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## Senate

The Senate met at 9:45 a.m. and was called to order by the Honorable HILLARY RODHAM CLINTON, a Senator from the State of New York.

The PRESIDING OFFICER. This morning our guest Chaplain, Reverend Samuel L. Green, St. Mark African Methodist Episcopal Church, in Orlando, FL, will lead the Senate in prayer:

### PRAYER

The guest Chaplain offered the following prayer:

Let us pray.

Oh God, our God. How excellent is Your name. You are wonderful. You are glorious. You are sovereign and majestic. You alone are God. We offer to You today thanksgiving. Thank You for the many blessings You have so graciously bestowed upon us. Thank You for blessing America. We pause as a nation today to bless You. Give us strength and courage to work together as a nation to create environments of liberty and justice throughout our land.

Dear Lord, grant unto this Senate an agenda that will speak to the issues that affect every citizen of our Nation. As these women and men convene, cause them to remember that our Founders established this Nation under God. Then as they deliberate, their thoughts and actions will be led by You.

God of grace, God of glory, on these Senators pour Your power. Grant them wisdom; grant them courage for the facing of this hour in America. Give them a strong resolution against the evils that we as a nation deplore. Search their souls, be their glory so that these women and men who have been elected to serve as Senators will not fail those they represent or Thee. In the name of Jesus, the Christ, we pray. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable HILLARY RODHAM CLINTON led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, April 18, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HILLARY RODHAM CLINTON, a Senator from the State of New York, to perform the duties of the Chair.

ROBERT C. BYRD,  
President pro tempore.

Mrs. CLINTON thereupon assumed the chair as Acting President pro tempore.

### RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

### SCHEDULE

Mr. REID. Madam President, this morning the Senate will resume consideration of the energy reform bill. The ANWR amendments are pending. The time until 11:45 is divided equally between the two leaders or their designees. At 11:45 the Senate will vote on cloture on the Stevens ANWR amendment. If cloture is not invoked on the Stevens amendment, the Senate will

immediately vote on cloture on the Murkowski ANWR amendment.

I ask that Senator NELSON of Florida be recognized to give remarks regarding our guest Chaplain.

The ACTING PRESIDENT pro tempore. The Senator from Florida.

### WELCOMING THE GUEST CHAPLAIN

Mr. NELSON of Florida. Madam President, the minister who is our guest Chaplain is a personal friend of mine from Orlando. It is noteworthy that I make a couple of remarks concerning him.

Reverend Sam Green of St. Mark AME Church in Orlando is a rather extraordinary minister of the gospel. He comes from a family that has four brothers who are all ministers, in Orlando, Tallahassee, Gainesville, and Miami. Reverend Green's pastorate and his ministry are an outreach to the community of Orlando, for he has created businesses to fill the needs of the Orlando community that are all occupied by parishioners of his church. And so it is with a great deal of pleasure that we welcome Reverend Sam Green of Orlando to be our guest Chaplain this morning.

Thank you, Madam President.

### RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

### NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 517, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 517) to authorize funding the Department of Energy to enhance its mission

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes.

Pending:

Daschle/Bingaman further modified amendment No. 2917, in the nature of a substitute.

Kerry/McCain amendment No. 2999 (to amendment No. 2917), to provide for increased average fuel economy standards for passenger automobiles and light trucks.

Dayton/Grassley amendment No. 3008 (to amendment No. 2917), to require that Federal agencies use ethanol-blended gasoline and biodiesel-blended diesel fuel in areas in which ethanol-blended gasoline and biodiesel-blended diesel fuel are available.

Lott amendment No. 3028 (to amendment No. 2917), to provide for the fair treatment of Presidential judicial nominees.

Landrieu/Kyl amendment No. 3050 (to amendment No. 2917), to increase the transfer capability of electric energy transmission systems through participant-funded investment.

Graham amendment No. 3070 (to amendment No. 2917), to clarify the provisions relating to the Renewable Portfolio Standard.

Schumer/Clinton amendment No. 3093 (to amendment No. 2917), to prohibit oil and gas drilling activity in Finger Lakes National Forest, New York.

Dayton amendment No. 3097 (to amendment No. 2917), to require additional findings for FERC approval of an electric utility merger.

Schumer amendment No. 3030 (to amendment No. 2917), to strike the section establishing a renewable fuel content requirement for motor vehicle fuel.

Feinstein/Boxer amendment No. 3115 (to amendment No. 2917), to modify the provision relating to the renewable content of motor vehicle fuel to eliminate the required volume of renewable fuel for calendar year 2004.

Murkowski/Breaux/Stevens amendment No. 3132 (to amendment No. 2917), to create jobs for Americans, to reduce dependence on foreign sources of crude oil and energy, to strengthen the economic self determination of the Inupiat Eskimos and to promote national security.

Stevens amendment No. 3133 (to amendment No. 3132), to create jobs for Americans, to strengthen the United States steel industry, to reduce dependence on foreign sources of crude oil and energy, and to promote national security.

Mr. REID. Madam President, I ask unanimous consent that the full 2 hours be given and the votes occur at 10 minutes to the hour rather than 15 minutes on the hour.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from New Mexico is recognized.

Mr. DOMENICI. Madam President, I understand I have up to 15 minutes to speak at this time, is that correct?

The ACTING PRESIDENT pro tempore. No time was specifically allotted to any particular Senator.

Mr. DOMENICI. I thank the Chair. I am supposed to proceed on our side. As the majority whip knows, I have a hearing beginning shortly. The Senator from Pennsylvania wanted to use 2 minutes of my time. Could we let him proceed for 2 minutes?

Mr. REID. That would be fine if the three Republican Senators wish to speak.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Madam President, I want to speak for a couple of minutes on this amendment on steel. We had an opportunity to do something to profoundly help the steel industry this year. The President has done the right thing. He did something tremendously important to help steel jobs by creating the tariff decision a few weeks ago. But the second piece of this puzzle was to do something about the legacy cost, so the steel industry can consolidate and be much more efficient.

We had an opportunity in this bill, because we had a pot of money, to be able to fund this program. I don't see any other pot of money out there that is substantial enough to meet the needs of people who are basically without health insurance now because of the failure of so many companies in the steel industry. We had the money. All we needed was the will. Fortunately, you had the steel companies saying let's do it and make this our chance because the money is here, the will is here. The steelworkers passed. Many people here who are advocates for steelworkers are taking a pass. The reason is because they cannot get a commitment from the President to sign this exact piece of legislation.

I am going to vote for this legislation, but if that now is the standard, I am going to adopt that standard. I will not vote for another piece of steel legacy legislation on the floor of the Senate. I will not advocate for another piece of steel legacy legislation until we have a commitment from the President, before it leaves the Senate, that he will sign it. Since that is the commitment that was necessary here, that will now be the commitment to get my support and advocacy on this side of the aisle for any future steel legacy bailout. You have made your bed, and it is an uncomfortable one, and it is not going to be a satisfying one for the people who could today be realizing health care, could be realizing a restoration of the health care benefits that were promised them. But some people decided to take a political pass. Go ahead and take your political pass, but the impact on all of these workers is profound, and the impact on all of these retirees is profound. It is a very sad day for the steelworkers and the retirees as a result of the politics being played on this issue.

I thank the Chair.

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

Mr. DOMENICI. Madam President, this side has asked me to ask unanimous consent that the time consumed by the quorum call be equally divided on the unanimous consent the Senator from Nevada just requested.

Mr. REID. I hope we don't have a quorum call.

Mr. DOMENICI. That quorum time be equally divided. That is what we are trying to clear up.

Mr. REID. I am sure it is OK. I'm not sure I understand.

Mr. DOMENICI. Madam President, today we are debating an amendment that, simply put, has a profound impact on our future. This legislation is American jobs and national security. And I will say, what could be more compelling than these two very simple, but profound and obviously important considerations: American jobs and national security.

Our Nation, whether we like it or not, whether we should have done something about it sooner or not, moves on oil. We can wish for a future in which there are other options, but it is not here now. Absolutely nothing changes the stark fact that now, and for the foreseeable future, we need expanded supplies of oil, and we are dangerously dependent on foreign sources.

Our economy grinds to a halt without oil. Our tremendous military capabilities require oil. Today, for example, it takes 8 times more oil to meet the needs of each American soldier than during World War II.

Senator after Senator has noted that we are now importing almost 60 percent of our oil. We all know that the past crises occurred when we were half as much dependent. Those crises occurred when other nations followed their own best interests. That will always be the case. Our interests will not always drive the actions of our neighbors and countries that call themselves our friends.

We know that oil is going to become an increasingly precious resource. Supplies are not infinite, but it is not a question of whether we have enough oil for the foreseeable future; but will America be able to be assured—or can we do things that will make us more assured that we will have what we need?

We know that oil is getting to be a more precious resource. Obviously, we have become vulnerable to disruptions. That vulnerability has never been larger. But I submit that it will get larger in the future because we are not taking any action, in my opinion, that either short-term or long-term will change that situation.

At this instant, we see tremendous instability in the Middle East. We have been getting at least 1 million barrels of oil per day from Iraq. And instability doesn't stop in the Middle East. Whatever it is that is causing instability in our world, has moved over into our hemisphere. Obviously, Venezuela is another very major supplier of the United States. It does not take a genius to look into the cloudiest of crystal balls and forecast that there are likely to be immense shortages of oil in the near future.

Some argue that ANWR oil will not be ready for 10 years, while experts note that oil could be flowing in 1 to 2 years. Others will argue that even with the shorter time, ANWR cannot impact today's crisis sufficiently. Sure, it cannot, but it will be better and it will enable us to withstand the next crisis

much, much better. In fact, it might postpone one crisis or another crisis in the future. And there is no question that prices at the oil pump are now being impacted by this situation that I have just described with reference to our dependence on the Middle East and other world conditions. Whether you're shopping at the neighborhood gas pump or reading the papers, the signs are all around us, oil is approaching \$26 a barrel versus \$18 earlier this year.

There are headlines such as "Gas Prices Put Some Budgets Running on Empty," and "The Oil Market is Running Scared." Those kinds of signs are plastered in newspapers and magazines. Right here in Washington, gas prices have climbed 20 percent in the past month. Besides giving us more control over our own gas prices, ANWR has other far-reaching impacts. After all, we are just coming out of recession.

This is the time when good jobs are especially precious. ANWR oil, valued at \$300 billion or more, means thousands upon thousands of jobs for Americans. It is estimated that the President's whole energy package delivers about 700,000 jobs for Americans. Many of those jobs are represented by some of our strongest unions, and we have seen a number of them support the passage of the ANWR legislation.

It is obvious to me there will be many jobs in special areas of oilfield exploration, and extensive logistic support will be needed at every step of exploration and development.

In one sense, this is a huge jobs opportunity for Americans. These are highly paid jobs. They will go elsewhere. They will not stay in this country. Salaries will be lost as we become more dependent, and without us having the advantage of the ANWR oil activities, the oil money will go elsewhere. We will pay more money to foreign countries rather than keep it for ourselves.

We would rush to the floor to vote for any project or program that we could put into effect that would produce the kind of jobs that ANWR will bring. There is no question it is the biggest job-producing activity that anyone could plan during the next decade and perhaps thereafter.

If we import more oil, we are encouraging more pumping from places in the world with less stringent environmental regulations. If we import more, what sense does it make to ban our exploration and drilling under rigid environmental mandates and tell the rest of the world to use whatever approaches they want, with whatever environmental damage, just to satisfy our needs and our thirst?

We cannot, by defeating ANWR, mandate the environmental conditions that will exist across this world when the oil that would have been ANWR oil is produced by other countries in other places.

ANWR critics need to remember that this amendment limits the total footprint of all operations to 2,000 acres, a

tiny piece of a gigantic area encompassing more than 20 million acres. That means 99.99 percent of ANWR is untouched by this development. If the same fraction of New Mexico, my home State, was developed as is being proposed in ANWR, it would consume an area roughly the size of the Albuquerque Sunport and Kirkland Air Force Base.

That piece of geography in the southwest in New Mexico—the Sunport in Albuquerque plus Kirkland Air Force Base—is the entirety of property that would be used. It would leave no destruction or damage or in any way harm the 2,000 acres. That can be done.

For those who wonder whether we can drill that many wells and get that much oil from such a small piece of geography, that is what the law says; that is the only activity the President would be allowed to do if either of the pending amendments were to be adopted.

If the same fraction of New Mexico were developed as is being proposed in the ANWR drilling, it would consume the area I have just described. There are some who do not believe that, but I repeat, we have become such technological experts in drilling for oil that, indeed, 2,000 acres will suffice because we no longer drill straight down, perpendicular. We drill horizontally so there will be many wells many distances from this 2,000 acres, but it will not be visible on the surface nor will it impact the surface.

We have spent a lot of resources—a lot of businesses invested money and we invested money in the research to permit that, to get us to this point where we can stand in this Chamber and talk about horizontal drilling and about a footprint of 2,000 acres that could drain the entirety of ANWR, the entirety of the 1.5 million acres or at least sufficient quantities to make it worthwhile.

If we import more, then we are only encouraging more pumping in places in the world with less stringent regulations, which I have just commented on. If we want to move environmental degradation elsewhere—which will be minuscule in the United States, in Alaska, in ANWR—then shame on us and doubly shame on us if we, with the same set of events, deny an opportunity to produce it under stringent requirements as we have been referring to for ANWR.

It is likely that the ANWR supply would replace about 30 years of oil imports from Saudi Arabia and about 50 years of oil imports from Iraq. Right now, we pay Saddam Hussein about \$4.5 billion a year for oil. Do we really want to be dependent on this regime? Do we want it to grow rather than diminish? If we want his regime to grow, then reject the two pending amendments. If we want Saddam Hussein's influence to lessen, then we ought to vote in such a way as to permit American business, American working men and women to proceed to produce on our behalf.

To me, this is a very easy issue. We should drill in the United States using our best environmentally friendly technology under our rigid environmental controls. We should drill where we can find our own oil to satisfy our national needs and, at the same time, we should work to develop new technologies that lessen our dependence on oil and petroleum-based fuels. There can be no doubt, ANWR will not solve our problem, but clearly it will help solve our problem, and with that, there are so many pluses in terms of where the wealth will go, where the money will be invested, which workers will get the jobs, which businesses will be part of the very complicated drilling techniques and apparatus that will be on American soil drilling for oil for Americans, instead of part of the international pool produced by some other country, the benefits of which are absolutely nil to the United States.

It is an easy issue because this is an American issue and a jobs issue with very little downside. Actually, this should not be an environmental issue. This should not be an issue that oil companies favor. This should not be an issue that the labor unions favor. This is an American issue that we should have come to the floor shoulder to shoulder saying: Let's give it a try.

I submit that just as happened in the Prudhoe Bay activity—after lengthy debates and passing by the narrowest of margins, with all that was going to happen environmentally in that area, from what I can tell and on what I have been briefed from people who live there, nothing of significant damage to the environment has occurred—I predict the very same thing will occur if we proceed to drill on the 2,000 acres set aside.

I regret, if it turns out this cannot be passed, that the argument apparently will prevail that we should let the environment be degraded in other countries to produce commodities that we desperately need, but we should not produce this product on our own land under far more stringent environmental controls. To me it makes no sense as an environmental issue.

To me, it is abandoning hundreds, and hundreds of thousands, of jobs and billions of dollars that are American. We are going to be sending those off to others saying: You enjoy them because, after all, America is so powerful, so strong, we do not need any.

I believe this amounts to something very close to economic arrogance on the part of those who promote it. It is kind of like walking out and saying: America is so robust, we do not need to worry about hundreds of thousands of jobs and billions of dollars that could be ours instead of some other country in the world. It would seem to this Senator that it is a very clear issue. I, for one, am sorry we have taken so much time, and I do hope when we finish with this issue that we will proceed.

I note my colleague from New Mexico has been in this Chamber for an inordinate amount of time trying to get this

bill done. I want to say to him, I am not one who wants further delay. When we get this finished, I am for getting on with it. I hope that happens in a few days rather than weeks. The issue has been joined. Both sides have had a good shot at it. Perhaps none of us have understood it correctly, but I think we have all tried.

I yield the floor.

The PRESIDING OFFICER (Mr. MILLER). The Senator from Nevada.

Mr. REID. Mr. President, the Senators on the Democratic side who have requested time will be given this amount of time: Senator BINGAMAN, 10 minutes; Senator BOXER, 5 minutes; Senator DASCHLE, 10 minutes; Senator KERRY, 10 minutes; Senator LIEBERMAN, 5 minutes; Senator REID, 5 minutes; Senator ROCKEFELLER, 10 minutes.

Mr. President, some of my colleagues have advocated opening the Arctic National Wildlife Refuge to drill for oil. Those who favor exploiting the Arctic Refuge for whatever oil might be there often suggest this Coastal Plain is desolate and unforgiving.

The Arctic Refuge is a very different landscape than most of the wildlife refuges in the lower 48 States. This unique Coastal Plain is worthy of protection, and that is an understatement.

I am from a place called Searchlight, NV, a small town in the heart of the Mojave Desert. The Mojave Desert is the driest and one of the most unforgiving regions in North America. It is also one of the most beautiful and awe-inspiring places on Earth. This desert, because of its extreme climate, is very slow to heal from impacts people make in it. The Mojave Desert is hot, it is dry, and it is fragile.

The Arctic Refuge, though so different from the desert, is actually similar to the Mojave in that it is another of North America's most unforgiving landscapes.

Like the Mojave Desert, the Arctic Refuge is a beautiful, irreplaceable and shared national treasure. The Arctic Refuge belongs to all Americans and all Americans should have a voice in determining its future. Those pushing to drill for oil in this American wilderness claim drilling would not have a harmful impact, but we know that due to extreme climate the Arctic would be slow to heal from the wounds caused by oil and gas exploration and development.

The Arctic Refuge is cold, it is wet, it is fragile, and it is also unique and irreplaceable. The Arctic Refuge is not a wasteland. We must not allow it to become one. I am fortunate to be able to return home to the Mojave Desert and enjoy visits with my family. That is where my home is.

Congress should guarantee, for the sake of our children and grandchildren, the Arctic National Wildlife Refuge also remains pristine, unharmed and free from wasteful exploitation.

Behind the misguided drive to drill in the Arctic Refuge is a fundamental

issue on which we should all agree: America is too dependent on oil. We must be honest with the American people about this simple truth: America has 3 percent of the world's oil reserves; 90 percent of the oil reserves are elsewhere, but we use 25 percent of the world's supply of oil. America will never again produce all of the oil it uses. As long as America depends on oil, we will have to depend on foreign oil. That is too bad. There is no question that reducing our use of foreign oil is a critical goal for our Nation.

Improving fuel efficiency in cars would significantly reduce our debilitating dependence on foreign oil. If all cars, trucks and pickups had a corporate average fuel economy, or CAFE standard, at 27.5 miles per gallon, the country would save more oil in 3 years than could be recovered economically from the entire Arctic National Wildlife Refuge ever.

It is easier to save a barrel of oil than to produce one. Reducing our demand for oil means eliminating the inefficiencies that plague our Nation's energy use. Our energy policy must promote responsible production of oil and gas. This legislation will provide tax incentives to do just that, but that does not mean we should drill in the pristine Arctic wilderness. Although drilling in the Arctic refuge might seem like a solution to our energy challenges and could be profitable for oil companies, America cannot afford to cut corners at the expense of this refuge.

The refuge can only supply 6 months' worth of oil to meet America's energy needs. This is not a solution. We must find a long-term solution because once the oil is extracted and used it is gone. We will soon find ourselves facing the same dilemma, only this refuge would be destroyed and/or damaged.

There are solutions. Substituting alternative energies, solar, wind and, of course, geothermal, as well as biofuels for fossil fuels or using them as fuel additives can help offset some of our demand for petroleum and at the same time dramatically reduce pollution.

As fantastic as it sounds, with the use of hydrogen fuel cells, as the Senator from Idaho spoke recently, oil will eventually be phased out as a primary transportation fuel. Yes, our Nation will some day abandon oil as its primary energy source in favor of natural gas and renewable energy. The day is coming. I hope it is a day when we can all look back and be proud that we made the right decision to protect the Arctic Refuge for centuries to come.

The PRESIDING OFFICER. Who yields time? The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I welcome a chance to speak for a few additional minutes on this important issue. In my view, opening the Arctic National Wildlife Refuge is not good environmental policy for our country and also it distracts us from the effort we are making to craft a comprehen-

sive energy policy the country can support and with which we can move ahead.

I urge my colleagues to vote against the cloture motions. I have several reasons for that. One point that needs to be made very clearly is one that I think has sort of not been said but has been part of the background discussion, and that is that nothing that is proposed with regard to drilling for oil in the wildlife refuge would in any way reduce the price of gas for Americans.

The suggestion has been made, well, the price of gas is going up. Therefore, we have to rush out and drill in the Arctic Wildlife Refuge. The truth is, there is nothing in these proposals that is going to affect the price of gas to the American consumer. I think everyone sort of concedes that point when asked the question, but I wanted to make it very explicit.

Also, there is nothing in this proposal to help us with our short-term needs. The Energy Information Agency says that even if we were to pass legislation this year to permit drilling in the Arctic Wildlife Refuge, there would be no production out of that area for at least 7 years, perhaps for as long as 12 years.

We had a hearing in the Energy Committee where the representative from ExxonMobil said it would be at least 8 years, and more realistically probably 10 years. So there is no solution to our short-term needs in these proposals.

I would also make the point, which we have tried to make in several ways, that there is really no solution to our long-term needs in this proposal to open the wildlife refuge either. I have a chart that we have shown before, but I think it is a very instructive chart. It is based on information from the Energy Information Agency, which is part of our Federal Government, part of the administration. We asked them first a pretty obvious question. We said, let us look long-term in the year 2020. How dependent will we be on foreign oil if we do not open ANWR to production?

They said, we will be 62 percent dependent. The exact figures they gave us show we are about 55 percent dependent this year on foreign sources of oil. In 2020, we will be 62 percent dependent if we do not open ANWR.

Everybody said, great. Let us think about opening ANWR then. We said, how dependent would we be if we did open ANWR to drilling? They said we would be 60 percent dependent. That is the issue. It is a 2-percent difference in the year 2020.

Then we asked the next question: Longer term, what about 2030? How dependent will we be in 2030 if we don't open ANWR to drilling? The answer is, 75-percent dependent upon foreign sources of oil. This is assuming we don't change any of our other policies with regard to CAFE standards, with regard to use of hydrogen power for fuel cells or anything else. They said 75 percent; we said, if we do open ANWR to drilling, how dependent? And they

say 75 percent. The truth is, their projections indicate that whether ANWR is opened or is not opened for drilling and production, by the year 2030 it is all gone and we are at 75-percent dependence upon foreign sources of oil. So there is nothing in these proposed amendments we are going to be voting on that solves our long-term problems.

The controversy, I do believe, has diverted our attention from other real opportunities to enhance our domestic energy production. Let me recount briefly what some of those are.

Senators from Alaska made the point very strongly, and I agree with them, that a tremendous opportunity for our country as far as meeting our energy needs in the future is concerned is getting the gas that is produced in the Arctic down to the lower 48 so we can use it. We have 32 million cubic feet of natural gas that is immediately available, substantially more natural gas that is expected to be available if there is a way to transport that—a pipeline—from the North Slope down to the lower 48. We have provisions in this bill that will facilitate the construction of that pipeline.

We have worked with the Senators from Alaska to try to devise other provisions, incentives, ways to reduce the risk, the financial risk involved, so that pipeline can be constructed. It is very much in our national interest that be done. I very much hope as a result of the legislation, we are able to do this.

Talking now again about oil rather than natural gas, there are substantial prospects for increased production of oil on the North Slope of Alaska in the National Petroleum Reserve, Alaska. There are 23 million acres of Federal land that have been set aside to secure our petroleum reserves. That is the orange area on this map. This is very promising. The previous administration leased a substantial area for drilling. Those leases were certainly sought by the industry. There is another lease sale being prepared for this June. There are additional lease sales planned in the future. They all have the very high interest of the oil and gas industry. I strongly support going ahead with that development. It is something we need to do to meet our needs. I hope we do.

In addition, there is a substantial area of State and Native lands between the Arctic Refuge and the National Petroleum Reserve, Alaska, between the green area, which is the wildlife refuge area, and the orange area, which is the National Petroleum Reserve, Alaska area. That is State and Native land. There is an aggressive State leasing program going forward there. That benefits, of course, everyone and increases domestic production.

Even when we get away from the North Slope of Alaska and look at the Gulf States, we have today 32 million acres offshore of Louisiana, Texas, and Mississippi, that have been leased for drilling and have not yet been drilled

and developed. We need to figure out what we can do through policies and incentives to encourage the development of those resources. Clearly, there is a substantial benefit to our country there.

The point I made repeatedly throughout the 5 or 6 weeks we have been on this bill—I am losing track at this point—the point I have made repeatedly is we need to begin looking to other sources of energy. We need to be looking at other ways to meet our energy needs: Better energy conservation, more attention to research and development, more attention to renewable energy sources. Clearly, that needs to be a major thrust of what we do.

There are provisions in one of the amendments we will vote on related to the steelworkers and to the steel industry. The Senator from Pennsylvania was here a few minutes ago and spoke to that. Many Members in the Senate are sympathetic to the problems the steel industry has encountered, particularly the workers, the retirees from that industry, the legacy issue relating to the steel industry. I am persuaded this is not the right place to try to deal with that issue. We should not be trying to deal with that issue as an add-on to a proposal related to the opening of the Arctic Refuge.

I also don't believe we should be trying to deal with any of our commitments or assistance to Israel as part of this effort to open the Arctic Refuge for drilling. Those are separate issues. There is strong support in the Senate for dealing with both of those issues, but it is not appropriate, in my view, to try to roll those into these amendments.

This energy bill has got enough on it and enough issues to deal with without adding these provisions. Clearly, they complicate the issue substantially and do not hold out a real prospect for solving either of those problems.

There is a lot of talk about jobs. I believe sincerely this energy bill overall, if we can pass it, if we can get it to the President for signature, will create substantial jobs in this country. We will do that in a variety of ways. We will create substantial jobs if we incentivize construction of the gas pipeline from the North Slope down to the lower 48. We will create substantial jobs if we are able to move ahead with more use of renewable energy throughout our country. That will create substantial jobs. There are all sorts of provisions in the bill that will create jobs. I believe it is far better in the job creation arena than the bill passed by the House of Representatives last summer.

I conclude by saying I hope Senators will vote against cloture on these two amendments so we can move on to some other issues and conclude action on this very important energy bill.

Mr. MURKOWSKI. How much time remains on each side?

The PRESIDING OFFICER. Forty minutes remain to the Senator from Alaska.

Mr. REID. And Senator DASCHLE's time?

The PRESIDING OFFICER. Forty-three minutes.

Mr. REID. I make a unanimous consent request. I suggested earlier what we would do in our time remaining: Senator DASCHLE, 10 minutes; Senator ROCKEFELLER, 10 minutes; Senator KERRY, 10 minutes; Senator LIEBERMAN, 5 minutes; and Senator BOXER, 5 minutes; and I ask that be in the form of a unanimous consent request for how the time is distributed on our side.

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

Mr. MURKOWSKI. Mr. President, it is my intention to try to follow a similar pattern on our side. I reserve 10 minutes at the end at my discretion as manager on this side of the aisle.

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

Mr. MURKOWSKI. I yield to Senator STEVENS such time as he needs.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I am delighted the Senator from New Mexico has indicated his support for the Alaska natural gas pipeline. I hope we can proceed during this Congress to carry out that commitment.

The gas we will transport is from State land, not Federal land. Obviously, we are going to have to have some changes in Federal law to permit the construction of the largest project in the history of man. It will take some incentives. I tried to provide some incentives to that through the second-degree amendment. That is obviously not going to be adopted by the Senate.

I will speak for a moment about the defeatist attitude of the Democratic Party. The Senator from New Mexico has said we have 75-percent dependence on foreign oil coming. Why? We closed all the coast lines in the United States to oil and gas exploration—except the gulf and a little bit in Alaska on State lands. Those are State lands where oil and gas drilling and production take place. The Federal lands, because of the demands of the Sierra Club and other radical environmental organizations, are closed to oil and gas leasing, almost. The administration is going to try to reopen some of them in the Rocky Mountain area. We will see how the Democratic Party reacts to that. But as a matter of fact, the Clinton administration closed NPRA. The Senator from New Mexico talks about opening it. It is closed. We tried to open it several times.

