Federation of America, Delta Airlines, the International Monetary Fund, the St. Louis Federal Reserve. What do they all have in common? They have all indicated that excessive oil speculation significantly increases oil and gasoline prices. In fact, according to a recent article in Forbes—that is based on a report from Goldman Sachs—excessive oil speculation ''translates out into a premium for gasoline at the pump of $.56 a gallon.''

The Chairman of the Commodities Futures Trading Commission has stated publicly that Wall Street speculators now control more than 80 percent—in fact, as much as 85 percent—of the energy futures market, a figure that has more than doubled over the last decade. In short, people are buying contracts for future delivery of oil or gasoline they have no intention of ever taking delivery of.

Something is not working in the markets. Demand has dropped; consumption has been reduced; supply is at least at the level it was last year; yet prices are rising. The excessive oil and gasoline speculation is clearly causing market disturbances that prevent the market from accurately reflecting the forces of supply and demand. It is vital that the government use every available resource to protect Americans from markets that are not working, from price-gouging or price-fixing or illegal manipulation. The causes of the market disruption must be confronted.

Last April, the Attorney General announced the formation of a Financial Fraud Enforcement Task Force working group—I will repeat that—Financial Fraud Enforcement Task Force working group—that was specifically empowered to combat illegality in these markets.

I wrote to the Attorney General last May in the wake of the appointment of that task force, telling him respectfully that ''announcing investigations and beginning to issue subpoenas could curb some of the worst speculative activity that may well be underway at this very moment.'' I believe now that this task force has the authority, it has the mandate, it has the responsibility, and it has the obligation to be effective.

We have heard virtually nothing about it over this last year. We have heard of no investigation, no action, and certainly no prosecution. Now is the time it should be active. That is the reason I have again written to the Attorney General, and I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARCH 18, 2011.

Hon. ERIC H. HOLDER, Jr.,
Attorney General of the United States, U.S. Department of Justice, Pennsylvania Avenue, NW., Washington, DC.

DEAR ATTORNEY GENERAL HOLDER: Just yesterday, the average price of a gallon of gas in my home state of Connecticut topped $4 a gallon, the fifth-highest average price in the country. The rising price of oil is putting a significant financial strain on millions of Americans. Oil prices are at their highest levels since 2008; gas prices are up an average of 12 percent in 2012, and the national average price of gasoline is now over $3.74 a gallon.

Given this situation, it is vital that the government make use of every resource available to protect Americans from price-gouging. For many consumers, the dramatic increase in price for a commodity upon which they rely is more than an inconvenience: It limits their ability to get to work, drives up prices for goods of all kinds, and threatens to hinder our nascent economic recovery.

While many factors contribute to the price of a gallon of gasoline, there is a growing consensus among energy analysts, independent observers, and businesses that operate in the oil futures market that excessive speculation is contributing significantly to these spikes in oil prices. I am very troubled by this prospect.

We must make every effort to ensure that Americans pay fair prices for gasoline and heating oil, and that the markets for these commodities operate without manipulation or fraud.

Last April, you announced the formation of a Financial Fraud Enforcement Task Force Working Group, charged with focusing on fraud in the energy markets. I believe that the recent run-up in prices in the oil futures market requires more aggressive, muscular investigation and prosecutorial action to crack down on possible widespread wrongdoing that distorts the markets and drives prices higher. By making vigorous and judicious use of your Task Force's investigative and regulatory authorities, you can send a signal to speculators that excessive manipulation and fraud in the oil futures market will not be tolerated.

In May of last year, I wrote to you following the creation of this Task Force. Citing the Department of Justice's wide-ranging criminal and civil authority to investigate and prosecute fraud and price manipulation, I maintained that ''announcing such investigations and beginning to issue subpoenas could curb some of the worst speculative activity that may well be underway at this very moment.'' I continue to believe that is the case, and I am hopeful that a renewed focus by the Task Force will help restore some stability to a market upon which millions of Americans rely.

Thank you for your attention to this important matter. I look forward to your reply.

Sincerely,

RICHARD BLUMENTHAL,
U.S. Senate.

Mr. BLUMENTHAL. I am seeking from the Attorney General that this task force be proactive and effective by beginning investigations and taking whatever action is necessary to combat illegality in these markets.

I believe if the Attorney General of the United States makes vigorous and effective use of his task force's broad investigatory and regulatory authorities, he can send the signal to speculators that manipulation and fraud in the oil futures market will not be tolerated.

These gasoline prices are on the minds of Americans across the country. They have economic effects, but they also have effects on consumer confidence and on the lifeblood of economic recovery. Even more than the share of dollars that go to pay for gasoline at the pump, there is an effect on consumer confidence.

