lawfully discussed. To prevent such a conclusion, the Conference substitute provides procedural protections about lawful discussions and resulting rates.

These evidentiary protections are not antitrust exemptions. They are designed to avoid prejudicial inferences from discussions the railroads must have in order to implement joint arrangements. I am unaware of any compelling reason to alter Congress's considered judgment in establishing these procedural protections. Were these protections to be discarded, railroads would be exposed potentially to legal liability for interline discussions, and they may choose simply not to participate, and rail customers would be faced with the burden of having to deal separately with each railroad in a given route in order to work out commercial and service details.

Third, and perhaps most critically, I am concerned that section 8 of the amendment would effectively lead to retroactive application of antitrust laws, allowing a government agency or private plaintiff to bring a case attacking past railroad activities that were expressly immunized from the antitrust laws in that respect.

Section 8(b) would allow antitrust lawsuits for ongoing railroad activity that was previously immunized from the railroad antitrust laws. This would leave open the possibility that conduct in accordance with railroad merger and line sale transactions previously approved by the Interstate Commerce Commission or the Surface Transportation Board as in the public interest, immunized by statute from antitrust laws, and implemented by the railroads, consistent with the agency's approval, could now be challenged as unlawful.

Were this to become law, the impact on the railroad network and its ability to plan and invest to meet our Nation's growing transportation needs would be adversely affected in a significant way.

In summary, if this amendment eliminated regulatory intervention in the marketplace for rail transportation and left the rail industry subject solely to the antitrust laws, I could, perhaps, endorse that effort. However, that is not the case. This amendment increases rather than improves government oversight of the rail industry's activities and, in my view, is inconsistent with the overarching goal of seeking greater competition in the transportation marketplace unfettered by intrusive government regulation.

In addition, the amendment goes beyond simply eliminating antitrust exemptions and instead changes longstanding policies and judicial doctrine that are not antitrust law tenets.

Last year, when the Judiciary Committee favorably reported S. 49, which is the text of Senator KOHL's current amendment, I made clear that my support was contingent upon resolving these and other concerns prior to floor consideration. Regrettably, such a resolution did not occur, and I must now oppose the amendment and ask my colleagues in the Senate to do likewise.

Thank you, Madam President.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico.

ENERGY

Mr. BINGAMAN. Madam President, I wish to speak for a few minutes about gasoline prices, which my colleague from Utah talked about a few minutes ago, also about domestic oil and gas production, and also about access to federally owned oil and gas resources. These are issues that have been raised by numerous Senators on this Transportation bill. They are issues of critical importance to our country's economy, to national security, and to resource management. I have been increasingly concerned that the issues we are debating and the facts that are being put out there are often not the true facts. There is widespread misunderstanding of what needs to be done to deal with this set of issues, in my opinion.

Let me start with the issue that is most important to most Americans; that is, the price of gasoline at the pump—the price of oil and then, of course, the price of gasoline. We need to understand clearly what is causing these prices, and we need to be direct with our constituents about what is causing these prices.

Let me state as clearly as I can what I believe is really without dispute among experts; that is, we do not face cycles of high gasoline prices in the United States because of a lack of domestic production, and we do not face these cycles of high gasoline prices because of the lack of access to Federal resources or because of some environmental regulation that is getting in the way of us obtaining cheap gasoline. As was made clear in a hearing we had in the Senate Energy Committee in January, the prices we are paying for oil and the products refined from oil, such as gasoline, are set on the world market. They are relatively insensitive to what happens here in the United States with regard to production. Instead, the world price of oil and our gasoline prices are affected more by events beyond our control, such as instability in Libya last year or instability in Iran and concerns about oil supply from Iran this year.

First, I have two charts that I think make this point very clearly. I believe this first chart I have in the Chamber is very instructive. This is entitled ''Weekly Retail Price for Premium Unleaded Gasoline, Including Taxes Paid.'' There are two lines on the chart. The top line contains the weekly retail prices in Belgium, France, Germany, Italy, the Netherlands, and the United Kingdom. You can see how that has fluctuated. This is through January of last year. The comparable prices paid in the United States are reflected in this bottom line. And, of course, the lower prices are because we pay much less in taxes than do these other countries.

So it is a useful chart that I think makes a couple of important points. The first point it makes is that the price patterns are remarkably similar in all countries; that is, the prices for gasoline in all of these countries reflect the world price of oil. Second, while the patterns are similar, the U.S. price is significantly lower because of the lower taxes we pay in this country.

The second chart I have in the Chamber shows U.S. domestic oil production and U.S. gasoline prices between 1990 and 2011. Here, the red line is the change in domestic production year over year. The blue line is gasoline prices. What is striking about the chart is the lack of relationship between the two lines. Even with U.S. production increasing, as it was at some points, oil prices also were increasing and gasoline prices were increasing.