I welcome the attitude that we are going to open up the reserve set aside for Alaska in 1925 by President Coolidge to try to make up for the Teapot Dome scandal. It has been closed since that time. We had one well drilled during the war by the Navy. By the way, it was a pretty good well. It was very shallow, but it was good.

The Sierra Club and all the radical organizations have brought about the

closure of offshore drilling, the closure of Federal lands drilling, the closure of Alaska lands now. What more do they want? If we follow this defeatist attitude that we are going to face 75-percent imports in the future as far as our oil energy is concerned, it is going to happen. It will not happen if we decide we are going to use our technology base to do what President Truman wanted to do, go offshore and research the seabed. Two-thirds of the world's surface is covered by water and there is very little production in that water around the United States. Half of the Continental Shelf—probably even more than that—off the United States is off our State. Not one well has been drilled out there. Why? The environmental organizations oppose it.

We will have 75-percent dependence on foreign oil if the Democratic Party has its way. It is part of the platform of the Democratic Party to oppose drilling on these lands. So it is a political issue, and it is high time we faced up to it.

We think we have a right to transport that gas. As a matter of fact, in the State of the Senator from New Mexico, the Indians in his State can drill on their lands. They are producing gas on their lands. They are producing oil on their lands. What happens in our State? They cannot drill on privately owned Native land, Eskimo land that is within the 1002 area in the Alaska Coastal Plain, the 1.5 million acres. There are 92,000 acres owned by those Eskimos, and they cannot drill. Why? Because the administration at the time they got the lands, the Clinton administration, demanded that they agree to a provision that they could not drill until we were able to drill within the 1002 area itself.

Talk about discrimination. Not only is the State discriminated against but our Natives are discriminated against. We are going to have an amendment before we are through with this bill. That amendment will be to allow the Alaskan Eskimos to drill on their own land, to stop this discrimination against our people. It is bad enough to discriminate against the State, but to discriminate against Alaskan Eskimos who own that land is just atrocious as far as I am concerned.

I welcome the support of the Senator from New Mexico, as I said, for the Alaska natural gas pipeline. It is going to take some incentives. If we want that gas down here—the equivalent, by the way, of a million barrels of oil a day—if we want that gas down here before 2030, 2050—when they talk about the real demand for energy—if we want it, even then, we are going to have to start now. If we started right now to build the Alaska natural gas pipeline it would be finished in 2011; 9 years minimum. That is nonsense.

It is nonsense that we cannot drill on our lands. It is nonsense they will not keep the commitment that two famous Democratic Senators made.

I have learned a lesson from this in the last 21 years and that is this, some-

thing that every Senator should know: Do not depend on future Congresses, particularly future Senators, to keep commitments that were made by a previous Congress and President. In 1980, the commitment was made that this area would be subject to drilling, if it did not—if the environmental impact showed there was not going to be permanent harm to the area as far as the fish and wildlife was concerned. We relied upon that commitment in December of 1980 to go ahead with this whole idea of withdrawing 104 million acres. We relied on a commitment made by an administration and Congress, in law, that we would be able to do that.

In subsequent Congresses the House has carried it out, strangely enough. The Senate has not—except for twice when we sent it down to the President and President Clinton vetoed it.

So if you want a continuum of what is causing the 75-percent dependence upon foreign oil that the majority says is inevitable, then follow the Democratic Party. Follow them to dependence upon foreign oil, the exporting of U.S. jobs, and the total dependence upon the philosophies of foreign nations in order to keep our Nation going.

Just think of that. We are saying it is inevitable, in order to keep this country going—this country, the greatest economic engine the world has ever seen—we have to be totally dependent upon foreign oil; 75 percent is total as far as I am concerned.

The Senator from New Mexico says this will not affect the price of gas. How would you like to make a bet? Do you want to make a little bet? I bet before the end of the year, the price of gas is up again 25 cents at least. As a matter of fact, as the trendline goes up on dependence on foreign oil, the price is going to go up. That happens every time we have seen that line go up in terms of dependence on foreign oil.

If you do not believe that, go back and look at the price of gas before the embargo in the 1970s and then see that as that embargo was lifted, we increased our dependence on foreign oil. It was less than 35 percent in 1973, and it is now 57 percent, they say. If it is going up to 75 percent, just follow the trendline of the price of gasoline.

It may be so. As a matter of fact, it is so. If we pass our amendment, it would not change the price of gas now, but it will change the price of gas in 6 years. We will be more dependent upon foreign oil in 6 years if we do not open up the Arctic Plain.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. I yield to the Senator such time as he wishes.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I thank the senior Senator from Alaska. I congratulate him. But I especially want to congratulate the junior Senator from Alaska for his leadership on this issue. I have been here a long time—some-

would say too long—but I have seen few people who have done a better job in trying to promote what I perceive to be the public interest than Senator MURKOWSKI.

Today, we are going to vote on closure on ANWR. I think it is clear that we do not have the votes, and there are many reasons for that. But no one can fault the Senator from Alaska, Mr. MURKOWSKI, because no one has done more to put together a coalition, which now involves labor unions, involves people who are concerned about Israel and the Middle East, and involves people who are concerned about the national security implications of not producing energy here at home to turn the wheels of industry and agriculture, energy that can be produced efficiently, and that can be produced in an environmentally sound way.

Because we are not producing energy at home, we are becoming dependent on foreign oil, and the national defense and security implications and the foreign policy implications are overwhelming.

I could understand opposition to opening up ANWR if a realistic case could be made that it will not produce this energy or create 750,000 jobs in the process. By the way, that is why organized labor is for opening ANWR, in my opinion—that and their legitimate concerns as citizens about national security.

If the price we had to pay to produce this energy was the rape and pillage of the land, and massive environmental destruction, and if we will create something that looked like Azerbaijan in the wake of the efforts of the Soviets to exploit oil and gas there, then I think we could have a legitimate debate on the floor of the Senate about this. Under those circumstances, I think the case we are trying to make here would be a lot harder. But the amazing thing is no one has proposed such a program. What is astounding to me is how extreme the environmental movement in America has gotten in relation to how modest the proposal that we are getting ready to defeat is.

Let me remind people of these numbers.

There are 319.7 million acres in Alaska. Some people claim it is the largest State in the Union. There could be a debate about that.

When you look at the ANWR area where there is the potential for oil and gas production, there are 20 million acres of land in that area. That's just 20 million of 319.7 million.

In 1980, Congress decided to reduce the area open for production from 20 million to 1.5 million acres. But the proposal of Senator MURKOWSKI is so modest that it says let us reduce that even further, down to only 2,000 acres.

So we have now come from 319.7 million acres to 20 million to 1.5 million to the point where we are talking about a relatively tiny footprint for oil and gas exploration of 2,000 acres.

Now, what kind of technology will be employed? Well, we are talking about



the most expensive technology on the planet being used to assure that even in the 2,000 acres, we have a very modest environmental impact.

In addition to that, while we would allow the potential for production in 2,000 acres out of 319.7 million acres under the most restrictive covenant for oil and gas exploration in American history, still, under the Murkowski amendment as offered, you couldn't engage in exploration even on the 2,000 acres unless the President of the United States made a decision through a Presidential finding that the national security interests of the United States dictated that such action be taken.

The provision before us bans export of the oil assuring that every bit of it will be used in the United States.

It has other provisions related to Israel and its special circumstance in terms of oil needs.

Finally, to compensate for 2,000 acres that will have minimal disruption if a national security waiver permits production to occur, the amendment before us reclassifies 1.5 million acres in Alaska as wilderness.

I think if you really thought this was some kind of rational debate about the public interest, you would have to ask yourself: How in the world could anybody be opposed to this amendment? When you are talking about being responsible and moderate, how could you do more than this amendment does? Yet this innocuous proposal has attracted enormous opposition. The opposition basically boils down to the fact that we have gotten into a political situation where vested political interests are dictating the outcome of the debate. God bless them because some of them make up the interests of America, and they have every right to be extreme because that is what having rights is about. A news article from the New York Times which somebody read to me this morning reports that if we could stop global warming in exchange for drilling in ANWR, the environmental groups in this country would be against it. How can that be?

It can be because this has become a debate about symbolism, not energy or the environment. This has become a debate about fundraising and the kind of extremism that creates political causes and that has political impact but that in no way reflects the public interest.

How can it not be in the public interest to take 2,000 acres in a State that has 319.7 million acres, and on the most environmentally responsible basis, over the next 30 years, produce more oil than we are importing from Saudi Arabia?

To offset any negative impact we might have on these 2,000 acres, we put 1.5 million additional acres into the wildlife refuge.

How in the world can such a proposal be controversial? Why don't we have 100 votes in favor of it?

Is no one awake to the fact that we have problems in the Middle East, that

we have a growing dependence on oil, that there are profound national security implications of producing as much oil as we will import from Saudi Arabia in the next 30 years on 2,000 acres of land in a State with 317 million acres?

I know I am not going to sway anyone's vote, but I want people to understand this has become a debate not about America's interest, but about political symbols.

Opposition to this amendment cannot be supported on the basis of rationality. It cannot be based on any realistic weighing of the national interest. It can only be based on blind loyalty to symbolism.

When you get into these extreme positions where you are putting political symbolism in front of America's interest, I don't think you are serving the public purpose.

I remind my colleagues that when Greeks went to ask advice from the Oracle, they found this inscription above the gate at Delphi: "Moderation In All Things."

I believe this is an issue where we need to step back and ask ourselves: to whom do we owe allegiance? What are we trying to promote? Whose interest are we trying to advance?

I think when one special interest group becomes so demanding as to jeopardize national security and the public interest to try to make a point for them, when symbolism becomes more important than the security of America, then something is badly wrong.

I just wanted to make that point.

I am going to vote with Senator MURKOWSKI. I see that he has come back to the Chamber.

I just want to say this: I have watched him debate. I have been involved in many of them. But I have not seen anybody do a better job than Senator MURKOWSKI has done on this issue. I have never seen a better political base built for an issue.

If we were having a rational debate in this body about a proposal with a broad spectrum of political support—which it has from labor unions, to people concerned about peace in the Middle East, to national security, to working people, and to people who want to be able to use their cars and trucks, and who want to turn the wheels of industry and agriculture with American-produced energy—this vote would be 100 to nothing. It is simply a measure of how extreme this issue has become that Senator MURKOWSKI is not going to prevail on this issue.

Finally, let me say we are going to have two votes to bring to an end debate on this issue. I am going to vote in favor of the ending debate on the Murkowski amendment. We deserve an up-or-down vote on this amendment. I do not know if it will be this year or next year or sometime in the future, but I am confident that the public interest will ultimately be served. Someday we will produce this energy. Someday, when we have felt pain from not

acting rationally, that rationality and the public interest will override the wishes of extreme special interests. The sooner we can do it the better. We ought to do it now. Even if we started preparing today, it would take years to get the oil and gas in ANWR. I think is an indication that time is wasting, and that we need to get on with this.

We will also have a cloture vote this morning on the so-called steel legacy issue. I intend to vote against cloture. I am adamantly opposed to that amendment. It is a bad idea whose time has not come. I would like to remind my colleagues that the majority of the members of the Steel Manufacturers Association oppose the amendment because it rewards inefficient producers and those who granted benefits they could not pay for at the expense of efficient producers.

Secondly, I think it is important to note that some of these steel companies are still in business and have roughly 200,000 retirees. If we are going to come in and start paying benefits for operating companies that are irresponsible in promising benefits that they cannot afford, then we are going to encourage other companies act in a similar manner.

I think it is very important we recognize that by doing this, we are adding to the problem in the steel industry by keeping excess capacity in business when everybody knows capacity should be reduced, not maintained. I think spending \$7 billion to bail out these steel companies is a misuse of taxpayer money.

Finally, all over the world today, socialist countries are trying to get out of the business of bailing out inefficient, feather-bedded companies. All over the world, in every socialist country on Earth, people are trying to undo this stuff. Yet, here we are, in the United States of America, trying to get into the business of subsidizing companies that overpromise and underdeliver.

It is a very bad idea. It richly deserves to be killed, and I am hopeful it will be.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). Who yields time?

The Senator from Nevada.

Mr. REID. Mr. President, the manager of this bill, Senator BINGAMAN, will use up to 3 minutes, if necessary, at this time. I yield that to him.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, in response to some of the comments that have been made, I want to make two points, very simply.

First of all, the projections for the extent of our dependence on foreign oil in the future are not my projections. They are the projections of the current administration, the Bush administration, the Department of Energy, the Energy Information Agency within the Department of Energy. They have said if we do not change policies in some

other significant respects, we will be 75-percent dependent upon foreign sources of oil by the year 2030 if ANWR is opened, and we will be 75-percent dependent on foreign sources of oil if ANWR is not opened. So that is the point I was trying to make.

The second issue I want to clarify—I believe Senator STEVENS raised the question or disputed that the National Petroleum Reserve, Alaska, had been opened for drilling. My information, which I believe is accurate, is that the Bureau of Land Management held a sale, an oil and gas lease sale in May of 1999, during the Clinton administration. It generated a high level of industry interest. There were 3.9 million acres that were offered for lease at that time. In fact, 132 leases were issued covering 867,000 acres. The bonus bids on that lease sale were \$104.6 million.

So there has been a significant lease sale in the National Petroleum Reserve, Alaska.

I know there is another lease sale scheduled for June of this year, which I support, with which Secretary Norton is going forward. And I know there are plans being made for even a more substantial lease sale in the next few years. So there certainly is the opportunity for oil and gas development in those areas.

I have a press release dated May of last year, 2001, saying Phillips Alaska, a wholly owned subsidiary of Phillips Petroleum, and Anadarko Petroleum have announced the first discoveries in the National Petroleum Reserve, Alaska, since the area was reopened for exploration in 1999. So there has been real success for developing oil and gas in that area.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I ask unanimous consent that the time under my control be changed to allow Senator BOXER 7 minutes, Senator ROCKEFELLER 9 minutes, and Senator KERRY 9 minutes.

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

Mr. MURKOWSKI. Mr. President, how much time is remaining on this side?

The PRESIDING OFFICER. Fourteen minutes 22 seconds.

Mr. MURKOWSKI. I thank the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I thank Senators BINGAMAN and REID for their generosity in giving me this 7 minutes of time. I have been trying to get some time on this matter for quite a while.

Mr. President, I am not going to get into a number of details today. What I really want to do is paint more of a broad-brush argument as to why it is so important to preserve this beautiful area.

Some 2 years ago, I sent my eyes and ears, my top environmental adviser on the Arctic, Sara Barth, who is in the Chamber today, to the area in my

stead. I think it is fair to say that she came back a changed person because of what she had seen because she really, truly was stunned by the beauty of this area.

Many times in the debate, when people have been talking about this area, it has sounded as though this area is not really a beautiful area. So what I thought I would do today is put in the RECORD information that has been taken off the Web site of the Bush administration's Interior Department. This was given to me by Chairman BINGAMAN. I think it is a good way for me to lead off.

It is not BARBARA BOXER's words or the Sierra Club's words or the wildlife people's words. It is the Bush administration's words. If you go on their Web site, you get it. It says:

The Unique Conservation Values of Arctic Refuge.

The Arctic National Wildlife Refuge is the largest unit in the National Wildlife Refuge System. The Refuge is America's finest example of an intact, naturally functioning community of arctic/subarctic ecosystems. Such a broad spectrum of diverse habitats occurring within a single protected unit is unparalleled in North America, and perhaps in the entire circumpolar north.

When the Eisenhower Administration established the original Arctic Range in 1960, Secretary of Interior Seaton described it as—

And this is a quote from Eisenhower's Secretary of Interior—

one of the world's great wildlife areas. The great diversity of vegetation and topography in this compact area, together with its relatively undisturbed condition, led to its selection as . . . one of our remaining wildlife and wilderness frontiers.

I think nothing says it better than the words of our own former Interior Secretary under President Eisenhower. And this is from the Web site of Interior Secretary Norton today.

I want to show a few beautiful photographs. I know the Senators from Alaska live in a magnificent place. Some of these photos are just unbelievable.

Here in this photo we see an area in the Coastal Plain, the 1002 area of the Arctic National Wildlife Refuge. It is a photograph by Pamela Miller. The incredible colors are stunning.

We will go to the next photo because we have so little time and so many photos.

This is a beautiful picture of a songbird that you can find in the refuge. It makes clear why these words are up on the Web site of our own Interior Department.

This is a magnificent photograph as well.

Here is a polar bear, which I know we have seen walking across a pipeline, but here it is walking in its natural surroundings—very beautiful. Here are the caribou. I think you have seen a lot of this before. Here are the musk oxen—quite beautiful.

I have another beautiful landscape to show of another view of this magnificent area. We do have drilling in a national wildlife refuge there in Alaska. Everyone says there is no damage

done. Remember the pictures I just showed. Now look at how it is all left with these floating barrels. It is a pretty devastated site.

I think you need to come back to the question of what is a refuge. You could look it up in the dictionary: a place to find comfort and peace and tranquility. Therefore, it seems to me it doesn't make any sense to disturb a refuge. When you do this, if you go this way and drill there, we are going to disturb it.

Someone sent me a cartoon. I think it was a constituent. It never ran in the newspaper, but it basically says: The George Bush Arctic National Wildlife Refuge. It shows that cars are lapping up the oil on the plain. And it says:

Where S.U.V.s are free to roam without fear of regulation.

That is somebody's sense of humor about what we are going to do to the wildlife refuge. I hope we don't. I hope we hold the line.

It is very fair for people who don't agree with me on this to ask: What is your solution? I really want to talk about that.

We know when something isn't a solution. In my opinion, the amount of oil there, from everything we know, is hardly going to make a dent. Here is a chart that shows that. We have a chart that shows the projected consumption of U.S. citizens of oil. Right down here on this little black line is the amount of oil we will get, 3.2 billion barrels over 50 years.

I have another chart that tells the tale. You save 2.38 billion barrels more oil from the Arctic if you have just better tires. With just better tires, you get more oil. And then if you close the SUV loophole, which is really not that hard to do—they are going to have hybrid SUVs coming up shortly—you save about 10 billion barrels. And if you just go up to 35 miles per gallon—Senator KERRY led us so well on that issue; I think we made a huge mistake—we save 18 billion barrels.

So look at this. Out of all these options, you get more oil if you just use better tires. Some of the people who want to drill seem to oppose a lot of these other easy ways to govern.

The PRESIDING OFFICER (Mr. REED). The time of the Senator from California has expired.

Mrs. BOXER. I would like to sum up in 1 more minute, if I might.

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

Mrs. BOXER. I will go to the Los Angeles Times editorial which I thought was right on point. They say:

Wilderness is or it is not. There is no mostly wilderness with just a little bit of development.

It continues: No matter what Dick Cheney says, U.S. energy security does not depend on drilling for fuel in the Arctic refuge. The Alaskan oil would not come on line for 10 years. It goes through that.

It says: The fastest way to gain more energy security is to use less oil and



use it more efficiently. It shows that better tires alone will give you more oil than lies in the refuge.

Then it ends up:

The nation doesn't need a muscle-bound energy policy. It needs a smart one—one that does not rely so heavily on fossil fuels and fossil thinking.

The choice is clear. I respect my friends from the other side on this debate, but I hope we will defeat the proposal to open the refuge.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

The Senator from Massachusetts.

Mr. KERRY. Mr. President, I yield myself 9 minutes.

Let me begin by paying respect to both Senators from Alaska. Though I disagree with them and they know that, they waged an effort that represents their principles, their views, their beliefs and, most especially, the beliefs of the people of Alaska, as they understand their responsibility.

I emphasize as strongly as I can, none of us in the U.S. Senate are cavalier or dismissive of Alaska's interests. There are many ways to serve those interests. I certainly am one Senator who is prepared always to try to help with respect to economic development issues, other hardship issues that exist in a State that faces a different set of challenges from many of us in the Senate. I hope they understand that, that this is a difference based on an equally fervently held set of beliefs and a different interpretation of the facts.

I think they are facts. There are some profound differences in that regard.

With respect to the amendment on steel, I believe Congress must act to deal with the plight of steelworkers, retired steelworkers and their families. Steelworker retirees are being devastated by the loss of health care benefits. More than 125,000 steelworkers have lost those benefits due to the liquidation of 17 American steel companies, and another 500,000 steelworker retirees stand to lose their health care unless we act to protect them.

I am glad that some of our Republican friends have discovered this issue. I regret that they want to trade their concern for steelworkers with the opening of the Arctic Wildlife Refuge. It would be disappointing if down the road our Republican friends are only prepared to try to deal with steelworkers in the context of the Arctic wildlife refuge and not in the context of their personal human plight. We will have an opportunity in a short period of time to try to deal appropriately with the problem of steelworkers.

Yesterday Senator WELLSTONE made a very powerful statement in the Senate Chamber. There is nobody in the Senate who has fought harder or will fight harder for steelworkers than Senator WELLSTONE, but he will work in a bipartisan way, as he is now, to help us deal with this issue at the appropriate time.

One of the things with which I disagree with my colleagues, as they have presented this issue, is that there has been this moving target of rationale for why we should be asked to drill in the Arctic wildlife refuge. We have heard on the other hand that those of us who oppose it somehow oppose job creation or we are in favor of high gasoline prices or we oppose energy independence or we support electricity brownouts, blackouts, that we oppose Israel, that we support Saddam Hussein. There have been a series of insinuations in the course of this argument that really don't do proper service to the merits of the argument or to the good faith of most U.S. Senators.

It is interesting also that this moving target of support for this issue has found different rationale at different points of time. When California faced an electricity crisis last year in January, we heard Senators come to the floor and suggest that ANWR would help solve that problem. We actually had those arguments made. But only 1 percent of all of the electricity of California comes from oil-based, oil-fired electricity.

ANWR has nothing to do with it. The Middle East has nothing to do with California's brownout problems or electricity problems. Then we heard when heating oils spiked and gas prices spiked, of course: ANWR is the answer. But the Arctic Wildlife Refuge drilling will not come online for about 7 to 10 years. When it does come online, it doesn't produce a sufficient amount of oil under anybody's scenario to have an effect on the world price or world supply. So that argument simply doesn't stand scrutiny.

The Arctic Wildlife Refuge, at its best offering, will not affect the price of oil globally, and it cannot affect America's supply. Then, when we were hit with a recession and layoffs, we were told: the Arctic Wildlife Refuge is the solution. It is going to produce 700,000 jobs. But now the very people who made that study and talked about those numbers of jobs have repudiated that number and have acknowledged that that number was based on a 12-year-old study that had oil at the price of \$45 a barrel in the year 2000, and all of us know it has been at about \$25 or less, and that provides a different economic reality.

The truth is that one might be talking about somewhere in the vicinity of 50,000, 60,000, 100,000 jobs, which is the number of jobs produced in the American economy in a 3-week period and anytime we are doing what we were doing in the period of 1997 to the year 2000. So this is really not even a jobs program. In fact, the very people who produced the faulty study acknowledged that, until the year 2007, the Arctic Wildlife Refuge doesn't provide any jobs at all—zero. That is according to the American Petroleum Institute's funded study that is faulty—maybe it was faulty to the wrong side, but they suggested there would be zero jobs in

that period of time. So it is certainly not an antidote to recession, to the current economic problems we face.

Promise after promise after promise about what it will do has been punctured by the truth. Here is a truth with which our colleagues on the other side of the aisle can never adequately deal. The truth is, even with the best, most optimistic prognosis of what you might get out of the Arctic Wildlife Refuge—even with that, and all of the other oil we possess in the United States of America, we have a problem: God only gave our country 3 percent of the world's oil reserves. The Middle East, Saudi Arabia, the gulf states, all of the countries from which we import, including Iran and Iraq, which have been the subject of much vilification, for good reason, have the largest share of the world's oil reserves. Saudi Arabia alone has 46 percent, compared to our 3 percent.

Here is the other truth they don't want to deal with: Every year, the United States of America uses 25 percent of the world's reserves. Of the available oil, 25 percent goes to America, even though we only have 3 percent of the oil reserves. The simple equation, the truth that they don't want to deal with, is that the United States of America has an ultimate confrontation with its dependency on oil.

Oil is a finite resource. One day, it is going to be used up. One day, we are going to have to move to a different form of transportation dependency. The question to be asked of Americans is: If we have to do it one day, and with all these ills that are associated with the dependency today, why don't we make the choice today to begin to define that dependency?

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

Mr. KERRY. I ask unanimous consent that I may yield myself 1 additional minute.

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

Mr. KERRY. Mr. President, on every category with respect to independence, this will not affect the independence of the United States. We have to invent the new technologies that provide the new fuels for America. This will not affect the price for America. This will not liberate us from our dependency in the Middle East. This will not bring home one of America's young men or women who are in harm's way as a consequence of opening the Arctic Wildlife Refuge. What it will do is destroy forever this precious resource, designated as a pristine wilderness, that can never be returned to that state, which has been cherished by Republican Presidents, Democratic Presidents, Republican administrations, Democratic administrations, and by all Americans for all of these years. Let's not vote today to give that up when there is a better set of choices for our country.

The PRESIDING OFFICER. Who yields time?

Mr. MURKOWSKI. Mr. President, how much time is remaining on this side?

The PRESIDING OFFICER. There are 14 minutes 20 seconds.

Mr. MURKOWSKI. I yield 4 minutes to my friend from Wyoming.

I would like to put up a picture that shows a producing well from the Don Edwards Bay National Wildlife Refuge out of San Francisco, CA. It is a wildlife refuge, Mr. President.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. THOMAS. Mr. President, I thank my friend from Alaska. I served with him on the Energy Committee for some time when he was chairman. I served closely with him in this idea of doing something to develop an energy policy in this country. I want to speak very briefly about our need for a balanced energy policy.

Obviously, we are on ANWR here, of course, which is part of that total policy. That has been and should be the emphasis. It is only part of the policy, but a very important part of it. I am amazed at the opponents who talk about how we face these problems in the future, and we need to do something about it and refuse to move forward on one of the things we can most reasonably do.

I come from a State where we have a good deal of production, where we have a great deal of public lands. I can tell you that multiple use of those lands is one of the things we really believe in and can do and have proven can be done.

The lands I am talking about in Wyoming are really a little different from the ones in Alaska. I have visited there, and I can tell you that we can use those in multiple use. We can continue to have the uses that are there. We can use it for energy.

It has been years since we have moved on an energy policy—years. It is time we do that, and it is time we do a balanced bill that has in it one of the things that are most clearly needed, and that is domestic production. I am amazed that particularly my friends from New England, who use most of the energy in this country and don't produce any, are very concerned about the fact that we are trying to use multiple use ideas in the rest of the country where we can help provide these kinds of resources. There is nothing more important. What is more important than our energy?

Mr. KERRY. Will the Senator yield for a question?

Mr. THOMAS. No. I think the Senator from Massachusetts has had ample time to discuss this issue.

One of the things we need to do is take a real look at this, of course. ANWR was set aside for future exploration, no question about that. ANWR, obviously, will reduce our dependence on foreign oil. We are nearly 60-percent dependent on foreign oil in an unstable world such as we have now. ANWR is the largest onshore prospect for oil and

gas. That is clear. It is clearly there. ANWR would require the toughest environmental standards ever imposed on energy production, and that goes back to this idea of having multiple use, to be able to do it with this 2,000-acre footprint and, at the same time, preserve that environment. We can do that. It creates jobs, of course, for the whole country and for Alaska, for the Native Americans who live there. It gives us a more affordable and reliable energy. That is the basis.

Many of us have been working on energy for a very long time. We need to have that reliable source. We are going to look for new ways, and we will find new ways.

I remember going to a meeting in Casper years ago, and someone, I think from Europe, said we would never run out of the fuel, and we will. We don't know. We need oil, and we need domestic oil.

Mr. President, I am not going to take more time. We have had thousands of people come here—veterans, Jewish folks, labor unions.

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

Mr. THOMAS. They are very aware of what we need to do. I urge we do it, including drilling in ANWR.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I believe I have 5 minutes to speak.

The PRESIDING OFFICER. That is correct.

Mr. LIEBERMAN. I thank the Chair. Mr. President, this debate about the proposal to drill for oil in the Arctic Refuge has been simmering for a long time, and it has finally been joined in this Chamber over the last 2 days.

It has been a good, spirited debate. I have great respect for those who are proponents of drilling, particularly my two colleagues and friends from Alaska. I never question their sincerity. We have a good-faith difference point of view.

Let me try, if I can, for a few moments to summarize what I believe are our arguments against drilling and then talk about where I hope we go after we have voted on these cloture motions.

