacancy on the District Court in Oregon. We should also consider the nomination of Goodwin Liu to fill a judicial emergency vacancy on the Ninth Circuit, a nomination we have reported favorably three times, and the nomination of Caitlin Halligan to fill a judicial vacancy on the DC Circuit, which we reported favorably over 2 months ago.

All these nominees have a strong commitment to the rule of law and a demonstrated faithfulness to the Constitution. They should have an up-or-down vote after being considered by the Judiciary Committee and without additional weeks and months of needless delay.

Federal judicial vacancies around the country still number too many, and they have persisted for too long. Whereas the Democratic majority in the Senate reduced vacancies from 110 to 60 in President Bush's first 2 years, judicial vacancies still number 91 over 27 months into President Obama's term. By now, judicial vacancies should have been cut in half, but we have barely kept up with attrition. If we join together to consider all of the judicial nominations now on the Senate's Executive Calendar, we would be able to reduce vacancies to 80 for the first time since July 2009.

Regrettably, the Senate has not reduced vacancies as dramatically as we did during the Bush administration. In fact, the Senate has reversed course during the Obama administration, with the slow pace of confirmations keeping judicial vacancies at crisis levels. Over the 8 years of the Bush administration, from 2001 to 2009, we reduced judicial vacancies from 110 to a low of 34. That has now been reversed, with vacancies staying above 90 since August 2009. The vacancy rate—which we reduced from 10 percent at the end of President Clinton's term to 6 percent by this date in President Bush's third year and ultimately to less than 4 percent in 2008—is now back to more than 10 percent.

We have a long way to go to do as well as we did during President Bush's first term, when we confirmed 205 of his judicial nominations. We confirmed 100 of those judicial nominations during the 17 months I was chairman during President Bush's first 2 years in of-

fice. So far, well into President Obama's third year in office, the Senate has only been allowed to consider 82 of President Obama's Federal circuit and district court nominees, well short of 205.

The last 2 weeks are a sign that the Senate can consider these nominations. We must work together to ensure that the Federal judiciary has the judges it needs to provide justice to Americans in courts throughout the country. Judicial vacancies throughout the country hinder the Federal judiciary's ability to fulfill its constitutional role. That is why Chief Justice Roberts, Attorney General Holder, and the President of the United States have spoken out and urged the Senate to act.

I congratulate Ms. Wright Allen and her family on her confirmation today.

The Senator from Alaska is recognized.

Mr. BEGICH. Mr. President, I ask unanimous consent to speak as in morning business and that the time be counted against the Democratic side.

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

ENERGY SECURITY

Mr. BEGICH. Mr. President, I say to my friend from Oklahoma, absolutely, I am aware of the quantity and value of Alaska oil and gas today. I rise to discuss this issue, as well as a few others related to the issues of oil and gas.

I rise to discuss an issue foremost on the minds of my constituents and a concern to all Americans: the rising cost of energy. I wish to outline the proposals aimed at providing short-term relief for high prices at the pump and to ensure America's long-term energy security. These are the issues which have been discussed many times in this Chamber. The time for talk has passed. The time to act is now. High energy prices today already are pinching the pocketbooks of families and crippling our small businesses across my State and across this country.

When I was home over the recess, I visited the roaded areas of Alaska. These are communities connected by our highway road system, from Kenai Peninsula to Fairbanks, where gas prices are well over \$4 a gallon. As one can see on the poster next to me, they range from \$4.15 to \$4.45 a gallon. These prices might look good to some of my colleagues who saw gas prices over \$5 a gallon in their States, but off the road system in Alaska prices are much higher. The fact is prices for gasoline and home heating oil never came down in rural Alaska. They have been well over \$5 a gallon for years. Some places, such as Anaktuvuk Pass are nearly \$10 a gallon.

I started a discussion with Alaskans on Facebook to just see how these high prices are affecting their budgets.

Some families are already facing tough choices to make their budgets balance. For families commuting into Anchorage from the Mat-Su Valley every day, they are forced to pay more than \$100 a week to fuel up. That is

more than a pocketbook pinch, it is a punch.

Even worse, families know the price isn't coming down anytime soon. Even though speculation ranges all over the place, prices are expected to rise still another 30 to 40 cents by July.

Mr. President, families know the price of fuel is not coming down anytime soon. As I mentioned, it is continuing to rise. It is not just affecting families but businesses. They feel the sticker shock also at the pump. We are seeing businesses through rising food and delivery prices making up the difference. These families and businesses expect us to act now. No more excuses.

