

built our way to opportunity and prosperity.

And so as we look at the present moment, reigniting the American Dream begins with those underpinnings of support, investing in capital infrastructure so that there are the dollars available for research and retrofitting America's business community, its manufacturing base, which was for far too long ignored. It also requires the investment in human infrastructure. It is totally unacceptable to develop jobs in our Nation that will grow as we develop automation with advanced manufacturing, to not invest in the nurturing of skill sets within the American worker, totally unacceptable to not do that.

So I tell people now, as we tour with our roundtables on manufacturing, that there are thousands of jobs across this country waiting to be filled because there is an automated process that has been engaged in for manufacturing. And I have, at my community college base, training that is done for automated manufacturing.

I have within my technical 4-year college base and grad school base in the region—RPI and Hudson Valley Community College come to mind. But they allow, through incubator programs, to develop automated response to a particular manufacturer that we visited, Kintz Plastics. And Win Kintz reminded us that he has now been able to compete internationally by not necessarily doing it cheaper but smarter, and that's what the tools we require here are all about.

It's putting the capital, human, physical infrastructure demands into working order so that we're realistic about providing hope to America's working families, all by reigniting the American Dream. And yes, Representative GARAMENDI, we have work to do. Let's do it in this Chamber.

Mr. GARAMENDI. Mr. TONKO, thank you very much for your leadership and your steadfastness on this issue of rebuilding the American middle class. The President spoke here less than 2 weeks ago on the issue of manufacturing, on the issue of jobs and making it in America. We need to follow up with that.

We have an opportunity this week, and I would ask my Republican colleagues to pay attention to what we're saying here, in the transportation bill that should be marked up, put together in the Transportation Committee, there is an enormous opportunity to put in place policies that allow the American manufacturing sector to thrive as we spend our tax money on infrastructure issues, on buses, on trains, highways, and bridges. All of those essential transportation needs we ought to couple that with the notion that that money must be spent on American-made equipment.

□ 2000

It's a simple concept, but it is so powerful and it will create jobs, and

that is our task, to reignite the American Dream, to put in place all of the ladders so that the middle class can once again succeed, eliminate the barriers that exist and get on with building America. Make it in America so that America can make it.

With that, Mr. Speaker, I believe my hour is nearly up. I thank my colleagues for joining us, and I turn this over to our Republican colleagues and hope that they will be responsive to our plea that we use the transportation bill to make it in America.

I yield back the balance of my time.

REGULATIONS STIFLING AMERICAN ECONOMY

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

Mr. CARTER. Mr. Speaker, that was an interesting conversation we just heard. I was very impressed by that. And I agree, we need to expand infrastructure. Everything that was said there is important.

You know, I've been talking on the floor of the House about regulations recently; and as I listened to my Democratic colleagues talk about infrastructure, I was reminded that we have a bunch of new regulations on cement that are going to drive our cement industry out of the country. It's going to be a little tough to build bridges without cement. We have moratoriums on oil and gas. Asphalt is made with oil, so we need to think out these projects as we go forward.

Today I'm going to talk about some regulations, and I'm very grateful to be joined by numerous of my colleagues; and we are going to be talking about some new regulations that are going to attempt to be imposed upon an industry that is struggling and will, quite honestly, be a setback, in my opinion.

I'm going to start off by recognizing Mr. GUINTA and letting him tell us his comments on the subject of the new 54-mile-per-gallon rules that are being proposed for our automobiles.

Mr. GUINTA. I thank the gentleman from Texas, and I thank you for your hard work in trying to protect small job creators, not just in your State but all across the country, in your proposal and amendments and legislation to try to address what I think is an unjust, overregulated approach to negatively affecting not just the auto industry but also the consumer.

Earlier last year, the EPA and California regulators, of course under the guidance and direction of President Obama and his White House, proposed the most expansive regulations ever on the auto industry. Estimates suggest that the cost will be \$157 billion. This is at a time, I remind you, when we have a debt and deficit of about \$16 trillion and \$1.3 trillion to \$1.5 trillion, respectively. This is not a time when

this administration should impose greater oversight, greater regulatory challenges to job creators in America.

I want to remind those who are listening, as I take a look at an article written in *The Wall Street Journal* back in September of last year, September 14, it talks specifically about this piece of legislation and how new cars and light trucks would have to increase their fuel economy to 54.5 miles a gallon. And the White House officials actually commented in that article. They commented that the proposed fuel efficiency target could raise average vehicle prices by about \$3,000. This administration acknowledges that their overregulation will increase the cost of an average vehicle by \$3,000.

Now, if you think about that, when an individual goes to purchase or lease a vehicle, they sometimes use a 3-year window, maybe a few more months, 39 months, and I find it interesting that we are about to extend the payroll tax for the balance of the year, which would give the average American \$1,000 back in their pocket. And the Obama administration would like to take that \$1,000 from the consumer pocket and put it back into the coffers of the Treasury.

I find that bad public policy, to say the least, not in the direction of trying to reduce our debt and deficit and have a pro-growth economy, and I think it stifles the auto industry. And most importantly, it stifles small business owners across the country.

I just want to share with you, briefly, statistical information about this industry in my State of New Hampshire. We have about 800 different businesses within this industry; 25,000 employees in New Hampshire, alone, that would be affected by this regulation.

I'm concerned about the job loss around the country. I'm concerned about small business owners having access to capital, being able to continue to survive through this down economy. And I'm concerned about those employees who work for those job creators, our friends and our neighbors. They're not Democrats or Republicans or Independents. They're Americans, and they're demanding that this Congress stop the regulatory oversight from President Obama and his administration and the EPA. We are trying to do that on behalf of the American public. I think it is a smart way for us to give back to not just the consumer but the job creators who we so desperately rely on for a pro-growth economy.