First, we are talking about 5 percent of the North Slope in Alaska. Ninety-five percent is now open for oil exploration and development. A lot of it is happening now. A lot of it is planned. This 5 percent is the heart of a thriving, beautiful ecosystem described by someone as the American Serengeti.

The question is, Do we want to disrupt it, develop on it, some would say destroy its natural state—I would say that—for the oil that we could get out of it? And would that development for oil affect the health of that beautiful part of Alaska?

I contend and we have contended in this debate that the development of the refuge as proposed in the pending

amendments would irreversibly damage this natural treasure. The U.S. Geological Survey recently produced a 78-page report encapsulating 12 years of research which, in my opinion, concludes that very fact of irreversible damage to this natural treasure.

For what? As we have said over and over, maybe oil coming out of there in 10 years and how much, will it break our dependence on foreign oil? By the Energy Department's own estimate, in 2020, if we allow drilling for oil in the Arctic Refuge, our dependence on foreign oil would drop from 62 percent to 60 percent, still painfully dependent. The only way to break our dependence on foreign oil is to break our dependence on oil and develop new home-grown sources of energy and conserve.

Second, what effect would the drilling have on prices? We are all worried about gas prices going up now. The development of the refuge for oil would do nothing to affect oil and gas prices. Drilling would have no impact, even under the inflated estimates for petroleum potential that are cited by the proponents of the amendment because the price of oil is determined on the world market no matter from where it comes.

As we approach these votes, I am confident that the cloture motions will not succeed. I thank my colleagues for listening to the debate and moving in this direction which I think reflects the opinions of the American people. The question is, What do we do then? I hope we will set aside this divisive amendment and join around the underlying bill which does offer progress, a balanced energy plan for America, including some development within our American sovereignty, our land, but also has the kind of incentives we need for new technologies and conservation, which is the only way for this great Nation to remain great and not dependent on foreign sources of oil.

I say to my colleague from Wyoming that we in New England actually believe we do contribute to the energy supply. My guess is about 50 percent of the energy in the New England States comes from nuclear powerplants right in our region. I know in Connecticut, we have two plants functioning. Forty-five percent of our electricity comes from those plants. More hopefully, New England has become a center for technology development using the brilliance of American ingenuity and innovation and capitalism to create new sources of energy.

One of our great companies, United Technologies, is investing hundreds of millions of dollars in fuel cell technology—clean, efficient, and ours.

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

Mr. LIEBERMAN. I ask unanimous consent for 30 seconds more.

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

Mr. LIEBERMAN. I thank the Chair. Nearly 100 years ago, President Teddy Roosevelt, a great American, great

conservationist, great Republican—this really is not a partisan issue—said that the conservation of our natural resources and their proper use constitute the fundamental problem which underlies almost every other problem of national life.

It is a century later, but there is still a lot of wisdom in T.R.'s statement. I hope we will heed it, defeat these motions for cloture, and then move on to work together side by side for the kind of balanced progressive energy program that is in the underlying bill.

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

Mr. LIEBERMAN. I thank the Chair and yield the floor.

• Mr. CORZINE. Mr. President, I rise in strong opposition to the Murkowski amendment, which calls for oil drilling in the Arctic National Wildlife Refuge. My opposition is based, primarily, on the critical importance of protecting this special part of the world. But my objection is also based on my view that this proposal represents a fundamental endorsement of a skewed and misguided energy policy.

ANWR is a unique and pristine area. It is the only unbroken continuum of arctic and subarctic ecosystems on the planet. It is home to a wide variety of plants and animals, including 135 bird species. It is the central area for the huge Porcupine caribou herd. It is home to polar bears, wolves, grizzly bears, muskoxen, and wolverines.

And there is no doubt that drilling there would despoil the area. It would risk and potentially harm wildlife. And it would destroy ANWR's unique character as wilderness, regardless of whether that is an applicable legal term or not.

So there is a very serious downside to drilling.

So what is the upside? Why are we even thinking about despoiling a place that so many Americans want us to protect? What's the risk-reward quotient?

We have heard several arguments here on the Senate floor. But they just don't hold up. Notwithstanding claims to the contrary, ANWR oil won't create 735,000 jobs. It won't give an assurance of a reduction in the price of oil, certainly not anytime soon. And it surely won't make us energy independent, lowering our import needs only marginally.

The fact is, there is just not all that much oil in ANWR. Based on estimates from the U.S. Geological Survey, it is likely to have little more than 6 months' worth of capacity relative to 1 year of U.S. demand. The oil wouldn't even begin to be available for at least 10 years. And it wouldn't reach peak production for 20 years.

According to a recent Department of Energy study, even at its peak, total oil production from ANWR would be 800,000 barrels a day. That is only about 0.7 percent of global production.

Who are we kidding here? Is it really worth risking such a treasured space

for the prospect of increasing global production by 0.7 percent in 20 years?

I, for one, don't think so.

Now, let me address the issue of jobs. Yesterday, drilling proponents claimed that drilling in ANWR could create 735,000 jobs. That's a significant number. But it just doesn't hold up. The estimate comes from a study conducted for the American Petroleum Institute more than 10 years ago. And it's fundamentally flawed.

For example, the study assumed that peak ANWR production would be 3.5 percent of world supply. Yet, as I have discussed, the real level, based on government estimates, is less than 1 percent.

The study also badly overestimated the world price of oil. It forecasted that the world price of oil would be \$46.86 per barrel by 2015, and that price was a driver of the jobs estimate. But when the authors of the study issued a similar forecast recently, they forecast a price of \$25.12, a huge difference.

Because of these and other mistakes, the study relied on by ANWR proponents simply has no credibility. And nobody should be fooled by it.

I would point out, that if we want to create jobs, there are much better ways to do that while promoting energy independence. For example, there is no reason why America can't lead in next-generation energy technologies the way we have in information technology and biotechnology. Renewables and fuel cells will be growth industries, and the United States ought to get out front and then export those technologies to the world. That, to me, sounds like a better job creation strategy than drilling in ANWR.

Another argument made by drilling proponents is that drilling in ANWR would reduce the price of world oil. But the oil market is a global market. And it is dominated by players far larger than the United States. We have only 3 percent of the world's oil reserves.

As I mentioned earlier, ANWR's peak production would amount to less than 1 percent of world production. And it's just not realistic to claim that this will have more than negligible impact on the world oil price.

Why? Because it's a huge global market, one that currently has about 7 million barrels a day of excess capacity in the system today.

So a modest decrease in supply, such as the recent disruptions in Iraqi and Venezuelan supplies, can be made up by other producers.

And this process can just as easily work in reverse. Any increase in world oil supply resulting from bringing ANWR on line could simply be offset by decreases in production elsewhere in the world.

Aggregate supply and demand conditions in the global market will set the marginal price, and the prices will be determined by the cumulative decisions of individual producers. The United States simply cannot control the price of oil in the world market, be-

cause we don't control the aggregate supply. And drilling in ANWR is not going to change that.

That leads me to the next topic I want to address, national security.

We're now importing about 57 percent of the oil we consume. According to the Department of Energy, if we don't drill in ANWR, we'll be importing 62 percent of our oil by 2020.

If we do drill in ANWR, the Department of Energy estimates that imports would be reduced to 60 percent of U.S. consumption in 2020. That's only a 2-percent decrease in import share resulting from peak ANWR production.

How can anyone pretend that this will make a difference in our national security? It just won't. That 2-percent differential, when it finally comes, simply won't matter.

As I said earlier, the oil market is a world market. No nation or company has a monopoly on supply. So the relatively small amount, in a global context, that ANWR could produce could easily be offset by decreased production elsewhere.

So we are going to be just as vulnerable to price shocks in 2020 if we drill in ANWR as if we don't.

Rather than pretending that ANWR is the answer to our energy security needs, we ought to take steps that can have a real impact. And the most effective step we can take is to reduce consumption. Unfortunately, we have already voted down a CAFE increase, and I think that was a big mistake. But if we are serious about reducing our dependence on foreign oil, we simply have to deal with demand.

Another thing we should do is diversify our sources of oil. And to a large extent, we have already done that. Only 13 percent of the oil we consume comes from the Middle East. The rest is produced here, and in places like Canada, Mexico, the United Kingdom, and Norway.

These particular producers are our closest allies. Are we really supposed to believe that importing oil from these countries is a threat to our national security?

Having said that, I recognize that the Middle East does contain the lion's share of the world's oil reserves. And political turmoil there has clear implications for the world oil market, as does instability in Latin America. But getting a relative trickle of oil from Alaska 10-20 years from now won't make the problems in the Middle East magically disappear, or change the supply of oil enough to impact the price of oil. Instead, we need to engage now and work consistently to bring a lasting peace to the region. Until instability is eliminated, our national security will always be at risk from turmoil in the Middle East. That is an issue that is much larger than oil.

Finally, I wanted to take a moment to briefly discuss energy policy more broadly. As many have said, we need an energy policy that is balanced. But that balance needs to be weighted toward the future, not the past.

That means that our first priority should be to create incentives and standards that encourage the development of next-generation energy technologies. I am talking about technologies like wind, solar, and fuel cells.

Second, we should set tougher energy efficiency standards for appliances, buildings, and vehicles so that we can grow our economy while we use less energy.

And third, we should increase our domestic supplies of fossil fuels in an environmentally responsible way so we can continue to power our economy as we transition to new technologies and energy sources.

In my view, ANWR doesn't fit anywhere in this framework, certainly not as the centerpiece. And it just doesn't make sense as a matter of macroenergy policy.

I think the American people believe that we should leave ANWR alone. That is certainly the sentiment in New Jersey. I have received letters from more than 9,000 New Jerseyans urging me to oppose drilling in ANWR, that's more than I received on any other topic in my 16 months as a Senator.

The people who wrote to me about ANWR aren't "radical environmentalists," as some drilling proponents have suggested. They're ordinary Americans who believe that ANWR is one of those special places that should be preserved in its natural state. And they are convinced, like I am, that drilling might well cause unacceptable environmental damage.

In conclusion, we know that drilling in ANWR will harm the Arctic wilderness. And the economic and national security benefits just aren't there. So I will vote against cloture, and I urge my colleagues to do the same.

Mr. GREGG. Mr. President, I believe that a comprehensive energy plan is absolutely critical security and economic well-being of this nation. A national energy policy needs to balance our growing demand for energy with conservation and supply. I believe that this balance should include the use of sustainable, renewable energy sources along with continued responsible development of traditional fuels including limited, environmentally-sensitive exploration in a small fraction of the Arctic National Wildlife Refuge, ANWR. Energy exploration in ANWR has become a very contentious and highly polarized issue. I would like to take this opportunity and talk frankly about energy exploration in this area and dispel some of the many myths associated with this issue.

An overwhelming majority of the Arctic Refuge is protected from energy development. In fact, 92 percent of the refuge is not eligible for development at all. However, more than 20 years ago, Congress set aside 8 percent of ANWR—1.5 million acres of the Refuge—for possible energy exploration. In 1980, under the Alaska National Interest Lands Conservation Act, Congress expanded ANWR to 19 million acres,

and designated 8 million acres as wilderness area. Under this act, the designated wilderness area cannot be considered for development.

However, the current debate regarding drilling in ANWR surrounds the 1.5 million acres—outlined in Section 1002 of the act—that was set aside by Congress for further study into the development of mineral resources. Under Section 1002, Congress called upon the Department of Interior to conduct a study on the biological resources and oil and gas potential of the 1.5 million acre coastal plain. This study, commonly called the 1002 Report or the Final Legislative Environmental Impact Study, was released in 1987 and recommended full leasing of the coastal plain. The Section 1002 area has always been a potential site for mineral recovery, and is not, as has been expressed by some, part of a wilderness designation.

It is true that Section 1002 makes up at most 8 percent of the total refuge or 1.5 million acres. However, this number is misleading. In reality, the entire 1.5 million acres would not be developed. Current estimates place the total acreage of development at far less than a million acres. In fact, HR. 4, the House-passed energy bill, and the current Senate amendment contain provisions to limit development to 2,000 acres or 0.01 percent of the refuge. Our opponents say that the "2000 acres" grossly underestimates the infrastructure required to support energy development, that it merely describes the exact imprint of the core facilities, and does not include the area encompassed by those facilities, nor any of the supporting infrastructure. However, the nature of the facilities covered by the House bill and the exact shape of the 2000 acres was not specified. I believe that the amendment offered by Senator MURKOWSKI better clarifies the scope of development for these 2000 acres.

The use of new technologies will further limit the foot print of development. Thanks to our nation's ingenuity and technological advances, the footprints of energy development infrastructure are drastically reduced. Production of oil is safer and cleaner than ever before. Smaller gravel pads, advances in horizontal drilling, the re-injection of drilling wastes, and ice roads, all decrease the "footprint" of development. Furthermore, several new technologies have increased the success rate of exploratory wells from about 10 percent to as much as 50 percent. Such technologies include: 3-D seismic imaging, 4-D time lapse imaging, ground-penetrating radar, and enhanced computer processing. The greater percentage of successful wells, the fewer number of pads and the lower the exploration costs. Our experiences at Prudhoe Bay are testament to our technological successes. If Prudhoe Bay were built today, the footprint would only be 1,526 acres, 64 percent smaller than it is today.

But no matter how minimal the intrusion, opponents argue that any de-

velopment will permanently degrade the sense of pristine wilderness found in the refuge. While most of the refuge has little sign of human encroachment, the coastal plain is home to the Inupiat tribe and their village of Kaktovik. Additionally, the nearby Distant Early Warning line (DEWline) for missile detection, the remnants of former or uncompleted DEWline installations, a garbage dump, and a runway are scattered in or near the 1002 area.

Typically, development of mineral resources is often extremely controversial in neighboring state and local communities. That is not true in this case. A majority of Alaskans, 75 percent, the entire Alaskan delegation, and the closest Native American tribe support energy development in ANWR. These constituencies all see ANWR as a tool for supporting a modern economy to meet such basic human needs as health care and education.

More specifically, the Inupiat tribe supports development. This tribe lives on 92,000 acres of privately held land within ANWR, and inhabits the only village within the 1002 area. According to Tara Sweeney, an Inupiat, "We believe that responsible development of this area is our fundamental human right to self-determination." She goes on to say, "When oil was discovered in our region in the late 1960s we were fearful of development. . . . Over thirty years later we have changed our opinion. Development has not adversely impacted our ancient traditions or our food supply. The caribou population . . . has thrived."

Opponents argue that the Gwich'in tribe is strongly opposed to drilling in ANWR. The Gwich'in Tribe depends upon the Porcupine Caribou for food and reveres its calving area and rituals. According to some, developing ANWR is effectively raping and pillaging the land of one of the last great traditional tribes. However, the often quoted Gwich'in Tribe in fact lives over 100 miles away, on the other side of the mountains. The Gwich'in are not and never have been—indigenous to the North Slope. On the other hand, the Inupiat, who live within the 1002 area, support development and feel strongly that it will improve their way of life. It is my firm belief that the people of Alaska, the people who live closest to the refuge, should be allowed to determine their future and the future of ANWR. These people see that development of ANWR will lead to both a healthy economy and a healthy environment.

Opponents also raise concern about animals, such as the polar bears and the Porcupine Caribou, which reside in and around the 1002 area. Some believe that drilling would endanger both populations. For polar bears, the concerns have focused on how modern winter technology will affect winter dens and if pregnant polar bears denning on the coastal plain would be affected. Despite these concerns, the record is clear. Over the past 20 years, the population

of polar bears has remained exceedingly healthy. In fact, over ninety percent of Alaska's 2,000 polar bears den in the offshore pack ice and would not be affected by onshore development along the Arctic coastal plain.

Ill-founded concerns regarding the welfare of caribou have been raised during the discovery of oil at Prudhoe Bay. Yet, following the development of Prudhoe, the herd seemed to adapt, and even prosper. In 1969, when oil was first discovered in the region, the Central Arctic caribou herd was estimated at 3,000 animals. Today, the same herd has grown to almost 20,000 animals. The herd is healthy and continues to calve and nurse their young alongside the oil field operations. Opponents suggest the following: that the Porcupine Caribou cannot be compared to the Central Arctic herd; that the narrower coastal plain off the 1002 area results in a smaller calving area than Prudhoe; that the pictures of caribou on drilling pads and near pipelines are misleading; that the encroachment of development facilities will force the animals into the more dangerous foothills; and furthermore, that Porcupine Caribou is sacred to the Gwich'in tribe.

While a few of these concerns may be valid, empirical evidence suggests that the Porcupine Caribou population is robust, nearly 130,000 stronger, compared to the present Central Arctic Herd, only 20,000. Therefore, I am confident that development of a few thousand acres of the coastal plain will not harm the far stronger 130,000 member Arctic Porcupine Caribou herd which inhabits the Arctic Refuge. This is not to say that impacts on animals—even in the slightest and most unexpected form—are not possible. Should such impacts become apparent, the federal government may establish special protections for impacted animals, such as wilderness designation, delayed exploration, or a special regulatory regime.

On a larger scale, development of ANWR could reduce America's dependence on foreign oil. Currently, the United States imports 57 percent of our oil supply. By 2020, experts project that this country could be importing up to 65 percent of our oil supply. This reliance on foreign oil jeopardizes our national security and makes our economy susceptible to the frequent and recurring crises that occur around the world. As we have experienced over the last few weeks, we can not afford to rely on rogue nations like Iraq for oil, a resource vital to the economy and security of our country. Dependence on foreign sources of oil holds Americans hostage, by exposing the United States to every crisis within every nation we depend on for oil. For instance, over the last few weeks, we have witnessed turmoil within Venezuela that resulted in reduction of Venezuelan oil being shipped to the United States. Prior to this crisis, Venezuela was the third largest supplier of oil to the U.S. If this crisis continues, Americans could suffer price increases at the gas pump, the

grocery store, and in their heating bills this winter.

However, if this country is allowed to move forward with development in the 1002 area, and we are again faced with oil embargoes, war, or further terrorist attacks, it will be possible to mitigate those hardships, by increasing our reliance on domestic production from Alaska's North Slope.

The fields in ANWR are the best bet for significant oil finds in the United States. Assuming 9.4 billion barrels are economically recoverable at a world market price of \$24 per barrel, development of ANWR's oil fields would be roughly 1.4 million barrels per day. By 2015, projected U.S. oil imports will be 15.25 million barrels per day and petroleum use is estimated at 24.26 million barrels per day. This would mean that peak production in the 1002 area could reduce U.S. imports by a significant 9 percent by 2015.

As our technologies advance, more and more of the oil present in the 1002 area will become technically recoverable. Should the prices of oil significantly increase over time, more oil from ANWR will become economically recoverable. The amount of economically recoverable oil estimated in the 1002 area is comparable to the giant field at Prudhoe Bay, now estimated to have held 11–13 billion barrels.

Opponents insist that drilling in ANWR will not alleviate our dependence on foreign oil. They assume that ANWR's oil will be sold to the highest bidder and therefore can just as easily be sold abroad as sold domestically. The amendment currently being debated in the Senate would limit the exportation of oil from ANWR to Israel alone. In addition, H.R. 4 contains a provision which prohibits the exportation of oil under a lease in the 1002 area, as a condition of the lease.

Development of ANWR's resources could bring jobs to every state in the union. Further development of the North Slope is expected to create between 60,000 and 735,000 new jobs, depending on the amount of oil found, the price of oil, and the unemployment rate at the time of development. For this reason, the International Brotherhood of Teamsters and several other labor unions have spoken out publicly in support of ANWR development. According to James P. Hoffa, Teamsters general president, "Working families are about to be caught between a recession and a deepening energy crisis. By tapping into petroleum resources in Alaska, we can create jobs and stabilize our economy by lessening our dependence on foreign oil."

Revenues from any recovered resource will be split between the Federal Government and the State of Alaska. According to the Alaska Statehood Act and the Mineral Leasing Act, Alaska should be treated like any other State where revenues are split 90/10, in favor of the State. However, Congress could, as they have in H.R. 4, establish a different arrangement, where the rev-

enue sharing formula is 50/50. Federal revenues would be enhanced by billions of dollars from bonus bids, lease rentals, royalties and taxes. Estimates in 1995 on bonus bids alone were \$2.6 billion. The Inupiat tribe sees development as a good move for their economy too, since they are only allowed to develop their subsurface mineral resources, if the Federal Government develops the 1002 area.

Opponents argue that a six month supply of oil hardly seems worth destroying America's Serengeti. However, the "6-month" argument is misleading. This figure assumes that all U.S. consumption will be met by ANWR, that we will not produce any oil domestically, and that we will not import any oil whatsoever. This is actually an impossible scenario. All of the oil in the 1002 area can not be removed within a 6-month time frame. Furthermore, it would be impossible to move that much oil via the Trans-Alaskan Pipeline during such a short time frame. A much more realistic scenario is to say that there is enough oil in the 1002 area to curtail all imports from Iraq over the lifetime of the 1002 oil fields.

Drilling in ANWR will not alleviate an immediate energy crisis or solve any of our immediate needs. Depending on the time it takes to navigate through the permitting process, full scale production in the 1002 area is likely to take 7–12 years. However, development in the 1002 area will help to mitigate future problems stemming from a reliance on foreign oil and a shortage of domestic energy sources.

We need a comprehensive energy policy which, while developing conventional resources, also includes energy conservation and research into renewable power generation. There are many very promising renewable energy sources currently being researched and developed. However, it will likely take at least a decade to bring renewable technologies into the market place. I feel it is important that as we pursue new and innovative technologies, we continue to develop our conventional fuels to guarantee a vibrant economy, jobs, and our national security.

Mr. SMITH of New Hampshire. Mr. President, I rise in opposition to amendment No. 3132 to the energy bill allowing for the opening of the Arctic National Wildlife Refuge to oil exploration and development. My decision to oppose this amendment was not made lightly. It was made after much thought and deliberation and after carefully reviewing all of the information available.

I think it is important to put today's debate in context with the 1980 decision by Congress to set aside the Arctic National Wildlife Refuge. In 1980, just before the election of Ronald Reagan, this country was in the middle of economic disaster, the Carter "malaise." Our Nation was just exiting a terrible energy crisis; we were suffering from stagflation; the Middle East was in crisis with Americans being held hostage

in Iran; and gas prices, adjusted for 2002 dollars, were well over \$2 per gallon. Yet it was in that atmosphere that the United States Senate established, by a 78-14 vote, the Arctic National Wildlife Refuge and prohibited drilling in the refuge. That strong bipartisan decision was supported by the overwhelming majority of both Republicans and Democrats, conservative and liberal, including many of both parties who are still in the Senate today. I believe that was the right decision then, and I believe the Senate should maintain its support for protecting this wildlife refuge.

My support for the Arctic National Wildlife Refuge is nothing new. In fact, in 1990, I was a cosponsor of legislation in the House of Representatives to designate the wildlife refuge as wilderness in order to ensure protection from oil and gas exploration. I believed then, as I do now, this area represents one of our last complete and unspoiled arctic ecosystems in the world. It is a very special place deserving protection. While I have been a supporter for exploration of many areas of this country, in fact some areas that arctic drilling proponents have opposed, I believe it is a different case to drill and develop in a designated wildlife refuge that was set aside because of its wilderness qualities by Congress.

I would like to quickly address the provisions in the amendment that limit the exploration and development infrastructure to 2,000 acres. I think that there are misconceptions about what these provisions actually do. This provision reads, "the maximum amount of surface acreage covered by production and support facilities, including airstrips and any areas covered by gravel berms or piers for support of pipelines, does not exceed 2,000 acres on the Coastal Plain." Supporters of this amendment believe that this provision will limit production to just 2,000 acres of the coastal plain, an area about the size of a large airport.

What needs to be kept in mind, is that the oil reserves in ANWR are not found in a concentrated area. They are spread out over the coastal plain in various pockets that differ in size. Production activities will not be limited to just one section of the coastal plain. Oil rigs, pipelines and other facilities will be spread throughout the area, resulting in a spider-web effect of infrastructure than could cover much of the coastal plain. This is especially true since pipelines are not included in the amendment, just the support beams. To put this all in perspective, the infrastructure associated with existing oil development on the North Slope has a "footprint," as defined in this amendment, of 12,000-acres, but in reality covers an area of more than 640,000 acres, or 1,000 square miles. It is safe to assume that in this amendment the so-called 2,000 acre limitation in ANWR would likely impact an area over 50 times that size.

This Nation must have a comprehensive energy strategy that ensures a re-

liable, environmentally friendly, safe and economic supply of energy. I applaud President Bush for his commitment and I am proud to be a strong supporter of nearly all of his plan. I have been a long advocate of incentives for next generation vehicles and alternative fuels. These are vehicles that will not only provide clean transportation, but will dramatically reduce our oil dependency. I have also introduced legislation providing incentives for the construction of energy efficient buildings. However, I do not believe that allowing oil development in the Arctic National Wildlife Refuge is the right answer.

Mr. SHELBY. Mr. President, I rise today to discuss the Arctic national Wildlife Refuge or ANWR. As my good friend and colleague from Alaska Senator STEVENS has outlined, oil and gas exploration in ANWR is not a new issue. In fact, it is an issue that was contemplated when Congress expanded the boundaries of the Arctic national Wildlife Refuge in 1980, by requiring the Department of Interior to prepare a detailed study on the Coastal Plain area and recommend how it should be managed.

The Department of Interior's study recommended that the entire area be made available for oil and gas leasing, describing it as "the most outstanding petroleum exploration target in the on-shore United States." Despite this recommendation, no action has been taken in ANWR the intervening years except for the 1996 Budget Reauthorization Act authorizing the opening of ANWR which was retold by President Clinton.

I understand that there is a push and pull between those who believe we should strive to achieve energy independence by drilling in ANWR and those who feel that we should protect the environment and preserve ANWR. But, I believe that we can do both. We have come a long way since the very first oil fields were drilled. Today we have the ability, the technology and the know-how to drill in ANWR and protect and preserve the environment.

What is more, we are not proposing to drill in the entire Arctic National Wildlife Refuge as one might assume when they listen to our debate. In fact, this amendment will only allow for drilling on 2,000 acres of the total 19 million acres that encompasses the Arctic National Wildlife Refuge.

The events of September 11th have made it glaringly obvious that the time has come for the United States Congress to step up to the plate and take an active interest and an active role in securing our nation's energy future. We can no longer sit on the sidelines and assume that wind energy, solar panels, and battery packs are going to advance our Nation's energy interest. No matter how many tax credits we force on alternative fuels or how much money we devote to research into these technologies, the fact remains that our country is increasingly dependent on foreign sources of oil.

The reality of the situation is that our Nation is more reliant on foreign sources of oil today than it was during World War II. This despite CAFE standards and other investments in alternative fuel vehicles. The Energy Information Administration estimates that in the next 20 years America's demand for oil is projected to increase by 33 percent. Yet as consumption increases, U.S. production continues to decrease. I think that is a frightening fact and I believe that we must address it by increasing domestic production. If this means that we need to drill in ANWR, then we must drill in ANWR.

Today, foreign imports supply 60 percent of our Nation's consumption. This dependence makes us vulnerable. It is not in our national interest to continue to be beholden to volatile foreign countries for our energy needs.

This country needs a rational energy policy. And we need a national energy policy that includes new sources of production so that we have access to our own energy supplies. Without our own energy supplies, this country will continue its increasing dependence on volatile foreign sources that could be terminated at any moment.

We cannot continue to put more and more power in the hands of foreign suppliers, foreign countries. ANWR has the potential to produce over one million barrels of oil a day. One million barrels a day is enough to replace the volume that we currently import from Saudi Arabia or Iraq for more than 25 years.

Energy independence should be our long-term goal. But reducing our reliance on foreign energy sources should be our short-term goal. This country needs a balanced national energy policy that encompasses these goals. We need an energy policy that protects the environment, increases the efficient and effective use of renewables, encourages diversification of generating capacity AND most importantly, increases our domestic production. ANWR presents the United States with enormous potential for increasing domestic production. I think that we would be fools to pass up such an important opportunity for our Nation.

I encourage my colleagues to join with me in supporting this amendment to allow oil and gas exploration in ANWR.

Mr. SPECTER. Mr. President, in my 22 years in the Senate, there has not been a more heavily lobbied issue than ANWR and there has not been a tougher vote. It is especially difficult because of my commitment to protecting the environment for future generations, including my own grandchildren, as evidenced by my strong environmental voting record.

