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## Senate

The Senate met at 9 a.m. and was called to order by the Honorable DANIEL K. AKAKA, a Senator from the State of Hawaii.

The PRESIDING OFFICER. Dr. David Russell, national chaplain of the American Legion, will lead the Senate in prayer.

### PRAYER

The guest Chaplain offered the following prayer:

Let us pray.

Dear most gracious Heavenly Father, we humbly come to You today to request that You grant wisdom for all those who gather in this seat of Government, that they might always act in the best interest of this Nation and its people whom they represent.

Help them, Sir, to seek Your guidance and direction in all their deliberations. Reach deep into their innermost hearts and minds to bring them together in unity so that they may act as one. Enable them to set aside personal desires to seek Your divine will and way for this great Nation.

May they, and we, always be mindful that our Nation, our lives, our very being rests in Thy eternal hands.

Bring them together in a spirit of humility and love for Thee and for these United States of America. These petitions we ask in Jesus' name. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable DANIEL K. AKAKA 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, March 13, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DANIEL K. AKAKA, a Senator from the State of Hawaii, to perform the duties of the Chair.

ROBERT C. BYRD,  
President pro tempore.

Mr. AKAKA 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.

### WELCOME TO DR. DAVID RUSSELL

Mr. REID. On behalf of Senator WARNER, I welcome Dr. David Russell, who has been our guest Chaplain, for his very timely prayer and also the representation of the American Legion which has rendered such great service to our country.

Mr. WARNER. Mr. President, we are grateful this morning to have a very distinguished member of the clergy of Virginia participate in the opening of today's session as the Chaplain. It is my honor and privilege to join others this morning. My colleague, Mr. ALLEN, was here, and Senator REID participated in introducing Dr. David Russell.

Dr. Russell hails from Spotsylvania, VA, and is pastor of the Cornerstone Baptist Church in Falmouth, VA, a community of just over 3,600 outside Fredericksburg. He served in the Korean war, as did I, and he served in the U.S. Air Force from 1949 until 1952. It is interesting that our periods overlapped. I served in the Marines in Korea in the fall of 1951 until the spring of 1952.

In short, Dr. Russell has served his Lord, his nation, stretching back over 50 years. He is also privileged to be the national chaplain of the American Legion, an organization of which I am privileged to be a member, as was my father. My father served in World War I as a young doctor in the trenches in France and proudly joined the Legion. I still possess the American Legion pin that my father carried in that period of time.

Dr. Russell's distinguished background, however, includes another profound and noteworthy matter. It has to do with his service as a long-time member of the Chapel of Four Chaplains. In fact, he now serves as the Virginia State Chaplain of the Chapel of Four Chaplains. There may be some who are not familiar with the Chapel of Four Chaplains. I would like this morning to advise the Senate on this historic moment in America's history.

The inspiration for the Chapel of Four Chaplains and its mission of unity without uniformity comes from the courageous acts of four Army chaplains who were serving aboard the USS *Dorchester* when it was hit by an enemy torpedo and sank in the North Atlantic on February 3, 1943. The four chaplains, LT George Fox, LT Alexander Goode, LT John Washington, LT Clark Poling, a Methodist, one of Jewish faith, one of Catholic faith, and one of the Dutch Reform Church, respectively—quickly spread through the ship to tend to the wounded and dying, to comfort those able to attempt survival in the icy arctic water. They died together, going down with the ship, after giving their lifejackets to other members of the crew. Of the 902 service persons aboard that merchant seaman ship and civilian workers on that ship, 672 died, 230 survived.

President Truman was the Commander in Chief under whom the distinguished guest today and I served in the Korean war, and indeed in my brief service at the conclusion of World War

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



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II when I served in the Navy, he was Commander in Chief at that time. In his dedication speech, in 1951, in a memorial to these four brave men, he said:

This interfaith shrine will stand through long generations to teach Americans that as men can die heroically as brothers, so should they live together in mutual faith and good will.

These words are as important today as they were 51 years ago. The Senate is indeed privileged to have this distinguished American before us today.

This has been an unusual week for me in the sense that on Monday I attended the funeral services at Arlington of Corporal Matthew Commons, U.S. Army, Company A, 1st Battalion, 75th Ranger Regiment, who lost his life just a few days ago in Operation Anaconda in Afghanistan. Last night, I delivered a eulogy on behalf of an old friend in Virginia, an African American who served aboard the carrier *Yorktown* and was in 11 major engagements in World War II. His name was Richard Hall. He worked with me down in Virginia for these many years, and was a dearly beloved friend.

In the last 2 weeks, America experienced approximately nine deaths in Operation Anaconda. But I reflected last night, as I do briefly this morning, on the history of two battles which took place 70-some-odd years ago. Let's see, it was 16 December 1944 to 19 January 1945—the Battle of the Bulge. I mention this because we, the United States, suffered about 41,000 casualties in that battle: Killed in action, 4,000; wounded, 20,000; missing, 17,000; all occurring in 35 days of fighting. That was in Europe.

In the Pacific, where Richard Hall served in so many conflicts, the Battle of Iwo Jima was fought over 36 days from 19 February to 26 March 1945. I remind America we had 26,000 casualties: Killed in action, 6,800; wounded, 19,200. I also remind America of the enormous service these men and women have given this Nation. Today we can stand and share in the freedom provided by the members of our Armed Forces. This freedom is predicated on the sacrifices, be it by CPL Matthew Commons 10 days ago, or in those two battles of World War II. We must be ever mindful of the service of men and women in the Armed Forces throughout our history that makes possible our life today.

I thank my colleagues for this opportunity to address the Senate.

#### SCHEDULE

Mr. REID. Mr. President, this morning the Senate will be in a period of morning business until 9:30. The time until 9:30 is under the control of Senator ALLEN of Virginia.

At 9:30, the Senate will resume consideration of the energy reform bill. There will be debate only until 11:30 in relation to ethanol. That time will be under the control of Senator NELSON of Nebraska and Senator BOND of Missouri or their designees.

At 11:30, the Senate will resume consideration of the Levin CAFE amendment, with 20 minutes of closing debate prior to a vote in relation to the amendment.

Following disposition of the Levin amendment, Senator MILLER will offer his amendment regarding pickup trucks, with 10 minutes of debate prior to a vote in relation to that amendment.

Following disposition of the Miller amendment, Senators KERRY or SNOWE or their designees will be recognized to offer an amendment regarding CAFE.

We hope to dispose of all the matters of fuel efficiency regarding motor vehicles today. We hope we can move on to other important matters on this bill.

As was spoken on the floor yesterday, the majority leader intends to finish this bill by next Friday. During that period of time, we also have to dispose of the campaign finance bill. There is a lot to do. We would ask those Senators who have amendments dealing with this important energy legislation to come and offer them because that time may run out quicker than they think.

#### RESERVATION OF LEADER TIME

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

#### MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 9:30 a.m., with the time to be under the control of the Senator from Virginia, Mr. ALLEN.

#### HIGH-TECH TASK FORCE

Mr. ALLEN. Mr. President, I rise this morning to speak about the Senate Republican high-tech task force. Today is an important day for our high-tech task force, as we are unveiling our policy agenda and principles for the upcoming session and the rest of the year.

First, I express my gratitude to Senator REID and Senator DASCHLE for allowing us this half hour of time to address our colleagues on the very important issue of technology and the policy issues that we have faced, are facing, and will face this year.

The purpose of the high-tech task force is to advise Republican leadership and, hopefully, others on the other side of the aisle on issues important to the technology community. We look at ourselves as a portal to the technology innovators and entrepreneurs to get their ideas and messages to the Senate so that we are well informed as to the impact of any potential changes in laws, or there may be laws that are outdated and need to be updated or upgraded.

The advancement of technology in the United States is important. It is

important for our quality of life, for our competitiveness as a nation. It is also very important for providing good-paying jobs for Americans.

Technology improvements benefit our lives and our businesses and our competitiveness in many ways. For example, in manufacturing, it allows manufacturers to manufacture whatever the good or product is, more efficiently, with greater quality, with less waste, and fewer toxins. In a distribution center, if you went to a Dollar Tree or a Family Dollar or Dollar General distribution center, you would see how they use technology to pick different items for their various stores and then loading them on trucks.

Technological improvements help our communications systems within our country. It also helps education opportunities, life sciences, and biological advancements that are allowing people to lead better, healthier, longer lives. It can help in law enforcement and coordination of law enforcement efforts at the State, local, and national level. And it can provide for a better transportation system with smart roads and smart cars, and the concept of telecommunicating, teleworking, allowing people to have a better quality of life while not having to fight traffic every day and have more time with their families.

It improves in so many ways our quality of life, our efficiency, and also our environment. On the high-tech task force, in addition to myself, I am joined on the task force by Senators ALLARD, BENNETT, BROWNBACK, BURNS, COLLINS, KAY BAILEY HUTCHISON, ENSIGN, SESSIONS, and GORDON SMITH, as well as ex officio members who are the ranking members of the various important committees that deal with technology, including the Armed Services Committee with JOHN WARNER, Banking Committee, PHIL GRAMM; Senator MCCAIN of Commerce; Senator GRASSLEY of Finance, and Senator ORRIN HATCH, a great leader of our Judiciary Committee.

We had many accomplishments last year. The education bill was an important one. No child left behind. Education is the key—making sure we have a capable population in our country so youngsters can seize the opportunities not just of the silicon domination of Virginia, but technology jobs all across the country. That was a very important bill. The clean 2-year extension of the Internet access tax moratorium was important. I don't think there should be access taxes on the Internet, but we were able to get a 2-year extension to prevent Internet taxes, which would only exacerbate the digital divide.

We also passed the Export Administration Act in the Senate. We updated those laws so computers can be sold from this country as opposed to other countries getting them from France, Germany, or Japan. We can compete. The House has a different view.

There was a proposed merger of ASML, a Dutch company, with SBG,

which is a Silicon Valley group. The importance of this was helping with the next generation of microchips. ASML has the extreme ultraviolet lithography tools which are important for the smaller geometries on microchips.

We were able to advocate appropriations of additional funds for justice for anti-piracy prosecution. Intellectual property rights is very important, and we need to enforce those. We also turned back efforts to change the current encryption export rules—again, very important.

Now, for the upcoming session, one of the successes was the 3-year, 30-percent bonus depreciation measure, which was finally passed last Friday as part of the economic stimulus bill. That is important for all businesses, but especially the technology community so businesses can upgrade their technology and other equipment. Senator GORDON SMITH was the lead for our high-tech task force in getting that accomplishment, which will help stimulate the economy, save and create more jobs.

Now, the agenda is really one based on principles. The principles we have this year are the same as last. We have added a few issues that have arisen recently. We want a Federal Tax Code that is appropriate for the 21st century. That means several different things. We want to, No. 1, continue working to make the research and development tax credit permanent.