The final point that I would like to make is that, in addition to the \$3,200 estimated increase in the cost of the vehicle acknowledged by the President and his White House, this regulation would also essentially take the \$15,000 vehicle out of existence. We would not be able to, as consumers, access an affordable vehicle for ourselves or for anybody who's purchasing a vehicle, for that matter. The very middle class that our friends on the other side of

the aisle talk about preserving and protecting are being targeted by this regulation.

It's time that the country hears more about how this administration chooses to take money from one entity and give it to another. They're taking money from hardworking Americans and putting it in the coffers of the Treasury so they can expand the size and scope of government.

The people of New Hampshire have had enough. They've sent me here to fight for those middle class families, those hardworking job creators who in New Hampshire provide 25,000 jobs in this industry. And I will continue to work with you and anybody else in this body who shares the opinion of enough with regulation. Let the free market work. Let the consumer win for a change.

I thank you for yielding to me and, again, I look forward to working with you on future legislation that you seek to address on the floor of this House.

Mr. CARTER. I thank you, and I agree with absolutely everything you've said. I think it's a real eye-opener to realize that we sit here and we have a State of the Union address where the middle class was referenced, I don't know, a dozen times probably, how it is all about the middle class and how we are going to do things for the middle class. I guess we can start off by saying that the first thing we are going to do is raise the price of a car for you by \$3,200, not because we have to, not because it fits our plan of coming up with fuel standards, which we had in place before the EPA in California interfered, no. We're going to do it now even though it was supposed to be 3 years from now that we start looking at these standards, and we're going to take \$3,200 out of your pocket when you buy that first car. That doesn't seem to be looking out for the middle class.

I think this House ought to be looking out for the middle class. I think they ought to be looking out for the buyer. I think we ought to realize that in a time when we have an industry which we had to pour literally billions and billions and billions of dollars in to save—and we've done it. We've got it, at least we hope, back on its feet—and then all of a sudden we impose standards upon that industry which, quite honestly, will probably harm them, you raise the price of your product \$3,200 that you weren't expecting to raise, you're not ready for that kind of problem.

□ 2010

Finally, and most importantly for Texans, the pickup truck capital of the world, I'm told this will eliminate SUVs and pickup trucks. And them's fightin' words where we come from. So that's the other thing that we ought to be concerned about. The lifestyle of Americans is going to be changed by requiring standards that some certain vehicles, quite honestly the engineers

tell us, just can't get there. We're not thinking these things out. We're too busy. There's too many people around this town that are too busy trying to get the government in control of your entire life that they're not thinking out what they're doing. Thank you for your comments.

My co-partner of sorts from Ohio (Mr. AUSTRIA) is here. He and I have been in this battle a good while, and we have done some stuff on the Appropriations Committee to raise this issue. We've got folks who came here ahead of you, but we're kind of co-chairing this thing, so you can make an opening if you would like, STEVE.

Mr. AUSTRIA. I thank the gentleman from Texas for yielding, and I thank Congressman CARTER for his hard work and commitment with this very important issue, in addressing this very important issue that directly impacts hardworking Americans. Judge CARTER and I have worked on an amendment together in committee to try to stop these duplicate government tasks that are going on right now. And I think you've done a good job in articulating the importance of having that amendment.

I can tell you, Judge, I fly home every weekend to Ohio, back to my district, number one, to be home with my family, but also to be out in the district and get what I call my reality check, to talk to the hardworking Ohioans, the small businessowners and farmers. And like many other Members of Congress, I do town halls, and I attend different events and meetings.

What I do hear from those hardworking families and those small businesses is that, number one, we have got to stop this out-of-control spending. And part of that includes wasting hard-earned taxpayers' dollars because of duplicate services that are going on with different agencies in the government; and, number two, we've got to get government out of the way. We've got to stop these unnecessary, burdensome regulations that are hurting small businesses and that are killing jobs.

Back in 1975, Congress, this body, tasked NHTSA, the National Highway Transit Service Authority, under the Department of Transportation, that agency, with the task of setting those standards. And those standards were called the Corporate Average Fuel Economy standards, or the CAFE standards. And they were enacted, again, in 1975 with accountability and transparency with Congress to gradually and responsibly increase the fuel economy in America. And they've been reinforced and raised by Congress repeatedly, as recently as 2007.

And what we saw shortly after this administration came in was that EPA expanded its authority to start setting its own standards. And then they expanded it even further allowing California to create its own State standards. And what's happened here is we've created duplicate services, wast-

ing taxpayers' hard-earned dollars creating the most expensive regulations ever. You get three different agencies sometimes setting different standards, creating uncertainty in the auto industry, and raising the cost of vehicles for hardworking families to pay for this, hurting our small businesses and killing jobs.

Last year, we saw the EPA, again without authorization from Congress, propose rules to regulate the fuel economy of cars and light trucks for model years 2017 to 2025. This is last year, in 2011 they're doing this. They increased the required average fuel economy over 54 miles per gallon. Because the EPA is not accountable to Congress for this, because they don't have any substantive guidance on how to create these regulations and they don't have to follow the same rules that were put in place, they're not required to take into account factors like job losses. We're going through one of the most difficult economies we've seen in decades. Unemployment is at one of the highest levels it's been, and they don't have to include job losses or consumer demand or safety. It became very apparent to myself and many of our colleagues that these regulations are out of touch with the American people. They're out of line with Main Street, USA, with small businesses that are the backbone of this economy. And in some cases, they're irresponsible.