This obligation on the part of our law enforcers is one that goes to the core of their credibility—not just popularity. Credibility of law enforcement demands that the Attorney General of the United States take this action to reenergize and revive the task force. I am hopeful, knowing of his reputation, that he will act accordingly to assure all of us that illegality, whether it is price-fixing or price-gouging or cornering the market, will not be tolerated and that effective action will be taken against it.

Thank you, Mr. President. I yield the floor and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. BLUMENTHAL). Without objection, it is so ordered.

ORDER OF PROCEDURE

Ms. COLLINS. Mr. President, I ask unanimous consent to proceed for up to 20 minutes in morning business.

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

POSTAL SERVICE

Ms. COLLINS. Mr. President, the majority leader has indicated that the Senate may soon turn to legislation to reform a much needed, much beloved American institution—the U.S. Postal Service.

The Postal Service is nearly as old as our Nation itself. Our Founding Fathers recognized the importance of having a Postal Service. Article I, section 8 of the Constitution gives Congress the power to establish post offices. This is the same section that allows Congress to declare war, to coin money, to borrow money on the credit of the United States, to collect taxes, et cetera. So, clearly, the Post Office was viewed from the very beginning of our Nation as being essential to our economic well-being and to bringing together our country.

The Postal Service is also required by law to provide as nearly as practicable the entire population of the United States with adequate and efficient postal services at fair and reasonable rates. This is what is known as the universal mandate and it ensures that the Postal Service cannot leave behind our rural States or our small towns. Yet, the Postal Service, which has delivered mail to generation after generation of Americans, will not be able to meet its expenses sometime this fall, according to the Postmaster General.

In the past 2 years alone, the Postal Service has lost an astonishing $13.6

billion. First-class mail volume has dropped 26 percent since 2006, and the trends are not encouraging. Since no one wants the mail to stop being delivered later this year, that means we must pass a postal reform bill and we must do so soon.

The economic impact of the Postal Service is enormous. It is the linchpin of a mailing industry that employs more than 8.5 million people and generates almost $1 trillion of economic activity every year.

Virtually everyone—from big retailers to small businesses, to online shops—relies on the Postal Service to deliver packages, advertise services, and send out bills. The jobs of Americans in fields as diverse as direct mail, printing, catalog companies, and paper manufacturing are all linked to a viable Postal Service.

Nearly 38,000 Mainers work in jobs related to the mailing industry, including thousands at our pulp and paper mills, such as the one in Bucksport, ME, which manufactures the paper that is used for Time magazine.

My point is, many of us think in terms of the post office by way of the small post office that may be in our community or the friendly letter carrier who comes to our door. Certainly, that is an important part of the service provided by the Postal Service. But the economic impact of the Postal Service is enormous.

The crisis facing the Postal Service is dire. They cannot lose billions of dollars year after year after year and hope to stay in business. The crisis is not, however, hopeless. With the right tools and action from Congress, the administration, and the Postal Service leadership, the Postal Service can reform, rightsize, modernize, and continue to serve our country for generations to come.

My colleagues—Senator LIEBERMAN, Senator CARPER, Senator BROWN—and I have worked extremely hard during the past several months to craft bipartisan legislation to update the Postal Service's business model and give it the tools it needs to survive and succeed.

We have introduced a bill that will help the Postal Service reduce its operating costs, modernize its business model, and innovate to generate new revenue. However, the Postmaster General and I fundamentally disagree on how to save the U.S. Postal Service. I am concerned—indeed, deeply worried—that he continues to make decisions that will severely degrade the service and drive away customers, and that will undermine the opportunity for our bipartisan legislation to be successful.

It is clear we have two very different visions on how best to help the Postal Service. While each of us wants to ensure that the Postal Service is set on a sustainable path, I fear the Postmaster General's approach would shrink the Postal Service to a level that will ultimately hasten its insolvency.

I cannot think of another business that would respond to a loss of customers by further shrinking its service to its existing customers. Most businesses, whether they are large or small, would redouble their efforts to better serve their customers in hopes of retaining them and attracting new businesses.

Yet the current plan by the Postal Service would slow the delivery of first-class mail, close facilities, and ignore Congress. It flies in the face of the good-faith that I and the other negotiators have extended to the Postal Service during the many months we have worked on the reform bill.

We have worked hand in hand over a number of months with the Postmaster General to craft a bill that would save the Postal Service money in a way that prioritizes the lifeblood of the mail: the mailers and the service around which commercial mailers have built their business models and around which individual customers have developed their mailing habits.

Despite these negotiations, the Postmaster General has pushed ahead with plans to abandon the current mail service standards in favor of reduced access, slower delivery times, and higher prices. That will simply force many customers to pursue delivery alternatives. If those adjustments involve shifting to nonpostal alternatives—even in a minority of cases, say, 10 or 20 percent—the Postal Service would face an irreversible catastrophe. For once customers turn to other communications options and leave the mail system, they will not be coming back. The result will be that the Postal Service will be sucked into a death spiral from which it will be unable to recover. We simply cannot allow that to happen.