After extensive deliberation, I have decided to vote for cloture, to cut off debate, for a composite of reasons: 1. The United States needs to become independent of OPEC oil; 2. this modified legislation greatly reduces the environmental impact; 3. Federal funds



from ANWR would cover legacy retiree health costs for steel workers to allow for re-structuring to save the American steel industry and tens of thousands of jobs, including thousands for Pennsylvanians.

Many steps must be taken to free the U.S. from dependence on OPEC oil. To rely on the Saudis, let alone Iraq and Iran, is to court disaster. Our reliance on Arab oil has broad-ranging implications on our policy in the Mid-East including our support for Israel.

In this bill, I have voted for a significant increase in renewables to generate more energy from wind, the sun, biomass, hydropower and geothermal sources. I have supported expanded tax credits for clean coal and conservation measures including increasing mileage requirements for motor vehicles.

While I would prefer not to open ANWR to drilling if we could become independent of OPEC oil without it, I have visited ANWR and believe that significant steps have been taken to reduce the incursion, such as a reduced footprint through multi-directional drilling, ice roads and winter season drilling.

This legislation also allows for the use of funds from ANWR to cover so-called legacy costs for retired steel workers which would enable re-structuring of the domestic industry which is vital for national security. More than thirty steel companies have filed for bankruptcy in the past few years and tens of thousands of steel workers have lost their jobs. The recently imposed tariffs on imported steel gives the industry a three-year period for re-structuring with consolidation of many potentially failing companies into a company which could compete with foreign steel producers. That consolidation could not take place if the acquiring company has to assume the legacy costs. Federal funds derived from ANWR would be used to cover such legacy costs and permit consolidation.

Another consideration in my vote to invoke cloture is my view that the Senate should not require 60 votes for passage, a super majority, unless there is a great principle at issue, such as civil rights or civil liberties. Regrettably, a practice has evolved in the Senate to require cloture or 60 votes to pass legislation which is contrary to the fundamental principle, that in a democracy, decisions should be made by a majority.

Ms. COLLINS. Mr. President, today I express my opposition to drilling in the Arctic National Wildlife Refuge. I oppose drilling in the Arctic Refuge because it is both poor energy policy and poor environmental policy.

A sound energy policy is critical to our Nation's security. The United States is currently 56 percent dependent on foreign oil. By 2020, this number could rise to 70 percent. At that time, over 64 percent of the world's oil exports will come from Persian Gulf nations, a prospect that causes me great concern.

In light of our increasing dependence on a profoundly undependable source of oil, we must ask ourselves what course do we now chart for our Nation's energy policy? Should we rush to deplete our last major reserve of oil, or should we increase conservation and develop alternative technologies that will allow our children to enjoy a better quality of life?

President Teddy Roosevelt once said: "I recognize the right and duty of this generation to develop and use our natural resources, but I do not recognize the right to waste them, or to rob by wasteful use, the generations that come after us."

Americans have a right to develop our energy resources, but not to waste them. We could do far more to reduce our reliance on foreign oil by increasing the efficiency of our automobiles than by drilling in the Arctic. Drilling in the Arctic National Wildlife Refuge today would be akin to wasting resources that should rightfully be there for future generations. We must embrace an ethic of stewardship of our most treasured national resources.

Instead of rushing to deplete what is likely the last major oil reserve in the United States, we should instead promote energy efficiency and develop alternative technologies. Doing so will not only make more of an immediate difference than drilling in the Arctic, but it will also ensure that we leave our children with ample energy supplies and a broader array of energy options.

We can achieve greater and more immediate energy security by increasing our energy efficiency. According to testimony heard before the Senate Government Affairs Committee, the United States could cut our dangerous reliance on foreign oil by more than 50 percent by increasing energy efficiency by 2.2 percent per year. This would do far more to reduce our reliance on foreign oil than would drilling in ANWR, and the benefits could start almost immediately, not in 10 years. I note that the United States has a tremendous record of increasing energy efficiency when we put our minds to it: following the 1979 OPEC energy shock, the United States increased its energy efficiency by 3.2 percent per year for several years. With today's improvements in technology, 2.2 percent is attainable.

I am disappointed that the Senate last month failed to adopt higher automobile fuel economy standards. The Senate had the chance to save more than twice as much oil as is in the Arctic Refuge by simply increasing fuel economy standards. That proposal, which I cosponsored, would have saved consumers billions of dollars in annual gasoline bills while doing more to reduce our reliance on foreign oil than any other single measure.

It was Republican President Dwight Eisenhower who first set aside the Arctic National Wildlife Refuge. In his parting words from the Oval Office, President Eisenhower told the Nation:

"As we peer into society's future, . . . [we] must avoid the impulse to live only for today, plundering for our own ease and convenience, the precious resources of tomorrow." Although the Arctic Refuge may seem to some to be the easiest and most convenient source of oil available, drilling in the Arctic Refuge will not solve our energy problems. I urge my colleagues to increase our energy efficiency, develop alternative energy sources, and preserve our precious Arctic resources so that our children will have the freedom to make their own choice concerning this vast wilderness reserve.

Mr. McCain. Mr. President, I would like to speak about today's vote to end debate on the two pending amendments to authorize oil and gas development in the Arctic National Wildlife Refuge.

In past years, I have voted in support of exploring development options in ANWR as part of budget reconciliation measures. I believed that was the right vote. I was not an expert on the issue and I believed that further deliberation was warranted.

Unfortunately, the information presented to us consistently reveals widely varying predictions of actual oil potential and economic benefits, as well as various scenarios of possible impacts on wildlife and the environment. Even government studies are not conclusive and raise more questions than they answer. The various interpretations have already been debated by each side, and I need not rehash them now.

However, several factors are clear to me.

Oil and gas could be recovered from ANWR many years from now, but not without considerable costs to taxpayers.

Most scientific analyses conclude that both the land and wildlife would adversely be impacted by development.

The two Alaska Native communities most impacted by this debate are split in their positions on this issue.

Even if ANWR were authorized for development, we would still rely on imported oil supplies and require other sources of energy development and generation.

I, too, am concerned about our Nation's dependence on foreign oil supplies. Unless we act in some comprehensive manner on several fronts, including conservation measures and greater use of nuclear and other forms of alternative energy generation, our current dependence on foreign oil could increase from 56 percent to 70 percent in less than 20 years.

With respect to taking truly effective action to reduce our oil dependence, regrettably the Senate rejected a more effective measure to modestly increase fuel efficiency standards, a proposal that would substantially decrease our Nation's dependence on foreign oil and also reduce greenhouse gas emissions. Had we adopted an increase of fuel efficiency standards to 36 mpg average by 2013, we could have potentially saved 2.5 million barrels of oil per day by 2020

which is about equal to present imports from the Persian Gulf. This prudent conservation measure would also save twice as much, if not more, oil than what is in ANWR.

Opening the refuge could only meet about 2 to 5 percent of the Nation's oil needs, at best. Even some oil company executives have expressed doubts about drilling in ANWR, as stated by one: "Big oil companies go where there are substantial fields and where they can produce oil economically . . . does ANWR have that? Who knows?"

Let me also say that the answer to threats posed by the regime of Saddam Hussein is not to drill in ANWR but to end his regime sooner rather than later. Drilling in ANWR will not remove the clear and present danger posed by Hussein and will not stop in any way whatsoever his weapons of mass destruction program or for that matter his "inspiring and financing a culture of political murder and suicide bombing," as Defense Secretary Rumsfeld so aptly described his lawless and murderous behavior.

I also wish to comment briefly about the second-degree amendment offered to the underlying ANWR amendment to divert a majority of revenues derived from oil and gas development to retirement and other benefits for the steel industry.

I am not against our steel workers. They helped build our Nation and are among the hardest working people in America. But to underwrite their retirement in a transparent effort to attract more votes is very bad policy. What do we say to all the other workers who are also suffering during economic hard times? Are we going to say, "sorry, but giving royalties to folks in your industry won't get us the votes we need to pass our bill"?

Miners, teachers, construction laborers, and many other hard-working Americans have seen their jobs, benefits, and pensions endangered by the recent hard economic times. Yet, they would not benefit from this proposal. Nor would our veterans, who undoubtedly could use more help paying for their medical bills. These last-minute tactics are not a credit to this deliberative body and only serve to increase the public's skepticism of government.

America will need oil for the foreseeable future. What gives this generation the right to deplete this vital resource when we have the opportunity to preserve it for the benefit of future generations? At the end of our day, we still have prudent alternatives to ANWR to meet our energy demands and we should aggressively pursue them. A more acute energy need than our own in the future may require development, where assurances of improved technology may better protect the environment. With other viable energy options available to us today, to approve ANWR drilling would be a dereliction of our duty to posterity.

Teddy Roosevelt, the champion of conservation, once said: "Conservation

means development as much as it does protection. I recognize the right and duty of this generation to develop and use the natural resources of our land; but I do not recognize the right to waste them, or rob, by wasteful use, the generations that come after us."

I have thought long and hard about this debate and the vote that I will cast. I still hope we can achieve a more balanced national energy strategy, but I am not convinced that a key component of that policy should be to drill in ANWR. I will vote against the motions to invoke cloture on these amendments.

The PRESIDING OFFICER. Who yields time? The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Alaska controls 10 minutes. The Senator from New Mexico has 14½ minutes.

Mr. BINGAMAN. Mr. President, I am informed Senator DASCHLE wishes to speak and is going to be coming to the floor in a few minutes to do that. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. MURKOWSKI. Mr. President, is time running off the side of the majority at this time?

The PRESIDING OFFICER. It is running off the time of the majority.

Mr. MURKOWSKI. I thank the Chair. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. We are playing games here, Mr. President, so I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. MURKOWSKI. Mr. President, I will take a few minutes at this time, and I would appreciate the Chair reminding me when half my time is up. My understanding is that is in 5 minutes.

I want to show a chart. We had the Senator from California talk a little bit about refuges. This happens to be a producing well in a refuge in California. It is near San Francisco. The point is, there are refuges in many States, as additional charts will show.

Be that as it may, I am not going to belabor that point because there are a few other issues on which we need to reflect.

Today we are seeing headlines: "Summer Gasoline Prices Again Headed Higher."

We also see information coming at us from the Mideast relative to the crisis,

and Saddam Hussein advises that oil is going to be used as a weapon.

Oil as a weapon. We remember the last time we saw a weapon in this country, it was an aircraft being used as a weapon—two aircraft, three aircraft. There was the Pentagon, there was the New York Twin Towers, and there was the terrible crash in Pennsylvania.

This is as a consequence, to some degree, of our continued reliance on imported oil. We have heard a lot on the other side relative to ANWR and what it would contribute. Let me identify for the record—and this is from the Energy Institute—crude oil imports relative to the annual report for the year 2002. Opening ANWR would reduce oil dependence from 66 percent in 2020 to 62 percent by 2024; 58 percent by 2020 in a high case. So we have a low case, a mean, and a high.

The significance is what it does relative to domestic production. Assuming the USGS mean case for oil in ANWR, there would be an increase of domestic production by 13.9 percent; assuming a higher case for oil—and this is USGS figures—25 percent of total domestic production, an increase—well, the increase is clearly substantial.

I think what a lot of people have forgotten in this debate is what we are debating. This second degree amendment, of course, provides funding for the rejuvenation of the American steel industry, with the proceeds from ANWR. But for a moment, let us reflect on the fact that passing the underlying amendment does not automatically open ANWR. In this amendment, we have given the President the authority to open ANWR. The President has to certify to Congress that the exploration, development, and production of the oil and gas resources in the ANWR Coastal Plain are in the U.S. national, economic, and security interests. I think we should trust our President to make that decision. Clearly, at a time when the Mideast is in an inferno and we are 58 percent dependent, we should trust our President to make this decision.

Further, there is a 2,000-acre limitation on surface disturbance. That is in the House bill. There is an export ban, with the exception of exports to Israel. Under the Israeli oil supply agreement, we are extending it through the year 2014. There are 1.5 million acres of wilderness in ANWR, in exchange for opening approximately the 1.5 million acres of the Coastal Plain. We believe that is a responsible exchange.

We talk about a process. This is what I find totally unacceptable. One might say we were defeated before we even started on this project. Why? Well, because the majority leader basically pulled away from the committee of jurisdiction the process of developing out of that committee an orderly transition and development of a bill that could be brought to the floor and voted on by 50 votes.

We had 50 votes. We were victorious, and the Democratic leader knew it, but

he pulled the bill from the Energy Committee and put us in a position of having to come up with 60 votes, and that is where we are today.

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. MURKOWSKI. I guess one could say when we had control of the Senate the last time, 55 to 45 in 1995, we passed ANWR. President Clinton vetoed it. Now it is a different story in the Senate. We have 50/49/1. That is the reality associated with this issue.

The final point I want to make relative to the majority leader and his handling of this bill is one that I think bears consideration by all Members of this body. He said, even if we get 60 votes, we are not going to get ANWR because he will pull the energy bill.

I reserve the remainder of my time.

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

Who yields time?

The Senator from Nevada.

Mr. REID. Mr. President, Senator ROCKEFELLER was scheduled to speak. Of his time, which is 10 minutes, we yield 3 minutes to the manager of the bill, Senator BINGAMAN.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I will summarize some points we have made several times before. I think this debate has been useful in that all the arguments have been heard extensively. I do think it is an important issue.

I commend the Senators from Alaska for their efforts to move ahead. I do not favor going ahead with opening ANWR to drilling, and I think this is a debate which has continued, frankly, for decades in this Senate and in this country.

My own view is the long-term energy needs of our country can be best met with a balanced, comprehensive bill, which we are trying hard to enact and perfect in the Senate, that encourages domestic production in ways that are not environmentally objectionable to a substantial portion of our population. I mentioned those.

There are substantial opportunities for us to increase production on the North Slope of Alaska. There are substantial opportunities for us to increase production in the Rocky Mountain region, and I know that is going to be objectionable to some people, but we have a lot of production in my State. I think there are opportunities for additional production. There is a lot of opportunity for increased production in the gulf that we can benefit from substantially.

In addition to that domestic production, though, we need to have a heavy emphasis on increased efficiency. There is no reason we cannot use the new technology that has been developed to reduce dependence on foreign sources of oil. I regret some of the earlier votes we have had on this bill in that regard. I will not revisit that right now, but I will say there are opportunities for us to pursue an enlight-

ened policy that positions us better in the future with regard to our energy needs. Meeting those needs and opening ANWR to drilling is not a necessary part of that.

I do not support it as an environmental policy, and I do not support it as part of this energy bill. We will have a good opportunity to express views on that in these upcoming two votes, and Members know exactly what the issues are. There is no mystery about that.

With regard to the first of the votes we are going to cast, it is complicated by the fact that we have had loaded in there provisions relating to the steel industry and the legacy issues related to the steel industry. I have said before, and I reiterate, this is not the right place to deal with those issues. I support trying to find a solution to those problems, but this is not the right place to do so.

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

Who yields time?

Mr. REID. How much time is remaining now on the majority side?

The PRESIDING OFFICER. Ten minutes is available to the Senator from New Mexico.

Mr. REID. That time is yielded to the Senator from West Virginia, Mr. ROCKEFELLER.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I want to read one paragraph of a letter from the United Steelworkers of America which was given to me last night. It says:

The United Steelworkers of America support you—

That happens to be me—

now and will continue to support you as you go forward to explore every avenue for the passage of this vital legislation [the legacy costs for health care].

In the last 2 weeks, despite every effort, the White House and the Republican leadership in the House and Senate refused to grant the ironclad assurances necessary to go forward with legacy costs legislation as part of the energy bill. In fact, the inaction of the White House and the Republican leadership shows a total lack of concern for the 600,000 steelworkers who have or are about to lose their retiree health care.

I ask unanimous consent that the remainder of this letter be printed in the RECORD.

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

UNITED STEELWORKERS OF AMERICA,  
Pittsburgh, PA, April 17, 2002.

Hon. JOHN D. ROCKEFELLER IV,  
U.S. Senate, Senate Hart Office Building,  
Washington, DC.

DEAR SENATOR ROCKEFELLER: I want to thank you for your continuing efforts to obtain a retiree health care program that will address the needs of hundreds of thousands of Steelworker retirees. The United Steelworkers of America support you now and will continue to support you as you go forward to explore every avenue for the passage of this vital legislation.

In the last two weeks, despite every effort, the White House and the Republican leader-

ship in the House and Senate refused to grant the ironclad assurances necessary to go forward with legacy costs legislation as part of the Energy bill. In fact, the inaction of the White House and the Republican leadership shows a total lack of concern for the 600,000 steelworkers who have, or are about to lose, their retiree health care.

Without your consent or the support of the United Steelworkers of America, the Republican leadership has attached the legacy costs legislation to an amendment that would open Alaska to new oil exploration and production. The United Steelworkers of America oppose this action. The issue of ANWR stands alone. This is not the way to obtain legacy costs relief.

What the Steelworkers do support is the legacy costs legislation that you will introduce today, co-sponsored by Senator Specter of Pennsylvania.

In the coming weeks, we will work with you and other Senators on both sides of the aisle in order to build a broad-based grassroots campaign to ensure the speedy enactment of legacy costs relief. We urge the Republican leadership not to call for a vote on the Stevens' Amendment. Our members, and in particular our 600,000 retirees, their dependents and surviving spouses, deserve serious consideration of this problem, not political exploitation.

Sincerely,

LEO W. GERARD,  
International President.

Mr. ROCKEFELLER. Mr. President, I have consistently, over the years, voted against drilling in the Arctic National Wildlife Refuge area. I will oppose both the Murkowski and the Stevens amendments. As a refuge, ANWR is protected land, intended to ensure the national diversity of wildlife, to ensure quality in water and conservation, and to provide subsistence living for Native Americans who have lived in that region for many generations.

The Coastal Plain within the refuge is targeted by some, as we well know, for oil exploration while only 8 percent of this refuge, the plain, is home to a wide variety of wildlife, including polar bears, caribou, and 100 species of birds.

ANWR is likely to produce, at best, 2 percent of America's oil demand in a given year if the oil, in fact, is there. Extracting it, if it is there, will be extremely costly. According to the Congressional Research Service, ANWR would not under any circumstances start producing oil for at least 7 years, or perhaps as many as 12 years.

The limited amount of oil and the problems extracting it make it clear we should not risk opening the refuge, which is the last 5 percent of Alaska's vast North Slope that remains protected. There are other, better ways to promote domestic oil production and other more effective ways to deal with our country's energy needs.

In addition to opening ANWR to oil exploration, Senator STEVENS—who in my work with him acted in total honor and integrity, which is part and parcel of his nature—adds a provision that appears to provide health care benefits to retired steelworkers and also coal miners. They relate to ANWR. He links the two. If that were a real possibility, it would be very hard to resist for somebody like me, who has been fighting for

steelworkers who have been going downhill.

However, no matter how genuine the Senator from Alaska is—and he is—he has been unable to secure any kind of support for either himself, myself, or anybody else from the White House that it would support it through the conference committee. Remember, the House has passed this bill. ANWR is in it; there is no steel. Therefore, no matter what we do, it has to go to conference. The whole problem is they would then drop legacy costs for steel and coal miners and keep ANWR, and that would be easy, unless, of course, the White House committed and the House committed not to do so. Senator STEVENS asked for that kind of commitment and was given no such commitment whatsoever. That leaves an empty promise.

It basically says: Vote for me on what I want and when your turn comes, I will consider what you want. In addition, the White House said they would not even consider sending a letter of any sort until they had 60 votes on ANWR. That is the same thing as saying: Give us 60 votes; we will write you some kind of a letter, and steel will get dropped in conference.

No. No. I represent West Virginia, as well as the United States of America and steelworkers and other people everywhere. I am not a part of anything of that sort. I will not and cannot support the effort of the Senator from Alaska to add steel retiree legacy costs to the ANWR amendment, although I am very sympathetic with what his predicament is. It is the same predicament I face. I have great respect for the Senator. His amendment offers nothing to steelworkers across this Nation, through no fault of his own.

The American steel industry and retired steelworkers were struggling in the face of an unprecedented steel crisis. They deserve help from their Government and need help. The steel industry is not a casual industry. It is no less strong in its meaning to America than the oil industry, but nobody seems to care about the steel industry. Not that many States produce steel, and half the Senators from those States do not care. It is a discouraging situation.

The steelworkers deserve straight talk about what the administration is prepared to do to help them, not political gain. There are nearly 100,000 steelworkers without health care benefits today. Most are former LTV workers who lost their benefits less than 8 months ago. Some are workers of American steel companies that went bankrupt waiting for the President to act on section 201, which was the matter of tariffs for unfair trade practices. There are hundreds of thousands of steelworkers whose health benefits are in imminent jeopardy without some help. There is an urgent need for legislation to restore the health benefits and to protect the steelworker health benefits that are at risk.

I want my colleagues to know for months and months I have tried in every way I possibly could to try to get the White House to have some sense of empathy for this situation. They did the tariffs. All that did was buy time. It did nothing for the steel industry. You have to have legacy followed by consolidation. Without consolidation, there is no steel industry. Without legacy there is no consolidation. It has to be tariffs, legacy, consolidation. They said no to legacy.

Don Evans, Secretary of Commerce, was on one of the Sunday shows. He said: That is up to the Congress to pass.

Well, there is a Republican House, a one-vote organizing majority in the Senate, and a Republican White House. What do you think that says? We are not interested.

It is, unfortunately, the steel industry that is not a priority for this administration. I am disappointed but not surprised. I am disappointed. I am bitter about it. I will be back about it. I will be back on this because I represent steelworkers.

There has never been a single solitary indication that this administration would support the concept of legacy relief. The President's refusal to make a commitment to retired steelworkers at this point sends a very chilling message to every steelworker, every steel company in the United States of America that this White House simply does not care about the long-term well-being of the steel industry. I don't know how I can reach any other conclusion. I tried to work with them, but there could be no other conclusion.

For our own industrial manufacturing base, of which steelworkers are 14 percent in West Virginia, for our national security interests, we all have a vested interest in doing something about steel. I conclude by saying, again, please do not be fooled by the linking of drilling and legacy costs. This amendment is misleading. There will be legislation introduced in this body that will represent a meaningful way to protect steel retiree benefits, but this is not the vehicle. Drilling in and of itself is wrong.

I urge my colleagues to vote against both the Stevens amendment and the Murkowski amendment.

I thank the Presiding Officer. I yield the floor.

Mr. MURKOWSKI. I ask how much time remains on the other side?

The PRESIDING OFFICER. The Senator from Alaska controls 4 minutes and the other side controls 8 seconds.

Mr. MURKOWSKI. Mr. President, how much time remains on the side of the majority?

The PRESIDING OFFICER. The majority has no time remaining.

Mr. DASCHLE. Mr. President, obviously, I have the availability of leader time, but in the interest of moving these votes along, it is important we try to stay as close to schedule as we can.

Mr. DASCHLE. Mr. President, we have now been debating how best to reshape our Nation's energy policy for 24 days.

Time and again, we have heard our Republican colleagues say that opening Alaska's arctic wilderness is the cornerstone of their energy policy.

Time and again, we have said, if that is the case, then offer an amendment to that effect.

Time and again, they declined.

I am mystified as to why it has taken us so long to get to this point, but now that we are here, I want to talk about the substance of this amendment, because I support policies that will encourage domestic production of oil and gas.

I also believe that we need a comprehensive and balanced energy policy that will help to meet our Nation's critical energy needs.

But, given the fact that drilling in the Arctic Refuge won't increase our energy independence, but will have an adverse impact on the wildlife refuge—I believe that it does not belong as part of our Nation's energy policy.

America's appetite for energy continues to grow each year. Over the next 10 years, the United States is expected to consume roughly 1.5 trillion gallons of gasoline. At the same time, the United States holds only 3 percent of the known world oil reserves.

Even if we drilled in everybody's back yard, we could never meet our own demand with our own supply.

That is not to say that we shouldn't drill for oil and gas in the United States—to the contrary, we can and we should.

But we cannot simply drill our way out of this problem, and we should not be drilling in environmentally sensitive areas.

Supporters of drilling in the Arctic Refuge have used every possible opportunity to justify their position.

When we were experiencing rising oil prices, supporters said it would make oil available quickly and drive prices down in the process.

But even if Congress were to authorize drilling in the Arctic National Wildlife Refuge today, we would not see significant quantities of oil produced from the refuge for 8 years at the earliest.

When our economy began to slow, supporters began billing it as an economic stimulus measure, saying it will create 750,000 jobs.

Yet that number comes from an outdated and biased study commissioned by the American Petroleum Institute. Recent, more credible estimates by the Congressional Research Service, the Joint Economic Committee and others suggest that less than one-tenth that number would actually be created.

And now, as we see volatility in a number of oil-producing nations, those same supporters are saying that drilling in ANWR is vital to increasing our energy independence.

But estimates of the amount of oil that might potentially be available if

we drilled in the Arctic Refuge average around 3.2 billion barrels.

Let me give you an important point of comparison: if we all put replacement tires on our cars that were as good as the ones that came with the cars when they were new, the resulting increase in efficiency would save 5.4 billion gallons of oil—70 percent more than the total amount of oil in the Arctic Refuge.

Perhaps the most cynical attempt to justify drilling in the arctic refuge was the most recent. It was an attempt to link drilling in ANWR to an issue that many of my colleagues care about—the issue of health and retirement benefits for laid-off steelworkers.

All I can say is that I hope those who proposed this addition to the ANWR amendment remember their newfound commitment to steelworkers when it comes time for us to debate trade adjustment assistance.

The bottom line is this: anytime you see a policy so desperately in search of a justification, you can count on one of two things—either it's not that good a policy, or it doesn't have much support.

Drilling in ANWR falls into both categories.

And here's why: right now, more than 95 percent of the Alaskan North Slope is already open to oil and gas drilling.

I find it ironic that by focusing this debate on ANWR, we are missing the other opportunities to produce oil and gas in Alaska that we should be encouraging.

The first amendment that we passed to this bill authorizes the construction of a pipeline to bring natural gas from Alaska to the lower 48 States.

There are 35 trillion cubic feet of known natural gas reserves on the North Slope of Alaska.

There is more we can do to encourage sensible production. We should explore ways to pump the heavy crude oil that remains in the ground in northern Alaska.

And we should explore for oil and gas in the National Petroleum Reserve in Alaska—the area where the 3 largest onshore oil reserves in the last 10 years were found.

Faced with so little evidence that drilling in the Arctic Refuge would do anything significant to help our economic situation or increase our energy independence, some are now arguing that at the very least it can be done without harming the environment, or without exploiting too much land.

But those arguments are flawed as well.

For 12 years—over the course of a Democratic and a Republican administration—the U.S. Geological Survey studied the impact that drilling in the Arctic Refuge would have on the local wildlife.

In March they came out with their final report—and it couldn't have been more straightforward: the wildlife in the region will be seriously hurt by oil development.

Now, some Republicans are saying that they will limit the operation to a 2,000 acre “footprint,” and the environmental damage will be minimal.

Well, “footprint” is a misleading term.

In reality, oil production on the coastal plain area would require central production facilities, drilling pads, roads, airstrips, pipelines, water and gravel sources, base camps, construction camps, storage pads, powerlines, powerplants, and possibly a coastal marine facility.

When you add those logistical necessities to the fact that those 2,000 acres doesn't include an additional 93,000 acres of Native American land—you begin to see how that 2,000 acre footprint could easily trample a substantial amount of the coastal plain.

Finally, we need to recognize that this debate is about more than just drilling in the Arctic Refuge.

It is about whether we are willing to recognize that decreasing our dependence on foreign oil means decreasing our dependence on oil, period.

It is about whether we choose to pursue an energy future based upon the old philosophy of dig, drill, and burn—or whether we embrace innovative approaches to our energy future.

We need to expand production of renewable fuels, such as ethanol and biodiesel, develop cars and trucks that do not run on gasoline, but on fuel cells or other energy technologies that we can produce here in the United States, and, in the meantime, build more innovative and efficient automobiles.

Let me give you just one example of what the innovative new approach could achieve:

If we had fully implemented the vehicle fuel-efficiency provisions that were originally in this bill—something that could have been done without affecting safety or performance—we would have saved American drivers billions of dollars—and saved our Nation the same amount of oil we are currently importing from the Persian Gulf.

Bold steps like that are the path to energy independence—not backward steps like this.

Most Americans will never have the opportunity to visit the Arctic National Wildlife Refuge and see the beauty and wonder of land that has been largely untouched by humans since the dawn of time.