I was proud to join you last July in offering an amendment during our full committee consideration of the Interior, Environment and Related Agencies bill that simply just put a 1-year time-out on the EPA's rulemaking process so that Congress and our constituents could have time to determine what's the most responsible path here to move forward. And the amendment also prevented the EPA from granting permission to California to create their own regulations, State regulations, that would lead to an impossible patchwork of State laws. So what this could lead to is, think about this, if you have an activist State, they could actually hijack Federal policy with regulations they're putting in place.

Our amendment was included in the Interior appropriations bill. It was reported out of committee. I joined you again in October, Judge CARTER, in sending a letter to the committee, along with 64 of our colleagues, bipartisan support on this, encouraging that this amendment be included as part of the final appropriations package that passed last year.

Unfortunately, this administration and their allies in the Senate, the Democrat majority, blocked this common-sense amendment, leaving the EPA with the authority to go out and continue to move forward with this harmful and ill-conceived rule.

I think the facts are, and you pointed this out, number one, it's the most expensive regulation ever on the auto industry, \$210 billion in new regulations. It's going to raise the average cost of a

vehicle for a hardworking family by roughly \$3,200. It's going to regulate cheaper vehicles that are under \$15,000 pretty much out of existence. And the EPA has already wasted over \$24 million creating these duplicate regulations.

This is out of control what's happening right now. It's a waste of the taxpayers' dollars. And we have to, at some point, understand what's happening here. We're accountable for the taxpayers' dollars. We have to ensure that the way things are being done are being done properly. The EPA, again, has already spent 24 million, as I mentioned, on these duplicate services with the largest budget deficit in history. Congress and the administration should focus on eliminating the duplicate government programs and protecting the taxpayers' dollars. The redundant regulations of the fuel economy by the EPA is simply just a magnitude of the government waste that we're seeing today.

With that, Judge CARTER, I appreciate, again, your leadership on this very important issue. I know we have a lot of Members here to speak on this.

Mr. CARTER. I would now like to have you hear from my colleague from Virginia, SCOTT RIGELL, who has been waiting to talk. I learned in a conversation before we started here tonight he's been in the car, the automobile business, and so he brings a good perspective to this conversation.

Mr. RIGELL. I thank the gentleman for yielding and bringing this to our attention. It's a critical matter facing our country. It has a direct impact on job creation, and I regret the way it's headed. That impact is adverse. And so we rise tonight, I believe all of us do, in defense of the folks who would be most directly impacted by it, the folks who are producing our cars, the folks who are selling and servicing our cars and the related industries.

I come to this body, and I know we all do, regardless of political affiliation, with the idea that we are first Americans. And I always try to find where do we agree. I start out tonight thinking we surely agree that it's a good idea for fuel economy standards and performance to increase over time. We share that with our colleagues on the other side. Yet that is also regretably the point of demarcation because there is a sharp contrast, I believe, between where the administration is headed with this.

This is yet a third level of regulation on an industry that is already highly regulated. The Department of Transportation, the State of California itself, and now, and I believe unwisely so, the administration is allowing, in fact, encouraging the EPA to inject itself into this. There are multiple flaws in this path that I believe the administration is on through the EPA.

□ 2020

I just want to touch on one, Judge. Because as you noted, I've had the

privilege of being in this great industry for a long time. Since I was about the age of 23, I've had the privilege of being a retail automobile dealer for about 21 of those years, and through our organizations had the great pleasure of retailing over 100,000 automobiles in our market and have spent a tremendous amount of time on the sales floor.

You know, we know this instinctively, that as the price increases, demand will drop. Now, this may be, I think, some noteworthy news to some who are in the regulatory business here, but an additional \$30 a month, I've seen it oftentimes, it becomes the stopping point for families, and rightfully so. As they try to live within a budget, \$30 a month—\$1 dollar a day you could say—that is in and of itself enough for a family to make a different purchasing decision. The math is pretty easy. With over a \$3,000 increase in a vehicle over 60 months—I think my math is pretty good here—it would be at least \$50, not to include interest, on a monthly basis. So on the margin we would see in dealerships across this country decisions to not buy cars. The higher the price, the fewer the buyers.

Now, that which seems so obvious to us—let me read from the regulation itself here. The administration's proposed regulation states: "Since the impact of this proposal on sales is unknown and sales have the largest potential effect on employment"—here's the point of note—"the impact of this proposal on employment is also unknown." Judge, I'd submit to you tonight, well, the EPA and the Obama administration may not understand the impact of these regulations on employment, but I do. I think the American people do. Sales go down, employment follows. The only thing that increases is the pain, real pain and suffering, of American families on the margin. Some employers have to tighten up, some manufacturers have to tighten up because of the decreased demand.

So Judge, I stand with you tonight. I applaud your leadership in this matter. And I hope that the EPA will reconsider—in fact, come to a full stop and allow the CAFE standards that have been in place since 2007 to guide us going forward. They're doing a good job. Manufacturers are improving in their fuel economy standards. It's a wise course of action to stay where we are. And I thank you again for your leadership.

Mr. CARTER. Reclaiming my time, and thanking my colleague for his comments—you know, we're talking this whole year of how we're going to get this economy back on its feet, how we're going to put people back to work, how we're going to make our decisions make sense to put people to work and make our economy grow. And I'm concerned, where we already have the NHTSA—or whatever it's called—setting these standards, we had CAFE standards established—gosh, that's 8 years ago—with a plan to study on

down the road, looking at the economic consequences and the job consequences, as well as the environmental consequences. And the EPA chose to make a decision based solely on their global warming view of the world and not take into effect the job—in fact, they say in their statement, we don't even know what the job consequences are going to be, and we don't know what the economic consequences are going to be. And we don't know if you can sell a car, \$3,200, but we're passing this regulation anyway. That's not the kind of decisions we ought to be making around this place. So I really thank you for raising those economic points, Scott. It helps a lot.