What do I mean when I say businesses will adjust their business model? Companies large and small that rely on the mail tell me if service continues to deteriorate—if the Postmaster General engages in these wide-ranging closures of essential processing plants—the Postal Service's customers will conduct more business online and encourage their customers to switch to online services for bill paying and other transactions.

Other companies, such as small weekly newspapers or pharmaceutical suppliers, have told me they would seek nonpostal delivery options, such as for local delivery and transport services. Again, let's assume only a small fraction of businesses change their operations by shifting away from the Postal Service. It still could spell the end for the U.S. mail system. Listen to this statistic: For every 5 percent drop in first-class mail volume, the Postal Service loses $1.6 billion in revenue.

That is why the downsizing of the labor force and excess capacity the Postmaster General states is so critical to saving the Postal Service must be carried out in a way that preserves service and does not inflict avoidable harm on dedicated postal workers.

Too many in the Postal Service leadership have assumed this simply cannot be done, that it is impossible. But the fact is there are many options to cut costs and expand revenue while preserving service. Let me just mention some of them. Several of them are in the bipartisan bill.

First, we could reduce the size of processing plants without closing them. I have suggested this for the processing plant in Hampden, ME, that is on the chopping block. It should not be because it means that mail from northern Maine would have to make a 622-mile round trip for some northern Maine communities in order to be processed. But if the processing plant is too big, reduce its footprint. Rent out part of the plant. That would even generate revenue and rightsize the processing plant without hurting delivery times.

We could move tiny post offices into local grocery stores. We could and should and must reform an expensive and unfair workers' compensation program that costs the Postal Service more than $1 billion a year.

We could allow the Postal Service to ship wine and beer the way its competitors can.

We could refund and should refund an overpayment into the Federal retirement system that amounts to between $10 billion and $11 billion.

The Postmaster General says he can develop a new health care plan that would greatly decrease the need to prefund future retiree benefits.

We could use buyouts authorized by our bill to encourage employees to retire. Many postal workers are eligible for retirement.

But, sadly, the Postmaster General is, instead, proceeding with a disastrously flawed plan, as is evidenced by the recent announcement of Draconian processing plant closures. This coupled with the still-pending closures of nearly 4,000 mostly rural post offices and the Postmaster General's push to eliminate overnight and Saturday delivery tell me the current postal leadership is gravely underestimating the consequences of lesser service on revenue from customers who depend on the service as it is provided today. That is not to say there is not excess capacity. That is not to say the workforce should not be reduced, but it can be done so in a smart way and a compassionate way.

It also suggests the Postmaster General is prepared to have rural America bear the brunt of severe reductions in service that violates the universal service mandate.

The Postal Regulatory Commission concluded just that in its analysis of the impact of the proposal to end Saturday delivery. It found the savings were far less than the Postmaster General had estimated.

The Postal Service will not be saved by a bare-bones approach that will require massive adjustments by its customers. That will drive more of them out of the Postal Service. Perhaps that might have worked in a time when customers had no alternatives, such as would have been the case decades ago. But today the massive shift to online publications and commerce provides many businesses and individual consumers with alternatives to using the mail. A good portion of them may well explore and settle on those alternatives if the Postal Service makes it harder for them to serve their customers. For customers who simply cannot adjust their business model, they could be forced out of business, taking much needed jobs with them.

The approach taken by our postal reform bill, the 21st Century Postal Service Act, would be to reduce excess capacity while still preserving service for the customers of the Postal Service. Our bill would not ban the closure of every single postal facility, but it would establish service standards and allow for meaningful public comment procedures that would ensure that delivery delays and the impact on customers are considered. The result would be that most facilities would remain open so as to preserve overnight delivery, Saturday delivery, and easy access to bulk processing for commercial mailers.

Our bill would still allow the Postal Service to reduce the workforce using buyouts, and it would still allow processing capacity to be reduced to match the declining volume. For example, rather than closing a plant that has excess capacity, our plan would allow the plant to downsize its labor and volume capacity. This could mean running one shift instead of two or a half shift instead of a whole shift or using one sorting machine rather than two or using half the space and renting out the rest, and so forth. That way the plant could still process the mail in the region in a timely fashion while saving money and, indeed, in some cases, generating more revenue.

Under the Postmaster General's plan, however, that plant would close, and its volume would be processed much further away, thus degrading service. The loss in revenue due to dramatically reduced service under the Postmaster General's plan would not take place under our plan, and the negative ripple effects on customers, jobs, and the broader economy would be avoided with our bill set to come to the floor very soon.