Energy is one place where we should be able to find bipartisan common ground. I have been calling for a comprehensive energy bill from day one in the Senate. Our lack of progress is frustrating. We were real close last spring, but now here we are again.

We need to provide Americans with reliable and affordable energy in three ways: short-term relief for consumers, new renewable energy sources for reliable electricity prices and keep strong investment in alternative transportation systems, and increase domestic oil and gas production so we are not dependent on unfriendly foreign sources.

First, the short term, which I call the pocketbook relief. We must help families keep their budgets balanced and help ensure that increasing consumer confidence doesn't falter. To do that, I have introduced the Family Account to Save on Transportation—or the FAST Act—to help families get through high gas prices over the next 2 years.

This bill will allow us to set up pretax transportation savings accounts—just like medical savings accounts—to help offset the pain of high gas prices on the family pocketbook. The bill would sunset in 2 years, so it would have no long-term burden on the Federal budget.

Second, we have to bring online alternative power sources to buffer power companies from price shocks of rising oil and gas prices. No matter where you are in Alaska, you don't have to go far to find alternative energy sources—wind, tidal, geothermal, and hydro. Even in these tough budget times, this is a good investment to strengthen our economy far into the future.

The same is true for alternative transportation systems and fuels. We must fully support efforts to develop electric, hybrid, and highly efficient vehicles. At the same time we must recognize most working families cannot afford to purchase a new vehicle. So we need to find other ways to reduce their transportation costs, such as greater investment in city-to-city commuter services.

The recent investment in high-speed rail is positive but is not reaching most of the country, and will not. Even in Alaska we have the potential for commuter rail. It is critical to move commuters from city to city and cut the

\$100-a-week gas prices folks from Mat-Su pay as they drive into Anchorage for employment.

Solving our energy security challenge cannot just focus on reducing consumption. Yes, it is important. But we must cut the use of fossil fuels in all sectors—as identified through consumption, especially transportation—but we also need to increase our domestic production.

Every new oil and gas development buys our country more energy and national security while also creating American jobs. Unfortunately, we are going in the wrong direction. Thirty years ago, 28 percent of our oil was imported; today it is 60 percent.

While our largest share of oil imports comes from Canada, too much is coming from unstable countries or those openly hostile to the United States. Not only will we become increasingly dependent on these countries for our oil, we are exporting over \$1 billion a day. Let me repeat that: We export \$1 billion a day.

In my home State of Alaska we have vast potential to increase America's energy security. The fact is, developing Alaska's oil and gas resources buys our country decades of energy security by offsetting foreign imports from unfriendly countries.

Consider a few examples which I have reflected on the board next to me.

Developing offshore resources in the Chukchi and the Beaufort Sea will produce 1.8 million barrels of oil a day. This is easily enough to offset oil imports from Saudi Arabia. We could even cover Iraq too. Developing the oil beneath the Arctic National Wildlife Refuge, ANWR, could offset imports from Nigeria. Developing the CD-5 project in the National Petroleum Reserve-Alaska—the National Petroleum Reserve-Alaska, set up for petroleum products and production—and BP's Liberty project could replace daily imports from Libya.

This does not even include the tremendous onshore and offshore natural gas resources we have in Alaska. One-third of the country's supply is in Alaska. So why aren't we developing these enormous resources in my State? Two words: politics, bureaucrats.

Mr. President, earlier this year President Obama went to Brazil where he declared that America wants to be a customer for Brazilian oil and natural gas. I have to say, we don't need to go to Brazil to do that. We can do it right here in Alaska, with our people, our resources and our opportunities. I reminded the President of that, and I will remind him on a regular basis. To his credit, I will say later in the month he did mention Alaska. In his call for energy and domestic energy independence, he mentioned Alaska.

Unfortunately, the bureaucrats in his administration are not listening. They are tossing up barriers to additional Alaskan oil and gas production every chance they get. Sadly, some of my colleagues in this body are not much

better. Instead of addressing the problem with specific solutions, they are going for headlines by dragging energy company executives before committees or proposing the rollback of incentives for increased domestic energy production, some of which have been on the books for decades.

Let's stop the headline grabbing and get serious about energy security. I have three ideas: First, better coordinate the Federal offshore permitting process. I introduced legislation before our recess to create the Arctic OCS Coordinator, modeled after legislation the late Senator Ted Stevens passed establishing a Federal gas pipeline coordinator. My bill addresses the problem too many projects are caught up in.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BEGICH. I ask unanimous consent for an additional 3 minutes.

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

Mr. BEGICH. Too many projects are caught up in what I call the "regulatory whack-a-mole." You think you have smacked down one regulatory hurdle and another one pops up. My bill would give authority to work across the agencies causing companies so much heartburn today—the EPA, the Army Corps of Engineers, and the Department of the Interior, just to name a few.