The next person I believe was here, ALAN NUNNELEE was the next one. I yield to my good friend from Mississippi.

Mr. NUNNELEE. Thank you, Mr. CARTER, for yielding.

Mr. Speaker, I have to confess, when Judge CARTER started talking about Texans loving their pickup trucks and the EPA coming to take our pickup trucks away, that got my attention. Because the judge would know that while Texans love their pickup trucks, the only reason that you love them more is because there's more Texans than there are Mississippians. I love my truck as well, and I don't want anybody to come get it.

The EPA, California regulators, and the Obama White House have combined forces to show how far the left will go. They'll use any means at their disposal to ram through its liberal agenda. I'm convinced that this administration is driven by a radical environmental agenda, and that this environmental agenda will use the threat of allowing California to impose its own set of regulations as a way to strong-arm auto manufacturers into going along with the new and unnecessary fuel economy standards. As has already been described here tonight, Mr. Speaker, this action would drive up the cost of a vehicle by an average of \$3,200.

Now, my concern is that young family in Mississippi that's trying to make it on their own, that needs to go out and purchase a new vehicle. For that young family, \$3,200 is a lot of money. My concern is the senior citizen that needs to go out and purchase a new vehicle, and they're trying to make ends meet on a limited income. For that senior citizen, \$3,200 is a lot of money.

Also, my concern is for those manufacturing workers in Mississippi that are making vehicles tonight. And when the cost of those vehicles goes up by \$3,200, common sense says there's going to be less demand. And we've got automobile manufacturers and their suppliers that are a vital part of Mississippi's economy.

Now, Congress has granted sole authority to regulate fuel economy to the Department of Transportation. And all this proposal is is a backdoor attempt to implement cap-and-trade. But there's even a larger issue here. The

larger issue is about a President and the ideology he represents being obsessed with expanding Washington's control over every facet of our life. They've dictated what kind of light bulbs we use. Now they're trying to say what kind of vehicles we drive, what kind of health insurance we purchase, whether you can be forced to provide medical services that even violate your religious beliefs. Their attitude is that regulators know more about what families need than individuals.

Mr. Speaker, it's time to stand up. It's time to say no more. When they're coming for my pickup truck, the answer is "no."

Mr. CARTER. I would now like to recognize my good friend, STEVE PEARCE from New Mexico, Texas' good neighbor to the west.

Mr. PEARCE. I thank the gentleman for yielding, and thanks for his leadership on this work.

To adequately assess exactly what the effects are going to be of increasing the CAFE standards from 35 to 54 miles per gallon requires that we take a look at the increase that we had just in 2007, the increase that moved us to 35 miles per gallon. We had testimony that declared that at least one auto manufacturer would go out of business, would file bankruptcy if that law was actually implemented. That was because we do not have the technical capability to enforce and to build the vehicles that would take us to 35 miles per gallon. In order to reach that objective then, the auto manufacturers were going to have to arbitrarily price their lower mileage vehicles—they raise the price on them to drive demand down. That is, they'd sell fewer. It's not that we're actually increasing the mileage; it's that we're selling fewer of the larger vehicles, vehicles like pickup trucks that are used in the oil field, on ranching operations. So we wanted to depress down the demand for them while simultaneously adding stimulus to the lower cost vehicles. Now, the problem with that for a business is that the profits are made from those vehicles that are like pickup trucks and the SUVs.

So this government was in the process of mandating that the manufacturers would build fewer of the high-profit vehicles and more of the low-profit vehicles. That's the only way they could comply with the government standards. And it was therefore going to decrease profits enough to put at least one of the manufacturers into bankruptcy. As it turned out, two of the three manufacturers in America filed for bankruptcy, two of the three.

□ 2030

The taxpayers went in and had to bail them out.

When the President in his State of the Union last week talked about not bailing out companies, he spoke out of the other side of his mouth later in the speech by saying that the company we bailed out in General Motors was such a great success. It is not a great suc-

cess when taxpayers have to subsidize the processes declared by the U.S. Government. If that is what happened when we moved the mileage from 20 to 35 miles per gallon, imagine the distress in the auto industry when we move it to 54.

The Prius does not even qualify. It does not reach 54 miles per gallon. The Toyota Yaris only gets 38 miles per gallon. The technology does not exist. The same geniuses in the White House that brought us Cash for Clunkers, are now going to bring us 54-mile-per-gallon requirements for fuel standards.

The reason that the United States economy is faltering and suffering is because of what is happening by government agencies. The unfairness for the lower-class people in this country is ghastly.

The President stood on this floor last week and talked about fairness to everyone, economic fairness. Let the President hear his own words. He made fun of one of his agencies that declared milk to be a hazardous substance. He made fun of the regulation which got so much attention that it was rolled back. Let the President make fun of this regulation, because it is going to kill the car manufacturers. They cannot make cars that go 54 miles to the gallon.

For those who say just make the rule, and they will develop it, I simply say let's pay our EPA workers, all of those involved in this process, let's simply start paying them with General Motors' stock. Let them find out in their own lives exactly what the value of their opinions and their designs are.