Secondly, we want to accelerate and reform the depreciation schedules for technology equipment. We also want to encourage capital formation for small technology companies. And also of recent importance we are going to work to preserve the current tax treatment for stock options.

Just yesterday, the high-tech task force urged Leaders DASCHLE and LOTT to oppose any effort to consider S. 1940, which is a bill to require above-the-line expensing of stock options. Not to get into all the minutia of tax laws, but the fact is, passage of such legislation would dramatically deter companies from providing rank and file employees with stock options, and they are an important part of compensation. That proposal will certainly be harmful for technology companies.

We also are going to work to enhance free trade, in that it is important for opening up fair and free trade. We will open up new markets for our technology and our services. One must recognize that, while computers are fairly prevalent in this country, they are not all that prevalent in the rest of the world. Nearly half of the people in the world have yet to make their first telephone call. Only about 2 percent of the world's population has a computer. That tells us there are great opportunities for our technologies, as well as construction equipment, and so forth, all over the world; and tearing down barriers will help our jobs in this country and our technological advancements to continue. Also, it would not

only benefit our country, but it would increase the standard of living for those who tear down those barriers so that their citizenry can have the opportunities of advanced technology for their quality of life, a better environment, and more opportunities. So we are going to continue to advocate trade promotion authority. We will also continue working to protect Internet security, and we will continue combating terrorism.

To that end, we are going to seek advancement of the Bennett-Kyl legislation to allow information sharing between private companies and the Government by codifying a limited Freedom of Information Act exemption.

We are going to support the Bush administration's budget, as far as funding for cyber-security issues. We are going to continue working to safeguard copyrights in the digital age. That is very important. The private sector needs to work together with a variety of companies to do it, rather than worry about an inept Federal Government dictating standards in that regard.

We are going to continue promoting education and technology in a variety of ways. There are some good ideas that we are supporting—particularly, the President in his effort on education, proposing that families of students who are in failing schools get a tax credit. A \$2,500 tax credit could go toward purchasing computers, peripherals, books, and also tuition. Personally, I am for a tax credit focusing on computers and peripherals, educational software and tutoring. It should not just be for kids in failing schools, but for all schools, in order to bridge the digital divide.

We are going to work to expand broadband technologies. The Patent and Trademark Office funding is important. Those fees ought to go to the Patent and Trademark Office and should not be diverted to other efforts. We want to keep government out of competition with e-commerce businesses.

Digital decency. We are for it. We want the private sector to look at ways to put in a filter so people can enjoy the Internet as they see fit, as opposed to the government censoring it.

In the area of legal reform, there are several areas—especially class actions. We have these class action lawsuits filed all over the country. The diversity of that jurisdiction, at the option of the defendant, ought to be more easily removed to Federal court to get a better, more expedited and fair judgment.

Also, spectrum reform is very important, particularly in rural areas. I am going to yield in a minute to the Senator from Montana.

Before I do that, I ask unanimous consent that endorsements of these policy principles and ideas by the Information Technology Association of America, Information Technology Industry Council, the Business Software Alliances, the Electronic Industries Al-

liance, TechNet, and ACT be printed in the RECORD.

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

#### ITAA LAUDS HIGH TECH TASK FORCE AGENDA

ARLINGTON, VA.—The information Technology Association of America (ITTA) today praised the Senate Republican High Tech Task Force as the group kicked off its 2002 agenda on Capitol Hill.

"We look forward to working with the Republican High Tech Task Force as well as Democrats in the Senate to achieve sound policy that will allow the high tech industry to once again become the engine of our U.S. economy," said ITTA President Harris N. Miller, adding "Last week's passage of the Economic Stimulus legislation on a bipartisan basis showed that the HTTF, under Senator Allen's leadership, reaching across the aisle can accomplish great objectives for the IT industry."

"In 2001, we worked on a bipartisan basis to support passage of key tech related bills such as the extension of the Internet tax moratorium and education reform," Miller continued. "This year, Trade Promotion Authority and improving information security are some of ITAA's top priorities, so we are gratified to see them also topping the HTTF agenda."

The Information Technology Association of America (ITTA) provides global public policy, business networking, and national leadership to promote the continued rapid growth of the IT industry. ITAA consists of over 500 corporate members throughout the U.S., and a global network of 47 countries' IT associates. The Association plays the leading role in issues of IT industry concern including information security, taxes and finance policy, digital intellectual property protection, telecommunications competition, workforce and education, immigration, online privacy and consumer protection, government IT procurement, human resources and e-commerce policy. ITAA members range from the smallest IT start-ups to industry leaders in the Internet, software, IT services, ASP, digital content, systems integration, telecommunications, and enterprise solution fields.

#### ITI APPLAUDS SENATE REPUBLICAN TASK FORCE AGENDA, RECENT LEGISLATIVE ACCOMPLISHMENTS

WASHINGTON, DC.—The Information Technology Industry Council (ITI) applauds the Senate Republican High-Tech Task Force for its 2002 agenda and its work securing passage of key legislative initiatives during the past year.

"We are pleased to support the Task Force's agenda and would like to thank them for their work last year to secure passage of legislation vital to the IT industry," said Rhett Dawson, President of ITI.

"The 30 percent bonus depreciation provision in the stimulus bill, Senate passage of education reform legislation, and the two-year moratorium on Internet access taxes were key victories for the IT industry. The work of the Task Force was key to achieving these goals. We look forward to a productive 2002 in which the Senate passes Trade Promotion Authority and other important pieces of legislation."

ITI represents the leading U.S. providers of information technology products and services. ITI member companies employ more than 1 million people in the United States and exceeded \$668 billion in worldwide revenues in 2002.

The High-Tech Voting Guide is used to ITI to measure Members of Congress' support for

the information technology industry and policies that ensure the success of the digital economy. At the end of the 107th Congress, key votes will be compiled and analyzed to assign a "score" to every Member of Congress.

ITI member companies include Agilent Technologies, Amazon.com, AOL Time Warner, Apple Computer, Canon U.S.A., Cisco, Compaq, Corning, Dell, Eastman Kodak, EMC, Hewlett-Packard, IBM, Intel, Lexmark, Microsoft, Motorola, National Semiconductor, NCR, Panasonic, Siebel, Siemens, SGI, Sony, StorageTek, Sun Microsystems, Symbol Technologies, Tektronix and Unisys.

#### BUSINESS SOFTWARE ALLIANCE APPLAUDS AGGRESSIVE AGENDA PROPOSED BY SENATE REPUBLICAN HIGH TECH TASK FORCE

WASHINGTON, DC, Mar. 13.—The Business Software Alliance (BSA) today commended the Senate Republican High Tech Task Force following its release of an aggressive agenda for the 108th Congress aimed at benefiting the technology industry.

"The technology industry serves as a primary engine for the U.S. economy, and the Senate Republican High Tech Task Force deserves significant credit in laying out a clear, pro-growth agenda," said Robert Holleyman, BSA's President and CEO. "As the nation moves toward a more positive economic outlook, it is more important than ever to focus Congress' attention on legislative initiatives that will secure sustained growth, create jobs, enforce strong intellectual property protection, promote strong security and spur innovation. The agenda put forth today mirrors many of BSA's own policy objectives and serves as a coherent blueprint to achieve our shared goals."

"The Senate Republican High Tech Task Force has served as a vocal and influential legislative champion on policy issues of critical importance to the high tech industry. We look forward to continuing the partnership we have established with the Task Force and making these goals legislative realities," continued Holleyman.

Last year, BSA joined the Republican High Tech Task Force in promoting number of successful legislative programs. Key legislative achievements included:

- An appropriations increase for anti-piracy prosecutions;

- The three-year, 30-percent accelerated depreciation;

- A two-year extension of the Internet Tax moratorium;

- President Bush's Education Reform Act; and

- Maintaining current encryption export rules.

#### EIA APPLAUDS 2001 ACCOMPLISHMENTS OF SENATE REPUBLICAN HIGH-TECH TASK FORCE; LOOKS FORWARD TO CONTINUED LEGISLATIVE SUCCESSES IN 2002

ARLINGTON, VA.—Dave McCurdy, President of the Electronic Industries Alliance (EIA) today thanked the Senate Republican High-Tech Task Force for their 2001 legislative accomplishments and applauded the rollout of their 2002 agenda.

McCurdy said: "Thank Senate Republican High-Tech Task Force has worked closely with the high-tech industry to outline technology priorities during each legislative session. Their involvement and advocacy of issues critical to our industry resulted in major legislative accomplishments in 2001, including Senate passage of the Export Authorization Administration Act and passage of a 3-year, 30 percent accelerated depreciation provision.

"We look forward to the continued success of the High Tech Task Force. EIA will work

hard to help secure successful completion of their 2002 agenda, which mirrors many of our priority issues, including passage of Trade Promotion Authority.

"Granting Trade Promotion Authority has consistently been a priority for the technology industry. In 2000, more than one-third of what the U.S. electronics industry produced was exported overseas—over \$200 billion in goods. This means more than one-third of the 1.8 million employees who work for U.S. electronics companies depend on exports for their jobs. International trade and access to foreign markets are critical to our continued success. We look forward to working with the High Tech Task Force in ensuring the quick passage of Trade Promotion Authority in 2002."

The Electronic Industries Alliance (EIA) is a national trade organization that includes the full spectrum of U.S. manufacturers, representing more than 80% of the \$550 billion electronics industry. The Alliance is a partnership of electronic and high tech association and companies whose mission is promoting the market development and competitiveness of the U.S. high tech industry through domestic and international policy efforts. EIA, headquartered in Arlington, Virginia, is comprised of more than 2,300 member companies whose products and services range from the smallest electronic components to the most complex systems, used by defense, space and industry, including the full range of consumer electronic products. The industry provides more than two million jobs for American workers.

#### TECHNET APPLAUDS SENATE REPUBLICAN HIGH TECH TASK FORCE'S AGENDA FOR 2002

PALO ALTO, CA.—The Technology Network (TechNet), a national network of high-tech and bio-tech CEOs, today praised the Senate Republican High Tech Task Force for releasing an agenda that is long on innovation and economic growth and short on government regulation.

"The Republican High Tech Task Force is an important portal for our industry, and TechNet in particular," said Rick White, CEO of TechNet. "The agenda they have laid out is consistent with our efforts to spur broadband deployment, expand free trade, and minimize the government's involvement in the technology industry."

"In particular, we appreciate the leadership the Task Force has shown in opposing any effort to require companies to expense stock options," continued White. "This issue is vital to the long term success and stability of our industry."

TechNet represents 235 technology and bio-tech companies nationwide. The group is focused on four key issues: making broadband ubiquitous by the end of the decade; passing bi-partisan trade promotion authority legislation; strengthening our education system; and keeping stock options free from being expensed as cash.