Second, let's align the clean air standards for offshore drilling permits among the affected Federal agencies. We must have a level playing field whether you are in Alaska or the Gulf of Mexico or the Eastern United States.

As my colleague from Louisiana knows—who is here joining me on the floor—Louisiana has one rule, and Alaska has another rule for the same issue.

Third, let's invest in American transportation and safety infrastructure to develop oil and gas resources in frontier areas. The fact is, we need a far greater Coast Guard presence in the Arctic for oilspill prevention and response.

We also need to invest in our pipeline infrastructure, including the Alaskan Natural Gasoline, to move oil and gas resources from the Arctic to other U.S. regions.

There is a lot of talk right now about ending tax incentives for the oil and gas industry. With the high profits right now, these companies are easy targets. But one thing every Alaskan knows—just because you have an easy target doesn't mean it is the right thing to shoot. It would not decrease gas prices at the pump for our families and our small businesses. It will discourage companies, especially the independents, from domestic investment and job creation.

As someone who represents a State with the highest energy prices in the country, and some of the best renewable and traditional energy resources, I am ready to join my colleagues on both

sides of the aisle to address America's energy needs now. We need to set a hard target. That is why I am asking my colleagues to get serious about a real energy plan and give Americans freedom from high gas prices by the Fourth of July.

Let's work together, roll up our sleeves and pass a real comprehensive energy plan our families and our small businesses can get behind. Let's finally invest in our energy future and put the reforms in place for our long-term energy security.

Mr. President, I recognize my colleague from Louisiana—another great State for oil and gas development—is on the floor with me, and I yield the floor at this time.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I thank my colleague from Alaska for asking me to join him in a general presentation and potential colloquy between the two of us about the importance of continuing our support for oil and gas production in the United States by the large international companies that have operated in our country and around the world now for many years, as well as by the hundreds, if not thousands, of independents that operate doing the same.

There is going to be a bill that will be debated in the Senate Finance Committee tomorrow. It is S. 940, sponsored by the Senator from New Jersey, our colleague, Senator MENENDEZ. I want to go on record in strongly opposing it, and I will give some reasons why, and I urge my colleagues, when this bill comes up—which I understand it will come directly to the floor of the Senate without being heard, as is tradition, in the committee—to vote it down.

I doubt the bill, in its current form—or in any form that it could be modified—can get the 60 votes necessary for passage, but I would like to add my strong voice in urging my colleagues to read this bill, to look at it and understand the inherent unfairness in it, the lack of significant deficit reduction, and the fact that it will not—although it is being touted to do so—reduce gasoline prices by one penny.

Mr. President, I want to start with some facts that people might find very interesting, or hard to believe, based on the political rhetoric they have been hearing from the sponsors of this bill and others in the Senate. The story line goes something like this: Big oil makes huge profits at the expense of everyone. They pay virtually nothing in taxes, and we subsidize them. Why are we doing this? Why don't we stop?

I think it would be good to get a few things clarified for the record. It may be surprising to American taxpayers to know that of the \$16.6 billion spent on U.S. energy subsidies over the course of 1 year, oil and gas subsidies account for less than 13 percent. I want to say that again. Of the \$16.6 billion spent on U.S. energy subsidies over the course of 1 year, fuels such as renewables, refined

coal, nuclear, solar, hydro, et cetera, account for 85 percent. Oil and gas is less than 15 percent—actually, 13 percent.

Now, you would think because of this bill, S. 940, that big oil and gas companies are getting all the subsidies, making all the profits, paying no taxes, and the rest of us are suffering. Nothing could be further from the truth.

Let me repeat: This bill, S. 940, is going to repeal virtually all subsidies from one industry, and one sector of one industry—oil and gas companies—but they only get 13 percent of all the energy subsidies.

Why aren't we talking about the other 85 percent? Some of them—in some people's minds—create some harm to the environment, whether it be dams blocking up rivers so fisheries are extinct or whether it is coal that has its own issues. Of course nuclear doesn't have any problems. We must not be paying attention to what is happening in Japan. Why are we singling out one sector of one part of the energy industry to repeal the subsidies when it will, in fact, have the opposite effect of reducing gasoline prices? Even one of its cosponsors said publicly for us not to be fooled, this will not reduce gasoline prices. Why are we doing it? Will it create jobs? No. It will actually hurt job production in the United States.