It is a tribute to the best of America that Americans still want to protect that ecologically rich expanse.

It is a tribute to the best of America that so many people today want to give future generations the opportunity to see that land as it once was, and always should be.

So I urge my colleagues to use these votes to show that we have the creativity to meet our energy needs, and the character to resist violating the few natural sanctuaries that we have set aside to protect in the process.

Let's defeat these amendments. I urge all my colleagues to vote against cloture.

Mr. MURKOWSKI. Mr. President, I yield myself the remaining time.

I want my colleagues to note there is not one single thing in here that increases domestic oil production in this energy bill. I find that unconscionable at a time when energy prices are increasing. We face continued crisis in the Middle East, and the intention of Saddam Hussein is, in his words, “use oil as a weapon.” We have seen that.

I am very pleased to stand with Senator STEVENS and recognize the support on this issue, from seafarers, teamsters, ironworkers, laborers, operating engineers, plumbers, pipefitters and many other unions in America that recognize this legislation as good for the American worker. A vote on the second degree which Senator ROCKEFELLER just talked about is a vote for America's steel industry.

He didn't talk about rejuvenating the industry. This is money that could come from opening ANWR, some \$12 billion. It is unconscionable that they are not giving serious consideration to this because we are talking about passing a law; the conference is something else. Finally, a vote for this amendment is a vote for the Native people of my State of Alaska. They were promised they would have access to their lands. The underlying amendment would give them that.

We talk about truth today. I am going to close with one reference from the New York Times.

A Democrat from the northeast who considers himself a strong environmentalist also said he once tried quietly to see if he could broker a deal in which Democrats would back limited exploration in the wildlife reserve and Republicans would support much tougher fuel efficiency standards for cars and trucks.

The Democrat said he quickly gave up when it became apparent that the environmental organizations would not budge in their opposition to new drilling.

“If you told the environmentalists we would end global warming once and for all in return for ANWR,” he said, “they'd still say no.”

The truth is, what is going on here is simply the word “greed.” The so-called environmentalists are not interested in science; they are not interested in the health of this planet; they are not interested in the welfare of the people of my State; they are interested in only one thing—fundraising and keeping their high-paid jobs.

They know that we can explore Alaska safely; and that the wildlife will not be hurt. But they know that if we win ANWR, and we will, their chief fundraising tool goes away. That's what this entire debate is about—it is about raising money and keeping jobs for people who call themselves environmentalists.

That is the bottom line. We could pull this bill but the people of Alaska are entitled to a vote and Members are entitled to stand and be heard. They are going to be held accountable, and that is the way it should be.

I urge my colleagues to do what is right, what is right for America, not

what is right for America's environmental community that has lobbied this issue hell-bent for election.

I yield the floor.

#### CLOTURE MOTION

The PRESIDING OFFICER. All time has expired. Under the previous order, the clerk will report the motion to invoke cloture.

The bill clerk read as follows:

#### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the Stevens amendment No. 3133, regarding drilling in ANWR:

Tom Daschle, Kent Conrad, Harry Reid, Ben Nelson, Barbara Mikulski, Patty Murray, Dianne Feinstein, Tim Johnson, Tom Carper, Jeff Bingaman, Byron Dorgan, Richard Durbin, Mark Dayton, Jay Rockefeller, Patrick Leahy, Jack Reed.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived. The question is, Is it the sense of the Senate that debate on the Stevens amendment, No. 3133, to amendment No. 3132 to S. 517, a bill to authorize funding for the Department of Energy to enhance its mission areas through technology transfer and partnership for fiscal years 2002 through 2006 and for other purposes shall be brought to a close?

The yeas and nays are required under the rule. The clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 36, nays 64, as follows:

#### [Rollcall Vote No. 70 Leg.]

##### YEAS—36

Akaka	Domenici	McConnell
Allard	Frist	Miller
Allen	Grassley	Murkowski
Bond	Hagel	Santorum
Breaux	Hatch	Sessions
Bunning	Helms	Shelby
Burns	Hutchinson	Specter
Byrd	Inhofe	Stevens
Campbell	Inouye	Thompson
Cochran	Landrieu	Thurmond
Craig	Lott	Voinovich
Crapo	Lugar	Warner

##### NAYS—64

Baucus	Edwards	McCain
Bayh	Ensign	Mikulski
Bennett	Enzi	Murray
Biden	Feingold	Nelson (FL)
Bingaman	Feinstein	Nelson (NE)
Boxer	Fitzgerald	Nickles
Brownback	Graham	Reed
Cantwell	Gramm	Reid
Carnahan	Gregg	Roberts
Carper	Harkin	Rockefeller
Chafee	Hollings	Sarbanes
Cleland	Hutchison	Schumer
Clinton	Jeffords	Smith (NH)
Collins	Johnson	Smith (OR)
Conrad	Kennedy	Snowe
Corzine	Kerry	Stabenow
Daschle	Kohl	Thomas
Dayton	Kyl	Torricelli
DeWine	Leahy	Wellstone
Dodd	Levin	Wyden
Dorgan	Lieberman	
Durbin	Lincoln	

The PRESIDING OFFICER (Mrs. CARNAHAN). On this vote, the yeas are 36, the nays are 64. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

#### AMENDMENT NO. 3133, WITHDRAWN

Mr. STEVENS. Madam President, I withdraw amendment No. 3133.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

#### CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

#### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the Murkowski ANWR amendment No. 3132 to S. 517, the Energy Bill:

Tim Johnson, Tom Carper, John Kerry, Jeff Bingaman, Patrick Leahy, Tom Harkin, Tom Daschle, Harry Reid, Hillary Rodham Clinton, Max Cleland, Maria Cantwell, Jack Reed, Ron Wyden, Carl Levin, Patty Murray, Max Baucus.

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the Murkowski ANWR amendment No. 3132 to S. 517, a bill to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes, shall be brought to a close?

The yeas and nays are required. The clerk will call the roll.

The assistant legislative clerk called the roll.

The yeas and nays resulted—yeas 46, nays 54, as follows:

#### [Rollcall Vote No. 71 Leg.]

##### YEAS—46

Akaka	Frist	Miller
Allard	Gramm	Murkowski
Allen	Grassley	Nickles
Bennett	Gregg	Roberts
Bond	Hagel	Santorum
Breaux	Hatch	Sessions
Brownback	Helms	Shelby
Bunning	Hutchinson	Specter
Burns	Hutchison	Stevens
Campbell	Inhofe	Thomas
Cochran	Inouye	Thompson
Craig	Kyl	Thurmond
Crapo	Landrieu	Voinovich
	Lott	Warner
Domenici	Lugar	
Ensign	McConnell	
Enzi		

##### NAYS—54

Baucus	Dodd	Lincoln
Bayh	Dorgan	McCain
Biden	Durbin	Mikulski
Bingaman	Edwards	Murray
Boxer	Feingold	Nelson (FL)
Byrd	Feinstein	Nelson (NE)
Cantwell	Fitzgerald	Reed
Carnahan	Graham	Reid
Carper	Harkin	Rockefeller
Chafee	Hollings	Sarbanes
Cleland	Jeffords	Schumer
Clinton	Johnson	Smith (NH)
Collins	Kennedy	Smith (OR)
Conrad	Kerry	Snowe
Corzine	Kohl	Stabenow
Daschle	Leahy	Torricelli
Dayton	Levin	Wellstone
DeWine	Lieberman	Wyden

The PRESIDING OFFICER. On this vote, the yeas are 46, the nays are 54. Three-fifths of the Senate duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. LOTT. Madam President, I move to reconsider the vote.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRAMM. Madam President, I call for regular order.

#### AMENDMENT NO. 3144 TO AMENDMENT NO. 2999

Mr. GRAMM. I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Will the Senator specify the amendment?

Mr. GRAMM. The Kerry-McCain amendment is the pending business, as I understand the regular order. I think we have about 10 amendments that are in the stack of regular order, but I think it is at the top.

The PRESIDING OFFICER. The Senator is correct.

Mr. GRAMM. I send a second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM], for himself and Mr. KYL, proposes an amendment numbered 3144 to amendment No. 2999.

Mr. GRAMM. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To make permanent the repeal of the death tax)

Strike all beginning on page 2, line 1, and insert the following:

#### SEC. . PERMANENT REPEAL OF DEATH TAXES.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended—

(1) by striking "this Act" and all that follows through "2010." in subsection (a) and inserting "this Act (other than Title V) shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.", and

(2) by striking " , estates, gifts, and transfers" in subsection (b).

Mr. GRAMM. Madam President, I called for the regular order, which brought up the Kerry-McCain amendment as the pending business. I have sent a second-degree amendment to the desk sponsored by myself and the Senator from Arizona, Mr. KYL. It is an amendment that makes the repeal of the death tax permanent.

I say to my colleagues this is a revenue bill. This may very well be the only revenue bill we have for the remainder of this Congress. Perhaps there may be others, but as of today there is no guarantee that there will be.



The House is voting today to make the tax cut permanent. Senator KYL and I thought the Senate should have an opportunity to have a vote on that issue, and we decided if we were going to try to focus on one part of the tax cut, this would be the relevant part to focus on. We now have a revenue measure before us, and therefore we believe this is an opportunity for us to fix something that is very broken.

I will not belabor the point because our colleagues are very familiar with it, but basically because of a quirk in the Budget Act, we made the tax cut temporary, and it expires in 10 years. We could have made it permanent had we had 60 votes, but we only had 58 votes. So we had to use a procedure called reconciliation.

Under that procedure, the tax cut expires when the reconciliation expires, which is in 10 years. This produces the extraordinary anomaly that every year for the next 10 years, the death tax—that is the tax that is imposed on small businesses, family farms, and the wealth that people build up over their lifetime by working, sacrificing, and saving—will be reduced. Before we passed the tax cut, when these people died, their children often have to sell the business or the family farm to give the Government up to 55 cents out of every dollar they have accumulated in their lifetime.

We decided to repeal the death tax in our tax cut, and we decided to phase it out over a 10-year period. Yet because of this anomaly in the budget law, if you die 9 years from now, your family does not have to sell your farm or business, and your children get to keep every penny of wealth you have accumulated on which you paid taxes once before. It will belong to them. But if you die in the 10th year after the passage of the tax cut, the death tax returns, and they will have to sell the business, sell the farm, or sell your assets, and give the Government up to 55 cents out of every dollar you have earned in your lifetime.

Senator KYL and I believe that is outrageous tax policy. We think it is very unfair, and this is a tax measure that is in the Senate on the very day the House is moving to rectify this problem by making the tax cut permanent.

Therefore, I have sent this amendment to the desk on behalf of Senator KYL and myself. I hope my colleagues will look very closely at it. I cannot imagine we would want to let stand a provision of law whereby we repeal the death tax with great fanfare, we trumpet the fact that we had done away with this evil and unfair tax, and yet 10 years from now it all comes back in its full force, its full vengeance, and its full negative impact on every business and every farm in America. The amendment which is now pending is Senator KYL's amendment, which I have cosponsored, and I ask others who want to cosponsor it to do so. The amendment would make the repeal of

the death tax permanent. I thank my colleagues for their indulgence. I ask them to look at this amendment.

I think someone could always say, this is an energy bill. Well, this bill is many different things. It has literally hundreds of different provisions that are more or less related—and many are less related—to energy. I do not know anything that has more to do with energy than giving people an incentive to work and save, with the knowledge that when they build up a farm or a business the Government is not going to take it away from their children. That unleashes the most powerful energy source in the universe, and that is the energy that is in the soul of men and women who want to better themselves and their family.

In my mind, this is the clearest energy provision in this bill if we adopt it, and I commend it to my colleagues. I yield the floor.

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

Mr. KYL. Mr. President, I appreciate the remarks of the Senator from Texas and would reiterate that this is really a propitious time for us to deal with this issue, for the following reasons: The House of Representatives, as we speak, is taking action to pass a bill that would make permanent all of the tax reform we enacted less than a year ago. That includes the death tax repeal.

Second, we all recall what we did 4 days ago, on April 15, and I know at that time there were a lot of calls by friends on both sides of the aisle in both bodies talking about how the tax burden was too great for most Americans and we wished we could do something about it. We now have an opportunity to do something about it, as Senator GRAMM said.

Third, in his Saturday radio message—and I know there are still a lot of Americans who listen to the President's radio message on Saturday morning; I know I do—he explicitly called for us to do what Senator GRAMM and I are suggesting.

I read briefly from the remarks of President Bush in his radio address on Saturday morning:

One thing that is pretty interesting to note is that some of these tax reforms are going to expire at the end of ten years, or in 2011. It is a quirk in the law. I think that doesn't make much sense. It is going to be hard to plan your future. If you think all of a sudden these things get kicked in full time and then go away, they need to make these tax cuts permanent. For the good of the working people of America, for the good of families, for the good of small businesses, for the good of farmers and ranchers, we need to make the tax relief plan permanent in the Tax Code.

President Bush was saying the reform the Congress passed, and he signed about 10 months ago, is going to expire now in 9 years, and if we really meant it when we passed those reforms, we should make those reforms permanent, especially the death tax. The reason I say "especially the death tax" is because people have to plan to

deal with the death tax. They have to think ahead. If they don't know what the Tax Code is going to be when, say, the head of the household dies, they don't know what to do to plan for it.

The tax relief we voted on gradually reduces the death tax burden until the 10th year when it goes away altogether. When the sunset expires, the entire Tax Code, the way it was before, comes back into play, and people are then paying the death tax at a rate of up to 55 percent, with an exemption of only \$675,000.

How do they plan? Are they going to die in the year 2009, 2010, or 2011? It makes a big difference in which year they die. The irony is that one of the major reasons for eliminating the death tax was that they wouldn't have to spend the enormous amounts of money they spend each year—to plan, to buy the insurance, do the estate planning, and all that goes with planning—to preserve as much of their estate as possible.

We have found, and I have quoted the statistics in the past, Americans spend about the same amount of money each year on lawyers and insurance companies planning their estates as other Americans do in actually paying the estate tax, just about the same amount of money. It turns out to be a double tax, except each year, every single year, Americans spend \$20 to \$30 billion on estate planning.

The President is saying: Since you can't plan because you don't know what the law is going to be, we have to figure out what that is, and make it permanent so that everybody knows what the rules are and what they need to plan against.

Obviously, we believe what the rules should be is what the Congress decides and what the President signed into law, which is that the death tax should be repealed, as it is in the year 2010. That is what everybody was gearing toward. That was the whole idea, get to final repeal. That is what we voted for. We want to give our colleagues the opportunity to make that repeal permanent so people can plan for the future, so they will know what the rules of the road and the Tax Code are at the time of death.

We could probably have picked some other way to bring this to our colleagues, but the distinguished Presiding Officer will recall the only way we have had an opportunity so far to bring this question before our colleagues is through a sense of the Senate. The distinguished Presiding Officer and many others were supportive of that sense of the Senate, saying we need to get on about the business of doing this. We all agreed—not all, but most Members agreed—with that. There are very limited opportunities to do that in the Senate. We have to have a bill that has revenue factors involved. This bill before the Senate now has a feature from the Finance Committee that deals with revenue and therefore it is one of the few opportunities—maybe the only opportunity,

quite possibly the only opportunity—we will have all year long to bring this issue to the floor when it is germane to the legislation pending.

There is some talk that on down the road we may or may not have a pension bill. If we did, and it got to the floor, the issue would be germane to that, as well, but that is very uncertain. Therefore, Senator GRAMM and I believed the best way to bring this issue before the body in a way we could express ourselves on this once and for all was through the only vehicle that existed, which is the vehicle of the Finance Committee work on the energy bill. That is why we do it at this time.

As I said before, there is a secondary reason, and that is because most Americans are focused this week on having paid their taxes, and at least for those who are listening to what the President had to say, we are well aware of the fact that the President wants to make the tax cuts permanent. He especially mentioned the death tax.

Now, it is one thing to do this because the House of Representatives is doing it this week and the President has called for it, the other reason to do it obviously is it is the right thing to do. I will spend a few minutes talking about that.

We knew when we debated a few weeks ago, when we had the sense of the Senate before the Senate, which was, of course, adopted, that one of the things on people's minds at that time was stimulating the economy, getting the economy going, and making sure the economic growth we were beginning to see signs of—it is almost like the flowers of spring coming up out of the soil; we can see economic recovery coming. But there is a question whether we can sustain that with oil prices that are now probably going to increase substantially. That could knock out the economic recovery.

For our families back home thinking about what they can afford this year and whether it will be a good year economically and whether they will save their job, we need to do everything we can to let them know we will work as hard as we can to make sure the economic recovery is sustained, they keep their job, we keep oil prices as low as possible, and all the rest.

We found during the previous debate that pumping money back into the economy, which occurs as a result of the capital formation from repeal of the death tax, is one of the surest ways of creating jobs and maintaining this economic expansion. There were several experts who made that point in one way or another. There are studies that make the point.

One study talked about a \$40 billion stimulus to the economy from the repeal of the death tax. Let me refer to some of these in order.

What Alan Greenspan said on this issue is instructive. He was asked a question during a hearing at the House of Representatives: What's your thought on what we ought to be doing

here with regard to permanency—meaning making the tax cuts permanent? Chairman Greenspan's reply stresses the need for certainty in the Tax Code, which is what I was talking about. It is the key.

He said:

Whatever you do, Congresswoman, I think it has to be clear where the longer term tax structure in this area is. You cannot do estate planning, as you point out, unless you have a judgment as to what these numbers are. And wherever the Congress comes out, I think it is far more important that it come out clearly and unequivocally and not have an issue pending as to an issue which would create a degree of uncertainty which could make estate planning very difficult to implement.

Those are almost the exact words I used before. I had forgotten Chairman Greenspan expressed it in exactly this way. However, that is the point. When there is certainty, people know how to plan, they know how to invest. As a result, the capital formation that our economic recovery requires is available for investment.

What Mr. Greenspan is saying is, this is an area where this is most important, where planning is most critical, the area of the estate tax. We have to have clarity. We have to have, as Mr. Greenspan said, the code "come out clearly and unequivocally," with a degree of certainty so that estate planning is not difficult to implement.

Mr. Greenspan testified in another forum in response to a question from one of our colleagues in the Senate. He very clearly rejected the notion that making the tax cut permanent would complicate efforts to meet the Federal Government's long-term financial obligations to Social Security and Medicare.

I read:

I don't know of any economist who does long-term forecasting and presumes that the tax cuts will fall off a cliff at the end of the period in which they are statutorily in place. I don't think it is an economic issue because I don't know anyone who seriously believes the world works the way legislation stipulates.

That is the end of the quote by Chairman Greenspan.

He is absolutely right. Nobody would imagine that at the end of 10 years all the work toward eliminating the estate tax simply disappears and we go back to the way it was in the year 2000. Who would think that? My friends back home, with whom I talked, to whom I kind of came home and bragged about repealing the estate tax, were very surprised when I said: You understand when I said repeal it, what it meant was it was phased down to the 10th year and then on the 11th year it comes back again. They said: How could it be?

I had to explain to them the arcane—I should not say arcane—the rule under which the Senate operated to get this adopted was the reconciliation procedure. That has a 10-year limit to it. That means whatever you do can only have an effect of 10 years. That means if you reform taxes and repeal a sec-

tion, at the end of 10 years, the 11th year it goes right back the way it was before.

That is not the way we should have to do it. Unfortunately, it was the only way to get the matter before the Senate at the time it was brought forward, and it was the only way to get the number of votes necessary to effect all the reforms we wanted to adopt. So there we are with a procedure that Alan Greenspan says nobody would understand—but it is the reality, so at the end of 10 years we are faced with this absurd situation that the repeal that we effected disappears and we are right back where we started.

Mr. Greenspan is saying that is unacceptable. We are saying that is unacceptable. The President is saying it is unacceptable. The House of Representatives today is going to invoke saying it is unacceptable. We have now an opportunity in this body to make sure that unacceptable result does not continue, that we have an opportunity to finally, once and for all, repeal the death tax so people can get about their planning, get about their business, and we do not have this immoral tax hanging around our heads.

Both the President and I have spoken about this, and the Senator from Texas has made the point as well, that not only is this a bad tax in terms of what it does to capital formation and economics, but it is an unfair tax. I know some of my colleagues on the other side have made the point that we have to find a way that rich people can pay a tax on the unrealized gain. In other words, if an asset is purchased, there are a lot of folks who want to make sure a tax is paid when that asset is finally disposed.

In the real world we call it a capital gains tax. We say when you buy something, buy it at \$100 and sell it at \$500 and you do not do any improving on it, then you have a gain of \$400 and the capital gains tax rate is going to apply against that \$400 gain when you decide to sell the asset.

So you stop and think, I have this piece of property that is worth \$500. I know if I sell it I am going to have to pay a capital gains tax because I did not pay that much for it at the beginning; it has really appreciated in value. Do I want to do that? And you make a judgment in your mind to either sell it or not sell it. You know what the tax liability will be. You make an economic decision.

With the death tax, it is totally different. There are two or three other examples in our Tax Code. You didn't decide to die or you didn't decide for your father to die. It happens. It is an unfortunate circumstance, but it is not or should not be a taxable circumstance. The Tax Code should tax behavior. It should tax action. It should tax decision.

In other words, when Americans decide to do a certain thing that we have said is taxable, we do it knowing what the tax consequences are. The Tax Code should not penalize you for dying.

It should not tax you for the act of having died or, to be more precise, it should not tax your heirs because you died. You didn't intend it; they didn't intend it. But people say you should still pay a tax or your heirs should pay a tax on the unrealized gain from the assets.

So what we did in constructing this estate tax repeal was to say: You are right. That unrealized gain will be taxed. To be fair, we are not going to let anybody off the hook. No asset is going to be untaxed—even though, by the way, in most cases this is the second tax. The first tax was the income tax that was paid and then this will be the second tax on the investment income, in effect. But in any event, in order to make sure nobody would go untaxed with the unrealized gains, in effect we have not just repealed the estate tax, we have substituted for the estate tax a capital gains tax on those assets, saying that if and when the heirs ever decide to sell that property, then and only then will they pay the tax. It will not be the estate tax of 55 percent; it will be a capital gains tax on the gains at the appropriate capital gains rate, whatever that applicable rate may be at that time.

We did one other thing. Today under the Tax Code the minute you die your property has a new value attributed to it. It is not the value at the time you purchased it but the value now at the time you die, so the value is much higher. If you were to sell that—let me use an example. Let's say a billionaire in our country today dies and his widow inherits all the assets. The very next day that widow decides to sell those assets. How much capital gains tax does the widow pay? The answer is none. The reason is that the value of the estate is now the value at the day of death. Technically, if she sold it immediately it would be none. There might be a little appreciation of a few hours. But the point is, if she sold it the next day there would be no capital gains tax due because the value would be increased to the value at the time of the death rather than at the time acquired.

What we say is it is going to be a capital gains tax based on the appreciation of the original value of the property. If it had been acquired 10 years earlier and had a value of \$100 and the value at the time of death is \$500, A, when the property is sold, it is sold by the lawyers, it is going to have a gain of \$400, but again the tax rate is the estate tax rate, which is in some cases less than half of the estate tax rate and, B, the tax is only due if the heirs make an affirmative decision to sell the property knowing what the tax consequences will be.

That is fair. I certainly do not attribute this to any of my colleagues, but there are those on the outside who like to demagog this issue. They like to say this is just a rich man's tax and we are going to let all the rich people in the world off because we are going to

repeal the tax that applies to them. They are not telling you the truth. The truth is, a tax will be due on those estates, but it will be a tax due at the time the assets are sold.

It is the same rule in the Tax Code that applies to other situations in which, by fate, in effect, something happened to you and then you got income as a result and you should not have to pay income tax on that immediately. It is the same thing that applies when something is stolen from you and you are recompensed for the theft. It is the same thing that applies when you have property condemned and the State pays you money.

It wasn't your choice to have the property condemned so you should not have to pay tax on the money at that time.

As a result, there are few provisions of the Tax Code that recognize, where there is involuntary behavior that resulted in gain, or income, that people ought to have the ability to defer the tax on that until they want to sell the asset and at that point in time the capital gains tax is the appropriate tax.

I hope my colleagues appreciate when we talk about the repeal of the death tax here, what we voted for and what was signed into law is not a provision that says those assets are never taxed. It is a provision that says they are taxed when the assets are sold by the heirs at the capital gains tax rate.

I want my colleagues to understand this because I think when we explain to our constituents back home how we voted on this, whether we voted to make this tax cut permanent or not, we also need to appreciate that we can demonstrate what we have done is eminently fair; that people shouldn't have to pay a tax at the involuntary time of death. That is a most unfair thing to do at the worst time in a family's life, that they should have to pay a tax on the unrealized gains. But they should do that as we do in the other parts of the Tax Code when an economic decision is made based upon, among other things, the tax consequences that pertain.

When we have an opportunity to vote on this amendment, I hope my colleagues will consider the economic improvement that would result; the fact that we will be following what the President and House of Representatives have in effect asked the Senate to do; that we will be keeping faith with our constituents whom we told we repealed the tax and who now would want to know that we did in fact do it permanently; and that it wasn't just a charade for a 1-year period of time in the year 2001 and then go back to the way it was before.

If my colleagues can appreciate those points, I hope they will join us when we have an opportunity to make this permanent, and join Senator GRAMM and me in accomplishing that result.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, Members on this side of the aisle have concerns

about the structure of the estate tax. In fact, we voted to change it significantly. I think the estate size threshold could be even higher. We don't want small businesses to be hurt by people who, upon death, have to lose a family business or lose jobs in communities.

There is a lot we need to talk about. But I think this is not the moment given what we are discussing. It is perhaps better that we save it for a different point in time.

My amendment, No. 2999, is the pending business. Is that correct?

The PRESIDING OFFICER. Amendment No. 2999 is the pending question.

AMENDMENT NO. 2999, WITHDRAWN

Mr. KERRY. Mr. President, I withdraw that amendment.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

Mr. REID. Mr. President, I have spoken to the Senator from Texas. He has indicated that during the course of the debate on this matter he is going to offer his amendment at a subsequent time. I certainly appreciate that.

It is my understanding that the pending business is amendment No. 3008. Is that correct?

The PRESIDING OFFICER. That is the regular order.

Mr. REID. Mr. President, I call for the regular order.

The PRESIDING OFFICER. The Senator has that right.

AMENDMENT NO. 3145 TO AMENDMENT NO. 3008

Mr. REID. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 3145 to amendment No. 3008.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To require that Federal agencies use ethanol-blended gasoline and biodiesel-blended diesel fuel in areas in which ethanol-blended gasoline and biodiesel-blended diesel fuel are available)

In lieu of the matter proposed to be added, insert the following:

**SEC. 8. FEDERAL AGENCY ETHANOL-BLENDED GASOLINE AND BIODIESEL PURCHASING REQUIREMENT.**

Title III of the Energy Policy Act of 1992 is amended by striking section 306 (42 U.S.C. 13215) and inserting the following:

**“SEC. 306. FEDERAL AGENCY ETHANOL-BLENDED GASOLINE AND BIODIESEL PURCHASING REQUIREMENT.**

“(a) ETHANOL-BLENDED GASOLINE.—The head of each Federal agency shall ensure that, in areas in which ethanol-blended gasoline is available at a competitive price, the Federal agency purchases ethanol-blended gasoline containing at least 10 percent ethanol (or the highest available percentage of ethanol), rather than nonethanol-blended gasoline, for use in vehicles used by the agency.

“(b) BIODIESEL.—

“(1) DEFINITION OF BIODIESEL.—In this subsection, the term ‘biodiesel’ has the meaning given the term in section 312(f).”

“(2) REQUIREMENT.—The head of each Federal agency shall ensure that the Federal agency purchases, for use in fueling fleet vehicles used by the Federal agency at the location at which fleet vehicles of the Federal agency are centrally fueled, in areas in which biodiesel-blended diesel fuel is available at a competitive price—

“(A) as of the date that is 5 years after the date of enactment of this paragraph, biodiesel-blended diesel fuel that contains at least 2 percent biodiesel, rather than nonbiodiesel-blended diesel fuel; and

“(B) as of the date that is 10 years after the date of enactment of this paragraph, biodiesel-blended diesel fuel that contains at least 20 percent biodiesel, rather than nonbiodiesel-blended diesel fuel.

“(C) EXEMPTION FOR MILITARY VEHICLES.—This section does not apply to fuel used in vehicles used for military purposes that the Secretary of Defense certifies to the Secretary must be exempt for national security reasons.”