The final problem with the implementation of this rule is the constitutionality. Our Founding Fathers set up a system of checks and balances. The President would sign legislation. The Senate and the House would pass the legislation, but they had to pass exactly the same bill. No one House, no one branch could dominate the others. What the President is doing is taking his beliefs, his agendas outside that set up by the Founding Fathers that would guarantee voters would have input. He is moving it into extraterritorial agencies that have no controls by the taxpayers and no controls by the voters.

The President should be ashamed of what he is suggesting. The President is causing our Constitution to be set on a shelf. The Constitution is here not for the rich; the Constitution is here for the poor. The Constitution is that which gives the poor standing in this country. The rich can always have their way; the powerful can always get their way; but the Constitution defends and protects the poor. When the President crassly sets aside the Constitution, he is working against the fairness economically and the fairness constitutionally of this Nation towards 99 percent of its inhabitants.

I think that it is time for this Congress and this House to stand up and tell the President no more, you will bypass the Constitution no more. We need

to mean business, and we need to back our words up with actions.

I thank my friend from Texas.

Mr. CARTER. I thank my friend from New Mexico for a very strong statement.

I want to recognize Mr. ROSCOE BARTLETT, my friend from Maryland. He wants to get up here with some of his own charts, and I'm going to step aside and let him do it.

Mr. BARTLETT. Thank you very much for yielding.

I sat and listened to this discussion, and I am reminded of how futile efforts are to try to get something done by doing it wrong two different ways.

The President believes that we need higher CAFE standards, and he is going to impose those through regulations from the EPA. He is also assuming that the American people don't have the sense to understand that they need to have higher CAFE standards, so he is going to force them on them. Without trying to educate the American people, he is just going to tell them you need to trust me, you need higher CAFE standards, and this is what it is going to be. What the President is doing is illegal and ill-logical, and I don't think that the American people are going to stand for it.

I just have a couple of charts here that put in context why we need to look at CAFE standards. If the President would use this approach, the American people would do the right thing relative to the kind of car they buy when they understand the environment that the United States and the world is in.

Here I have two charts and they are from the IEA, the International Energy Association. This is a creature of the OECD. It is perhaps, maybe along with our Energy Information Administration, a part of our Department of Energy, the best followers and prognosticators of energy in the world. This is their world-energy outlook.

This one is in 2008. I just want to point to a couple of things here. First of all, the oil that we are now pumping—and you could go back here 150 years with this blue thing here. It started back at zero, and it pumped more and more and more and more. Here we are today pumping this much oil. These are the conventional oil fields that we are pumping oil from now. We are also getting some natural gas liquids, and you see that curve is growing and growing. This is not gas in your gas tank. This is propane and butane and gases like that.

The green here is nonconventional oil. We are having a lot of discussion of nonconventional oil now about the Keystone pipeline and bringing the oil from the tar sands of Alberta, Canada. We are going to build a pipeline. It is either going to be in this country, or it is going to be across Canada through the Rocky Mountains. If the environmentalists are worried about environmental impact, they ought to be thinking about what is going to happen to

the environment when they put a pipeline through the Rocky Mountains.

Either we're going to get that cheap oil, or the Chinese are going to get that cheap oil. They're going to have a pipeline. We're not going to avoid a pipeline. There's going to be a pipeline.

I just think that commonsense comes down on the side of, gee, I would like that oil, I would like the jobs that go with getting that oil. And I am concerned about the environment, but there is going to be a pipeline. That is a given. It is either going to be here, or it is going to be in Canada. I think it is going to be more of an environmental insult going through the Rocky Mountains than down through the Mississippi Valley with that pipeline.

That green area is nonconventional oil, and that is increasing. It will increase. You see it is not a big fraction of what we get. Notice that we have been stagnated here for 5 years now at 84 million barrels. We call it oil, but it is more than oil because it is natural gas liquids too. The world has not been able to produce any more oil than 84 million barrels a day, which is why oil is about \$100 a barrel and we are in a recession, and it is still stuck at about \$100 a barrel.

They prognosticate that the production from current fields is going to go down fairly dramatically. You see it dropping off there. Not to worry, because we are going to get a lot of oil from the fields that we discovered, the light blue here that are too tough to develop. Then we are going to get a fair amount of oil from fields we have yet to discover, the bright red there. This is kind of a nice dream, isn't it? By the way, the dark red here is enhanced oil recovery. It really ought to be a part of this. That is putting CO₂ down there or live steam or something down there to get a little bit more oil out.

Note that by 2030 they are prognosticating that we are going to be up at 106 million barrels of oil a day. This chart has disappeared. If you go on the Internet and try to find that chart, it is not there. It was there. That's where we got it. They're a little embarrassed by its presence because just 2 years later in 2010, they made this prognostication, the same people. By 2035, 5 years later, instead of having 106 million barrels a day, they are up to only 96 million barrels of oil a day.

□ 2040

Notice they've now incorporated the enhanced oil recovery here with conventional oil and notice a fairly precipitous drop-off. Now they're telling you that the production of oil is not going to decrease because we're going to get huge amounts of oil from the fields that we have now discovered that are too tough to develop like under 7,000 feet of water and 30,000 feet of rock in the Gulf of Mexico. A lot of discoveries like that, and fields yet to be discovered.

I think there is little probability that these two wedges are going to

occur. I think what's going to happen is that this curve is going to tip over and start down. Let me tell you why I think that's true.

Because the United States reached its plateau, which is called "peak oil," in 1970, and that was predicted in 1956 in what I think was the most important speech in the last century, given by M. King Hubbert in 1956. He says, 14 years from now, in 1970, the United States will reach its maximum oil production. After that, it will drop off. It did.