According to the EIA study—which is the U.S. Government, not a company—published in 2008, the oil and natural gas industry received 13 percent of the subsidies while producing 60 percent of the energy. Let me repeat. This industry got only 13 percent of the subsidies but produced 60 percent of the energy. But the bill, S. 940, is going to be debated in the Finance Committee where the industry leaders are going to be called to talk about this gimmick, 940, but the oil and gas industry, with their independent counterparts, produced 60 percent of the energy.

I would like to say where exactly that energy comes from because it really is a bone of contention. The Senator from Alaska will appreciate this. The sponsor of this bill represents a State that is one of the highest deficit energy-producing States in the Nation because some of us do this better than others. Louisiana produces a lot of energy. Alaska produces a lot of energy. Texas produces a lot of energy.

Some States like to consume a lot and produce nothing. That would be like some of our States that put some of their land in agriculture so they can produce food—other States saying: We don't want to produce food, but we expect you to provide it to us—provide it to us when we want it, how we want it, and for the price we want it. And I am tired of it, and so are the people I represent.

I want to put this deficit chart up here. We have seen a lot of deficit charts about deficits of infrastructure, real deficits of money, debt. Let me talk to you about the deficit and the debt owed by some States in this Union

that consume a lot, talk a lot, and produce nothing.

California has the greatest deficit. It consumes a tremendous amount of energy, and the imbalance is the highest. It produces the least, consumes the most. To California's benefit, before Senators FEINSTEIN and BOXER run down here to argue this point, I want to concede this one point: California has been on the forefront of energy conservation and efficiency. This chart does not recognize them for that, but I will concede that point, and I am going to have some further data to explain that. California, while it doesn't produce a lot of energy—it consumes a tremendous amount—at least California has been in the forefront of savings and efficiency because there are a lot of States up here that don't produce, don't conserve, are not efficient, and all they want to do is yell about high gas prices. Why don't you do something about it?

Florida is a perfect example. Florida has a net deficit in Btu's. I guess it is 3.889 billion. Florida is a great example. I don't think Florida does much in nuclear. I don't think they do much in hydro. They have a lot of Sun; I don't know how much solar they are doing. They will not let anybody produce oil and gas on or off their shores, but they sure fill up a lot of their gas tanks every day. They sure fire up those hotels and those restaurants with that energy. Where do they get their energy from? If it weren't so serious, it would be laughable. They have a gas line that goes from Mobile, AL, to the Florida peninsula. We pump the gas out of Louisiana, Mississippi, and Alabama, put it in a pipeline, and ship it under the Gulf of Mexico so they can light up their State. Would they ever think of putting in an oil and gas well or building a nuclear powerplant? If they can't do that, why don't they conserve their energy?

New York is another user of energy which produces very little; Ohio, Georgia, New Jersey, North Carolina, Michigan, and Illinois. Some of these States, such as New Jersey and Michigan—think about what they look like. They have big factories, they have big industries. Michigan is home to the automobile industry, so they use a lot of gas in producing things we all use, so we want to give them credit for that. But still the fact remains that Michigan uses a lot more energy than it produces.

Then you get down here to what I call the gold-star States.

We get criticized so much, we are treated like we are some sort of pariah sometimes, but I think we do a great job—Kentucky, Alaska, New Mexico, Louisiana, West Virginia, and Wyoming. Alaska is up here somewhere—Alaska is right here. Kentucky, Alaska, New Mexico, Louisiana, West Virginia, and Wyoming. We produce enough energy for everybody in our State, what we need, and we export it to everyone else in America who needs

it. And what do we get? We get bills like this that go after, directly, the big companies in our State, that work in our State, to somehow put them in a position to make them feel as if they are not really good companies, they are not American companies, they don't pay tax, they get all these subsidies. I am going to read into the record what taxes they pay. It is going to surprise you. Then, on top of that, we get moratoriums, we get permatoriums. We can't even drill for the oil we have. We can't even look for the oil we might have.

When I go home, my people ask me—and it is a very hard thing for me to answer, and maybe they ask Senator BEGICH the same thing—they say: Senator, since we do so much to produce energy for the country, why do we pay \$4 a gallon for gasoline and sometimes we pay a little bit more than everybody else? They don't produce anything, Senator. Why do we pay so much?

Can the Senator tell me what he answers his people because I don't know what to tell them other than this place is a little screwed up. Until I get an answer for that, and I will ask the Senator—go ahead, what do you tell them?

Mr. BEGICH. That is a hard one to answer because they see the oil flowing. As I mentioned, we have \$10-a-gallon gas in some of our communities—\$10 a gallon. So it is hard to explain that, yes, we are the big producer, but the rest of the country then picks on us.

I am just listening, and it is unbelievable, the green slice you have there.