Last week TechNet brought 30 CEOs to Washington, DC for a series of meetings with congressional leaders. The group spent time with Senator George Allen and other members of the Senate Republican High Tech Task Force—discussing issues key to the growth of the technology industry.

#### ACT COMMENDS WORK OF SENATE REPUBLICAN HIGH TECH TASK FORCE ON BEHALF OF ENTREPRENEURIAL TECH COMPANIES

WASHINGTON, DC.—On behalf of its three thousand small- and mid-size high tech member companies, the Association for Competitive Technology (ACT) today commended the work of the Senate Republican High Tech Task Force (HTTF) in the 107th Congress and applauded its commitment to key issues for this session.

With the technology industry teetering on the edge of recession, there were several critical policy decisions for small entrepreneurial technology companies in 2001. Thankfully, the HTTF was hard at work on behalf of the industry. The HTTF was instrumental in securing a two year extension to Internet tax ban, the Export Authorization Administration Act and a new 3 year, 30 percent accelerated depreciation schedule for technology equipment. The HTTF was also an important force in thwarting efforts to restrict export rules for encryption that would have been disastrous to software companies, e-commerce and privacy.

The HTTF technology agenda announced today demonstrates that their continued commitment to providing entrepreneurial technology companies with the ability to succeed. ACT is especially excited by HTTF's goals for issues such as protecting privacy, educating a workforce for the 21st century, expanding free trade and updating our nation's tax code to reflect the realities of the New Economy.

"The Republican Senate High Tech Task Force has been a powerful ally for entrepreneurial technology companies. ACT looks forward to working the issues that will be critical to ensuring the continued success of the American technology industry," said ACT President Jonathan Zuck.

ACT is a national education and advocacy group for the technology industry. Representing mostly small- and mid-size companies, ACT is the industry's strongest voice when it comes to preserving competition and innovation in the high tech sector. ACT's membership includes businesses involved in all aspects of the IT sector including computer software and hardware development, IT consulting and training, dot-coms.

Mr. ALLEN. I now yield to the Senator from Montana, Mr. BURNS, who has been a strong and knowledgeable advocate and leader of improving technology. The Commonwealth of Virginia has rural areas, but not as many as Montana. One of the ways that rural areas, whether out West, or in the South, or in Hawaii, can benefit from technology and communication is with leadership of people such as Senator BURNS.

I yield to Senator BURNS.

The ACTING PRESIDENT pro tempore. The distinguished Senator from Montana is recognized.

Mr. BURNS. I thank my good friend from Virginia. The Senator from Virginia has rural areas; we have frontier areas. That kind of draws a distinction. I think the Senator from Virginia has picked up a big part of the responsibility of furthering the agenda of high technology because our States do have a lot of similarity, such as in distance learning and telemedicine. These areas are isolated by mountains, where communications and the free flow of information have eluded people. Of course, with that in mind, I think he has picked up on what he wants to do with his State of Virginia, so that not only Northern Virginia benefits from research and development but the advancement of the information age, and also that the rest of the State can participate in it as well.

If you look at my State of Montana, you see we have similar challenges ahead of us. I congratulate Senator

ALLEN for his fine work. He has done a marvelous job chairing this high-tech task force. Under his leadership, we were able to aid in some victories last year, including the extension of the Internet tax moratorium for 2 years and the inclusion of an enhanced depreciation provision in the stimulus package that the President just signed.

Senator ALLEN went over the list that pretty well sets our priorities, and not necessarily in that order; they are all very important.

I am a member of the Internet caucus, which is a bipartisan group. This year in our opening reception we had over 40 exhibitors. Senator ALLEN came. Approximately 1,000 people attended that reception. The free flow of information has become very important.

I want to go over a couple of points. I gave a lot of speeches before I ever came to the Senate saying there have been three interventions that have changed our whole way of life. It has really brought the size of our planet down considerably. First is the jet engine, second is the transistor, and third is the silicon chip. In a matter of hours, we can be anywhere in the world. We can in 5 seconds exchange ideas visually and audibly anywhere in the world, whether it be land line or through space. The silicon chip has sped up the way we handle information. It has changed our life forever. This planet is smaller because of those inventions.

Look at what has happened since. As the information age came upon us, we realized as far back as 1989 and 1990, when I first came to the Senate, that the policies that guided the infrastructure for that flow of information were passed in 1934. We soon understood that some policy changes were going to have to take place before we could see gigantic moves or an extension of the way we were to deal with the free flow of information. As a result, it only took 6 years to pass the Telco Act of 1996 because we were trying to set policy for technologies that went way beyond what was thought in 1935.

The free flow of information is democracy. We all base our decisions on the information we get. As long as it is a free flow of information, a free flow of ideas, our democracy and our Republic will remain strong and people will participate in the political arena. Freedom equals opportunity, but it is also held together by an ingredient called responsibility.

We were not finished looking at the policies before we got the Internet, this great infrastructure of information. We have to take a look at the insurance to be sure we have sound organizations as the gatekeepers.

Specifically, before we can look at the complex area of comprehensive spectrum reform, we should keep in mind the vital nature of spectrum to those on the front line of homeland defense, our first responders: The police, fire, medical, public health, and other emergency response agencies.

We passed a bill in the last Congress that is revolutionizing the cell phone industry. For the first time, we made 911 the national emergency number. Now, with new technology, one can dial 911 on a cell phone and reach the nearest first responder. Before, in the cell phone industry, if one dialed 911, they were apt to get anybody anywhere. The calls now go into the nearest communications center that can handle an emergency.

Another topic that will prove of utmost importance to critical infrastructure is the operation of a shadowy organization known as the Internet Corporation for Names and Numbers, commonly known as ICANN. The formation of ICANN originated with the so-called green and white papers of the Clinton administration in 1998 that proposed the delegation of control of the domain name system from the Commerce Department to an entirely new organization which would be a new, not-for-profit corporation formed by private sector Internet stakeholders.

The Clinton administration further proposed that the U.S. Government should end its role in the Internet numbers and names address system. Soon thereafter, ICANN was created and the Commerce Department began to delegate the functions of the Internet domain name system to it.

In the eyes of many critics, this delegation has happened far too swiftly. While ICANN is supposed to function by consensus of the Internet community, its operation has often been controversial and shrouded in mystery. Recently, even the President of ICANN, Stuart Lynn, admitted publicly the organization is not working and needs to undergo comprehensive structural reform because it is losing sight of effectiveness in accomplishing our real mission.

Taking into account that the ICANN mission is ensuring the stable and secure management of the Internet domain system, I am extremely concerned at these developments which are so critical to our national security.

In another area, to make the Internet more responsible and make it respond to the users, to give the users confidence in this system, we have to look at spamming. Spamming is the receiving of unwanted junk mail. I do not know of a time on my address anyway that I have received more spam than I am right now. It is a lot more than when I was in the U.S. Marine Corps, I can tell you that. The irresponsible use of spamming by marketers cannot be tolerated. To ensure the free flow of information and confidence in this system, we have to take a look at privacy.

Those are the areas we should be focusing on now in order to let this great technology be a workhorse for us.

I thank the chairman of the high-tech task force. I applaud him for his leadership in taking on this great responsibility. I yield the floor.

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

Mr. ALLEN. Mr. President, I thank the Senator from Montana for his eloquent remarks, his strong leadership, and his understanding that with freedom come innovation and improvements in our lives.

I now yield to Senator BENNETT of Utah who was chairman of this task force previous to me but is still a leader on our task force and someone who is greatly respected in the area of technology and, as I mentioned earlier, he has provided the key leadership in the Senate on cyber-security.

I yield to the Senator from Utah, Mr. BENNETT.

The ACTING PRESIDENT pro tempore. The Senator from Utah is recognized for 1 minute.

Mr. BENNETT. I thank the Chair.

Mr. President, my plea is very simple and can be stated in 1 minute: We must, in the words of Abraham Lincoln, think anew and act anew, recognizing that in the cyber-age, many of the attitudes we have had about warfare, about vulnerability, about opportunity have to be thought through entirely differently.

If we can understand that and put aside some of our old prejudices and old ideas about technology and about regulation, we will be on the road to the prosperity and security we need. If we cling to the old ideas, the old paradigms with respect to information sharing and antitrust activities, we are in for serious trouble.

So in 1 minute, that is my message. Let us think anew, let us act anew, and let us recognize the technological age has changed everything.

I yield the floor.

Mr. ENSIGN. Mr. President. I rise today to briefly speak about the importance of technology to our economy and our way of life.

Just think about how technology has changed our lives over the past few decades. Not so long ago, documents could only be sent through the mail, computers were enormous metal boxes with limited functionality, and the Internet—although it had been invented—was neither user friendly nor accessible. When I was growing up, watching television meant the handful of network channels we could get from an antenna on the roof; and when our car broke down we'd have to hitch hike to the next gas station or pay phone to call for help. It's hard to believe that for my three young children, those are things of the past. They're used to cell phones and cable TV.

We now live in a world where technology represents one of the largest and fastest growing sectors of our economy. Technology employs millions of Americans and was largely responsible for the tremendous economic expansion from 1994 to 2000. Technology certainly helped fuel the growth of my State's economy. According to the U.S. Department of Commerce, Nevada is second in the Nation for net creation of high-tech businesses. And I strongly encourage that growth because those

businesses paid my constituents over \$1.3 billion in wages.

Advances in technology have made our personal lives easier and our professional lives more productive. Speed bumps in the communication process have been eliminated and replaced with wireless phones and e-mail. Advances in technology and the Internet now allow me to visit regularly with my constituents in Nevada while I am working in Washington through a real-time video teleconferencing network. Constituents of mine back in Nevada are able to listen to my remarks here on the Senate floor by logging on to my website.

Indeed, 10 years ago I would have never imagined technological advances such as these, and I am certain that there will be more unforeseen breakthroughs in the coming years.

Although new technologies greatly benefit American society, new issues have arisen for legislators to address in order for America to remain a world leader in technological innovation. We must grapple with broadband deployment, copyright protection and enhanced wireless services if we want America to have a competitive advantage.

High-speed Internet access, or broadband, will drive the economy of tomorrow and every American household should have access to it at reasonable rates. I believe that broadband Internet will serve as the foundation for technological and communications advances in the future. According to Commerce Secretary Evans, broadband is vital to America's economy and will produce over 1 million new American jobs and an additional \$50 billion a year for our economy. The importance of this technology cannot be underestimated, and surprisingly few Americans have access to this service or subscribe to it due to its high cost and its lack of desirable content. While there are a number of legislative proposals currently before the U.S. Senate which aim to increase broadband availability, this issue is far from resolved.

I am working with my colleagues on the Senate Commerce Committee to address this important issue in a way that will level the regulatory playing field for service providers, create incentives for private investment in the networks, and preserve competition in the marketplace. In short, instead of rolling out the red tape on private industry, we should roll out the red carpet to allow competition in the fairest manner possible.