So while domestic oil production plays an important role in the energy security and the economy of our country, its contribution to the world oil balance is not sufficient to bring global oil prices down. For this reason, increased domestic production unfortunately will not bring down gasoline prices in our country.

We also need to understand the status of domestic production. Here again, the facts are often misunderstood. For example, we have heard the claim that the United States and the Obama administration have turned away from producing the domestic oil and gas resources we possess. The facts are very much to the contrary.

At the hearing we had in January in the Energy Committee, James Burkhard, a managing director of IHS Cambridge Energy Research Associates, described our situation in this country as the ''great revival'' of U.S. oil production. He provided this next graph, which clearly demonstrates what we are experiencing in the United States. This graph shows the net change in production of petroleum liquids in the United States and in other major oil-producing countries between 2008 and 2011. The U.S. increase is shown by this very large column here on the left. We can see that our increase in production is far greater than that of any other country in the world. The United States is now the third largest oil producer in the world, after Russia and Saudi Arabia.

Another chart on domestic production is also instructive. This chart shows total U.S. oil production between 2000 and 2011. It clearly demonstrates that current increases in oil production are reversing several years of decline in that production. We have not had to change any environmental laws or limit protections that apply to public lands in order to get these increases.

This next chart shows the percentage of our liquid fuel consumption that is imported, including the projections the

Energy Information Administration has made out to 2020. The trend is very encouraging. In 2005 we imported almost 60 percent of the oil we consumed. Now we import about 49 percent of the oil we consume. The Energy Information Administration projects that these imports will continue to decline to around 38 percent by 2020. This is an enormous improvement that we would not have thought possible even a few years ago.

Now, let me say a few words about natural gas because that is also something which greatly affects utility bills in this country and, of course, is very important to our economy.

The good news continues as we look at natural gas. This graph shows U.S. natural gas production between 2000 and 2011. As we can see, there has been a dramatic increase in recent years. As we have heard from the International Energy Agency, headquartered in Paris, U.S. gas production grew by more than 7 percent in 2011. Our natural gas reserves are such that the United States is expected to become an overall net exporter of natural gas in the next decade. And natural gas inventories are now at record highs—20 percent above their level at the same time last year. In fact, there is so much natural gas being produced, frankly, some producers are shutting-in production. They are waiting and hoping that prices improve before they actually sell the natural gas they are able to produce today.

This next chart contains production data for the world's largest natural gas producers for the years 2008 through 2010. There are three bars here. The green bar is 2010 production, the most recent data available. This chart shows that in 2009, the United States surpassed Russia and became literally the world's leader in natural gas production. The green bar shows that trend continued in 2010.

So, unlike oil, the price of natural gas is not set on the world market. For natural gas, our enormous domestic resources and increased production have a significant effect on the price American consumers have to pay on their utility bills especially. Natural gas prices are near historic lows, and this is important to consumers who depend on this fuel for electricity, for heating. It is good for manufacturers who depend on natural gas. It is good for our economy overall.

Further evidence of our extremely robust domestic oil and gas production is the fact that the number of oil and gas drilling rigs active in the United States exceeds that of most of the rest of the world. As of last week, there were 1,981 rigs actively exploring for or developing oil and natural gas in the United States. The best comparable figure we have for rigs operating internationally is 1,871. This does not include Russia. It does not include China. It is probably safe to say, though, that more oil and gas drilling is occurring here in the United States than in any other country in the world.

Despite our relatively modest resource base for conventional petroleum, the industry in the United States has led the world in developing state-of-the-art technology for oil and gas exploration and production, tapping both conventional formations and unconventional resources, such as shale and tight sands.

To use a boxing metaphor, we are "punching above our weight" in oil and gas production, thanks to the technology lead our companies have developed, and it is a success story our country should celebrate. Even in light of this good news on domestic production, we hear claims that the Obama administration has withheld access to the oil and gas that is available on Federal lands and the Outer Continental Shelf. So we in Congress are urged to mandate that virtually all federally owned oil and gas resources be leased for development more quickly without regard to any impact that might have on other resources or economic interests, without any scientific analysis that is currently required.

Again, however, the facts tell us a different story. Secretary Salazar testified before our Energy Committee on February 28 that oil production from the Outer Continental Shelf has increased by 30 percent since 2008. It is now at 589 million barrels—in 2010. Annual oil production onshore on Federal lands increased by over 8 million barrels between 2008 and 2011. It is now over 111 million barrels of production.