The Postmaster General has nonetheless moved forward with preparations for sweeping closures and service reductions. That means even if our bill were to pass quickly, get through conference, be sent to the President's desk, and start to be implemented over a matter of just a few months, the Postal Service's ill-conceived actions would already have done damage to its customer base.

After all, customers have to plan now for what they fear may be coming. Customers are already making contingency plans and exploring alternatives. In this way the Postal Service has already triggered the potential hemorrhaging of customers that our bill would prevent should it become law. But on top of the damage already incurred, what this reckless move demonstrates is an attitude that is dead set on letting the Service deteriorate and ignoring what customers want.

That attitude seems to be so stubbornly entrenched among the senior leaders of the Postal Service that I worry that even if our bill were to become law next week, the current Postal Service leadership would not enact it properly. Without an attitude of service first, I am concerned that all the important processes and considerations we put in the bill could just become box-checking exercises for the Postal Service; that it is looking to just maintain the appearance of compliance rather than embarking on a new path.

Mr. President, I ask unanimous consent for 2 additional minutes.

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

Ms. COLLINS. This approach by the Postal Service is all the more inexcusable given its unfortunate reputation for fuzzy math. By cutting service and raising prices and not fully calculating the resulting disastrous revenue losses, the Postal Service has put forth numbers that we simply cannot rely upon. Unfortunately, this is not new.

The Postal Service's assumptions about the projected losses and savings from service cuts have proven unreliable in the past, as the Postal Regulatory Commission has found. Furthermore, we are relying on the Postal Service's data and projections without giving the Postal Regulatory Commission the opportunity to provide its advisory opinion, which is expected this summer.

I hope my concerns can be addressed. But it raises real questions about whether proceeding with the postal reform bill is futile. If the Postmaster General is eroding the customer base and implementing service cuts before we can enact legislation, are we just wasting time trying to pass a bill? Can we still save the Postal Service?

So I find myself in a quandary, one created by the Postmaster General himself as he shifts from plan to plan, from negotiation to negotiation. This makes it extraordinarily difficult for those of us who are so committed to saving the historic Postal Service so it can continue to be a vital American institution for generations to come.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

JUMPSTART OUR BUSINESS STARTUPS ACT

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 3606, which the clerk will report.

The bill clerk read as follows:

A bill (H.R. 3606) to increase American job creation and economic growth by improving access to public capital markets for emerging growth companies.

Pending:

Reid (for Reed) amendment No. 1833, in the nature of a substitute.

Reid amendment No. 1834 (to amendment No. 1833), to change the enactment date.

Reid amendment No. 1835 (to amendment No. 1834), of a perfecting nature.

Reid (for Cantwell) amendment No. 1836 (to the language proposed to be stricken by amendment No. 1833), to reauthorize the Export-Import Bank of the United States.

Reid amendment No. 1837 (to amendment No. 1836), to change the enactment date.

Reid motion to recommit the bill to the Committee on Banking, Housing, and Urban Affairs, with instructions, Reid amendment No. 1838, to change the enactment date.

Reid amendment No. 1839 (to (the instructions) amendment No. 1838), of a perfecting nature.

Reid amendment No. 1840 (to amendment No. 1839), of a perfecting nature.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. JOHNSON of South Dakota. Mr. President, I rise today to speak about an amendment I am cosponsoring with Senator CANTWELL as well as Senator GRAHAM and Senator SHELBY to reauthorize the Export-Import Bank. This amendment is important to thousands of workers in Senator CANTWELL's home State of Washington, and I thank her for offering it with me.

This amendment is not just important to the State of Washington; it is important to our national economy. It will create and support more jobs than any other provision in the underlying bill before us today. I believe this is why there was unanimous bipartisan support last year when Senator SHELBY and I passed this bill out of the Banking Committee, and it is why we should pass it this week.

This legislation would ensure that the bank is able to continue to provide support for U.S. exporters and workers. The amendment extends the authorization of the bank for 4 years and will increase the bank's lending authority to $140 billion by 2015. It also strengthens transparency and accountability at the bank, strengthens restrictions against companies doing business with Iran, and provides for greater oversight of the bank's financing and any risks it may have to taxpayers.

The Export-Import Bank is the official export credit agency of the United States. It assists in the financing exports of U.S. goods and services to international markets. Following the financial crisis, the bank experienced a dramatic increase in its activities, as many companies struggled to find financing in the private market.

In fiscal year 2010, the bank saw a 70-percent increase in authorizations from 2008. Last year the bank committed to almost $33 billion in support of U.S. exports, a new record.

The bank has been self-funding since 2008, returning nearly $2 billion to the Treasury. In fiscal year 2011 alone the bank generated $400 million to offset