As more Americans subscribe to broadband, private industry must work cooperatively to ensure that copyrighted material is protected from piracy. While America leads the world in software, entertainment, and other kinds of intellectual property innovation, piracy is on the rise and has taken a serious toll on our economy. In 2000, piracy cost America an estimated 107,000 information technology jobs, \$5.3 billion in wages and \$1.8 billion in

U.S. tax revenue. It is clear that the practice of piracy must be stopped. If not, the American economy will continue to suffer and we will lag behind other nations in technology innovations. We must aggressively protect copyrighted works—both at home and abroad—that will drive the economy of tomorrow. The Commerce Committee recently held a hearing on this important issue, and I am aggressively working with my colleagues to stop piracy and bring a new level of protection to copyrighted works.

Finally, Mr. President, we must encourage further advances in wireless technology. In the last 10 years, wireless phone use has skyrocketed, and over 132 million Americans now have a cell phone. Prices have fallen and service quality has improved. Wireless has expanded beyond voice to include wireless e-mail and text messaging, like by Blackberry, which allows me to send and receive e-mail when I am on the road.

Overseas, next generation wireless technology, such as wireless video and Internet, have been deployed along with many other exciting new services. Unfortunately, the United States has begun to lag behind other nations in offering advanced wireless services. A number of issues—such as spectrum management, spectrum harmonization, and wireless security—demand our immediate attention in order to bring these exciting new services home. As a member of the Senate Commerce Committee and Co-chair of the Internet Caucus Wireless Task Force, I will continue to work with my colleagues in the Senate to reestablish the United States as the global leader in wireless technology.

In conclusion, we have accomplished much over the past year on many technology issues. The Republican High Tech Task Force has been an effective voice for technology on Capitol Hill. Members of the Task Force have helped secure additional funding for the Patent and Trademark Office, encourage greater copyright enforcement within the Department of Justice, and provide tax incentives to stimulate business investment in technology infrastructure. I look forward to another productive year.

Mr. SMITH of Oregon. Mr. President, as a member of the Senate High Tech Task Force, HTTF, I am proud to speak about the importance of the hi-tech sector, a sector of our economy that has in the past been such an effective engine of growth in my State of Oregon.

And it is this engine of growth that needs strengthening in order to help the Oregon economy grow.

I am so pleased that the President signed into law last weekend an economic stimulus package that included both an extension of unemployment benefits and the bonus depreciation changes that I and other members of the Task Force worked so hard to pass in the Senate.

Oregon, as many of you know, had an unemployment rate of 8 percent in January, well above the national average.

The stimulus package included a much-needed unemployment benefit extension, one that Oregon had already qualified for because of its high unemployment rate.

But this stimulus package also included real economic stimulus that I believe will boost the Oregon economy.

Both this year and last I have had the privilege of introducing bonus depreciation amendments to various economic stimulus bills in an attempt to actually stimulate business investment.

I did this because the current Tax Code penalized businesses, especially the hi-tech sector, by forcing them to choose between either retaining outdated equipment to fully recover their costs or foregoing full recovery in order to stay abreast of the latest development in the hi-tech fields.

Businessmen, farmers, the hi-tech industry all benefit from accelerated depreciation, and the impact on this Nation's economy will provide greater opportunities for jobs in my home State of Oregon where the hi-tech sector is so critical to economic recovery.

Now we must take the next step in bolstering the hi-tech community by making permanent the R&D tax credit.

The R&D tax credit encourages investment in basic research that over the long term can lead to the development of new, cheaper, and better technology products and services.

Research and development is essential for long-term economic growth. Innovations in science and technology have fueled the massive economic expansion we witnessed over the course of the 20th century.

These advancement have improved the standard of living for nearly every American.

Simply put, the research tax credit is an investment in economic growth, new jobs, and important new products and processes.

The R&D credit must be made permanent: This credit was originally enacted in 1981, and has been temporarily extended many times. Permanent extension of long overdue.

Because this vital credit isn't permanent, it offers business less value than it should. Business, unlike Congress, must plan and budget in a multiyear process. Scientific enterprise does not fit neatly into calendar or fiscal years.

Research and development projects typically take a number of years, and may even last longer than a decade.

As our business leaders plan these projects, they need to know whether or not they can count on this tax credit.

Current uncertainty surrounding the credit has induced businesses to allocate significantly less to research than they otherwise would if they knew the tax credit would be available in future years.

This uncertainty undermines the entire purpose of the credit.



Investment in R&D is important because it spurs innovation and economic growth: Information technology was responsible for more than one-third of real economic growth in the late 1990s.

Information technology industries account for more than \$500 billion of the annual U.S. economy. R&D is widely seen as a cornerstone of technological innovations, which in turn serves as a primary engine of long-term economic growth.

This tax credit will result in higher wages. Findings from a study conducted by Coopers & Lybrand show that workers in every State will benefit from higher wages if the research credit is made permanent.

Payroll increases as a result of gains in productivity stemming from the credit have been estimated to exceed \$60 billion over the next 12 years.

Furthermore, greater productivity from additional research and development will increase overall economic growth in every State in the Union. Research and development is essential for long-term economic growth.

The tax credit is cost-effective: The R&D tax credit appears to be a cost-effective policy instrument for increasing business R&D investment. Some recent studies suggest that one dollar of the credit's revenue cost leads to a one dollar increase in business R&D spending.

Bonus depreciation and the R&D tax credit are but two of many issues that interest both the hi-tech sector and this Senator.

While I am proud of the achievement with the bonus depreciation I will continue to work with hi-tech companies on the R&D tax credit and many other issues to keep our economy running strong, across this Nation and especially in my State of Oregon.

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. EDWARDS). Morning business is closed.

#### NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 517, which the clerk will report.

The legislative clerk read as follows:

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

Feinstein amendment No. 2989 (to amendment No. 2917), to provide regulatory oversight over energy trading markets.

Levin amendment No. 2997 (to amendment No. 2917), to provide alternative provisions to better encourage increased use of alternative fueled and hybrid vehicles.

The PRESIDING OFFICER. Under the previous order, the time until 11:30 a.m. shall be for debate only relative to ethanol.

Who yields time?

The Senator from Nebraska.

Mr. NELSON of Nebraska. Mr. President, for the next several minutes, I will speak about the renewable fuel standard as part of the energy bill. For more than an hour, perhaps closer to 2 hours, my colleagues and I will be talking about the importance of the renewable fuel standard as a part of the energy bill and as a part of our national defense, as well as our economy, and for the environment.

In the early days of the automobile, Henry Ford believed at first that the best source of power for the automobile was with ethanol made from farm crops and other renewable materials. It is interesting to note, after a century of domination by oil, that we have now come perhaps full circle to recognizing there is a place for ethanol and renewable fuels as part of the fuel standard in order to power the automobiles that we continue to drive some 100 years later.

Ultimately, the power of oil interests led to policies that made oil king, with depletion allowances, foreign tax credits, and naval convoys and armies dispatched to protect oilfields around the world. Of course, the direct or indirect control of oil remains an American economic, diplomatic, political, and military priority.

While we have had, in fact, a petroleum age, it has ushered in many technological advances. The industrialized world's love affair with oil has not been without costs. Dependence on imported oil threatens our national and our energy security, our economy, our jobs, our farmers and ranchers, our industry and our environment. Public policy decisions and discussions have continued that began nearly a century ago, launching upon a path which led us to our current reliance on imported oil.

Today we have a historic opportunity to begin the process of swinging back full circle, at least to some degree, in our national energy policy. The energy policy today embodied in this bill offers us a chance to realize the potential that Henry Ford saw even then, and that his successors managing Ford, GM, and Chrysler are making possible every time they produce an E-85 automobile capable of running on 85-percent ethanol. More than 2 million of these so-called flexible fuel vehicles are on the road at this time.

Additionally, essentially all automakers in the world produce cars that run well on blends of ethanol, up to 10 percent, as well as those that will run up to 85 percent. We have the cars. Now we need the fuel. This bill provides the means in order to get it.

The Energy Policy Act of 2002 will boost biofuels and biorefinery concepts to realistically address oil import levels that have now surpassed the 56-percent mark, with ever higher levels

ahead of us if we do not do something significant now to change the direction in which we have been heading.

From the perspective of a Senator from a farm State, and a former two-time chair of the Governors' Ethanol Coalition, one of the most important aspects of this landmark energy bill is the establishment of a 2-billion-gallon renewable fuel standard in 2004 that gradually grows to 5 billion gallons by 2012. Even if this approximate tripling of the ethanol industry from today's levels represents less than 4 percent of the total projected U.S. motor fuels demand over the next decade, it is a critical beginning of national importance. Enactment of this RFS, along with other provisions in this bill that emphasize new sources of energy production from renewables such as wind power, as well as conservation to further reduce our dependence upon foreign sources of energy, will help us reverse this 100-year-old reliance on fossil fuels. It will not replace them, but it will help us reduce the amount of reliance.

There is now a revolution driving American agriculture as surplus, low-value starch and oils are converted into high-value liquid fuels, with the proteins being fed locally so that American taxpayers save money. Rural communities are reinvigorated. High-value, high-quality finished products enter the export market and the Nation's energy security and environment are dramatically improved.

The Senate energy bill represents a historic step away from business as usual in U.S. energy policy. Just as we cannot export ourselves out of an agricultural crisis, we also cannot drill ourselves out of our energy crisis. With the renewable fuel standards, it will no longer be a matter of whether or not there will be a biofuels industry to augment our oil and auto industries. Rather, it will be how fast can we advance these domestic renewable fuels? How do we enhance their environmental performance, reduce their costs, and advance the technology to include the conversion of all forms of clean biomass into biofuels, biochemicals, and biopower?

I am unabashedly proud of what my home State of Nebraska has accomplished. The formation of the National Governors' Ethanol Coalition was one of the most important steps. Nebraska and several other Midwestern States created this coalition that now represents 26 States and one U.S. territory, as well as Brazil, Canada, Mexico, and Sweden.

Since its formation in 1991, the Governors' Ethanol Coalition has worked to expand national and international markets for biofuels. I might add that this Governors' Ethanol Coalition included the current and the previous Presidents of the United States when they were Governors of the State of Arkansas and the State of Texas. Within the State of Nebraska during the period of 1991 to 2001, seven ethanol

plants were constructed and several of these facilities were expanded more than once during the decade. I do not want to take full credit for that timeframe, but I want the record to reflect it happened during my watch.

Specific benefits of this national ethanol program in Nebraska include more than \$1.2 billion in new capital investment in ethanol processing plants, 1,005 permanent jobs at the ethanol facilities, and over 5,000 induced jobs directly related to plant construction, operation, and maintenance. The permanent jobs alone generate an annual payroll of \$44 million. More than 210 million bushels of corn and grain sorghum are processed at the plants annually. Economists at Purdue University and the USDA estimate that the price of corn increases from 9.9 cents to 10 cents per bushel for every 100 million bushels of new demand. Local price basis increases in Nebraska range from 5 cents to 15 cents, quite a stimulus for agriculture in ethanol-producing areas.