Mr. REID. Mr. President, for edification of the Senators, what the two leaders have suggested we do is early this afternoon move to border security. There is a unanimous consent that has been prepared. It is being circulated now. We should be able to enter into that agreement hopefully very soon.

In the meantime, I think the Senate would be well advised to continue working on the bill that is now before us—the energy bill. There are a number of amendments that have been cleared.

In a moment, the Senator from New York will be here to speak on ethanol. There are a number of amendments dealing with that subject in this legislation. Until the Senator from New York returns, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. SCHUMER. Mr. President, I ask for the regular order and call up amendment No. 3030.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. If the Senator will allow me to make a suggestion?

Mr. SCHUMER. Please.

Mr. REID. The Senator should call up his amendment, that it be the pending business.

AMENDMENT NO. 3030, WITHDRAWN

Mr. SCHUMER. Mr. President, I call up amendment No. 3030.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SCHUMER. Mr. President, I withdraw this amendment.

The PRESIDING OFFICER. The Senator has that right.

The amendment is withdrawn.

Mr. SCHUMER. Thank you, Mr. President.

Mr. President, I plan, along with several of my colleagues, to discuss this

amendment. We are going to offer it again for a vote at a time that is agreeable to everybody. The only reason I withdrew it is I didn't want there to be a motion to table it where we wouldn't have a full debate on this very important amendment.

This is, of course, the amendment that would remove the ethanol mandate from the energy bill, not removing either of the other parts. It keeps the clean air standards, and it keeps the ban on the MTBE, but it does not require that ethanol be used as an oxygenate. It does not even require an oxygenate as long as the MTBE standard is met.

Before I begin, I want to say how much I respect and admire our majority leader, TOM DASCHLE. He is just a leader par excellence. He is a principled, compassionate, and extraordinary public servant, and a true friend to the people of my State. I consider it a privilege to serve under him and to be his friend.

For that reason, believe me, I do not enjoy opposing a provision in a bill about which I know Senator DASCHLE cares very deeply. I thought long and hard about whether to oppose the amendment and came to the conclusion that I had no choice, that I was compelled to do so because I sincerely believe this provision will hurt consumers dramatically in my State of New York and throughout the country.

So I do rise to my feet in this Chamber to speak on amendment No. 3030, reluctantly, with some sadness, but nonetheless, bolstered in the belief that it is the right thing to do and that I would be derelict in my responsibilities as a Senator to the people of my State and to our country if I did not offer my amendment. I had hoped that someone else would have, but they did not, so here I am.

I have been in Congress for 22 years. Every so often there is an amendment that people vote for that becomes part of the law that isn't paid too much attention to, and then, a year or two later, it turns out to be a big disaster. Our constituents turn to us and ask: How, the heck did you do that? How could you have done this? How could you have created something that has caused so much hardship without even thinking about it, without debating it, without opposing it?

I remember the catastrophic illness amendment 10, 12 years ago. I know some of my colleagues disagree about the analogy, but I think it is an apt one. We passed that amendment in the House, when I was in that body, with, I believe, minimal debate. I may be mistaken, but I think it was even on a two-thirds vote on the consent calendar. Everyone thought they were doing a good thing.

When the bill bit—when people realized how much they had to pay for a service that they would have liked to have had, but it was not essential to them, when people realized they all paid for it, even though many of them

did not need it because they had other coverage—there was a public outcry, and there was almost a rush to the floor by House Members to get up and say why they really did not vote for what had happened, why they did not mean to do what had been done.

That happens every so often around here. It does not happen often. We are generally pretty careful, and the slowness of the legislative process stops it.

I say to my colleagues: Beware. If there were ever an amendment quietly put in a bill that should have a “tread cautiously” label on it, that should have perhaps a skull and crossbones on it, this is it. This is not an innocuous amendment. This is not an amendment that simply helps some farmers and does no harm to the rest of us. It is a deep and profound change in terms of how we use our motor fuel. It will require dramatic changes in investments throughout the land. It will create consequences that none of us are sure of because we are jumping into this pool of ethanol, if you will, without having put our toe in first. I fear the consequences.

So today I rise with my fellow Senator from New York, Mrs. CLINTON, our colleagues from California, and now a small but growing band of Members throughout the Senate, to oppose the unprecedented new ethanol gas tax which was quietly inserted into the Senate energy bill a few weeks ago without any debate.

My amendment may be adopted, but I do not fool myself. It may not. There is a huge group—some of whom I have often allied with, some of whom I usually oppose—arrayed against it. But I am convinced we will be the better for this debate, whatever our view is, because of the breathtaking change that the ethanol mandate imposes throughout the land.

The antioxygenate provisions in the bill accomplish two goals that are not disputed by my amendment. One is banning the use of MTBE. We have found that MTBE has resulted in ground water pollution all over the country. In my home State, on Long Island, where drinking water comes from one big single aquifer, MTBE that is spilled on the ground is slowly seeping into the soil, and it actually permanently pollutes that precious aquifer which close to 3 million people depend upon for their drinking and bathing and their washing.

My State, along with many others, has banned MTBE and many more States are planning to do it. This bill does that. We are not changing that.

The second is the scrapping of the oxygenate mandate that led so many States to make such heavy use of MTBE in the first place. The proposal in the bill provides an antibacksliding provision that says if you don't use MTBE, you can't backslide on clean air. Some believe those provisions could be stronger, but we are not opposing either of those two parts: the ban on MTBE or the antibacksliding

provisions, the provisions that require the air to stay as clean as we require it now. It is not those provisions we are opposing.

Beyond those two provisions, this new provision added to the energy bill—again, without any debate—adds an astonishing new anticonsumer, antifree market requirement that every refiner in the country, regardless of where they are located, regardless of whether their State mandates it or not, regardless of whether the State chooses a different path to get to clean air, regardless of whether the refiners in that State say that ethanol doesn't work or works very expensively, it requires them to use an ever-increasing volume of ethanol.

Here is the kicker—there are a lot of kickers in this provision, the ethanol provision that was quietly added to the bill. If your State or your region does not want to use ethanol, you still have to pay for ethanol. You have to buy what is called ethanol credits. It costs you the same as if you bought the ethanol yourself. When have we done that before? When have we said, even if you choose not to use a product, an expensive product, a product that affects just about everyone, anyone who owns a car, any company that drives trucks, when have we ever said in such a dramatic way that you are forced to use something? It is astounding. It would be similar to saying to people who needed heating in their homes, you have to use oil rather than gas, and if you choose to use gas for whatever reason, you still have to pay for the oil.

That is what we are doing here, no less, except we are doing it with gasoline, and it sounds sort of complicated, ethanol sounds chemical, and all that. The effect is very simple.

This is a gas tax. In 1993, many of us debated whether there ought to be a gas tax. Some say the whole Congress changed on the basis of that debate; that in 1994, the House and Senate switched parties in part because of that debate. This is, for most States, a larger gas tax than the one that was proposed. And, to boot, it doesn't even go to a useful purpose. The gas tax at least built new highways to help the driver, and there was a theory about it. This makes you buy ethanol—hardly a return to motorists the way the gas tax was to be.

It will affect every employee driving to work. It will affect every mom driving the kids to school. It will affect every Teamster driving a truck. It will affect every company that uses automobiles and cars and trucks. I don't think there are many that don't. Every gasoline user in this country will pay.

The mandate is so steep that sure as we are sitting here, it is not just the added cost of the ethanol—which will be great enough; I will talk about that in a minute—but it is going to cause price spikes. Currently, refiners across the Nation use 1.7 billion gallons of ethanol. That is the total amount. Starting in 2004, 2 years away, they

would be required to use 2.3 billion gallons of ethanol. Almost immediately, we are requiring a large amount of ethanol. You know what happens when you place a huge demand on a product and you don't have the supply? Simple economics: The price goes through the roof.

I am opposed to this substantively. But I say to my colleagues who are running in 2004: Beware. Let's say the proponents of the bill are wrong. Let's say I am right and all of a sudden next summer, the summer of 2004, gasoline goes up 30, 40, 50 cents a gallon, which is very possible. What are you going to say?

I want to help the corn farmers, too. I vote for everything that comes up to help the middle western and southern farmers. But this is not the way to do it. We can do it a lot more efficiently and with a lot less harm to the driver.

You don't need a degree in economics to know that if ethanol producers can't meet the demand, there are going to be price spikes, big price spikes. That is just the beginning. It is going to get worse. We ratchet up the number from 2.3 billion in 2004, up to 5 billion gallons of ethanol in 2012. Then we increase it by a percentage equivalent to the proportion of ethanol in the entire U.S. gas supply after 2012 in perpetuity. We are locking people into one method of cleaning the gasoline and the air forever. That means from 2012 on, the Nation's ethanol producers will have a guaranteed annual market of over 5 billion gallons, which every consumer in this country will pay for at the pump.

Here is how much you are all going to pay. This is a conservative estimate. They use Department of Energy numbers, but it is called Hart/IRI Fuels Information Services. They are a well-established group. They are not part of the petroleum industry or anybody else. The estimates are conservative because that is without price spikes and that is assuming the best of circumstances, that everything works smoothly.

Here is how much each of your States will pay. The minimum is 4 cents, 4 cents a gallon every time you go to the pump. But I am going to read all the States where it is greater than 4 cents a gallon, how much you would pay.

In Arizona, you would pay 7.6 cents a gallon; in California, you would pay an extra 9.6 cents a gallon; in Connecticut—I see my colleague from Connecticut here in the Chamber—it is estimated you would pay an extra 9.7 cents a gallon; District of Columbia, 9.7 cents a gallon; Illinois, 7.3 cents a gallon; Indiana, 4.9 cents a gallon; Kentucky, 5.4 cents a gallon; Louisiana, 4.2 cents a gallon; Maryland, 9.1 cents a gallon—that is a lot of money—Massachusetts even more, 9.7 cents a gallon; Missouri, 5.6 cents a gallon; New Hampshire, 8.4 cents a gallon; New Jersey, 9.1 cents a gallon; New York, 7.1 cents a gallon; Pennsylvania, 5.5 cents a gallon; Rhode Island, 9.7 cents a gallon;

Texas 5.7 cents a gallon; Virginia, 7.2 cents a gallon; Wisconsin—I see my friend from Wisconsin here; we have worked on agricultural issues together—5.5 cents a gallon.

Every one of those States pays more than the 4 cents.

If you hear the name of your State now, your drivers will pay, under the best of circumstances by these estimates, an extra 4 cents a gallon: Alabama, Alaska, Arkansas, Colorado, Florida, Georgia, Hawaii, Idaho, Iowa, Kansas, Maine, Michigan, Minnesota, Mississippi, Montana, Nebraska, New Mexico, Nevada, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Utah, Vermont, Washington, West Virginia, and Wyoming.

The annual aggregate impact is \$8.3 billion. That is a lot of money. Even in the Middle West, where there is a lot of ethanol production, where it would be less onerous than in other places, the cost of gasoline goes up 4 or 5 cents a gallon. That is a lot of money.

I know there are some supporters here. We have had many good arguments privately and on the floor and some are going to say these numbers are inaccurate. They include the cost of banning MTBE. The cost of forcing the entire country to use 5 billion gallons of ethanol will be a mere pittance.

Remember this, my friends: Ethanol is very hard to transport. It cannot be carried through our existing pipeline infrastructure because it is so volatile. It has to be put on a truck, a barge, and sent down the Mississippi to New Orleans, usually, and then sent by boat around the country, and then loaded back onto a truck and taken to a local refinery and put into the gasoline. You can see why it is so expensive.

Then some people say they will build ethanol plants closer to the big users, particularly on the coast and in the South, where this has the greatest effect. There is not enough corn and ethanol production down there. Who is going to pay for the cost of all those new ethanol plants? It will be the drivers of all of our States. Because of its volatility, because you cannot create a pipeline and pipe it through to the refinery and add it in, because you have to transport it in this particular way, you can see that ethanol is not the cheapest way to do what we want to do in terms of cleaning our air.

With all due respect, I think the cost estimates I am citing are based on more realistic assumptions than those that went into my opponents' number. We tried to be as careful and conservative as we could. To forecast how much a 10-year, 5-billion-gallon ethanol mandate is going to cost consumers across the country, you have to look at interplay of a host of complex factors: growth in auto travel, gasoline prices, corn prices, ethanol price, and how many new ethanol plants are expected to come online. That is all inextricably linked to how high the price of ethanol is going to go. If the price is

high and manufacturing ethanol becomes profitable, yes, the private sector will build the plants. If it is not, they will not. Yet in the numbers I have seen circulated by the proponents of this issue, they use contradictory figures. They say ethanol prices will be unusually low for the next 10 years. At the same time, the private sector is going to build plants all over the country.

You cannot have it both ways. If the price is low, you are not going to build new plants. If the price is high, then you will. I am willing to concede that modeling this unprecedented, inefficient, untested, jerry-built contraption, a nationwide mandate on every refiner in the United States to pay for billions and billions of gallons of ethanol whether they use it or not is difficult.

I know my staff has been working with Senator DASCHLE's staff and a number of technical experts to see if we can reach agreement on the numbers. If we can do so, that would be great.

In truth, whether it costs a penny a gallon or a dollar a gallon—my guess is, from the estimates I read, the State-by-State numbers I read are low, because those are under the best of market conditions—why are we mandating it? There is no public policy reason for the use of ethanol other than the political might of the ethanol lobby.

I say to colleagues from the farm States, the fact that we are getting rid of MTBE and keeping the air standards high is going to increase demand for ethanol. I think you are going to do better than you have ever done before. Without casting aspersions on colleagues and individuals, the proposal is kind of greedy. Yes, ethanol is going to be needed more. But a mandate to the ethanol world? You are going to do well under this. Once MTBE is gone, your main competitor is gone.

For States such as mine, where the refiners believe they can find a better method that is cheaper, why would you require us to use ethanol? That is the fundamental weakness.

I was having a good discussion with my friend from Iowa, who does a great job defending farmers and farm States. He has even tried to help us in an unprecedented way in the Northeast. He says: What will replace ethanol if you don't mandate?

The first and best argument is to let the market come up with something. If you mandate it, there is going to be no alternative; you are stuck with it. If it is the best in the market, it will prevail in the marketplace.

There are alternatives. Refiners have told me—those away from the Middle West—that they will use a combination of aromatics and alkaloids. Alkaloids are about as clean as ethanol. Aromatics are kind of dirty. Aromatics break down so you cannot use all of them. But a form called Alkaloids are clean. Alkaloids could be used, plain

and simple. I don't know if they work better than ethanol or not. But I will tell you, the people in my State say they will. Why mandate that?

So the bottom line is, there is no sound public policy reason for mandating the use of ethanol. We live in a free market economy. We hardly mandate anything, especially when there is a choice.

Well, the new ethanol gas tax will contribute to market volatility and price spikes, especially since the industry is concentrated in the Midwest. It is going to increase costs in general. That is the second issue. But you are going to create price spikes all over the place. When you increase the amount that is needed, you know when there is one big boy, one producer, they are going to go to town.

Archer Daniels Midland, alone, controls 41 percent of the market—a monopoly. Certainly, somebody is asserting huge market control. When they have to build more refineries, who is going to have the best access to capital and technology? They are. My guess is their market share will actually increase. Who knows, 41 percent is a lot.

Well, let me tell you, the mandates frighten people even in the Middle West. I want to make a point. Two States in the heartland of America—two of the biggest corn-producing States in the country considered mandating ethanol—Iowa and Nebraska. Both of them rejected it. If the people of Iowa, through their legislature, and the people of Nebraska withdrew the legislation—it was not a referendum—and rejected this, why now are we in the Senate imposing it on Iowa, Nebraska, and everybody else who is in a far worse position?

Let me read what some of the newspapers in those areas said:

An ethanol mandate would deny Iowans a choice of fuels and short circuit the process of ethanol establishing its own worth in the marketplace. . . . The justification is to marginally boost the price of corn. Cleaner air is offered as a reason, too, but that's an afterthought. If that were the goal, other measures would be far more effective. . . .

That is the Des Moines Sunday Register, 9-19-1999, headlined "Let Ethanol Prove Itself."

The Quad City Times from Davenport, IA, in an editorial entitled "Ethanol Only Proposal Doesn't Help Consumers":

With research and continued refinements, it might someday become an economically viable alternative to gasoline—but until that day, it is ludicrous to argue that Iowa's gas stations be required to sell only ethanol. . . . Ethanol might be worth some level of support, but it will never be so valuable as to justify scrapping our free enterprise system.

That is not the New York Times. That is not the Los Angeles Times in California. That is the Quad City Times at the border of Iowa and Illinois.

Nebraska, as I mentioned, considered an ethanol mandate and rejected it. Here is what the Grand Island Independent said about a year ago in an editorial:

"Ethanol Use Shouldn't Be a Forced Buy." Americans don't like to be forced to do anything and Nebraskans are no different. Yet the Legislature is considering forcing all gas stations throughout the state—

This was a State mandate—

to start selling ethanol blends. . . . That just doesn't seem fair. Our country and our business system is based on supply and demand. Consumers determine the products they want and businesses meeting those needs succeed. While many in Nebraska may want ethanol-based fuels, many Americans traveling our highways don't.

Finally, the Omaha World Herald, in the year 2000, editorialized:

Now the Nebraska Legislature is considering eliminating the competition altogether. Support is building for a proposed state law to require most general purpose automotive fuel sold in the state to contain ethanol. . . . As a general principle, government should not take sides in such matters unless a strong case can be made that intervention serves a major public purpose. In this instance, the arguments for eliminating competition haven't been persuasive.

Even editorials, as well as voters, in the heartland of America, where there is much more corn and ethanol is far more likely to succeed, argue against a mandate, which is what we are about to impose.

My opponents also argue that this ethanol gas tax is needed to help family farms, and I take those arguments very seriously. I know that many of my colleagues from the Middle West want to help their family farmers who are struggling. I want to help those farmers, too, and I have stood by my Senate colleagues from Illinois, Iowa, Nebraska, the Dakotas, Montana, Minnesota, Wisconsin, and I have voted for billions and billions of dollars in agricultural subsidies to help the farmers in the West and South. That is a decision I think I can make in good conscience. Commodity subsidies, by the way, do very little for New York.

Since I have been in the Senate, I have supported the Midwestern farmers. I know how important they are to the economy of those States. I know how important they are as a breeding ground for American values. I say to my colleagues, I think a majority in this Senate Chamber—a big majority—are willing to help some more. But find a way that works. Do not do it by imposing a gas tax on all of our drivers.

I speak for my State of New York. Our economy is hurting after 9-11. We do not need this which particularly affects the east and west coasts worse than other places.

Guess what. In addition, what pains me is this has not trickled down. Do you think corn growers of the Middle West are going to make most of the money? I have heard our farm State folks complain over and over that it is the middleman who gets most of the farm dollar. It is the people in the middle who make the money and a few bits trickle down to the family farmer. Yet that is just what we are doing here.



We are giving Archer Daniels Midland, Williams Energy Company, Minnesota corn processors, and giant corporations the real control in the market. They are the ones who will make most of the money. When the price spikes the way electricity spiked in California, do you think that money will trickle down to your farmers? Forget it. Maybe if they own stock in Archer Daniels Midland they will do well, but they will get very little bang for the buck. If the past is any indication, for every nickel that our drivers pay throughout the country, the farmer will receive certainly less than a penny.

This policy does not even do its best to help the farmers. Take this \$5 billion mandate and put it into some kind of direct subsidy that goes to small family farmers, main-line it directly to them, and you will get my support. That will not make the drivers in my State pay.

I say to my colleagues from the Middle West, figure out better ways we can help our farmers and I will support you, but not this one.

Let me read to you from the CRS report on ethanol. It is on energy security. They say:

Another frequent argument for the use of ethanol as a motor fuel is that it reduces U.S. reliance on oil imports, making the U.S. less vulnerable to a fuel embargo of the sort that occurred in the 1970s, which was the event that initially stimulated development of the ethanol industry. According to the Argonne National Laboratory, with current technology, the use of E-10 leads to a 3-percent reduction in fossil fuel energy per vehicle mile, while use of E-95 could lead to a 44-percent reduction in fossil energy use. However, our studies contradict the Argonne studies suggesting the amount of money needed to produce energy is roughly equal to the amount of energy obtained from its combustion—

So you have to create as much energy to use it as you would save in using it.

Continuing the quote:

which could lead to little or no reductions in fossil energy use. Thus, if the energy used in ethanol production is petroleum-based—

Which it is likely to be—

ethanol would do nothing to contribute to energy security.

That is CRS, not somebody with an ax to grind.

Remember, in terms of conserving energy, ethanol is basically a wash.

The final argument my opponents will make, I believe—I think this is somewhat cynical, but it will be made, I guess; that has never been a bar to any of us on the floor of the Senate—is that if New York and California and other States want to clean up their water by banning MTBE and maintain clean air, they should have to pay the price of an ethanol gas tax, and that it is political naivete to think otherwise.

My State has already banned the use of MTBE, and so have 12 other States, including: Arizona, California, Colorado, Connecticut, Illinois, Kansas, Michigan, Minnesota, Nebraska, New

Hampshire, South Dakota, and Washington.

A number of other States are also in the process of taking action, as well, because MTBE pollutes the groundwater. But everyone in those States who banned MTBE is going to be in an impossible dilemma. Their citizens are demanding they ban MTBE, but with the oxygenate requirement in place, they cannot successfully do so.

Last year, President Bush's administration denied California's petition to waive the oxygenate requirement, despite the State's ability to comply with air quality standards without it. They deny the waivers, even though you can get there a better way. This denial forced the State to defer its critical ban on MTBE and suffer groundwater contamination.

New York State is considering requesting a waiver. Although I call on President Bush and Administrator Whitman to look favorably on New York's waiver request, my guess is if and when New York applies, we will be met with the same denial as that of the Governor of the State of California. States such as New York, California, States on the coasts, many States in the South, even States that are large urban States in the Middle West, such as Illinois, are between a rock and a hard place.

Our citizens' health and the environment are being held hostage to the desire of the ethanol lobby to make ever larger profits.

Let us meet the same clean air standards we now have in the way we think is best. Let us use reformulated gasoline. Let us use these outlets which are as clean as ethanol and cheaper if one is not near corn. If ethanol is better, the marketplace will prevail.

What makes me doubt all the virtues of ethanol, when my colleagues propose it, is that they mandate. If it is going to be so cheap and so clean and so good, let the market prevail. As I said before, the ethanol producers and corn growers are going to be in a better position, even with my amendment, than otherwise because MTBEs are banned. The clean air standard stays, and in many cases ethanol will be the best way to go.

It is an outrage that Congress is telling Americans across the country that we refuse to clean up their air and water unless they pay off ADM. That is unconscionable. There is no public policy reason on Earth not to allow States to ban MTBEs and remove the oxygenate requirement and keep clean air standards in place without requiring them to buy ethanol.

Ironically, the ethanol mandate, because ethanol is exempt, reduces the highway trust fund in State after State. It is going to reduce it in California by \$900 million, in New York by \$493 million, in Pennsylvania by \$446 million, in Massachusetts by \$183 million. It can be looked up to see how much less highway money each Senator's State will get as a result of this

mandate. In New York, we need that money. We have a great need for transportation dollars, especially with the damage done to our subway system on 9-11.

Other States such as Virginia that suffered an attack and had to struggle to accommodate transportation needs of its fast growing suburbs need it as well.

So for consumers throughout the country, this is a one-two punch. First, one pays more at the pump to meet arbitrary goals that boost the sales of ethanol but are not necessary to achieve clean air. Second—and this is another zinger in this bill; it is loaded with boobytraps consumers will face restrictions from suing manufacturers, and oil companies will have less incentive to ensure that the additives they manufacture and use are safe.

There is a provision that says not only can States such as California, New York, and so many others—not only do they have to use ethanol, but we are banning MTBEs and we are prohibiting anyone from suing companies that may have polluted their water. My goodness, how much can they pile on us?

This is no longer an academic discussion. Three oil companies have been found liable in California—I am sure my colleague from California, the senior Senator, knows about this—of knowingly polluting the ground water around Lake Tahoe with MTBEs. My colleague from California, our junior Senator, Mrs. BOXER, will have a lot more to say about that case and what these provisions that exempt the refineries and oil companies from being sued mean. But the case demonstrates something truly disturbing.

The petroleum industry opposed ethanol mandates for years, but now, facing a raft of MTBE lawsuits, including the first defeat in California, they have signed off on this deal in return for a really disgraceful liability provision.

Mrs. FEINSTEIN. Will the Senator yield for a question?

Mr. SCHUMER. I would be happy to yield to my friend from California.

Mrs. FEINSTEIN. If I understand the context of the Senator's argument, what he is saying is that New York does not need an oxygen requirement, that New York can use reformulated gasoline and can meet the clean air standards by this reformulated gasoline, and California as well does not need an oxygen requirement; we can meet clean air standards without an oxygenate requirement and, where we do not meet clean air standards—summer months in Southern California—can use ethanol and we do not need an around-the-year requirement.

So if I understand the Senator correctly, his position then is exempt New York, exempt California, from the strictures of this bill, and exempt us from an oxygenate requirement. Is that the position of the Senator?

Mr. SCHUMER. Well, my position is we should not have this mandate anywhere, but obviously if we were offered

an exemption for New York, and for California, the vehemence against this opposition would disappear. We are defending the vital interests of our States. I would simply argue with my friend from California, this is not just a New York and California problem; this is a problem in many States.

Mrs. FEINSTEIN. I realize that. I find myself in agreement with the Senator. What I have wanted all along is for California—because we do not have an infrastructure in place in the state and we know there is going to be a price spike—to have the EPA sign off on a waiver.

Mr. SCHUMER. Right. I apologize.

Mrs. FEINSTEIN. So I want to identify myself with where the Senator is going. If these two States were to receive a waiver from the oxygenate requirement, we would certainly be satisfied.

Mr. SCHUMER. I misinterpreted what my friend from California was saying, for which I apologize. California applied for a waiver from the oxygenate standard and was rejected by the current administration. No good reason was given. I think, again, this was a sop to the ethanol lobby.

New York would like to apply. If we knew these waivers would be granted, if we knew that consideration would be made on the merits, we would not be debating today. But if someone tells us, well, you can get the standard waived, forget it; they are not waiving it. The administration is not waiving it. If we were to get a letter from President Bush saying he will waive States that can find a better way, we are in; but we are not. As I had mentioned earlier, we are between a rock and a hard place.

In conclusion, I ask my colleagues to support the amendment sponsored by myself and the senior Senator from California, the Senator from New York, Mrs. CLINTON, the Senator from California, Mrs. BOXER, and some others, to strike the ethanol mandate. If we believe Congress has an obligation to protect the health of our citizens and environment, if we believe that maintaining clean air standards is important but also believe there are different ways to get there, do not support forcing American consumers to pay for ethanol.

If my colleagues believe Congress has the obligation to protect consumers and keep our market economy running as efficiently as possible, then I would ask them not to mandate ethanol and impose a gas tax.

I say to my colleagues who support this amendment, the heart of which is in the Middle West, find us a better way. We do not want to hurt their farmers. In fact, we want to help them, as our record has shown, but not at undoing the entire fuel economy of much of the country.

I say to my colleagues that as they listen to this debate, I think it is very hard not to be persuaded that we have a good argument. I urge them to listen

to the debate. I urge them to look at the substance. I urge them to look at the politics. I urge them to defeat the ethanol gas tax, the mandated ethanol gas tax, by supporting our amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. REID. Will the Senator from Wisconsin yield for a unanimous consent request?

Mr. KOHL. Yes.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. So Senators understand what we are trying to do this afternoon, we are going to ask unanimous consent the Senator from Wisconsin proceed for up to 5 minutes as if in morning business. Following that, the Senator from New Mexico, the manager of this bill, has a significant number of amendments that have been cleared, almost 20 amendments that have been cleared. He will have cleared those.

Senator MURKOWSKI has been called away for a funeral this afternoon. He will be back in about an hour.

Senator DAYTON wishes to speak on the ethanol provision, following the statement of the Senator from Wisconsin and the work done by the manager of the bill.

Then Senator FEINSTEIN and Senator MCCONNELL have some business they want to do. That will also be in morning business, as I understand it.

As I say, when Senator MURKOWSKI returns, the two leaders, Senator DASCHLE and Senator LOTT, agree it would be appropriate for him to offer an amendment dealing with Iraqi sanctions. We hope after he gets back to complete the debate on that within a relatively short period of time, perhaps an hour or less. Then we would go this evening to border security. Senator KENNEDY and others have been working on that matter, and we would be in a position in the near future to offer a unanimous consent request. That should take us into the evening time with several votes during the next several hours.