Industry has been given access to millions of acres, much of which they either have not leased—not chosen to lease—or they have not put into production. In 2009, 53 million acres of the resource-rich central and western Gulf of Mexico were offered for lease. Industry chose to lease only 2.7 million out of that 53 million acres. In 2010, 37 million acres of the gulf were offered. Only 2.4 million acres were actually leased in that year.

In June of 2012, 3 months from now, the administration will offer another 38 million acres in the central Gulf of Mexico for lease. The Interior Department estimates that these areas could produce 1 billion barrels of oil and 4 trillion cubic feet of natural gas. The administration has recently proposed a leasing plan for 2012 through 2017 that would make at least 75 percent of the undiscovered, technically recoverable oil and gas resources on the Outer Continental Shelf available for lease.

So even when the industry leases these resources, it often does not move to produce oil or gas from these areas they have leased. Onshore, out of 38 million acres currently under lease, the industry has about 12 million acres actually producing. Offshore, there are a total of 35 million acres under lease. Six million acres of that is actually in production.

As of September 2011, industry held over 7,000 permits to drill onshore that were not being used. I have heard it stated that only 2 percent of the acres in the Outer Continental Shelf are currently leased and that this is evidence of lack of access to the resources. In my view, this is a misleading way to think about the current situation.

Just as oil is not found uniformly everywhere on land but instead is concentrated where the geology is favorable, the same is true offshore. The total acreage on the Outer Continental Shelf is huge. It is 1.7 billion acres. Much of it does not have oil and gas reserves that can be tapped economically.

Oil and gas occurs in the greatest quantities in only a few areas, such as the central and western Gulf of Mexico. It is those productive regions in which the industry expresses interest and which are the primary areas where leasing is occurring that the Obama administration plan would cover.

The total 1.7 billion acres is not a useful metric without consideration of which of those acres actually have significant oil and gas resources that are economically recoverable. Much more relevant is the amount of the resources that are being made available. As I pointed out, Secretary Salazar has testified that the proposed 5-year oil and gas leasing plan they have put forward would make more than 75 percent of the Outer Continental Shelf resources available for development.

The bottom line is, an increased amount of Federal acres and resources onshore and offshore are being made available to industry. Production on federally owned resources continues to increase. The increase in this production can be even greater if industry would lease and explore and produce on a greater percentage of the lands that are offered to them for lease, the lands that are believed to have some of the highest oil and gas resource potential.

Before I close, let me return for a moment to the issue of gasoline prices. It is clear we are increasing our domestic production significantly but that gasoline prices continue to rise. So we need to look for other solutions. This does not mean we are powerless to help reduce the price of gasoline. We know what we need to do.

If we want to reduce our vulnerability to world oil prices and to volatility of world oil prices, the most important measure we can take is to find ways to use less oil. One of our colleagues gave a good speech a few years ago in which he advocated that we produce more and use less. We are doing a pretty good job of producing more, and we need to do a better job of using less. We can do much better in this "use less" part of the equation without affecting the quality of life in this country. We can do that by being more efficient in our use of fuel, by diversifying our sources of transportation fuel away from oil.

We have taken some first steps along this path, notably in the Energy Independence and Security Act of 2007. It passed the Senate with a strong bipartisan vote. That law required us to make our vehicles more efficient and to shift toward relying more on renewable fuel, and it is working. Demand is down. Biofuel use is up. Consumers save money on fuel for their vehicles. Our percentage of imported oil has dropped by over 10 percent.

How do we continue on this path forward toward reducing oil use and dependence? I think there are three areas we can focus on. First, we need to enable further expansion of our renewable fuel industry, which is currently facing infrastructure and financing constraints. Second, we need to move forward the timeline for market penetration of electric vehicles. Finally, we need to make sure we use natural gas vehicles in as many applications as make sense based on that technology. Every barrel of oil that we are able to displace in the transportation sector and that we therefore do not need to consume makes our economy stronger.

Obviously, it also helps our personal pocketbooks. It makes us less available to the volatility of the current marketplace. This is not to say we should not keep drilling and that the Obama administration should not continue to move forward with its plans to bring even more supplies into the market. We lead the world in innovative exploration and production technology. It is helpful to our economy and our national security to increase domestic supply, and that is exactly what is happening.

But in the many debates we will have in the future over issues related to gasoline prices, we need to recognize the key issue very clearly is not lack of access to federally owned oil and gas resources. Our public lands contain many resources and uses that Americans value. We do not need to sacrifice science or balance the protection of these other resources and economic interests in order to have robust domestic production.