These economic benefits and others have increased each year during the past decade due to plant expansion, employment increases, and additional capital investment.

If each State produces 10 percent of its own domestic renewable fuels, as Nebraska does, America will have turned the corner and that noose of oil import dependency and climate change will begin to fade away. In the world of renewable biomass, there are no wastes, just feed stocks for other production systems, without the fossil-based toxins blocking the next biological step.

I ask my colleagues to take a new look at the opportunities offered by RFS and grasp the full potential of the biorefinery portions of this energy legislation. These provisions are urgently needed to increase our energy and our national security, create new basic industries and quality jobs, reduce the vulnerability of our energy supplies, enhance the environment, contribute to the stabilization of greenhouse gases, while improving America's economic performance. Everyone gains from this effort.

This balanced and comprehensive piece of legislation is the end result of the dedication of so many of my colleagues. It was not always easy to foresee the day when biofuels and other renewable resources would be poised to be a major component of our national energy policy. The farsightedness of a few has directly led to the creation and wide acceptance of the bill before the Senate today.

The oil production versus imports chart shows the domestic oil production peaked in 1970 and again in 1985 and has continued to drop. The oil imports on the graph are shown to have expanded from 1950 to the point where they are more than 10 million barrels per day, and the trend continues. We must, in fact, support the growth of our own industry in the domestic production of fuels to power our energy needs.

Last summer, Senator TIM JOHNSON and my colleague from Nebraska, Senator HAGEL, introduced legislation that dealt with this very issue. Their hand is felt throughout the bill. I congratulate them and thank them for their efforts. Senator Daschle's and Senator LUGAR's tireless efforts created a bill with broad consensus, taking shape in the form we see today, the legislation before the Senate. They have taken an issue that could have been controversial and instead introduced a bill that provides a wide-reaching blueprint for future renewable energy goals. These provisions are a direct result of their leadership. I am honored to be a co-sponsor of this bill.

I personally take a moment to recognize and thank staff who have worked on this issue as well. They worked long hours to put the bill together. Their efforts are much appreciated. Eric Washburn from Senator DASCHLE's staff and the rest of the team are a real asset to Senator DASCHLE and have been a tremendous help to me personally throughout this process.

I ask my colleagues to join me in promoting new opportunities for the technologies that will put our fuels and our world transportation fuels on solid, sustainable, and environmentally enhancing ground. We owe it to our country now and to future generations to pass this legislation.

The PRESIDING OFFICER. Who yields time?

Mr. NELSON of Nebraska. I yield time to the distinguished Senator from Illinois.

Mr. DURBIN. I ask for 10 minutes.

Mr. NELSON of Nebraska. That will be fine.

Mr. DURBIN. Mr. President, I thank the Senator from Nebraska for his leadership on this issue. Where we come from, ethanol is a big deal. It is a big deal because we have a lot of corn growers, farmers who need to have a better price for their corn. They need increased demand for their sales in the United States and overseas, and we know the ethanol industry consumes about 1 out of every 6 acres of corn across America. So as we increase the demand for ethanol in America, we increase the demand for corn, raising the prices and helping our farmers to sustain their farm operations and to have less dependence on the Federal Government from year to year.

This is a major breakthrough. I salute all those responsible for it: Senator TOM DASCHLE, Senator JEFF BINGAMAN, Senator BEN NELSON of Nebraska, as well as all those on the Republican side of the aisle. What has happened for the first time in 20 years since I have been on Capitol Hill is that we finally have reached this moment where we have an agreement, an agreement between the ethanol producers—the corn growers, obviously—and the oil industry. This is a big breakthrough because this has been a pitched battle for two decades, with the oil companies doing everything they can to suppress ethanol production.

In this bill, we have a consensus agreement that has been crafted by the leaders who brought the bill to the floor, and with that agreement we will triple the use of ethanol in the United States over the next 10 years. In tripling it, it will not just help the economics of the farm bill, it will mean we are going to have cleaner air in America, a better environment for America in its cities and its towns, and less dependence on foreign oil. That, to me, is a positive at three different levels.

I salute all those responsible for it: the Renewable Fuels Association, National Corn Growers, American Petroleum Industries, the American Farm Bureau, the Farmers Union, and so many others. This really makes a difference.

As a result of this decision, we are going to see more ethanol blended with gasoline. It is going to mean the exhaust coming out of our tailpipes across America for years to come is going to be less of a threat to the families across America. When we face an epidemic of lung and respiratory disease such as asthma and other problems, it is essential we continue to move forward with the use of this clean-burning fuel.

I have been chairman of the House Alcohol Fuels Caucus and a member of the Senate Alcohol Fuels Caucus. I can tell you this is a great day. I salute all those who crafted this wonderful compromise which is going to really make a commitment.

I think Senator NELSON alluded to what will happen. Now that there is some certainty this bill will be signed into law, you will have more and more ethanol production coming on line. And for my selfish reasons, for downstate Illinois, where our economy is struggling with high unemployment and where we have more ethanol produced than anywhere in America, we want to see plants springing up, not just in Illinois but in Nebraska, Missouri, Iowa, South and North Dakota—wherever we can find the agricultural feed stock to produce ethanol. We have the potential of creating good-paying jobs and then to have the technology from its source near the usage point that can help our economy all across the Midwest.

This is a terrific shot in the arm in terms of the economy of the Midwest, in terms of the environment of the Nation. I salute all those who worked so hard to make this a reality.

The second half of my statement is not as positive or optimistic or hopeful, but I want to add it because I think it is essential that we keep this achievement in perspective with what we are about to do this morning in just 2 hours on the floor of the Senate.

By every vote count that I have seen, we are about to reject any significant increase in fuel efficiency in automobiles and trucks across America as part of this energy bill. The special interests who have come to Capitol Hill



to fight off any improvement in fuel efficiency are about to score a big victory this morning. That is a sad commentary on the Senate and on our efforts to be honest in trying to find a way, at least, to move toward energy independence and energy security for America. It is a triumph for these special interests. It is a defeat for the American people. It is about to happen in just 2 hours on the floor of this Senate.

The opponents of increasing fuel efficiency have no faith in the ability of America's creative genius to come up with better technology and better science so we can have more fuel-efficient vehicles. The opponents of this fuel efficiency standard have no faith in the American people. They stand in the Chamber and say: We wouldn't dare tell people they couldn't buy bigger and fatter SUVs year after year.

I think more of the American people understand we are at war against terrorism; we are a nation at risk; we are dependent on foreign oil. These American families and businesses are ready to participate, roll up their sleeves and help America move toward energy security. To suggest we would not dare ask them to consider buying a different vehicle 5 or 10 years from now is an affront to the unity which America has shown since September 11.

Finally, it is a reflection on this Senate, as well as the House of Representatives, for its failure to show leadership on this critical issue. In 1975, this Congress took a look at the average fuel economy of fleets across America at 14 miles per gallon, brought together the political courage despite the opposition of the Big Three in Detroit, and said in 10 years we are going to double fuel efficiency in vehicles across America from 14 to 27.5 miles a gallon.

We were told by the Big Three: it is impossible; we can't do it. We will be selling vehicles people don't want to buy. They will be kiddy cars and go-carts—that is the only way to achieve it, and you will drive businesses overseas.

They were wrong then, and they are wrong now. In over 10 years we doubled the fuel efficiency of vehicles across America. By 1985, we were at 27.5 miles per gallon. So what happened between 1985 and today? In terms of increasing fuel efficiency, absolutely nothing. Nothing has been done by Congress or by the industry in the United States to produce automobiles and trucks that are more fuel efficient.

So we come today with a proposal that over the next 12 or 13 years we will increase fuel efficiency by 30 percent. It is going to be rejected on the floor of the Senate. That, to me, is shameful. It is shameful that we have reached the point where we have no faith in America's technology, no faith in the people of this country to stand behind energy security, and no faith in the ability of the Senate to show leadership at a time when this country expects us to do so.

I can tell you, quite frankly, that the Senate will bow down to the special interests this morning so that America has to bow down to OPEC for decades to come.

That is a sad commentary on the Senate and this energy bill.

It is naive for the American people to believe we can truly have energy security and independence if we don't address the efficiency of the vehicles we drive. Approximately 40 percent of the oil we are bringing up today from underground is being used to fill our vehicles. By the year 2020, over 50 percent is going to be used for highway travel and for vehicles and trucks. If you do not address fuel efficiency, you are not dealing honestly with the question of America's energy future.

I can't believe we are standing here today to witness this on the floor of the Senate. But by every vote count that I have seen, we are going to lose big. The special interests are going to come in and tell us there is no way they can design an engine for fuel efficiency. I don't believe it. Frankly, I am embarrassed by the fact that most of the good technology that is leading the way in fuel efficiency and emissions has come from overseas automakers. We are better than that. American is better than that.

For the Senate to abandon any hope that we can develop this technology is a sad commentary on this view of what our potential is as a nation. For them to turn their backs on the fact that if we don't have better fuel efficiency we are going to continue to be independent on foreign oil for decades to come is, frankly, a tragic mistake.

I sincerely hope that good numbers about renewable fuel standards will be part of this ultimate legislation. I hope even more that before the end of the morning hour we will see some courage in this Senate to stand up to the special interests, stand up to OPEC, and say we are truly going to move towards energy security in this Nation.

I yield the floor.

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from Nebraska is recognized.

Mr. NELSON of Nebraska. Madam President, it is my pleasure at this point to yield the floor to the distinguished senior Senator from the State of Nebraska, my colleague, Mr. HAGEL. I welcome his support for ethanol. As a colleague, as a Nebraskan, and as Member of this body, I congratulate him and Senator JOHNSON on their support of this very important bill.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Thank you, Madam President.

Madam President, I ask that I be given 10 minutes of time from the Republican side.

The PRESIDING OFFICER. The Senator has that right.

Mr. HAGEL. I thank the Chair.

I first acknowledge the statements of my friend and colleague from Ne-

braska, Senator NELSON. He has been a leader on renewable fuels for many years—long before he came to the Senate, when he served our State of Nebraska ably as its Governor for 8 years, and for his leadership over those years. He brings that leadership and experience to this body in regard to not only this issue but many others.

I rise in support of the renewable fuels standard included in the underlying bill. This legislation is important if we are to increase the market share for renewable fuels, such as biodiesel, ethanol, and biogas from landfills and feedlots.

I, too, wish to recognize and thank other colleagues who have been very important to this debate over many years, especially Senators GRASSLEY, LUGAR, DASCHLE, BOND, and in particular, as Senator NELSON has stated, Senator JOHNSON, who has been a strong leader both during his tenure in the House and here in the Senate, and, of course, again, my colleague from Nebraska, Senator NELSON.