I ask unanimous consent the Senator from Wisconsin be recognized for up to 5 minutes.

Mrs. FEINSTEIN. Reserving the right to object, so that I can advise Senator MCCONNELL, my understanding of the unanimous consent agreement is Senator KOHL, Senator DAYTON, and then Senator MCCONNELL and I will have a chance to introduce legislation in morning business.

Mr. REID. I say to my friend from California, the only unanimous consent request I requested was Senator KOHL. I was relaying what I hope will happen. As soon as Senator BINGAMAN finishes his business, Senator DAYTON will speak for 15 or 20 minutes, at the most, and then there will be time for you and Senator MCCONNELL to take up your matter for up to a half hour.

That is not in the form of a unanimous consent agreement, but I think everyone should recognize that is the

courteous thing to do, to allow people to proceed in that manner.

The ACTING PRESIDENT pro tempore. Is there objection to allowing the Senator from Wisconsin to speak?

Without objection, it is so ordered.

(The remarks of Mr. KOHL are printed in today's RECORD under "Morning Business.")

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

AMENDMENTS NOS. 3015, AS MODIFIED; 3024, AS MODIFIED; 3078, AS MODIFIED; AND 3141, EN BLOC

Mr. BINGAMAN. Madam President, I ask unanimous consent the Senate now proceed to the consideration en bloc of the following amendments: Amendment No. 3015, relating to a National Academy of Sciences study on certain spent nuclear fuel shipments; amendment No. 3024, relating to nuclear powerplant licensing and regulation; amendment No. 3078, relating to a review of Federal procurement initiatives, and that those amendments be modified with changes at the desk.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendments will be so modified.

Mr. BINGAMAN. I further ask unanimous consent that it be in order to also consider amendment No. 3141, relating to fuel cell vehicles, and that all four amendments I have referred to be agreed to en bloc.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendments (Nos. 3015, 3024, 3078, and 3041) were agreed to en bloc, as follows:

#### AMENDMENT NO. 3015 AS MODIFIED

(Purpose: To require a National Academy of Sciences study of procedures for the selection and assessment of certain routes for the shipment of spent nuclear fuel from research nuclear reactors)

At the end of title XVII, add the following:

#### SEC. 1704. NATIONAL ACADEMY OF SCIENCES STUDY OF PROCEDURES FOR SELECTION AND ASSESSMENT OF CERTAIN ROUTES FOR SHIPMENT OF SPENT NUCLEAR FUEL FROM RESEARCH NUCLEAR REACTORS.

(a) IN GENERAL.—The Secretary of Transportation shall enter into an agreement with the National Academy of Sciences under which agreement the National Academy of Sciences shall conduct a study of the procedures by which the Department of Energy, together with the Department of Transportation and the Nuclear Regulatory Commission, selects routes for the shipment of spent nuclear fuel from research nuclear reactors between or among existing Department of Energy facilities currently licensed to accept such spent nuclear fuel.

(b) ELEMENTS OF STUDY.—In conducting the study under subsection (a), the National Academy of Sciences shall analyze the manner in which the Department of Energy—

(1) selects potential routes for the shipment of spent nuclear fuel from research nuclear reactors between or among existing Department facilities currently licensed to accept such spent nuclear fuel;

(2) selects such a route for a specific shipment of such spent nuclear fuel; and

(3) conducts assessments of the risks associated with shipments of such spent nuclear fuel along such a route.

(c) CONSIDERATIONS REGARDING ROUTE SELECTION.—The analysis under subsection (b) shall include a consideration whether, and to what extent, the procedures analyzed for purposes of that subsection take into account the following:

(1) The proximity of the routes under consideration to major population centers and the risks associated with shipments of spent nuclear fuel from research nuclear reactors through densely populated areas.

(2) Current traffic and accident data with respect to the routes under consideration.

(3) The quality of the roads comprising the routes under consideration.

(4) Emergency response capabilities along the routes under consideration.

(5) The proximity of the routes under consideration to places or venues (including sports stadiums, convention centers, concert halls and theaters, and other venues) where large numbers of people gather.

(d) RECOMMENDATIONS.—In conducting the study under subsection (a), the National Academy of Sciences shall also make such recommendations regarding the matters studied as the National Academy of Sciences considers appropriate.

(e) DEADLINE FOR DISPERSAL OF FUNDS FOR STUDY.—The Secretary shall disperse to the National Academy of Sciences the funds for the cost of the study required by subsection (a) not later than 30 days after the date of the enactment of this Act.

(f) REPORT ON RESULTS OF STUDY.—Not later than six months after the date of the dispersal of funds under subsection (e), the National Academy of Sciences shall submit to the appropriate committees of Congress a report on the study conducted under subsection (a), including the recommendations required by subsection (d).

(g) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term “appropriate committees of Congress” means—

(1) the Committees on Commerce, Science, and Transportation, Energy and Natural Resources, and Environment and Public Works of the Senate; and

(2) the Committee on Energy and Commerce of the House of Representatives.

#### AMENDMENT NO. 3024 AS MODIFIED

(Purpose: To promote the safe and efficient supply of energy while maintaining strong environmental protections)

On page 123, after line 17, insert the following:

#### Subtitle C—Growth of Nuclear Energy

##### SEC. 521. COMBINED LICENSE PERIODS.

Section 103c. of the Atomic Energy Act of 1954 (42 U.S.C. 2133(c)) is amended—

(1) by striking “c. Each such” and inserting the following:

“c. LICENSE PERIOD.—

“(1) IN GENERAL.—Each such”; and

(2) by adding at the end the following:

“(2) COMBINED LICENSES.—In the case of a combined construction and operating license issued under section 185(b), the duration of the operating phase of the license period shall not be less than the duration of the operating license if application had been made for separate construction and operating licenses.”.

#### Subtitle D—NRC Regulatory Reform

##### SEC. 531. ANTITRUST REVIEW.

(a) IN GENERAL.—Section 105 of the Atomic Energy Act of 1954 (42 U.S.C. 2135) is amended by adding at the end the following:

“d. ANTITRUST LAWS.—

“(1) NOTIFICATION.—Except as provided in paragraph (4), when the Commission proposes to issue a license under section 103 or 104b., the Commission shall notify the Attorney General of the proposed license and the proposed terms and conditions of the license.

“(2) ACTION BY THE ATTORNEY GENERAL.—Within a reasonable time (but not more than 90 days) after receiving notification under paragraph (1), the Attorney General shall submit to the Commission and publish in the Federal Register a determination whether, insofar as the Attorney General is able to determine, the proposed license would tend to create or maintain a situation inconsistent with the antitrust laws.

“(3) INFORMATION.—On the request of the Attorney General, the Commission shall furnish or cause to be furnished such information as the Attorney General determines to be appropriate or necessary to enable the Attorney General to make the determination under paragraph (2).

“(4) APPLICABILITY.—This subsection shall not apply to such classes or type of licenses as the Commission, with the approval of the Attorney General, determines would not significantly affect the activities of a licensee under the antitrust laws.”.

(b) CONFORMING AMENDMENT.—Section 105c. of the Atomic Energy Act of 1954 (42 U.S.C. 2135(c)) is amended by adding at the end the following:

“(9) APPLICABILITY.—This subsection does not apply to an application for a license to construct or operate a utilization facility under section 103 or 104b. that is filed on or after the date of enactment of subsection d.”.

##### SEC. 532. DECOMMISSIONING.

(a) AUTHORITY OVER FORMER LICENSEES FOR DECOMMISSIONING FUNDING.—Section 161i. of the Atomic Energy Act of 1954 (42 U.S.C. 2201(i)) is amended—

(1) by striking “and (3)” and inserting “(3)”; and

(2) by inserting before the semicolon at the end the following: “, and (4) to ensure that sufficient funds will be available for the decommissioning of any production or utilization facility licensed under section 103 or 104b., including standards and restrictions governing the control, maintenance, use, and disbursement by any former licensee under this Act that has control over any fund for the decommissioning of the facility”.

(b) TREATMENT OF NUCLEAR REACTOR FINANCIAL OBLIGATIONS.—Section 523 of title 11, United States Code, is amended by adding at the end the following:

“(f) TREATMENT OF NUCLEAR REACTOR FINANCIAL OBLIGATIONS.—Notwithstanding any other provision of this title—

“(1) any funds or other assets held by a licensee or former licensee of the Nuclear Regulatory Commission, or by any other person, to satisfy the responsibility of the licensee, former licensee, or any other person to comply with a regulation or order of the Nuclear Regulatory Commission governing the decontamination and decommissioning of a nuclear power reactor licensed under section 103 or 104b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134(b)) shall not be used to satisfy the claim of any creditor in any proceeding under this title, other than a claim resulting from an activity undertaken to satisfy that responsibility, until the decontamination and decommissioning of the nuclear power reactor is completed to the satisfaction of the Nuclear Regulatory Commission;

“(2) obligations of licensees, former licensees, or any other person to use funds or other assets to satisfy a responsibility described in paragraph (1) may not be rejected, avoided, or discharged in any proceeding under this title or in any liquidation, reorganization, receivership, or other insolvency proceeding under Federal or State law; and

“(3) private insurance premiums and standard deferred premiums held and maintained in accordance with section 170b. of the Atom-

ic Energy Act of 1954 (42 U.S.C. 2210(b)) shall not be used to satisfy the claim of any creditor in any proceeding under this title, until the indemnification agreement executed in accordance with section 170c. of that Act (42 U.S.C. 2210(c)) is terminated.”.

#### Subtitle E—NRC Personnel Crisis

##### SEC. 541. ELIMINATION OF PENSION OFFSET.

Section 161 of the Atomic Energy Act of 1954 (42 U.S.C. 2201) is amended by adding at the end the following:

“y. exempt from the application of sections 8344 and 8468 of title 5, United States Code, an annuitant who was formerly an employee of the Commission who is hired by the Commission as a consultant, if the Commission finds that the annuitant has a skill that is critical to the performance of the duties of the Commission.”.

##### SEC. 542. NRC TRAINING PROGRAM.

(a) IN GENERAL.—In order to maintain the human resource investment and infrastructure of the United States in the nuclear sciences, health physics, and engineering fields, in accordance with the statutory authorities of the Commission relating to the civilian nuclear energy program, the Nuclear Regulatory Commission shall carry out a training and fellowship program to address shortages of individuals with critical safety skills.

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section \$1,000,000 for each of fiscal years 2003 through 2006.

(2) AVAILABILITY.—Funds made available under paragraph (1) shall remain available until expended.

#### AMENDMENT NO. 3078, AS MODIFIED

(Purpose: To require the General Services Administration to conduct a study regarding Government procurement policies)

On page 244, after line 23, add the following:

##### SEC. 840. REVIEW OF FEDERAL PROCUREMENT INITIATIVES RELATING TO USE OF RECYCLED PRODUCTS AND FLEET AND TRANSPORTATION EFFICIENCY.

Not later than 180 days after the date of enactment of this Act, the Administrator of General Services shall submit to Congress a report that details efforts by each Federal agency to implement the procurement policies specified in Executive order No. 13101 (63 Fed. Reg. 49643; relating to governmental use of recycled products) and Executive order No. 13149 (65 Fed. Reg. 24607; relating to Federal fleet and transportation efficiency).

#### AMENDMENT NO. 3141

(Purpose: To promote a plan that would enhance and accelerate the development of fuel cell technology to result in the deployment of 2.5 million hydrogen-fueled fuel cell vehicles by 2020)

On page 213, after line 10, insert:

##### “SEC. 824. FUEL CELL VEHICLE PROGRAM:

Not later than one year from date of enactment of this section, the Secretary shall develop a program with timetables for developing technologies to enable at least 100,000 hydrogen-fueled fuel cell vehicles to be available for sale in the United States by 2010 and at least 2.5 million of such vehicles to be available by 2020 and annually thereafter. The program shall also include timetables for development of technologies to provide 50 million gasoline equivalent gallons of hydrogen for sale in fueling stations in the United States by 2010 and at least 2.5 billion gasoline equivalent gallons by 2020 and annually thereafter. The Secretary shall annually include a review of the progress toward meeting the vehicle sales of Energy budget.”

Mr. BINGAMAN. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3141

Mr. DORGAN. Madam President, I believe it is in our national interest to improve the efficiency of our vehicles, for example, through new vehicles and vehicle fuel technologies, so that we can reduce our oil dependence and better protect the environment.

Several months ago, I test drove a fuel cell vehicle. A fuel cell vehicle produces electricity from the reaction of hydrogen and oxygen. The only by-product is water. Fuel-cell vehicles are similar to battery-powered electric cars in that the fuel cell produces electricity that powers motors at the wheels.

But while a battery must be recharged after all of the fuel inside it has reacted, a fuel cell is a "refillable battery," in the sense that recharging the vehicle only requires refilling the fuel tank. The hydrogen fuel required to power it can be stored directly on the vehicle in tanks or extracted from a secondary fuel, like methanol or ethanol, that carries oxygen. So, a fuel cell car can get double or triple the mileage of cars on the road today.

This new technology would decrease emissions, help reduce global climate change, and protect our national security by reducing the amount of oil we would need to import from unstable regions.

All we need to do is look at the political conditions in Venezuela and the situation in the Middle East, coupled with Saddam Hussein's sanctions against exporting oil to the United States, to realize the precariousness of our dependence on these imports. At this point, we still have other countries that can meet the global oil market requirements and we are not in a crisis, but this could change at any moment.

Our transportation sector consumes the largest amount of energy in our society. Passenger vehicles account for 40 percent of the oil products the Nation consumes each year, or nearly 8 million barrels of oil each day. And, in 2001, the United States imported 53 percent of the Nation's oil and this is expected to increase to 60 percent or more by 2020, according to the Energy Information Administration. So we can and must change our oil consumption habits. We can do this by implementing new technologies that will increase fuel efficiency and help create jobs.

A Ford Motor Company representative has stated "the technology . . . has the potential to significantly improve the fuel economy of [vehicles], which could reduce U.S. dependence on imported oil, reduce greenhouse gas emissions and save consumers money at the pump."

That is why I am introducing an amendment directing the Energy Department to develop a program that

would create measurable goals and timetables with the aim of putting 100,000 hydrogen-fueled fuel cell vehicles on the road by 2010 and 2.5 million by 2020, along with the needed hydrogen infrastructure. DOE would have to report annually on its progress toward achieving these goals.

The amendment is designed to have DOE work with the auto manufacturers to ensure that these goals are met. With this amendment, we are sending a strong message that our goal is to accelerate and enhance the development of fuel cell vehicle technologies with concrete targets and timetables.

Most major automakers are racing to produce prototype fuel cell vehicles. DaimlerChrysler has plans to have fuel-cell cars in production by 2004.

California's clean air act requirements also will ensure that many fuel cell vehicles are on the road in the near future. Specifically, by next year, 2003, 2 percent of California's vehicles have to be zero-emission vehicles and around 10 percent of its vehicles must be zero-emission vehicles by 2018. This means that California could have nearly 40,000 or 50,000 fuel cell cars on the road by the end of the next decade. Federal fleet purchase requirements also would help realize the targets established in my amendment.

I am pleased that my amendment is supported by United Technologies, the Alliance to Save Energy, and Senators CANTWELL, BAYH, and REID.

I know there are a number of other Members that also share my enthusiasm for hydrogen-fueled fuel cell vehicles, and I look forward to working with my colleagues to move this important and promising technology off the shelves and onto our streets.

AMENDMENT NO. 3024

Mr. VOINOVICH. Madam President, I rise today to propose an amendment to the energy bill that will promote the safe and efficient supply of nuclear energy while maintaining strong environmental protections. My amendment, the Nuclear Safety and Promotion Act, supports the growth of nuclear energy, provides regulatory reform to the Nuclear Regulatory Commission, and addresses the personnel crisis at the NRC.

According to the Department of Energy, we are going to have to increase the amount of energy we produce by 30 percent by 2015 in order to meet our demand. Nuclear power must be a significant part of meeting this demand.

My amendment addresses an unintended consequence of the Energy Policy Act of 1992 that will help nuclear energy grow in our country. This act created a combined construction and operating license of 40 years. However, it inadvertently caused the clock on the 40-year period to begin ticking when the license is issued, not when the facility actually begins operating. Since this could result in a difference of several years, this amendment fixes the quirk in the law by making the clock on a license start when a facility begins operating.

In addition, the Energy Policy Act of 1954 requires the NRC to perform antitrust reviews when considering initial licensing. However, these reviews are currently also performed by the Department of Justice and the Federal Energy Regulatory Commission. This duplication is unnecessary and inefficient. My amendment establishes antitrust review authority firmly in the hands of the Justice Department, who has the experience and background to best perform these reviews.

Under this new provision, the NRC would have no authority to either review the application or impose conditions regarding antitrust matters on any new or renewed license for commercial reactors. The NRC simply would be required to notify the Attorney General when the NRC proposes to issue a license for a reactor, and if the Attorney General requests, the NRC would provide general information about the facility and the applicants. Thus, the Attorney General would make a determination as to whether the proposed license for the reactor would create or maintain a situation inconsistent with antitrust laws.

The licensing process and the antitrust review are two different matters and should be treated as such. The NRC would continue with its licensing action while the Justice Department makes its determination. In fact, this determination would not affect the NRC's licensing action in any way. If it is determined that the license would create or maintain a situation inconsistent with the antitrust laws, then the Attorney General could take action, but these actions would and should be independent of NRC's licensing process.

While removing this inefficient duplicative burden on the NRC, my amendment also ensures that NRC maintains authority of a facility regardless of its status. In most cases, where a nuclear power reactor licensee sells ownership of a reactor to a new licensee, the responsibility for funding decommissioning is the new owner's, and decommissioning funds that have been set aside in a trust fund are transferred to the new licensee as part of the transfer.

However, in license transfers involving the Indian Point 3 and Fitzpatrick reactors, the former licensee has retained the trust funds. Although the NRC, in approving the transfer of the reactors, imposed conditions aimed at ensuring that the former licensee may only use the decommissioning funds for that purpose, I, as well as the NRC, am concerned about this situation not being clearly provided for in law. My amendment would provide the explicit statutory authority to ensure that decommissioning funds are used for that purpose and that decommissioning is done in accordance with NRC regulatory requirements. Furthermore, the NRC would be able to retain a decommissioning fund over sellers of nuclear facilities even though the seller may no longer be a NRC licensee.

Additionally, a provision of this amendment would prevent any funds or other assets held by a licensee or former licensee of the NRC to be used to satisfy the claim of any creditor until the decontamination and decommissioning of the nuclear power reactor is completed. Both of these provisions ensure that decommissioning funds are used for decommissioning.

One of the biggest problems in our country and government is the human capital crisis, and the NRC is no different. The NRC currently has six times as many employees older than 60 as it does under age 30, meaning that a potential wave of retirements could leave the agency without the expertise it needs. Adding to this problem is the fact that former employees cannot consult for the NRC without jeopardizing their pensions. These are people with critical skills that cannot provide their expertise without being penalized.

Fortunately, the Office of Personnel Management has provided the NRC with a limited-scope, temporary pension offset waiver to rehire former employees. My amendment would eliminate this pension offset to help preserve the knowledge base by allowing individuals with critical skills to be hired as consultants in future years. Under this amendment, individuals like the former Deputy Director of the Office of Nuclear Regulatory Research, who has 44 years of experience in the nuclear industry and is currently consulting with the NRC due to the temporary waiver, would be paid for their consulting services to the NRC while still receiving their federal pensions.

The NRC is also facing extreme shortages of individuals with critical safety skills. The numbers of education and training programs in the two basic disciplines, nuclear engineering and health physics, are declining. From 1996 to 2001, university programs in nuclear engineering have declined 26 percent, from 50 to 37, and healthy physics programs have declined 12 percent, from 49 to 43. Within the general disciplines, the NRC is experiencing shortages of people with a variety of critical skills, including: nuclear process engineering, thermal hydraulics, geology, structural engineering, and transportation. The shortages in these fields are a result of NRC's aging workforce and nuclear industry requirements. Over the next decade, the demand for nuclear engineers is projected to be twice the supply, and for health physicists, one and one half times the supply.

To help train and recruit the next generation of nuclear regulatory specialists, this amendment authorizes the NRC to fund academic fellowships to address shortages of individuals with critical safety skills. Instead of the funding coming from user fees, \$1 million would be authorized per year for 2002-2005. The ability to fund training programs in specialized areas at universities would enable the NRC to implement more timely and effective

strategies to close future skill gaps identified through the agency's planning processes.

Our Nation needs to be responsible to future generations. We must allow nuclear energy to grow today to meet future needs. We also must realize that our resources are scarce and we should not waste them on duplicative and costly regulatory burdens that place us into further debt. We also must plan for the future by ensuring that nuclear plants are cared for properly when they are closed, that we fully utilize the people who have spent years in this industry, and that have future generations with the necessary critical skills.

AMENDMENTS NOS. 3148 THROUGH 3156, EN BLOC

Mr. BINGAMAN. Madam President, I ask that the Senate now proceed to the following amendments that are at the desk. There are nine.

First is an amendment for Senator CANTWELL relating to the high-power density industry program; the second is an amendment for Senator REID relating to precious metal catalysis research; the third is an amendment for myself relating to energy savings associated with water use; the fourth is an amendment for Senator SCHUMER relating to appliance rebates; the fifth is an amendment for Senator LANDRIEU relating to small businesses; the sixth is an amendment for Senator CORZINE relating to public housing; the seventh is an amendment for Senator KENNEDY relating to schoolbuses; the eighth is an amendment for Senator LINCOLN relating to a decommissioning pilot program; and the ninth is an amendment for Senator MURKOWSKI relating to a clean coal technology loan.

I ask for the immediate consideration of these amendments, en bloc.

The ACTING PRESIDENT pro tempore. The clerk will report the amendments, en bloc.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes amendments No. 3148 through 3156, en bloc.

Mr. BINGAMAN. I ask unanimous consent reading of the amendments be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 3148

(Purpose: To improve energy efficiency in industries that use high power density facilities)

On page 403, after line 12, insert the following:

**SEC. 1215. HIGH POWER DENSITY INDUSTRY PROGRAM.**

The Secretary shall establish a comprehensive research, development, demonstration and deployment program to improve energy efficiency of high power density facilities, including data centers, server farms, and telecommunications facilities. Such program shall consider technologies that provide significant improvement in thermal controls, metering, load management, peak load reduction, or the efficient cooling of electronics.

AMENDMENT NO. 3149

(Purpose: To authorize the Secretary of Energy to carry out research in the use of precious metals in catalysis for the purpose of developing improved catalytic converters)

On page 403, after line 12, insert the following:

**“SEC. 1215. RESEARCH REGARDING PRECIOUS METAL CATALYSIS.**

“The Secretary of Energy may, for the purpose of developing improved industrial and automotive catalysts, carry out research in the use of precious metals (excluding platinum, palladium, and rhodium) in catalysis directly, through national laboratories, or through grants to or cooperative agreements or contracts with public or nonprofit entities. There are authorized to be appropriated to carry out this section such sums as are necessary for fiscal years 2003 through 2006.”.

AMENDMENT NO. 3150

(Purpose: To provide for a report on energy savings and water use)

At the end of title XVII, add the following:

**SEC. 17 . REPORT ON ENERGY SAVINGS AND WATER USE.**

(a) REPORT.—The Secretary of Energy shall conduct a study of opportunities to reduce energy use by cost-effective improvements in the efficiency of municipal water and waste water treatment and use, including water pumps, motors, and delivery systems; purification, conveyance and distribution; upgrading of aging water infrastructure, and improved methods for leakage monitoring, measuring and reporting; and public education.

(b) SUBMISSION OF REPORT.—The Secretary of Energy shall submit a report on the results of the study, including any recommendations for implementation of measures and estimates of costs and resource savings, no later than two years from the date of enactment of this section..

(c) AUTHORIZATION.—There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

AMENDMENT NO. 3151

(Purpose: To provide funds to States to establish and carry out energy efficient appliance rebate programs)

At the end of subtitle A of title IX add the following:

**SEC. 9 . ENERGY EFFICIENT APPLIANCE REBATE PROGRAMS.**

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE STATE.—The term “eligible state” means a State that meets the requirements of subsection (b).

(2) ENERGY STAR PROGRAM.—The term “Energy Star program” means the program established by section 324A of the Energy Policy and Conservation Act.

(3) RESIDENTIAL ENERGY STAR PRODUCT.—The term “residential Energy Star product” means a product for a residence that is rated for energy efficiency under the Energy Star program.

(4) STATE ENERGY OFFICE.—The term “State energy office” means the State agency responsible for developing State energy conservation plans under section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322).

(5) STATE PROGRAM.—The term “State program” means a State energy efficient appliances rebate program described in subsection (b)(1).

(b) ELIGIBLE STATES.—A State shall be eligible to receive an allocation under subsection (c) if the State—

(1) establishes (or has established) a State energy efficient appliance rebate program to

provide rebates to residential consumers for the purchase of residential Energy Star products to replace used appliances of the same type.

(2) submits an application for the allocation at such time, in such form, and containing such information as the Secretary may require; and

(3) provides assurances satisfactory to the Secretary that the State will use the allocation to supplement, but not supplant, funds made available to carry out the State program.

(c) AMOUNT OF ALLOCATIONS.—

(1) IN GENERAL.—Subject to paragraph (2), for each fiscal year, the Secretary shall allocate to the State energy office of each eligible State to carry out subsection (d) an amount equal to the product obtained by multiplying the amount made available under subsection (e) for the fiscal year by the ratio that the population of the State in the most recent calendar year for which data are available bears to the total population of all eligible States in that calendar year.

(2) MINIMUM ALLOCATIONS.—For each fiscal year, the amounts allocated under this subsection shall be adjusted proportionately so that no eligible State is allocated a sum that is less than an amount determined by the Secretary.

(d) USE OF ALLOCATED FUNDS.—The allocation to a State energy office under subsection (c) may be used to pay up to 50 percent of the cost of establishing and carrying out a State program.

(e) ISSUANCE OF REBATES.—Rebates may be provided to residential consumers that meet the requirements of the State program. The amount of a rebate shall be determined by the State energy office, taking into consideration—

(1) the amount of the allocation to the State energy office under subsection (c);

(2) the amount of any Federal or State tax incentive available for the purchase of the residential Energy Star product; and

(3) the difference between the cost of the residential Energy Star product and the cost of an appliance that is not a residential Energy Star product, but is of the same type as, and is the nearest capacity, performance, and other relevant characteristics (as determined by the State energy office) to the residential Energy Star product.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary for fiscal year 2003 through fiscal year 2012.

AMENDMENT NO. 3152

(Purpose: To assist small businesses to become more energy efficient)

On page 301, line 22, strike “organizations.” and insert the following: “organizations.”

“(d) SMALL BUSINESS EDUCATION AND ASSISTANCE.—The Administrator of the Small Business Administration, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, shall develop and coordinate a government-wide program, building on the existing Energy Star for Small Business Program, to assist small business to become more energy efficient, understand the cost savings obtainable through efficiencies, and identify financing options for energy efficiency upgrades. The Secretary and the Administrator shall make the program information available directly to small businesses and through other federal agencies, including the Federal Emergency Management Agency, and the Department of Agriculture.”.

AMENDMENT NO. 3153

(Purpose: To establish energy efficiency provisions for public housing agencies, and for other purposes)

At the end of subtitle D of title IX, add the following:

SEC. 937. CAPITAL FUND.

Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437(g)), as amended by section 934, is amended—

(1) in subsection (d)(I)—

(A) in subparagraph (L), by striking the period at the end and inserting “; and”;

(B) by redesignating subparagraph (L) as subparagraph (K); and

(C) by adding at the end the following:

“(L) integrated utility management and capital planning to maximize energy conservation and efficiency measures.”; and

(2) in subsection (e)(2)(C)—

(A) by striking “The” and inserting the following:

“(i) IN GENERAL.—The”; and

(B) by adding at the end the following:

“(ii) THIRD PARTY CONTRACTS.—Contracts described in clause (i) may include contracts for equipment conversions to less costly utility sources, projects with resident paid utilities, adjustments to frozen base year consumption, including systems repaired to meet applicable building and safety codes and adjustments for occupancy rates increased by rehabilitation.