Ms. LANDRIEU. I say to the Senator, because he raises an excellent point, President Obama is not the first President to go overseas and ask them to produce more oil to send it to us. This goes on—President Clinton did it. President Bush did it. We beg Saudi Arabia to produce more energy. We ask OPEC to please don't tighten it so much so our prices—why don't you go to the local OPEC or the local producers, which are Kentucky, Alaska, New Mexico, West Virginia, Louisiana, and Wyoming? Why don't you help us produce more, because we can do it. But we get shut down by bureaucracy, moratoriums, permatoriums, rules, regulations, EPA, refuges. We can't even get free to produce the energy that we can produce for this country. Then you have all these middle States that do a fairly good job on balance.

But I tell you, if we passed a law here that said every State in America had to produce the energy it needed, we would have an energy policy all right, Senator BEGICH knows. I don't know what it would be, but it would be an interesting rule, you know, just like in the old days—if you wanted food, you produced it. It would be a great law. Every State in America, all 50, if you consume energy, you need to produce something. You could produce it by wind; you could produce it by hydro;

you could produce it by nuclear; you could stop driving your automobiles and have everybody walk; you could give everybody a bicycle. We don't care. Just eliminate the energy deficit. That would be a very interesting discussion to have, and I might even file a bill like that because this one is so ridiculous, people might actually read the one I would file.

Let me give a couple of other stats, and then I know I am exceeding my time. I want to ask for 2 more minutes. I want to put to rest this issue that the big oil companies don't pay any taxes.

This is from *Forbes* magazine, so take it as it is. It is slanted toward industry, I give you that. It is not left of center, it is right of center, sometimes very right, but I think you can check these figures with anybody else. I am assuming they are accurate. This is for the top 20 most profitable U.S. corporations in 2010.

ExxonMobil's net income was \$30 billion. Their tax rate was not 10 percent, not 15 percent, not 25 percent, not 35 percent—a 45-percent tax rate. Their estimated worldwide tax bill was \$90 billion. Of \$10 billion in total taxes paid in the United States, \$3 billion was income tax. Let's go on. ConocoPhillips' tax rate was 42 percent; pre-income tax, \$19.8 billion; net, \$11.4; tax rate, 42. Chevron was 40 percent.

So let's review: Exxon, 45 percent; Conoco, 42; and Chevron, 40. Do you want to know what Google was? Google is a pretty big company. They don't produce oil and gas. They have another line of business. Their tax rate was only 21 percent.

Let's take Hewlett-Packard—not in my State, in other parts of the country. Their headquarters is not in the South. Their tax rate was 20 percent. Apple Computer's tax rate was 24 percent.

People will say: It is not just the rate; it is what you paid. But I think if you look—Coca-Cola, very big company, their tax rate was down to 16.7 percent.

Does this make sense? No. So that is why we need tax reform, significant transformational tax reform, so all big companies pay similar in taxes and we eliminate some of these loopholes that don't make sense. I could be for that. I could be for that when we are talking about Google, Apple, GM, GE, ExxonMobil, and Chevron. But if you are going to ask me to stand here and pick on one industry that pays billions of dollars in taxes, that only gets 13 percent of the energy subsidies, that hires—350,000 people in my State are hired by oil and gas companies or their contractors or affiliates, large and small, not just the large. And when I see what our people produce and these States produce nothing, or virtually nothing, and you ask me can I vote for a bill like this? No. Not only can I not vote for it, it is laughable.

I hope the Senator from Alaska and I—I know we are going to be the skunks at the garden party because, as

Democrats, to be against this bill, it is going to be because we just have to coddle this industry. I don't coddle this industry. I am holding BP's feet to the fire. I want Exxon to pay the tax they owe. I want Chevron to pay the tax they owe. I want this President and this administration to stop the moratorium and the permatorium in the gulf. I want to get our people back to work.

I would much love to reduce gasoline prices, and one way we could do it is if cars did not have to be so dependent on gasoline. Why don't we give a significant subsidy to produce different kinds of automobiles? I would vote for that. I have voted for that. If you had a car right now running on natural gas, you would be paying the equivalent of \$2 a gallon for gasoline at the pump. That is much better, I say to the Senator, than \$10. Why don't we take some money and invest in natural gas vehicles or more incentive for electric vehicles? If people are really serious about breaking the back of OPEC, then start building the kinds of automobiles and infrastructure in this country necessary to do it and stop introducing gimmicks such as this that might get you a few political points in the short run, but it is not leading us in the right direction.

Having beat up on the Democrats, let me say something about the Republican side.