Also, those groups that represent many of the important interests of this country that were very involved in bolting together a compromise for this section of the energy bill, as Senator DURBIN pointed out, should be recognized and thanked for their participation and their support in helping to develop this section of the bill.

During a recent stop to the Midwest, President Bush proclaimed the promise of renewable fuels, saying,

Renewable fuels are gentle on the environment, and they are made in America so they cannot be threatened by any foreign power. Ethanol and biofuels are fuels of the future for this country.

The President is right. Renewable fuels afford us the opportunity to develop energy, environmental and economic policies that work together. A renewable fuel standard would enhance our environment, strengthen national security, reduce our trade deficit, and decrease our dependence on foreign oil.

Today, less than 1 percent of America's transportation fuel comes from renewable sources. Under this energy bill, renewable fuel use would increase to approximately 3 percent of our total transportation fuel supply. This would more than triple the amount of renewable fuel we now use.

Today, America imports nearly 60 percent of the crude oil it consumes—estimated to climb as high as 70 percent by 2020.

Senator NELSON displayed a chart which I think very clearly indicates the danger this presents to our foreign policy, to our interests, and to our geopolitical and strategic trade interests around the world, which now are, as we know, interconnected.

Almost a fourth of these imports come from the Persian Gulf, where Iraq currently sells the United States between 600,000 and 1 million barrels of oil a day.

This renewable fuel standard is a fair and workable compromise based on

months of work with the petroleum industry, the environmental community, DOE, USDA, and EPA. This is flexible legislation—not a gallon-by-gallon mandate. It will not force a specific level of compliance in places where compliance may be difficult.

To guard against possible fuel shortages, it permits the EPA Administrator, in consultation with USDA and the Department of Energy, to adjust the renewable fuel requirement.

To make this legislation even more flexible, refiners, blenders, and importers will have access to a credit trading program—so those who use more renewable fuel can sell credits to other refiners, blenders, and importers who fall short on meeting their requirements. Producers will not be penalized if there are insufficient supplies of renewable fuel. Finally, small refiners will be exempt from their requirements established by this program.

In the wake of September 11, America and the rest of the free world face dramatic new challenges. Energy independence is one of the most serious of these challenges.

Our Nation needs a broader, deeper, and more diverse energy portfolio—one that ensures we have clean, reliable, and affordable domestic sources of energy. Expanding the market for renewable fuels is a modest, but significant part of the solution. To enhance national energy security and improve environmental quality, we need a reasonable renewable fuel standard. As President Bush said, ethanol, biodiesel, and other biofuels are the fuels of the future for this country.

I ask my colleagues to support the renewable fuel standard in this energy bill to make renewable fuels an important component of a new national energy plan which is so vitally important to the future of this country.

I yield the floor.

Mr. NELSON of Nebraska. Madam President, I thank the Senator from Nebraska for his very articulate comments supporting the efforts for the renewable fuels standard and for his support for ethanol. It is a pleasure to work with him on this issue.

Madam President, I thank members of my staff, as a matter of privilege, for their support and their work on this important issue. I have identified Eric Washburn of Senator DASCHLE's staff. It is my pleasure to also thank my staff, Tom Litjen as well as Scott McCullers.

At this time, I yield the floor to the distinguished Senator from North Dakota, to be followed by the distinguished Senator from Missouri.

Mr. DASCHLE. Mr. President, I would like to join my colleagues this morning in congratulating the officials and organizations that came together recently to negotiate a broad compromise agreement on the regulation of clean-burning fuels in the United States. This is truly an historic agreement that reconciles a variety of competing interests in order to meet sev-

eral important national policy objectives.

The fuels provision establishes greater flexibility in the Nation's gasoline regulations, protects air quality and nearly triples the use of domestic, renewable fuels over the next 10 years. And, significantly, it enjoys the support of the ethanol industry, the oil industry and environmental organizations, three segments of society that have not always agreed on transportation fuels issues.

A number of organizations worked diligently to fashion this agreement and deserve a lion's share of the credit for its success. They include the American Coalition for Ethanol, the Renewable Fuels Association, the Governor's Ethanol Coalition, the National Farmers Union, the Farm Bureau, the National Corn Growers Association, the American Corn Growers Association, the American Petroleum Institute, the Northeast States Coordinated Air Use Management Agency, the Clean Fuels Development Coalition and the American Lung Association. It is indeed testament to the spirit of compromise in the U.S. Senate that all these groups representing often divergent constituencies and interests can come together to create a product that benefits all.

While these groups came to the negotiating table with the interests of their members firmly in mind, they also understood that the fuels component of any viable energy strategy must serve a variety of national goals. Without their embrace of this far-sighted approach, this balanced agreement would not have been possible.

Among the Senators that I would like to thank, first and foremost is Senator DICK LUGAR. The seeds of this agreement were planted a few years ago when Senator LUGAR and I first introduced legislation to establish a renewable fuels standard and provide greater flexibility in producing reformulated gasoline. Senator LUGAR's enthusiastic support gave this idea needed momentum and helped lay the groundwork for the agreement that was reached last week.

I would be remiss if I didn't acknowledge the involvement of the White House in crafting this agreement. Andrew Lundquist, who has a unique perspective gained as a former staff director of the Senate Energy Committee and Director of Energy Policy for the President, has been extremely helpful throughout the negotiation process, both in identifying effective policy and working with diverse parties to achieve it.

Among those whose opinions I sought early in this effort and who always provide me with intelligent and helpful advice are Trevor Guthmiller and Bob Scott of the American Coalition for Ethanol, and Dave Hallberg, the first president of the Renewable Fuels Association who currently is developing an innovative ethanol plant and cattle feedlot in Pierre, SD. Their common sense, South Dakota counsel on these

tough national fuels issues has never led me astray.

This agreement could not have been fashioned without the leadership and advocacy of Red Caveney, president of the American Petroleum Institute, Bob Dineen, president of the Renewable Fuels Association, Jason Grumet, former executive director of the Northeast States Coordinated Air Use Management Agency, Bruce Knight, president of the National Corn Growers Association, Tom Buis, executive director of the National Farmers Union, and Doug Durante, chairman of the Clean Fuels Development Corporation. I am deeply grateful for the hard work and focus of these dedicated individuals as well as for the valuable contribution of Todd Sneller, administrator of the Nebraska Ethanol Board, Larry Pearce, director of the Nebraska Energy Office, and Bill Holmberg, an original foot soldier in our 20 year campaign to promote the use of renewable fuels in America.

Senators TIM JOHNSON and CHUCK HAGEL deserve enormous credit for legislation they introduced to establish a very ambitious renewable fuels standard, and for their tireless work in promoting this concept. And there are many others BEN NELSON, TOM HARKIN, CHUCK GRASSLEY, MARK DAYTON, PAUL WELLSTONE, MAX BAUCUS, DICK DURBIN, KIT BOND, and others—who also deserve recognition for the progress we have made on this issue. Senator NELSON, for example, has, at my request, taken on the responsibility of managing this debate on the fuels provision.

Chairman JIM JEFFORDS and Ranking Member BOB SMITH also deserve tremendous credit for moving this legislation through the Environment and Public Works Committee and for bringing their expertise and steady demeanor to the negotiating table. Their involvement was critical to the successful brokering of this agreement.

This agreement makes a number of important changes in Federal law based on the experience we have gained over the last 7 years of implementing the reformulated gasoline program. It eliminates the oxygen requirement from the reformulated gasoline program, a change that is very important to the efforts of States like California and New York, who are planning to eliminate MTBE from their gasoline supplies in the near future. But, in so doing, it also ensures that we preserve the hard-fought air quality gains that have resulted from the implementation of that requirement.

The agreement establishes a renewable fuels program to nearly triple the use of renewable fuels like ethanol and biodiesel over the next 10 years. It also provides special encouragement to biomass-based ethanol, which holds great promise for converting a variety of organic materials into useful fuel, while substantially reducing greenhouse gas emissions. This will have substantial benefits for the environment and for rural economies, while helping to lower

our dangerous dependence on foreign oil.

It bans MTBE in 4 years and authorizes funding to clean up MTBE contamination and to fix leaking underground tanks. This section is particularly important to States like California that are struggling to clean up groundwater contaminated by MTBE.

It allows the most polluted States to opt into the reformulated gasoline program, and provides all States with additional authority under the Clean Air Act to address air quality concerns.

I would like to take a moment to acknowledge concerns about this program that have been expressed by my friends and colleagues from California, who in light of their recent experiences with electricity markets are understandably wary of new energy regulation in the fuels market. In response to their concerns, I and those participating in the development of this compromise have taken a number of steps to ease California's transition from MTBE to ethanol. Under the compromise, California no longer needs to meet the oxygen requirement of the reformulated gasoline program upon enactment; this is one year ahead of other States with reformulated gasoline programs. This modification was possible because of California's progressive State fuels program that ensures protection of air quality in the absence of the oxygen requirement.

To address concerns that have been raised about ethanol supplies, prices and logistics, the compromise requires that during 2003, before the renewable fuels standard takes effect, the Department of Energy study these issues. If that study determines that there will be any problems with the ethanol program in 2004, then the EPA Administrator is directed to reduce the level of the mandate for 2004.

Under the renewable fuels program, California and any other State can apply to EPA under separate provisions of the bill to request that the Administrator reduce the ethanol mandate in any year of the program, based on supply or economic concerns. The Congress will expect the Administrator to enforce this provision diligently.

Moreover, the compromise allows California in 2004 to meet its ethanol requirement by blending ethanol only in the wintertime. This is very significant, because California is expected to use 300 to 400 million gallons of ethanol in 2004 to meet its wintertime carbon monoxide Clean Air Act requirements anyway, while the new renewable fuels program will require the use of less than 250 million gallons that year. In other words, California will use more than 100 million gallons of ethanol in 2004 than the new mandate requires. So the ethanol mandate that is in this bill should have no effect on California in 2004, and will substantially lessen California's ethanol requirements compared to current law unless the State decides not to implement its ban on MTBE.

As with all compromises, this agreement is not ideal for anyone, but measured against maintaining the status quo, this agreement will provide considerable additional flexibility to California and other states in producing and using clean-burning gasoline. For example, if this compromise were not developed, California would need to meet the existing reformulated gasoline oxygen requirement and implement the ban on MTBE that the governor has stated will go into effect either at the end of 2002 or, if extended, at the end of 2003. This scenario would result in the need for California to use over 800 to 900 million gallons of ethanol in 2004, far more than the renewable fuels requirements of this compromise.

Finally, under the bill, refiners in California and throughout the Nation can buy credits from refiners that use ethanol in other States to meet its requirement, rather than use actual gallons of ethanol. This ensures that ethanol will be used where it is most efficient and economical.