Now, he didn't predict the discovery of any oil in the Gulf of Mexico and in Alaska, and here we see there was a little blip in the slide down with the huge amounts of oil we found in Alaska. Remember the fabled discoveries of oil in the Gulf of Mexico, the yellow there. That's all it did.

We now produce half the oil that we did in 1970. I do not think the world is any more resourceful or creative than the United States. If we could not reverse this downtrend in our country, I do not think that the world will be able to reverse it worldwide, which is why I say that the world is going to follow the United States. By the way, this was predicted by M. King Hubbert. He said that the world would be peaking about now.

Your government has paid for four studies that said this is going to happen. I quote here from one of those studies. This was the first big study. This was the SAIC report called the Hirsch report.

World oil peaking is going to happen, they said. Peaking is when you reach this plateau, and after that, it falls off. They said the peaking of oil is going to happen. Oil peaking presents a unique challenge. The world has never faced a problem like this.

I just have one more chart here, and these are some quotes from what I think is the most insightful speech of the last century. The most important one I think was given by M. King Hubbert on March 6, 1956. This speech was given just a bit later, the 15th day of May in 1957, a speech given by Hyman Rickover, the creator of our nuclear submarines:

"There is nothing man can do to rebuild exhausted fossil fuel reserves. They were created by solar energy 500 million years ago and took eons to grow to their present volume. In the face of the basic fact that fossil fuel reserves are finite, the exact length of time these reserves will last is important in only one respect: The longer they last, the more time do we have to invent ways of living off of renewable or substitute energy sources"—we've been trying to do that, haven't we?—"and to adjust our economy to the vast changes which we can expect from such a shift."

By the way, this talk was given to a group of physicians in St. Paul, Minnesota. If you simply Google for "Rickover energy speech," his speech will come up. They lost it for several years. It's now back on the Internet.

In another place in this speech he said, in the 8,000-year recorded history of man, the age of oil would be but a blip. And, wow, what a ride it's been. The quality of life that we have as a result of using these fossil fuels has just been incredible.

Just one last quote from what I think was the most insightful speech of the last century. I love this quote:

Fossil fuels resemble capital in the bank. A prudent and responsible parent will use this capital sparingly in order to pass on to his children as much as possible of his inheritance. A selfish and irresponsible parent will squander it in riotous living and care not one wit how his offspring will fare.

I think what our President needs to do is educate the American people to the situation we're in. If these charts truly represent that situation, the American people will voluntarily say, Mr. President, we need to respond to that in a responsible way. The President doesn't need to assume that you're ignorant and can't understand or assume that he has to tell us what we ought to do.

Mr. CARTER. I would now like to recognize Mr. MANZULLO from Illinois, who is a champion of starting up the manufacturing again in this country. He understands the economy and how it works.

Mr. MANZULLO. I thank the gentleman from Texas for yielding.

Mr. Speaker, we have something very interesting going on in this administration, and it's called "Who's in Charge?" At one time, we believed that the National Highway Transportation Safety Agency, NHTSA, as part of DOT was in charge of regulating the corporate average fuel economy standards. In fact, it's always been that way. Well, then, all of a sudden the EPA gets involved, gets its nose under the tent and decides that, well, because there are emissions that they're going to get involved in it. Then along comes the California Air Resources Board and says, No. If you live in California, these are the standards.

So we have the automobile manufacturers taking a look at which agency is in control, if any, and what they have to follow, although they have been forced to follow the standard that's been set down by the EPA to have this amazing 54.5 miles per gallon fuel economy for model years beginning in 2017.

In the district that I'm proud to represent, Chrysler has a plant in Belvedere that's going to house the body shop for the new Dodge Dart. I saw that automobile at the auto show here in Washington this past week, and it's a beauty. It's beautiful. It represents more than a \$600 million investment in the community and workforce in northern Illinois, and Chrysler had more than 1,600 production workers at the same assembly plant started in July when they had the third shifts. This is another signal of the increase in automobile sales that we're seeing in this country from the zenith of 17 million that were sold years ago to where we are now.

But this car starts at \$16,000, and with the average price of a vehicle to increase by \$3,200 and the source of that is the government itself, I just don't know what these people are thinking. In fact, if you take a look at the EPA rule, that says the estimate is that the mandate will cost \$157 billion, which always means the number is vastly greater. That's a lot of money. That's a huge amount of money. I mean, this is classic Obama EPA.

But you ask yourself, What is the \$157 billion for? The great scientists, mathematicians, and bureaucrats over at EPA said, well, this is the cost that it's going to take in investing in new technology. I hear those words, "investing in new technology," as if people that don't even know the sweet smell of machine oil who sit in offices in Washington, D.C., can sit there with their calculators and their green clerks hats and come to an estimate of what it's going to cost to increase the technology to come up to that 54.5-mile-per-gallon standard.

We all know government figures are wrong. I mean, \$157 billion, that's a huge amount of money. I think the total amount of the bailout, if anybody was interested in that, was around \$15 billion. Now, this is 10 times the amount.

You ask yourselves, where is this money coming from? Obviously, if manufacturers have to gear up for this major expense, they're not going to wait until 2017. They're going to start doing it now. And so the increase in prices of automobiles will be directly related to this new mandate from the EPA.

So to the gentleman from Texas, I want to thank you for having the courage of speaking out here, and I thank you for the opportunity to help explain to the American people of the folly of this latest EPA action.

Mr. CARTER. I thank my friend for his great comments. One of the things I like to say about Washington is to show us the common sense, and, Mr. MANZULLO, I think you made a good, commonsense argument that we can understand.