The long-term solution to the challenge of high and volatile oil prices is to continue to reduce our dependence on oil. This is a strategic vision that President George W. Bush, who had previously worked in the oil industry, clearly articulated in his State of the Union speech in 2006. We subsequently proved in Congress in 2007, the year after that State of the Union speech, that we have the ability to make significant changes in our energy consumption and that it is possible to mobilize a bipartisan consensus to do that. The bipartisan path the Senate embraced in 2007 is still the right approach today.

As part of whatever approach we take to energy and transportation in the weeks and months ahead, we need to be honest with our constituents about what works, and we need to keep moving in the direction that we began moving in with that 2007 bill. We need to allow the facts and not the myths to be our best guide.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Oregon.

SURFACE TRANSPORTATION ACT

Mr. MERKLEY. Madam President, I rise to address the surface transportation bill that is on the floor. It has been a mark of the challenges this body faces in deliberation that we have now been on this bill for 3 weeks, and we have not had a debate over transportation amendments. But hope does spring eternal.

In that spirit, I wished to come to the floor and share some thinking about the amendments that we should be debating and should be approving in this process. Certainly, the underlying Transportation bill is a great step toward our No. 1 goal of passing legislation that would create jobs, put people back to work in the hardest hit sectors of our economy.

Building and repairing our transportation infrastructure will create or save 2 million jobs nationwide, good-paying jobs that would provide a huge boost to our struggling construction industry, the families, to the workers, and to our economy. This infrastructure we would be building is a down-payment for the success of our future economy.

China is spending 10 percent of its GDP on infrastructure. They are preparing for a stronger economy in the future. Europe is spending 5 percent of their GDP, but in America we are spending only 2 percent. Indeed, it was not but a few months ago that our colleagues on the House side of Capitol Hill said we should cut transportation spending by 30 to 35 percent, which would devastate the infrastructure efforts that are underway, even within the existing 2 percent, the small amount we are spending.

Is it any wonder our communities are struggling to repair the bridges and roads we have, let alone to solve the challenges, the bottlenecks in the transportation lines that need to be addressed for the future. We have made a good start in committee on this bill, despite the paralysis on the floor of the Senate. We had elements of this bill go through four different committees and incorporate good ideas from both sides of the aisle in each of those committees and come to the floor in a bipartisan fashion.

I wish to share a couple other thoughts to build on this groundwork that came out of our committees, commonsense fixes, cutting redtape, and closing loopholes. The first amendment, No. 1653, is one I am sponsoring with my colleagues Senator TOOMEY and Senator BLUNT. Right now, farmers are exempt from certain Federal regulations when they transport their products in farm vehicles, as long as they are transporting these products inside their own State. But should they venture across State lines, even by just a short distance, then the Federal regulations are triggered. So we have farmers who are simply trying to get their products to market, to the local grain elevator, if you will, and they have to cross a State border and suddenly their challenge becomes very complex indeed.

For instance, Oregon farmers who live just across the border from Idaho, in these cases, the best market might be the nearest processing facility just across the State line. These farmers are exactly the same as their counterparts elsewhere, except for one small fact, the processing facility is across the border. This arbitrary distinction can mean major differences in how these farmers and ranchers have to do business in the form of additional burdensome regulations, regulations such as vehicle inspections for every trip the vehicle makes, even if the farm vehicle is simply driving from the field to the barn or having to adhere to reporting requirements for things like hours of service rules, even though the farmer is just driving an hour down the road; or obtaining medical certifications meant for commercial truck drivers.

This amendment would simply make life a little easier and more logical for these farmers by exempting them from these regulations designed for interstate transport, not designed to intervene or interfere when a farmer is attempting to take his product to market. We have put limits on mileage and limits on purpose to make sure it serves the intended function—to get rid of that arbitrary boundary that creates a regulatory nightmare.

A second amendment is related to freight. The underlying bill has a freight program to improve the performance of the national freight network. That is a proposal that will help make desperately needed improvements. There are a few technical improvements that would further improve the bill; that is, to recognize that funding should be used in the most efficient and effective way to ensure that high-value goods are being moved quickly to market.

We often think of freight in terms of volume or tonnage. But when we start looking at the high-tech sector, we can have enormously high-value content such as that produced by the microchip industry in Oregon and the roads necessary to make sure that high-value freight gets to market, which drives a tremendous number of jobs. It is just as important to address as are the routes that involve high tonnage and volume.

Let's turn to a third issue, which is ''Buy American.'' I salute my colleagues, SHERROD BROWN and BERNIE SANDERS, for working on these issues. We already recognize the principle that if we are paying to complete a public infrastructure project in America, it only makes sense for American businesses and workers to do as much of the work as possible.

Unfortunately, there are several loopholes that have undermined this basic premise in recent years. My amendment No. 1599 is an amendment that addresses one of these loopholes.

This summer, construction of a rail bridge in Alaska to a military base will