In the development of this compromise, I have had numerous conversations with my colleagues, Senators FEINSTEIN and BOXER, and with California Governor Gray Davis and the director of the California Department of Environmental Protection, Winston Hickox, about the effect of a renewable fuels standard on their state. I respect their knowledge of their State's energy situation and their passion and tenacity in defense of their State's interests. No one wants to see price volatility in any regional market. The renewable fuels provision has been modified in response to California's concern about possible future energy scenarios, and, I believe, effectively protects the state against unintended consequences.

In the finest tradition of the U.S. Senate, this agreement represents a careful balance of often disparate and competing interests. No member or organization got everything they wanted. But in the end, each participant won important victories that made this agreement stronger.

I look forward to working with my colleagues in the Senate, the House and the White House to enact this important compromise this year.

Finally, I ask unanimous consent to place a letter into the RECORD that I received yesterday from the Governor's Ethanol Coalition. The coalition has been a strong supporter of my efforts to enact a renewable fuels standard from the very beginning, and it gives me great pleasure to have worked closely with that organization for the last few years in this regard.

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

GOVERNORS' ETHANOL COALITION,  
Lincoln, NE, March 12, 2002.

Hon. TOM DASCHLE,  
Majority Leader, U.S. Senate,  
Washington, DC.

Hon. TRENT LOTT,  
Minority Leader, U.S. Senate,  
Washington, DC.

DEAR SENATOR DASCHLE AND SENATOR LOTT: On behalf of the 27 members of the Governors' Ethanol Coalition, we are writing to express our strong support for the provisions including in the Energy Policy Act of 2002 (S. 517), which will establish a national renewable fuels standard.

The provisions set forth in the Manager's Amendment to S. 517 reflect an agreement negotiated over the last two years by the states, agricultural interests, refiners, and the environmental community that will address such important issues as MTBE water contamination and the oxygenate requirements in reformulated gasoline while providing a significant market for renewable fuels such as ethanol and biodiesel. Specifically, we support those provisions in S. 517 that: Create a national renewable fuels standard, ensuring a growing part of our nation's fuel supply, up to 5 billion gallons by 2012, is provided by domestic, renewable fuels; eliminate the use of MTBE in the United States within four years; eliminate the oxygenate requirements in the reformulated gasoline program; and maintain the air quality gains of the reformulated gasoline program.

By enacting these provisions, we will strengthen our national security, displace imported oil from politically unstable regions, stimulate ethanol and biodiesel production, expand domestic energy, supplies, and continue to reduce air pollution.

We encourage you to support these provisions and to resist any amendments that would alter this landmark agreement.

Sincerely,

BOB HOLDEN,  
Governor of Missouri,  
Chair.

JOHN HOEVEN,  
Governor of North Dakota,  
Vice Chair.

MIKE JOHANNES,  
Governor of Nebraska,  
Past Chair.

Mr. VOINOVICH. Mr. President, I rise today to express my support for the ethanol provision that has been included in the Energy Policy Act. I was pleased to join my colleagues, Senators GRASSLEY, DASCHLE, BOB SMITH, HAGEL, BOND, BROWNBACK, and BEN NELSON, in developing a policy on ethanol that addresses the concerns of a variety of stakeholders in the energy debate while providing a tangible benefit for the American people. I believe the inclusion of this provision is a key element in our effort to construct a viable energy policy.

As I have often stated, we face an incredible challenge in putting together an energy policy for our Nation. In my view, the Senate's final product has to be a policy that harmonizes energy and environmental policies, acknowledging that the economy and the environment are vitally intertwined. It has to be a policy that broadens our base of energy resources to create stability, guarantee reasonable prices, and protect America's security. It has to be a policy that won't cause energy prices to skyrocket, which would unfairly affect the

elderly, the disabled, and low-income families. Finally, it has to be a policy that won't cripple the engines of commerce that fund the research that will yield future environmental protection technologies.

The Senate is currently working to address these challenges, and I believe the inclusion of an ethanol provision in this bill will help the environment, protect public health, promote fuel efficiency, reduce our dependence on foreign oil, boost the economy, and create and retain jobs for Americans, all at the same time. As the ranking member of the Senate Clean Air Subcommittee, I am especially pleased that expanding the use of ethanol will help reduce auto emissions, which will clean the air and improve public health.

Because of the events of September 11, perhaps our greatest energy challenge is to lessen our reliance on foreign sources to meet our energy needs. As my colleagues know, the United States currently imports about 58 percent of our crude oil. For both national security reasons, particularly now, and as part of a comprehensive energy policy, it is crucial that we become less dependent on foreign sources of oil and look more to domestic sources to meet our energy needs, and ethanol is an excellent domestic source. Ethanol is a clean burning, home-grown renewable fuel upon which we can rely for generations to come.

Creating a greater market for ethanol is good for our Nation's economy and, in particular, good for Ohio's economy. Ohio is one of the Nation's leading consumers of ethanol, with 40 percent of the gasoline consumed in the State having an ethanol content. Ohio has placed a tremendous importance on expanding the use of ethanol, so much so, we are actively pursuing an opportunity to get ethanol production plants built in Ohio.

In addition to consumption of ethanol, Ohio is also a major producer of the main component of ethanol, corn. In fact, Ohio is 6th in the Nation in terms of corn production, and an increase in the use of ethanol across the Nation means an economic boost to thousands of farm families across my State.

Finally, I am also pleased that the tax package reported out of the Finance Committee to accompany the energy bill includes a provision that would transfer the 2.5 percent per gallon of the federal tax on ethanol-blended fuels from the General Fund to the Highway Trust Fund. This provision is similar to the Highway Trust Fund Recovery Act, a bill that Finance Committee Chairman MAX BAUCUS and I introduced last summer.

As my colleagues may know, 2.5 cents of 13.1 cents-per-gallon ethanol tax presently goes straight to the Treasury. That is more than \$400 million for transportation improvements lost per year, including \$50 million to Ohio. The Finance Committee provision ensures that the money is used for

our roads, the purpose for which it was collected in the first place, and keeps ethanol viable by restoring people's faith that the taxes they pay on this clean fuel are used properly.

I am delighted that the Senate was able to come together and craft a bipartisan agreement on the treatment of ethanol. It is my hope that the spirit of bipartisanship will continue throughout the energy debate so we can finally put in place a comprehensive national energy policy.

Mr. LUGAR. Mr. President, our dependence on oil from the Middle East represents a grave national security threat. The events of September 11 have underscored the urgency of moving forward on multiple fronts to improve our energy situation in the short term and achieve energy independence in the long term.

I have long believed that renewable energy is a vital part of the solution. Renewables are essential to freeing ourselves and developing countries from growing dependence on oil imports from volatile regions of the world. They also help address climate change. This is why I have long supported increased funding for biomass, solar, and other renewable energy programs.

Today I am proud to introduce with my colleagues a bipartisan agreement on provisions in the energy bill that would go far toward diminishing our Nation's dependence on oil imports. The proposal incorporates into the energy bill the Daschle-Lugar national renewable fuels standard legislation that Senator DASCHLE and I introduced in May of 2000.

This proposal, like the legislation I introduced with Senator DASCHLE, would phase-out the use of MTBE, Methyl Tertiary Butyl Ether, and increase the use of ethanol and biomass ethanol as the clean fuel additive to gasoline. Use of biofuels would nearly triple over the next decade.

Fuel derived from biomass offers the most promising long-term approach to the problems of oil dependence. Previously, ethanol could only be produced efficiently from a tiny portion of plant life including corn and other feedgrains. High production costs made a broad transition to ethanol fuel impractical. But recent breakthroughs in genetic engineering of biocatalysts, enzymes, bacteria and yeasts, make it possible to break down a wide range of plants. Like the Daschle-Lugar legislation, the proposal that we are introducing today includes a special credit for ethanol used under the renewable fuels standard program that is produced from non-grain cellulosic materials like rice straw, municipal waste, and fast-growing poplars. Such fuel is environmentally friendly and would not require significant changes to America's automobile-based infrastructure.

There is a virtual consensus among scientists that when considered as part of a complete cycle of growth, fer-

mentation, and combustion, ethanol contributes no net carbon dioxide to the atmosphere. The transition to cellulosic ethanol would have a positive effect on air quality in American cities.

Cellulosic ethanol could be introduced directly into our current auto infrastructure with only modest changes. In fact, Henry Ford originally thought ethanol would be the fuel of choice to power cars. Studies indicate that the United States has more than enough idle land to supply a significant portion of its transportation fuel needs with cellulosic ethanol. Cellulosic ethanol compares favorably to gasoline in its performance as an internal combustion engine fuel with considerably higher octane levels. Reductions in processing costs of ethanol are already occurring, and further reductions are imminent. We must remember that ethanol processing remains a relatively young industry. Oil processing is cheaper now because it has had the benefit of a century of intensive research and development.

Further market penetration of cellulosic ethanol as a fuel provides a cash crop to any region that grows grass, trees or other vegetation. This offers enormous potential for rural development both in the United States and abroad. Such a democratization of world energy supplies could reduce armed conflict, lower the risk of global recession, and aid in the development of emerging markets. National security complications and costs stemming from the need to safeguard Middle Eastern oil resources will be diminished.

The agreement my colleagues and I reached on the renewable fuels standard provision of the energy bill will form an important and essential component of our national energy policy, but it is only the beginning. I encourage my colleagues to support this agreement and to work with President Bush to achieve national energy security.

Mr. CRAIG. Mr. President, I rise today to discuss the renewable fuels provision in the energy bill that we are debating. Renewable energy sources are an increasingly important part of our energy generation, and it is clear that they will only continue to increase in importance. Thus, the debate is not over whether or not we will develop renewable energy resources, but how we will do so.

Throughout my career in Congress, I have supported and led efforts to explore the development and promotion of renewable fuels. I have done this for several reasons including their value in offsetting our nation's dependence on foreign sources of energy, their environmental benefits, and the potential economic opportunities for agricultural producers and rural communities. Clearly, hydropower is our greatest renewable supply. About ten percent of our nation's electricity is from hydropower. However, another very promising renewable energy source with

great potential is ethanol, and this is the area where I want to concentrate my discussion of renewables.

Ethanol has already proven its importance to the nation. Its use as part of the clean fuel program has dramatically reduced air pollution in many cities across the nation. In fact, cities around the nation have found that using fuels with an ethanol blend help them to meet federal clean air targets. Ethanol also helps us to take a step closer to energy independence. By increasing our use of ethanol, we will rely less on imported foreign oil and more on America's farmers.

Another benefit of ethanol is that, at the same time it helps the environment and makes our nation more energy independent, it also helps our rural communities. As a rancher in Midvale, Idaho, I believed—and still do—that energy can be a value-added opportunity for agriculture and I have worked to advance technological opportunities for ethanol and other bio-fuels. Currently, ethanol uses around seven percent of our nation's corn crop, and ethanol production facilities are an important economic resource in many states, including my own. Without this economic stimulus, many rural communities, which are already poorer and have higher unemployment than the rest of the Nation, would be hurting even more.