All they want to talk about is drill, drill, drill. We cannot drill our way out of the situation we are in. Do I want to drill more? Yes. Do I think there is more than 2 percent of the world's oil and gas in America? Yes. But you know what? You have to look for it in order to find it.

We are under certain provisions—the Senator knows in Alaska, we cannot even go look for the oil and gas we might have. The Senator might want to talk about that, and I am going to close in a minute.

Mr. BEGICH. To the Senator from Louisiana, let me say, when you describe the moratorium or whatever they call it in the gulf, it is even worse in the Arctic, or even on, as I mentioned when I had the map and I showed the National Petroleum Reserve. That is not a name picked out of the sky by the industry. That was set aside by the government to prepare our country for more energy independence decades ago.

We cannot even get a permit to go across—in some places, they call it a stream. But everyone else now calls it a big river. It is not. It is a very small area. But a bridge to go over to explore for what you described—we cannot even get onto the land the government set aside that would then determine if we have oil and gas. We believe there is, because obviously they have—it is set aside as the National Petroleum Reserve.

But the other piece to this—the Senator hammered away on it and I agree with her—if we are skunks at the garden, so be it, because it is a question of

fairness. As the Senator described the 13 percent of the subsidies or incentives they receive, they produce 60 percent of the energy. But her other statistic is even more dramatic.

Of the remaining 87 percent of those subsidies, they only produce 40 percent of the energy. If this were a business, you would eliminate that part of the equation because it does not give a good return on investment. But we are still doing that, because there is a lot of politics being played.

The point on the tax issue. Like the Senator, I think there should be an overhaul to this tax system. But picking on one industry because it sounds good, rates good in the polls, gets you a couple of headlines, is not what the American people want us to do here. If anything, they are getting fed up with that.

What they want us to do is sit down and, as you have described so eloquently in the description of the country, you bet, I would love every State to do it, produce. Then they would see what we go through. Because we are a collective group of States, we do our part, but we should not be picked up because we do more than our share, because we are trying to help out States that are producing vehicles or producing, you know, a lot of chemical industry, and other things, or the pharmaceutical industry. We can go through those lists that somehow do not end up on these, getting rid of their subsidies.

Your point is right on. If there is anything we should be doing right now—I agree with the Senator—it is the issue of—when I open the paper and I see administration officials, current and past, saying the way we are going to control our energy cost is talk to Saudi Arabia. Is that our energy policy? Because that sure the heck is one that, one, does not create one job here; two, is the worst national policy from a national security perspective; and, three, it is foolish, as I mentioned earlier, that we export \$1 billion a day out of this country to buy from countries—and in some cases good allies. Canada is a good example. Some of these countries are not our friends, but we are giving them cash so they can then use it against us. It does not make any sense. You are right, this piece of legislation they have put down without a committee process on it is a gimmick; a gimmick to get the next week of activity, get some press out there. But we have to be serious.

I appreciate the Senator yielding for me to rant a little bit. I am glad you said the part too, the assumption is that these companies pay no taxes, that somehow they get the subsidies and they pay nothing. You bet you they are profitable. They are big companies. They are huge companies. But they pay taxes in the billions to the Treasury of this government. When you listed out all of those differential rates, that is again why we need tax reform. Then I am happy to have this dis-

cussion, but not singling out an industry because it is a good political score and good fodder for the newsprint and everything else. I appreciate the Senator yielding me a few more minutes to ramble there a little bit.

Ms. LANDRIEU. I thank the Senator. I wish to ask the Senator a final point. We are going to hear tomorrow speeches given about America is at the highest production levels ever. That may be true. But it is true for a very short period of time—maybe the next month or two—because as you can see, there is going to be a precipitous fall. Why? Because of the Deepwater Horizon, the shutdown in the Gulf of Mexico. Even though people say we are at the highest production levels we ever have been, it is going to be temporary. Then the production levels are going to decline down to the lowest level since 1997.

I want people to understand, we are not on a path to produce more in America. We are on a path to produce less. And taking all subsidies away from the five major international oil companies is not going to change this line. It is going to make it continue to go down. It is not going to reduce the price of gasoline at the pump, not by one penny. It is not going to get us on the path to a strong, sound energy policy.

I will say in conclusion, should some of these subsidies and tax credits be looked at? Yes, in a comprehensive format. And I will say, I will be open to the ones that are the least effective, the least necessary, and are fairly applied across companies such as Google, AT&T, GE, and other companies. I will be happy to do my part. People in Louisiana will do our part.

But we are not, along with Texas and Oklahoma and Alaska, going to take it all on our shoulders. We have had enough. We have had high water. We have had high wind. We now have a high river. We have a moratorium. We have a permitatorium, and now we have no more subsidies.