I'd now like to introduce my friend, Mr. KELLY from Pennsylvania, and hear what he has to say on this interesting new challenge the Obama administration has given us.

□ 2050

Mr. KELLY. I thank the gentleman from Texas.

I come from a family that in 1953 started in the automobile business. My father came from being a parts picker in a warehouse for General Motors, surviving World War II and then coming back home and starting his own dealership in 1953. So, not only can I talk the talk, but I've actually walked the walk.

When we sit back and when we see what this administration is doing, while they say on one side they're very concerned with jobs and that they're

very concerned with the recovery of the automobile industry, they propose legislation that will take 7 million buyers out of the market. That is a staggering number of cars that we will not be able to build. If we can't build them, we don't need folks there in the factories. We don't want to mess with the fragile recovery that the automobile industry has right now. Again, as I said, in having walked that walk and in understanding the cost of these vehicles as they go up, it is a terrible thing that this administration is considering. It does not surprise me because we are talking about people who have never in their lives actually had their own skin in the game. So, when they talk about these measures that they're taking, when they talk about all these well-intentioned ideas, they forget that the ultimate sacrifice made is by the buyers, by the American consumer. We are going to raise the average cost of these vehicles by \$3,200. As I said earlier, 7 million prospective buyers will not be in the market. We have jumped the standards that we had by 3 years.

I was there in the early seventies when the CAFE standards came into existence. The corporate average fuel economy had nothing to do with green energy; it had nothing to do with a carbon footprint. What it had to do with was our reliance on foreign oil. We are making great strides to that effect. Now, I do know that my friends in the automobile manufacturing business have agreed to these new standards. I also know that there are so many resets in this new standard that they opted to go along with this administration's directions and that they bought into this idea knowing that each electric car that they build, which is subsidized by \$7,500 in taxpayer funds—hardworking American families who have paid their taxes will not have the same benefit that people buying these electric cars—the metrics on that is \$175,000. That is their average income.

Now, who are we appealing to?

We give the industry a double count on those. That's how they get to the 54.5 miles per gallon, and they understand with the resets that it's much easier to go along with this administration than to try to fight them up front. I will tell you, of my friends in the automobile dealer business, who are the folks who go to work every day, who have to put bread on the table, in my dealership there are 110 folks who come in there every day to solve the transportation needs of the people in our community.

The other side of this is safety. When my wife and my four children get in their cars—and keep in mind there are five grandchildren involved now—we're going to start asking those folks to start driving lighter cars, cars that will not be as safe as the cars we have on the road right now. And why? Because we are catering to an administration that puts its agenda ahead of the American public's safety.

So I appreciate what the gentleman from Texas is doing. I understand the unintended consequences of this, so it's time for us to blow the whistle on an administration that refuses to acquiesce to what the public needs and continues to drive its own agenda. I appreciate what you've done.

Mr. CARTER. In reclaiming my time, I'd like to ask the gentleman a question because it just dawned on me the economics that you're describing here.

What they're doing now is not saying, Okay, we're going to make a Chevrolet pickup or a Ford pickup that gets 54.5 miles per gallon. What they're saying is, Yeah, we've still got a Ford pickup or a Chevrolet pickup or a Chrysler pickup that gets 18 to 20 miles a gallon. But, hey, look at all these electric cars that don't use any gasoline, so we get an offset for those.

You also said the market for these is the rich people, that 1 percent that everybody is complaining about. No one is going to be able to afford to buy these electric cars. They're the market, and yet that's how they get this number down, but it's not real—it's imaginary.

Mr. KELLY. Yes, absolutely. We talked about that.

The loopholes in this program are not for the hardworking American families that go to work every day to support their kids and their families and their well-being. The folks really don't buy these cars to drive; they buy them because they can. We are giving people \$7,500 in Federal loopholes. Then in my State of Pennsylvania, it throws another \$3,500 towards the purchase of an electric car. Those cars, by the way, are 200,000 cars per manufacturer. It's not 200,000 cars in total, but 200,000 cars per manufacturer. The cost of this and as you see the trajectory of this expense, it goes off the charts. The answer is it is not going to improve fuel economy. What really drives fuel economy is the number of miles you drive each year and the cost of gasoline. Yet they start to talk about, No, no. We've got to tell people that they can only drive a car that gets 54.5 miles per gallon.

You know, sir, as well as I do, that that is not the case. We've been gamed again. I think there should be an outrage over this with the American people now. This is a regulation that does nothing but push an agenda and does not push the well-being of the American citizen.

Mr. CARTER. That is a real eye-opener, and I thank you for explaining that. I didn't really get that concept.

So, in addition to playing games with numbers, the Federal Government is subsidizing the playing games with numbers, and then your State also subsidizes it. I hope Texas doesn't—but heck, who knows.

Mr. KELLY. Again, I appreciate the gentleman for bringing this topic up. We have to understand that, if we are really going to get this economy back on track, it is the people who make

things—and we talk about making it in America. If we're really trying to support the domestic automakers, then you don't raise the price of the car by \$3,200. With each price increase, we eliminate somebody who would have bought a new car. As we eliminate the purchase of new cars, we also affect the long-range market for used cars. A new car eventually becomes a used car.

We are eliminating personal transportation in this country by upping the bar in a systematic way, and people aren't noticing it. There should be an outrage among the hardworking American families of whom sometimes Dad works two jobs and Mom works a job—all to put food on the table, to educate their children, and to somehow get them from where they live to where they need to be, whether it be for their jobs or for education or for after-school activities. We are eliminating private transportation in this country by upping the price and by making it impossible for the average American to own his own car.