“(iii) TERM OF CONTRACT.—The total term of a contract described in clause (i) shall be for not more than 20 years to allow longer payback periods for retrofits, including but not limited to windows, heating system replacements, wall insulation, site-based generations, and advanced energy savings technologies, including renewable energy generation.”.

SEC. 938. ENERGY-EFFICIENT APPLIANCES.

A public housing agency shall purchase energy-efficient appliances that are Energy Star products as defined in section 552 of the National Energy Policy and Conservation Act (as amended by this Act) when the purchase of energy-efficient appliances is cost-effective to the public housing agency.

SEC. 939. ENERGY EFFICIENCY STANDARDS.

Section 109 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12709) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking “the date of the enactment of the Energy Policy Act of 1992” and inserting “September 30, 2002”;

(ii) in subparagraph (A), by striking “and” at the end;

(iii) in subparagraph (B), by striking the period at the end and inserting a semi-colon; and

(iv) by adding at the end the following:

“(C) rehabilitation and new construction of public and assisted housing funded by HOPE VI revitalization grants, established under section 24 of the United States Housing Act of 1937 (42 U.S.C. 1437v), where such standards are determined to be cost effective by the Secretary of Housing and Urban Development; and

(B) in paragraph (2) by striking “Council of American” and all that follows through “life-cycle cost basis” and inserting “2000 International Energy Conservation Code”;

(2) in subsection (b)—

(A) by striking “the date of the enactment of the Energy Policy Act of 1992” and inserting “September 30, 2002”;

(B) by striking “CABO” and all that follows through “1989” and inserting “the 2000 International Energy Conservation Code”;

(3) in subsection (c)—

(A) in the heading, by striking “MODEL ENERGY CODE” and inserting “THE INTERNATIONAL ENERGY CONSERVATION CODE”;

(B) by striking “CABO” and all that follows through “1989” and inserting “the 2000 International Energy Conservation Code”.

SEC. 940. ENERGY STRATEGY FOR HUD.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall develop and implement an integrated strategy to reduce utility expenses through cost-effective energy conservation and efficiency measures, design and construction in public and assisted housing.

(b) ENERGY MANAGEMENT OFFICE.—The Secretary of Housing and Urban Development shall create an office at the Department of Housing and Urban Development for utility management, energy efficiency, and conservation, with responsibility for implementing the strategy developed under this section, including development of a centralized database that monitors public housing energy usage, and development of energy reduction goals and incentives for public housing agencies. The Secretary shall submit an annual report to Congress on the strategy.

AMENDMENT NO. 3154

(Purpose: To provide for cleaner school buses)

On page 183, line 15, strike “and” and all that follows through line 19, and insert the following:

(2) the term “idling” means not turning off an engine while remaining stationary for more than approximately 3 minutes; and

(3) the term “ultra-low sulfur diesel school bus” means a school bus powered by diesel fuel which contains sulfur at not more than 15 parts per million.

(k) REDUCTION OF SCHOOL BUS IDLING.—Each local educational agency (as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801)) that receives Federal funds under the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is encouraged to develop a policy to reduce the incidence of school buses idling at schools when picking up and unloading students.

AMENDMENT NO. 3155

(Purpose: To direct the Secretary of Energy to establish a decommissioning pilot program to decommission and decontaminate the sodium-cooled fast breeder experimental test-site reactor located in northwest Arkansas)

On page 123, after line 17, insert the following:

SEC. 514. DECOMMISSIONING PILOT PROGRAM.

(a) PILOT PROGRAM.—The Secretary of Energy shall establish a decommissioning pilot program to decommission and decontaminate the sodium-cooled fast breeder experimental test-site reactor located in northwest Arkansas in accordance with the decommissioning activities contained in the August 31, 1998 Department of Energy report on the reactor.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$16,000,000.

AMENDMENT NO. 3156

(Purpose: To provide for certain clean coal funding)

On page 443, after line 8, insert the following:

SEC. 1237. CLEAN COAL TECHNOLOGY LOAN.

There is authorized to be appropriated not to exceed \$125,000,000 to the Secretary of Energy to provide a loan to the owner of the experimental plant constructed under United



States Department of Energy cooperative agreement number DE-FC22-91PC99544 on such terms and conditions as the Secretary determines, including interest rates and up-front payments.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendments en bloc.

The amendments (Nos. 3140 through 3156) were agreed to.

Mr. BINGAMAN. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### AMENDMENT NO. 3152

Ms. LANDRIEU. Mr. President, last week I joined with Senator KERRY in offering an amendment dealing with small business energy efficiency. That particular amendment dealt with the Energy Star Program, which is an important program in helping small businesses become more energy efficient. The amendment I offer today, which was developed with the help of Senators KERRY, ENSIGN, CANTWELL, LIEBERMAN, and CARNAHAN, complements that language.

First I would like to take a moment to thank Senators BINGAMAN and MURKOWSKI and their staffs for helping us to address this issue given relatively short notice. Despite the fact that they have been very busy with many other aspects of this bill, they took the time to help us work out some language that everyone could accept. I would also like to echo Senator KERRY's remarks last week thanking Byron Kennard at the Center for Small Business and the Environment and Carol Werner at the Environmental and Energy Study Institute for their role in bringing this important issue to the forefront.

Simply put, this amendment addresses the need for Federal agencies to help small businesses become more energy efficient. I just want to take a minute to explain why I believe this language is necessary. Small businesses are often the hardest hit by energy unreliability and big price hikes. Many operate on slim profit margins, so the threat of big increases in electric bills can force small businesses to lay off workers or even to close their doors.

Restaurants, for example, are highly energy intensive and they tend to use energy inefficiently. As my colleagues know, restaurants were some of the hardest-hit businesses following the slump in tourism after the September 11 attacks. Restaurants are also unique because they also operate on narrow margins of profit, so money saved on energy bills can easily equal a big boost in revenue. According to EPA, saving 20 percent on energy operating costs—something that's easily achievable—can increase a restaurant's profit as much as one-third.

Small firms, however, often lack access to capital and the know-how to purchase and install new energy efficient products, and to fund the research and development stage of such

innovations. As Senator KERRY expressed in his remarks yesterday, Federal agencies, the Small Business Administration in particular, have the resources, contacts and personnel necessary to give a real helping hand to small businesses in these situations.

The SBA, for instance, deals with thousands of small businesses across the country on a regular basis, serving as a clearinghouse for information, a counselor, and a guarantor of loans for these businesses. It would be quite simple for the SBA to expand its role to provide assistance in the area of energy efficiency. The Environmental Protection Agency, the Department of Energy, the Federal Emergency Management Agency, and the Department of Agriculture also have roles to play in these efforts.

Let me share a success story from a small business in my own State of Louisiana. There is a law firm in Baton Rouge, Jerry F. Pepper, APLC. The firm recently remodeled its offices to make them more energy efficient. Thermostats, air filters, and lights were all replaced with newer, more efficient models.

The firm believes that, in addition to a savings of \$6,100 annually—let me repeat that amount, \$6,100 per year—the upgrades will improve employee morale and productivity, reduce indoor pollution, and improve safety. Additionally, the upgrade for this firm—for one law firm in Baton Rouge—is estimated to reduce over 100,000 pounds of carbon dioxide annually.

I want my colleagues to imagine for a moment that every small business in America upgraded its energy efficiency with similar results. The savings in energy, pollution, and money would be incredible. But these businesses cannot do it on their own. Their profit margins are too tight; their resources are too limited. But Federal agencies like the SBA have the resources and know-how to assist these businesses in these efforts.

That is why I am proud to join other members of the Small Business Committee to offer this important language to help our Nation's small businesses become more energy efficient.

Mr. KERRY. Mr. President, as chairman of the Committee on Small Business and Entrepreneurship, I am pleased to join my colleague, Senator LANDRIEU, in introducing an amendment regarding the need to assist more small businesses become energy efficient.

This legislation reinforces a small business amendment that Senator LANDRIEU and I put forth last week regarding the Energy Star Program. It was successfully adopted as part of the Energy Policy Act of 2002, and I thank Senators BINGAMAN and MURKOWSKI for that.

There is an obvious missing player in our efforts to increase the number of small businesses that are using or developing products and processes that save energy, and it is the Small Busi-

ness Administration. This amendment directs the Administration to develop and coordinate a government-wide program that educates small firms about the cost-benefits and business advantages of energy efficiency.

I was astounded to learn last year, during a hearing I held on the business of environmental technologies, that SBA is not actively working with DoE and the EPA to advertise their joint program for promoting energy efficiency of small business. This is particularly hard to understand given that there is so much work to be done. There are an estimated 25 million small businesses in this country, and they account for more than half of all the commercial energy used in North America. However, according to Paul Stolpman, who testified on behalf of the EPA, only 3,000 small businesses have partnered with EPA in committing to improve their energy performance.

I am not criticizing the EPA or the Department of Energy; they have a good initiative, and I support their efforts. I am simply pointing out that there are millions of small businesses left to reach, millions of opportunities to reduce energy consumption in this country. It is basic common sense that SBA could help significantly in that effort. After all the financial hardships small businesses suffered over the last couple of years because of price spikes and unreliability, energy isn't even a prominent issue on SBA's website.

To illustrate the power of education and the need to coordinate outreach efforts through the SBA, I would like to share a story about one of the small businesses in my home State of Massachusetts that benefitted greatly from making energy modifications. Carl Faulkner is the owner of the Williams Inn in Williamstown. Years ago, he was approached by his energy company to receive a free energy audit and rebates to off-set the cost of upgrading his lighting systems. It seemed like a good idea, so he went ahead and took them up on their offer. After all was said and done, between the rebates and his new energy savings, he recovered his expenses in just 1 month. But that is not the end of the story. The results of those simple changes were so positive that he was inspired to learn even more about energy savings and to investigate where else his business was losing money on unnecessary energy usage. Since then he has put on special roofing, replaced air conditioner units, put insulation around pipes, and installed meters to determine when and where his business uses the most energy. With this information, Mr. Faulkner can bring down usage, saving even more energy and money.

These simple changes have yielded vast results. In January and February, he saved more than \$10,000. Mr. Faulkner now considers energy efficiency a never-ending process. He says if it weren't for outreach, he never would have made these important changes to

his business. He changed his business from one that was consuming energy at an unmonitored level to one that has an energy management system that allows him to identify other savings.

In addition to increasing energy efficiency of small businesses in order to reduce consumption, to reduce pollution, and to reduce reliance on foreign oil, there is a need for Federal agencies to increase their work with small business to research and develop new technologies and processes that are more energy efficient. In 1999, the SBA investigated the role of small business in technological innovation and found that when a market demands progress, change, and evolution, small firms play a key role. Just looking back to 1997, there were more than 33,000 small firms operating in the environmental industry, with combined revenues of \$52 billion. That is billion. In Massachusetts alone, environmental technology businesses employ more than 30,000. No matter how you cut it, revenues, jobs, pollution reduction, energy supply, national security, there is a very good reason to encourage the innovation of efficient technology. And the Federal Government needs to make a serious effort to use small businesses to do that research and development as much as possible. At the very least, I would like to see a focus on these topics through the small business research and development projects through the Small Business Innovation Research and Small Business Technology Transfer initiatives. We have got the finest research universities in the world and certainly the most dynamic small business sector. I want a coordinated and heightened effort to use these resources for national energy policy.

As I said yesterday when we were debating the proposal to drill in the Arctic National Wildlife Refuge, we cannot drill our way out of our energy problem. We must innovate our way out of our energy problem. Not just innovation in more fuel efficient cars, but also appliances. If the Bush administration would fully implement efficiency standards for appliances that were issued in 1997 and last year, the Department of Energy estimates the total savings to business and consumers to be \$27 billion by 2030. Why? Simply because of less energy use and generally less demand when using more efficient appliances. We can go further with more innovation. And we need to use Federal agencies to increase the interplay between small businesses, innovation, and the Nation's environmental and energy goals.

I thank Senator LANDRIEU for offering this amendment. And again I thank Senators BINGAMAN and MURKOWSKI, and their staffs, for their help in passing this small business amendment.

AMENDMENT NO. 3153

Mr. CORZINE. Mr. President, I would like to thank my colleagues Senators BINGAMAN and MURKOWSKI for their support of and efforts to pass my amendment to improve energy effi-

ciency in public housing, which cleared the Senate Floor earlier today. I would also like to thank my colleagues on the Banking Committee, Chairman SARBANES and Ranking Member GRAMM for their assistance in passing this amendment.

My amendment will help reduce our Nation's energy consumption and reduce long-term energy costs in public housing. The amendment accomplishes this by giving the Department of Housing and Urban Development, HUD, and the public housing authorities, PHAs, it oversees the tools they need to increase energy efficiency in public housing developments.

HUD and public housing authorities oversee approximately 1.3 million units of residential low-income public housing across the country. The Federal Government spends approximately \$1.4 billion each year just to cool, heat, light, and supply water to these units. Utility costs make up anywhere from 25 to 40 percent of a typical housing authority's operating budget.

Despite the large amount of Federal dollars spent on energy usage in public housing, there are virtually no resources to help public housing authorities manage their utility expenditures. Furthermore, there are few incentives for them to utilize energy efficient technologies.

My amendment addresses these issues, first, by establishing an Office of Energy Management at HUD. This office will coordinate energy management activities throughout the public housing system so that energy management is less fragmented and technical expertise is made available to all public housing authorities.

The amendment will also improve financial incentives available to public housing authorities to implement energy saving strategies, such as window replacements, heating system retrofits, and other efficiency and renewable measures. The amendment also encourages public housing authorities to purchase Energy Star appliances and equipment when replacing outdated building systems and equipment.

Finally, my amendment requires that all new public housing construction meet current energy codes where cost effective. Most States have not adopted the most recent codes and, in some cases, do not require adherence to any code. Meeting these updated codes will save public housing authorities as much as 15 percent in annual energy costs.

The bottom line is that this legislation would expand the resources available to provide low-income housing without increasing Federal spending. HUD has conservatively estimated that improved energy management processes throughout all of its public housing programs could save about \$200 million annually. These savings could be used to build more affordable housing and improve the quality of life of public housing residents. Improving energy efficiency in public housing units will

also decrease utility costs for low-income residents, who often pay a portion of their utility expenses.

At a time of skyrocketing utility costs and decreased public housing funds, my amendment offers common-sense solutions that will reduce public housing's reliance on fossil fuels and free up resources to improve housing for low-income families.

AMENDMENTS NOS. 3028 AND 3070, WITHDRAWN

Mr. BINGAMAN. Finally, I ask unanimous consent amendment No. 3028 and amendment No. 3070 be withdrawn.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BINGAMAN. Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

Mr. DAYTON. Madam President, like most of my colleagues, I have lived through a number of the energy crises which have afflicted our country. I was living and working on the East Coast during the first oil crisis in 1973 and 1974. People lined up at gas stations, starting at 3 or 4 in the morning to purchase a few gallons before the day's scarce supplies ran out.

In January 1977, during one of the coldest winters ever recorded in Minnesota, I serve as the Energy Policy Adviser to our State's Governor, when he declared Minnesota's first official energy emergency.

From 1983 to 1987, I served as commissioner of the Minnesota Department of Energy and Economic Development, where I was constantly monitoring the State's energy supplies. I will never forget one Christmas Eve, which I spent trying to locate a refinery that would reopen and provide desperately needed home heating oil to people in northern Minnesota who had run out of their own supplies.

From these experiences, I have become a hard-headed realist and a pragmatist about energy policy. I am well aware of the fragility of our country's energy supplies, pipelines, transmission lines, and refineries, where even a small disruption can trigger major dislocations which quickly create a crisis. In a cold-weather State like Minnesota, the consequences of a disruption in energy supplies can be very serious and even fatal.

I have viewed "renewable" or "alternative" forms of energy with hope but also reservations. While sometimes viable on a small scale, most of them are not capable of supplying the large-scale energy needs of our vast and complex society and our economy. That is why the percentage of U.S. energy consumption from renewable sources has remained essentially the same for the last 40 years. In 1960, renewable provided 6.6 percent; and in the year 2000, renewable energy provided 6.9 percent of our country's total energy consumption. Why, despite their promise, despite the encouragement and the financial assistance they have received, has the usage of renewable energy sources

in this country not increased in 40 years?

It is because none of them can compete in price, supply, or public acceptance with the traditional energy sources of oil, natural gas, coal, and nuclear energy. As long as sufficient supplies of these fuels remain reliably available at current, stable prices, they will be preferred over the alternatives. They cost less per BTU; they can be supplied in the quantities necessary for our large and diverse economy; and their production, transportation, and distribution systems are all well established.

Thus, our Nation's *de facto* energy policy has been for many years and continues to be to maintain the status quo. Despite all the warnings and dire predictions, despite the occasional, but so far short-lived crises, the status quo has been the right short-term policy during the last 30 years. However, the question before us now is: Will these primary fuels continue to be as less expensive, as available, and as reliable during the next 10 years, 20 years, or 30 years? If there is sufficient doubt, are we willing to design and implement a transition willing to design and implement a transition over the next 10 or 20 years to include a viable alternative? That is what a national energy policy should do.

From my personal and professional experience, I know that the so-called "bio-fuels" or "renewable fuels," such as ethanol, soy-diesel, and other fuels derived from agricultural commodities could be used in this country today to replace 10 percent, 20 percent, or soon 50 percent or more of the gasoline used on our Nation's roads and highways.

Presently, the United States consumes 25 percent of the world's entire oil production. About 44 percent of it is produced domestically, and 56 percent is imported from other countries.

Although the United States is currently the second largest producer of oil, our domestic production, either with or without ANWR, will not be able to supply even half the amount we consume. Since most of our remaining oil supplies are more costly to extract, it will be less expensive for us to buy more of our oil from other countries. That equation means we will continue to become more dependent upon imported oil. The only way to reduce significantly the amount of foreign oil we need is to reduce the amount of oil we consume.

Seventy percent of the oil we produce or import is used in our transportation and most of that goes into our cars, SUVs, trucks, and other motor vehicles. In fact, about 1 of every 7 barrels of oil produced in the entire world goes into an American gas tank. So, if we are ever going to reduce the amount of oil we consume, motor fuel consumption is the place to start.

Unfortunately, as I said earlier, we are going in the other direction. As a Nation, we are using more gasoline, not less. More people are driving more

vehicles greater distances than even before. And more of their vehicles are less fuel efficient. In fact, last year the total fleet fuel efficiency in this country dropped below that in 1980.

What are we doing about it? Nothing. Government-mandated fuel efficiency standards have not changed since 1985, and an amendment to increase them in this bill was defeated by a two-thirds majority. Then light trucks were removed entirely from future mileage standards review. Light trucks and SUVs, are the fastest growing segments of the U.S. market, and they are among the least fuel efficient vehicles.

Some people advocate a significant increase in Federal or State gasoline taxes, to reduce fuel consumption to encourage the purchase of more fuel-efficient vehicles, and to increase the amount of money going into the Highway Trust Fund. How many Members of Congress who voted for a 10 cent per gallon, of 20 or 30 cent per gallon tax increase, would survive their next election?

So, barring a severe jolt to the world market, barring a large and lasting jump in gasoline prices, everything points toward increased gasoline consumption, which means increased oil consumption above the 25 percent of all the world's oil supply production that we now consume.

Everything points in that direction except for ethanol and other biofuels. Ethanol is now made mostly from corn, although other commodities such as sugar beets, sugar cane, wheat, and even wood chips have been converted into ethanol. Ethanol has been around for many years. Many Minnesota farmers have distilled some of their grains, drank the best of it, and refined the rest into ethanol, which they put in their trucks, tractors, and even cars. With a few adjustments to the carburetors, they worked just fine. Until recently, however, ethanol could not be used in most conventional American engines, because it burned too cleanly and acted as a solvent which dislodged the grime attached to the walls of engines.

Finally, the combustion process in modern engines improved so that ethanol could be blended with gasoline. That is how it has been used, and that is how it is viewed in the debates this week and last week—as an additive to gasoline.

In fact, ethanol's potential goes far beyond that. It is not just an additive to gasoline; it is an alternative to gasoline. An alternative which today could be substituted for 20 percent of all the gasoline consumed in the United States, and with the near-term potential to substitute for over 50 percent of the oil-based gasoline used in this country. Imagine reducing the motor consumption of gasoline in this country by more than half, with no change in the types of cars, SUV's, and light trucks on the road. It would require only slight engine modifications which have been made to 2 million vehicles already sold in the United States.

How do I know this? I know it because 5 years ago, the Minnesota Legislature passed a law which mandated that every gallon of gasoline sold in our state be comprised of at least 10 percent ethanol. It was very controversial then, and opponents used the same scare tactics we have witnessed in this debate: Prices would increase; supplies would be inadequate and unreliable; engines would be damaged; lives would be disrupted. Today, in Minnesota, it is a total non-issue. Most people have forgotten it is even in every gallon of gas they buy. Last week, the price of a gallon of regular, unleaded gasoline in Minnesota was 20 cents less than in California, a penny more than in New York, two cents less than in Wisconsin, and almost a nickel less than in Illinois.

We have heard of a study, referred to here, which is misunderstood and has been presented as predicting that this legislation would cause a 4-cent to 9-cent increase in the cost of a gallon of gasoline. That study by the Energy Information Administration, isolating the effect of ethanol, the ethanol mandate in the legislation, actually found the price of a gallon of gasoline would go up by less than 1 cent.

But let us set aside the study and conflicting opinions about what that study says because that is projecting into the future. I am talking about current reality. What I am talking about is the price of 10 percent blended ethanol in today's gasoline in Minnesota compared to other parts of the country. Again, that is just 10 percent ethanol blended with 90 percent gasoline.

I lease a Chrysler Town & Country, which has the "flexible fuel" modification to the regular engine, and it travels throughout most of Minnesota on E85 fuel. E85 is a blend of 85 percent ethanol and 15 percent gasoline. It has now been driven over 20,000 miles, in all kinds of weather, through all four seasons, and we have had no trouble with it whatsoever.

The price of a gallon of E85 in Minnesota last week was \$1.24, 21 cents less than a gallon of regular unleaded in Minnesota—forty-two cents less than a gallon of regular unleaded gasoline in California; 20 cents less than in New York; and 26 cents less than in Illinois.

That price differential is not as good as it seems. First, a gallon of ethanol contains fewer BTUs than a gallon of gasoline. Second, ethanol benefits from a federal subsidy. As I said earlier, no alternative fuel is less expensive per equivalent BTU as our traditional energy supplies. But ethanol is already close. And at higher levels of production, the price will go down. As car and truck manufacturers better adapt their engine to ethanol, fuel efficiency will improve. And, trust me, we have plenty of corn, beets, and sugar cane, and other agricultural commodities suitable for ethanol conversion all across this country.

However, for ethanol production and consumption to increase enough to

cause a significant reduction in the amount of gasoline consumed in this country, it needs what Minnesota provided—a mandate; a mandate such as this bill contains; a gradual, graduated, achievable increase over a decade. With that mandate, ethanol providers and would-be providers will know there is a reliable and growing market nationwide for ethanol.

Opponents have made much of the fact that one company—Archer Daniels Midland—produces 41 percent of this country's ethanol. What they don't tell you is that 25 years ago ADM produced almost 100 percent of this country's ethanol. ADM's market share has gone down every year for the last 25 years, and it will continue to go down as more companies, and farm Coops, make it possible and profitable to produce ethanol. For unlike gasoline, ethanol's raw products are available all over this country. They can be grown in most parts of this country. Where there are large markets, like California or New York, refineries will locate there. Just as California, as its population grew, declined to depend on milk and cheese from Minnesota and Wisconsin, and developed its own instate industry which supplies, actually oversupplies, its State's entire need.

If ethanol must be transported by truck, or tanker, or rail from one part of this country to another, it is far shorter and thus less expensive than importing oil, gasoline, and MTBE from all over the world. Seventy-five percent of California MTBE currently arrives by barge, the majority of it from Saudi Arabia. That is why the price per gallon increases which have been used on this floor defy common sense. And they are wrong.

The alternative to doing nothing with ethanol is doing nothing at all—nothing except increasing our national consumption of gasoline and oil. If world prices remain the same as today, and if world and domestic supplies can reliably satisfy our nation's ever-growing demand, then that "continue the status quo" strategy will continue to be less expensive than a transition to 10 percent or 20 percent or 50 percent ethanol.

But those who live by the sword, die by the sword. Those who want to bet this Nation's entire transportation sector on the status quo continuing indefinitely are taking a big gamble. Anyone who believes the United States can continue to get 25 percent of the world's entire oil production at today's prices are making a hugely optimistic assumption.

Yes. There will likely be an incremental cost to a transition to ethanol nationwide. There is always a short-term cost to diversification. A business that has one produce line incurs a cost to developing a second or a third product. As long as the first product continues to sell, overall profits will be slightly down. But when that product falters, and the others come on line, the company will prosper and grow, rather than decline.

Someone who owns only one stock incurs a short-term cost diversification. But someone who is betting their entire future on that one stock is a foolish person to do so. For the United States to bet our country's entire energy future on uninterrupted consumption of our ever more traditional energy sources is to make a very unwise bet.

We can afford the small incremental costs of transition if they lead to really substantial alternatives. That is what ethanol and biodiesel would do—replace 20 percent of today's diesel fuel over this entire country.

I am a Senator from a corn- and soybean-producing State. Is ethanol production an economic boon to many Minnesota farmers? Yes; it is. I hope it will continue to raise market prices for these agricultural commodities, which will reduce the need for and the amount of taxpayer subsidies. However, I would not stand on the floor of the Senate today and advocate ethanol as an alternative fuel for the entire country if I did not believe—if I were not certain—that it would be good for the entire country.

It will take the decade which this bill uses to increase ethanol production to an amount where it can be used as a consistent 10 percent blend nationwide. That is what Minnesota uses today. That would be 10 percent less oil-based gasoline. And that is twice as much oil alternative as ANWR would produce at that point in time.

It will take another decade to increase ethanol production to replace up to 50 percent of our current gasoline consumption. We should hope we have that long as a nation before a significant increase in the price of gasoline or a lack of supply causes a serious disruption in our economy and in our lives. If, however, at that point in time we are using 50 percent less gasoline, we will have a real alternative fuel at a lower cost and a more reliable supply based right here in the United States.

If we don't undertake this transition, then we will have nothing—nothing that we can do. That is what the amendment that strips this bill of any fuel alternative will leave this country in the future—nothing, no alternative. That is a very bleak future.

Thank you. I yield the floor.

(The remarks of Mr. MCCONNELL and Mrs. FEINSTEIN pertaining to the introduction of S. 2194 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mrs. FEINSTEIN. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. NELSON of Florida). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. NELSON of Florida. Mr. President, may I be recognized as in morning business?

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Florida.

#### DRILLING IN ANWR

Mr. NELSON of Florida. Mr. President, I congratulate the Senate for the tremendous vote we had today on basically dispensing with the attempt to amend the bill of the Senator from New Mexico to drill in the Arctic National Wildlife Refuge. The vote ended up being a lot stronger than a lot of people expected. For us just to talk about the sensitive environment and the drilling is certainly a very important component of the question. But the question is so much more comprehensive. It is a question of when is America going to be energy reliant, and are we going to wean ourselves from our dependence on foreign oil, and how are we going to produce that energy?

As the chairman of the Energy Committee has reminded us many times, the biggest part of our energy consumption is in the transportation sector. And if we don't ever address the enormous consumption of energy in the cars that we drive, then we will remain dependent on all that foreign oil. There is an easy way to do that, and that is to use this beneficence of American ingenuity called technology and apply it to the problem and increase the miles per gallon in our automobiles and SUVs and light trucks, which we can do so well.

Already we have hybrid vehicles that, because of a computer, go back and forth between an electric generation and gasoline generation, and you cannot tell the difference as the driver and the passenger, with all the creature comforts that we enjoy in our automobiles.

So I congratulate the Senate and I congratulate the chairman of the Energy Committee—who now graciously has offered to take the Chair so that I might make these few remarks—for an extraordinary effort. I hope that now he is able to proceed with the energy bill and finally get it passed out of this body.

I also want to take a moment to state, with a sober and heavy heart, what we are facing in the Middle East. From the standpoint of the United States, it is very clear what is in our interest, and that is peace in the Middle East, a cessation of firing, a creation of an environment where the parties can come together.

A week and a half ago I was in Damascus, Syria, and met with the new young President who took over after his father died, President Assad. We said: President Assad, now is the time for leaders outside of the Palestinians and the Israelis to emerge in the area and to realize that it is in your interest that there be peace in the Middle East.

We thanked him for his help and his intelligence network with regard to