At least they left the independents out. I want to thank them for not putting independent oil and gas companies in this bill. But still, the big five pay a significant amount of tax. They take a smaller percentage of the overall subsidy. I think we need to do this in a fairer way.

I am yielding my time.

Mr. BEGICH. If I can make one last comment, the chart that you have up there, there is one other piece on there. It is the Alaska oil pipeline. We are at a little over 600,000 barrels a day going through there. We are losing 6 to 7 percent a year in volume, and it will not be a question—somebody will say: Well, you will get down to zero and then you will stop the pipeline. No. No. When we get down to a level of 300,000 or 400,000 barrels, then it will be questionable if we can even run the line. Then you can actually potentially shut off the whole volume. So the chart there is important because we have to look at the

long term. Because if we decide today to have a comprehensive energy plan that includes conservation, alternative energy, renewable energy and, yes, domestic production, the Senator from Louisiana knows, as I know, you cannot walk down the street and say, we are going to start drilling tomorrow and suddenly, voila, there is fuel. It is a 7- to 10-year process. So that chart is a critical chart, because in order to reach that decline, you have to start doing something today. Unless we decide the policy of this country, what the energy policy of this country is, we will pick up the phone and we will call Saudi Arabia, Nigeria, Iraq, Iran, Libya—that is the list, that is our policy—then so be it. I think that is the worst policy we could have ever for this country.

Again, thank you to the Senator from Louisiana. Again, if we are skunks at the garden, my view is we will be good-smelling skunks.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRASSLEY. Mr. President, today the Senate continues its very rapid pace to confirm another of President Obama's judicial nominees. The Judiciary Committee's workload has not slowed since this Congress convened. I am pleased to report we are ahead of the pace of the 108th Congress. With this vote, the Senate will have confirmed 22 nominees in just 47 days. That is a rate of one judge almost every other day of Senate session. We have confirmed 32 percent of President Obama's judicial nominees this Congress compared to only 29 percent of President Bush's confirmed during the same time period.

We have also reported out of committee another 11 nominees. We have reported out of committee 46 percent of President Obama's nominees sent to the Senate this year. That exceeds the 38 percent of President Bush's nominees reported out during a comparable period.

Furthermore, we have held hearings on 10 nominees. Some of those, I expect, will be reported out of committee at our markup scheduled for tomorrow. In total, we have taken positive action on 43 of 71 judicial nominees submitted this Congress or approximately 61 percent of all nominees. I hope these facts will put to rest, once and for all, any complaints that we are delaying or obstructing judicial nominees.

There are currently 89 vacancies before the courts. Yet the President has not sent nominees for 51 percent of those vacancies. He has, however, sent the Senate four nominees for seats which are not yet vacant. This is perplexing to me since the current vacancy rate is 10 percent. I would think

the White House would concentrate on current vacancies. Nevertheless, we simply cannot confirm nominees who do not exist.

I have a few remarks regarding the nomination we are voting on today—Arenda Laurretta Wright Allen, who is nominated to be U.S. district judge for the Eastern District of Virginia. Mrs. Allen received her B.A. from Kutztown State College in 1982 and her juris doctorate from North Carolina Central University School of Law in 1985. Following law school, she was commissioned into the U.S. Navy as an ensign. She served there as legal intern in the Naval Legal Service, Office of Judge Advocate General's Corps. In the same year, she was promoted to lieutenant and became a defense attorney for the Navy. In 1988, the nominee became the staff judge advocate at the Naval Air and Engineering Center, where she was the sole legal advisor to the commanding officer.

Leaving the Navy in 1990, Mrs. Allen joined the U.S. Attorney's Office for the Western District of Virginia as an assistant U.S. attorney. In 1991, she moved to the Eastern District of Virginia, where she remained for the next 15 years as an assistant U.S. attorney. In 2005, the nominee left the U.S. Attorney's Office to become an assistant Federal public defender with the Federal Public Defender's Office for the Eastern District of Virginia. The American Bar Association Standing Committee on the Federal Judiciary has given her the rating of majority "qualified", minority "well qualified."

I congratulate the nominee and her achievement and public service. I urge my colleagues to support this nomination. Hopefully, it will be supported unanimously.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. STABENOW. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Ms. STABENOW. Mr. President, I ask unanimous consent to speak as in morning business.

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

Ms. STABENOW. I understand we are in the time of our Republican colleagues, so I would just indicate that if we have a Republican who comes to the floor during that time, I will certainly be glad to stop and yield to them.