Mr. CARTER. That's shocking.

I do remember that the car that my wife and I are driving right now cost more than our first three-bedroom, two-bath house that we purchased when our first two children were born. That's kind of shocking as to how all that gamesmanship can drive that price up.

I did have a person in the transportation business who was telling me—and I'm not going to disclose who it was—they do studies on selling tickets for the planes. It was the air industry. The ticket price is the price at which they know people will fly. They have done studies to determine, if they were to add \$10, in some instances, to that price of the ticket that people will fly, you'd lose like 18 percent. Add \$50, and you could lose half of your flying public. That's how much the margin is, and you have the same kind of deal in the automobile industry.

Mr. KELLY. It's all price point and it's all affordability, and it comes down to: How much per month does it cost for the average, hardworking American family to keep private transportation?

We are raising the price by \$3,200 per car. We are eliminating 7 million people from having the opportunity to own their own cars, their own transportation, which has been the hallmark of this country and which has driven this economy for many, many years. It has allowed the people to move out of the cities and into the suburbs because they had a way to get to work, and they didn't have to rely on public transportation.

In this country, what is very unique is that you can get up in the morning, and you can drive to wherever it is you want to go, and you can get there by yourself or with your friends; but that's the uniqueness and that's the greatness of America, and it has always been. It is the one thing that the rest of the world looks at. Private transportation is absolutely critical,

and we are going to eliminate the ability for 7 million Americans to have that opportunity.

Mr. CARTER. In reclaiming my time, there is an agenda that is being sold here.

In testimony we had before the Appropriations Subcommittee on Transportation, which I happen to serve on, we talked to our former colleague about this administration's vision of the world it wants us to live in. It wants us all to live in high-rise apartments and to take public transportation. They will tell you straight out that's the future of America—concentrate. There have been at least some in the administration who have said the days of the two-story home in the suburbs are over.

I don't know if America knows that. This is a perfect example of part of the plan to drive us out of the suburbs and into concentrated populations where the only solution is public transportation. Quite honestly, where I live, that's not going to be very popular.

Mr. KELLY. I agree with the gentleman, and I will tell you that I join in your fight. This is not only a fight that we must fight; this is a battle we must win.

□ 2100

I will fight with you every step of the way. We cannot continue to take a free and self-governing people and tell them not only what foods they can eat, what houses they can live in, what light bulb they can use, or what car and truck they can drive.

So I thank you for being a champion of the American people and the hardworking Americans that pay for every single thing that this government does.

Mr. CARTER. I thank you, Representative KELLY. I will be glad to have you in the fight. You are a man I stand back-to-back with.

Mr. Speaker, we have been here talking about something that many of us realize is a shocking change of our world. It seems a small thing, but 54.5 miles per gallon, everyone will tell you the kinds of cars we drive in Texas, which is pickup trucks, they can never get there. They can't gear and torque to get to that number, 54.5. Therefore, unless you pull a scam that was being talked about, every electric car offsets the pickup trucks, we're in trouble.

Mr. Speaker, I yield back the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. STUTZMAN). Members are reminded to refrain from engaging in personalities toward the President.

KEYSTONE XL PIPELINE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Georgia (Mr. WOODALL) is recognized for 30 minutes.

Mr. WOODALL. Mr. Speaker, I have got energy on my mind tonight too.

It's a wonder, or I should say it's not a wonder, that everybody who comes to the floor of the House has this common theme, Mr. Speaker, that we have an economy that's in trouble, we have a regulatory network that is going out of control. And we have energy needs in this country that feed, that feed the economic heart of this country, and we're struggling to find that food.

Mr. Speaker, I have here, you can't see it, but it's an editorial from *The Washington Post*. It's January 19 of this year. Now, you know, Mr. Speaker, and as folks do who have a chance to read *The Washington Post*, it is one of the most liberal newspapers in this entire Nation. Now there are a few, *San Francisco Chronicle* or others, that might be able to compete, but one of the most liberal newspapers in this country.

And they put an editorial in their newspaper speaking on behalf of the newspaper editorial board on January 19, the day after President Obama announced his decision to block the Keystone pipeline, and this is what it said. It's entitled, "A Kink in the Pipeline," and the headline reads—you won't be able to see this on the screen, Mr. Speaker—but it says, Approving the Keystone XL project should have been an easy call for the administration. Approving the Keystone XL project should have been an easy call for the administration.

This is from one of the most liberal newspapers in the country, Mr. Speaker, saying why, Mr. President, why did you choose to stand in the way, and they've got some ideas. The *Washington Post* has some ideas about that. The editorial begins like this: On Tuesday, President Obama's jobs council reminded the Nation that it is hooked on fossil fuels and will be for a long time. The council said this—it's going to require the United States to optimize all of its natural resources and for states to construct pathways, pipelines, transmission, and distribution to deliver electricity and fuel.

But that's what it's going to take, Mr. Speaker, to get the economy back on track. It's going to require that the United States optimize all of its natural resources.

It added that the regulatory and permitting obstacles that threaten the development of some energy projects negatively impact jobs and weaken our energy infrastructure. Mr. Speaker, you wonder why it is that I have to read this. You would say, ROB, that's common sense. Don't folks know that in the great State of Georgia?

I would tell you, Mr. Speaker, they do know that in the great State of Georgia. Where they don't know it is here in Washington, D.C., in this regulatory environment where if folks see a problem, they throw more rulemaking at it. The President's jobs council sees a problem. It's a problem—there's not enough energy infrastructure. Is the United States not maximizing its energy production?