GAS PRICES—PAYING TWICE

Mr. President, I wish to speak about something that is incredibly important to the families and businesses of Michigan—I am sure it is true in Pennsylvania as well—and that is the great concern about what is happening in terms of gas prices going through the roof right now. We have families that are paying as much for gasoline at the

pump as they are paying for their health care and almost as much as they are paying for groceries right now to put food on the table for their families.

What adds insult to injury is that we are seeing an industry, the top five companies with the highest profits ever, also receiving taxpayer subsidies. So we pay twice. We pay at the pump in outrageous prices, and we pay again when we are paying as taxpayers to support an industry that clearly does not need to be subsidized.

We are involved in a major debate right now about what to do about a very large deficit. I was here when we balanced the budget in 1997, when I was in the House, and I was proud to do that. I was here when we had the largest surplus in the history of the country. In 2001, a number of things happened, including policy decisions that put us back into a deficit. So we have to dig out again, and it is very serious.

So the question is, What are our priorities? Our Republican colleagues in the House have said their priority is to eliminate Medicare as we know it—eliminate Medicare and balance the budget on the backs of tens of millions of seniors in our country. In the Senate we are saying: Wait a minute. Let's start with taxpayer subsidies, some of which have gone on for 70 or 80 years that are now being given to an industry that is the most profitable in our country and probably the world and that clearly do not need taxpayer subsidies. Why don't we start there. By the way, let's make sure we are sending a clear message that we don't appreciate paying twice. We don't appreciate paying at the pump and at the same time paying through our taxpayer dollars.

When we look at the numbers, just in the first quarter of this year, it is staggering. We certainly don't begrudge industry profits, although with the gas prices going up, what we are talking about now are consumers getting gouged in the face of these numbers. But we are talking about \$35.8 billion in total profits in just 3 months for the top five oil companies in America. These folks are asking us to subsidize them on top of that. So our message, and what we will be voting on next week, is a message that says: That check for \$4 billion a year, we are going to void it. We are done with that—no more taxpayer subsidies for an industry that clearly does not need it.

What we need to be doing are a couple things. First of all, we need to create real competition at the pump. We need to create competition that maybe doesn't require a pump or at least not very often. In my great State of Michigan, we are making new, terrific, award-winning automobiles that are electric vehicles—the Chevy Volt, the Ford Focus, other hybrids—that are winning awards, top-quality vehicles that are going 100 miles or 200 miles on a gallon of gas. Real competition is what we need, investing in alternative vehicles, alternative fuel vehicles for

the future, including jobs. I am very excited about the announcements being made now—in fact, on Friday by General Motors about expanding their operations—and to see what Chrysler and Ford are doing is very exciting. It is jobs for us, and it is real competition for the oil companies that know right now the only choice we have is to pay whatever price they put up at the pump.

We have begun to create some other choices, and we need to continue to support those. I find it so interesting that we are going to be debating shortly whether to support ethanol and EA5 and the ability to create some alternative to gasoline at the pump. There will be those who will argue: Well, we have supported them for a few years now. They are a maturing industry. They no longer need support; that is, maybe 5 years, 6 years, 8 years, 10 years. We are talking 70 or 80 years, a subsidy that is now going to the largest, most profitable companies in our country and probably the world. Yet because of sheer politics and nothing else, we have not been able to get these subsidies stopped.

Taxpayers in our country are saying we need to make better choices to balance the budget. We need to decide what is important, what is not important, and we need to cut the things that are not important. Clearly, subsidizing the top five big oil companies in this country is not a priority when they are making huge profits. We should be investing in what will, first of all, bring down the debt because we are taking away this \$4 billion and using it to pay down the debt. We should then make choices about how we do create jobs and create alternatives in clean energy manufacturing, alternative fuel vehicles, whether it is advanced biofuels, natural gas, clean diesel, electric vehicles. We have a lot of choices we need to present to consumers so they can get off the price-gouging efforts that are going on at the pump.

There is another issue as well. We have heard from the companies that they need to be able to drill more. Yet at the same time, we know there are 60 million acres under lease by the oil companies. They hold on to 60 million acres right now that are oil and gas leases where they are not drilling. They hold on to them, maybe because they don't want their competitors to get them, but they are not drilling. So I strongly support, and I am pleased to cosponsor, Senator MENENDEZ's legislation that simply says use it or lose it—use the leases you have for domestic drilling in America or lose it.

I also held hearings, as chair of the Senate Agriculture Committee, to focus on and investigate how much market manipulators are driving up prices and to explore ways to strengthen American-made biofuels industries and other alternatives to foreign oil because our farmers are very much a part of the solution for the future.