For these reasons, I have always been a supporter of ethanol. As part of my efforts to promote it, there have been numerous times in the past when I supported legislation to help our nation develop its ethanol industry. For example, I was proud to join a majority of Senators in voting to support the 5.4 cent per gallon tax credit for ethanol, which ensures the ethanol tax credit will be in place until at least 2007—something crucial to existing ethanol plants and to those considering new production facilities. I also led an effort, in cooperation with the American Soybean Association, in the 105th Congress to ensure that biodiesel was considered an "alternative fuel" under the Energy Policy Act of 1992 (EPACT). My legislation, which was passed by Congress and signed into law by the President, now allows fleet operators to purchase vehicles powered by biodiesel under the requirements of EPACT.

However, more needs to be done. Ethanol and other renewable energy resources must be encouraged in order to protect our environment and help our quest for energy independence. This bill has many important provisions relating to ethanol, and I want to encourage my colleagues to support these provisions. The increased use of ethanol that would occur if this bill passes will be good for the environment, good for our energy independence, and good for our farmers. It is much better to rely on the farmers of Idaho or Iowa or Kansas for our energy needs instead of Saddam Hussein.

I look forward to working with the Bush administration, my colleagues in

the Senate, and my constituents to develop a comprehensive energy policy that includes a new and strengthened resolve to develop domestically grown renewable sources of energy. The ethanol language in this bill is an important step in that direction. Bio-fuels, including ethanol, can and should be an important part of our path to energy independence, and I urge my colleagues to support the renewable fuels provisions in this bill.

Mr. HARKIN. Mr. President, America needs a new energy policy that will increase America's energy independence and reduce the dramatic energy price spikes that hit Iowans right in the pocketbook. We need a forward looking, sustainable and environmentally friendly policy that will provide for America's national security and economic security.

One of the keys to our energy future is a sustainable, environmentally friendly energy policy that includes the adoption of a nationwide renewable fuels standard. By requiring that a percentage of all the gasoline marketed in America contain renewable fuels we can greatly improve our energy security, protect the environment, and create jobs through the farm-based products used in energy production.

I've worked for years in the Senate to build bipartisan consensus for the creation of a national renewable fuel standard, introducing my own legislation and cosponsored similar legislation by Senators TIM JOHNSON, and CHUCK HAGEL. This bipartisan effort paid off when we included a renewable fuels provision in the Senate energy bill recognizing the benefits of the oxygen content requirement in the reformulated gasoline program.

The bipartisan renewable fuels provision will greatly increase the production of the fuels of the future, such as ethanol and biodiesel. By directing refiners and importers to increase the use of renewable fuels to 2.3 billion gallons in 2004 and 5 billion gallons in 2012 we can significantly increase the nationwide demand for ethanol, which was approximately 1.8 billion gallons in 2001.

This bipartisan proposal also says that the government should lead by example and use alternative fuels in 50 percent of all Federal Government vehicles by 2003 and 75 percent by 2005. This is a common sense approach which has been proven to work in Midwestern States, like Iowa, where 100 percent of all gasoline used in State vehicles contain clean-burning, renewable ethanol.

Renewable fuels already help improve our environment, provide energy security, and increase farm incomes and create jobs in rural America. Authoritative estimates indicate that a renewable fuels standard would increase demand for corn for ethanol from 650 million bushels to 2.5 billion bushels in 2016 which would increase the price of corn by an average of 28 cents per bushel and create 300,000 jobs nationwide.

America's energy past has been one of fossil fuels, air pollution, and dependence on foreign oil. Our new energy policy should not repeat the mistakes of the past. It must be forward looking, it must invest in a sustainable and independent energy future and not subsidize the failed policies of the past. America's energy future can start today with a greater investment in renewable energy.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, first of all, I thank the Senator from Nebraska for his leadership on this issue. We are talking about the energy bill today in the Senate Chamber. We have been on this bill for some while, and we hope very much we will conclude it soon. But one piece of the energy bill deals with what is called the renewable fuel standards. For those who are not accustomed to what the titles mean, it simply means alternative fuels, such as ethanol.

Ethanol is an awfully good example—there are others—of what would help us reduce our reliance on foreign sources of energy.

I have been to ethanol plants around the country, and a couple of them in North Dakota. It makes good sense, from a kernel of corn or a kernel of barley, to be able to take the drop of alcohol from that kernel of corn to extend America's energy supply, and, at the same time, have the protein feed stock left to feed the cattle. So you have a circumstance where you grow your fuel.

Frankly, I did not know much about this a couple of decades ago. I saw an ad in one of the big daily newspapers, and it was by one of the largest oil companies in the country. It said: We oppose ethanol production because it really isn't very viable and doesn't contribute much.

I thought: Well, if the biggest oil companies are opposing this, I ought to take a look at it. And I did. I discovered, sure enough, using the approach to take alcohol from grain, for example, to extend America's energy supply, holds great promise for our country.

Since that time we have, of course, seen additional plants be developed in this country as well as more production of renewable fuels. But, it seems to me, everyone here understands that we have an enormous amount of our energy coming from a part of the world that is inherently unstable: Saudi Arabia, Kuwait, part of the Middle East, and Central Asia. We have all of this oil and natural gas coming from parts of the world that are unstable. And our economy depends on that constant source of supply.

That is an enormous risk to our economy in this country. What do we do about that? We do a lot of things, one of which is to create a renewable fuel standard by which we aspire, as a country, to get more of our energy supply in renewable fuels. We can do that. We can have that kind of future if we set goals and reach those goals.

Today, ethanol reduces the demand for gasoline and for MTBE imports by 98,000 barrels a day. That makes great sense, as I said, to take the alcohol from a kernel of corn and extend America's energy supply.

The American Petroleum Institute now supports this. The National Corn Growers, the Renewable Fuels Association, the National Farmers Union, and the Farm Bureau all have sent letters to Senator DASCHLE and Senator LOTT expressing their support for this version.

Madam President, 1.8 billion gallons of pure ethanol are currently produced in our country. This provision that we are debating would add 3.2 billion new gallons of ethanol, for a total of 5 billion gallons by the year 2012. That translates, for example, into a new market for American corn of 1.19 billion bushels of corn.

That helps family farmers, obviously, to be able to produce a crop, and use that crop, on a renewable basis, to extend America's energy supply. It means new opportunities for farmers to invest in value-added processing of a product they are already growing.

I might, while I am here, also say there are some other interesting and exciting things happening in my home State of North Dakota.

The Aerospace Program and the Environment and Energy Research Center, both at the University of North Dakota located in Grand Forks, are researching potential uses of ethanol as aviation fuel.

Aviation fuel is the last fuel in the United States that still contains lead. Ethanol, in our judgment, could be used for aviation fuel, and so the University of North Dakota is teaming with South Dakota State University and the FAA on a program to get ethanol approved and certified to help replace lead-based aviation fuel. The University of North Dakota, in fact, is hosting a conference on this subject in the month of May. And they are going to bring together aviation fuel distributors, pilots, plane manufacturers, and others, to determine the future role that ethanol can play in the aviation industry as an aviation fuel.

We are talking, in this energy bill, about a lot of things. As I have indicated before, we are talking about electricity. We are talking about a renewable portfolio standard in that area. We are talking about limitless and renewable fuels in this area, the renewable fuels standard.

There are a lot of people who deserve credit for bringing us to this position, because it has been a lot of hard work. We have had a lot of opposition over the years for ethanol production. But I think, finally, we have broken through, and this represents a kind of a new beachhead for opportunities in our country to understand what ethanol and what renewable fuels can do to extend America's energy supply.

I indicated yesterday the I have been recently, in the last couple of months,

to Central Asia. Those of us who have traveled in the Middle East and Central Asia understand that we cannot continue to hook America's economy to a constant fuel supply that comes from parts of the world that are so inherently unstable.

We need to do better than that. We need to produce more of our own energy. Part of that is, yes, digging and drilling for natural gas, oil, coal, and doing that in an environmentally sensitive way, and the underlying bill does that. But a significant part of it is also in the area of limitless and renewable sources of energy. That is exactly what we are talking about today. That is what the Senator from Nebraska began talking about this morning.

I am really pleased to be in this Chamber to support this. I want to see a series of ethanol plants dotting the prairies in the Northern Great Plains in this country which can take kernels of corn, barley, and other grains, put them in an ethanol plant, extract the drop of alcohol, extend America's energy supply and still have protein feed stock left for animals. That makes good sense for family farmers and good sense for America. It is not just national security; it is also energy security, which translates into national security. And that has its roots in this renewable fuels standard.

So I thank my colleague from Nebraska. I am pleased to be with him and so many others in this Senate Chamber who have worked hard on this for a long period of time.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Madam President, I yield myself 15 minutes from this side's time.

The PRESIDING OFFICER. The Senator has that right.

AMENDMENT NO. 2997

Mr. DEWINE. Madam President, I want to talk today about one aspect of this debate about CAFE standards. To me, this aspect is the most important consideration.

I know we have talked about many different things. We have argued this issue, and we have talked about many statistics which have been given.

I believe it would be a mistake to approve the underlying bill without the Bond-Levin amendment. I support the Bond-Levin amendment because I believe the underlying bill, quite bluntly, will cost thousands and thousands of lives. So for this Senator, while the other issues are important, the most important is this: Are we going to say, as a Congress, as a Senate, as the Government, that we are going to force people into smaller cars, when we know, by every piece of evidence that we can find, that smaller cars lead to higher fatalities? To me, that is the question. I think it would be a tragic mistake for us to do this.

I know people have come to this Chamber—and I have listened to a lot of the debate—and have said that is

just not true, it is not going to cost lives. They have argued about how many lives it will be. They have argued about whether the statistics that have been cited are accurate. But every scientific study that I have seen that really has much validity shows that some lives will be lost. In addition to that, I think good common sense tells us that as well.

In 1989, a study by Robert Crandall of the Brookings Institution and John Graham of the Harvard Center for Risk Analysis provided the first evidence suggesting a negative relationship between weight and vehicle occupant fatality risk.

Another study from Dr. Leonard Evans, president of the International Traffic Medicine Association, found that large, heavy cars lower the risk to drivers. His study suggested that more passengers, i.e., more weight within the vehicle, reduced fatalities by 7.5 percent.

The National Highway Transportation Safety Administration, NHTSA, and the Insurance Institute for Highway Safety found that since 1975, 46,000 people have died because of the 1970s-era push for greater fuel efficiency that has led to smaller cars.

For every mile per gallon gained by the standards increased, 7,000 people have died according to the USA Today. According to the National Academy of Sciences and supported by the National Safety Council and the American Trauma Society, CAFE standards have led to 1,300 to 2,600 additional crash fatalities and 97,000 to 195,000 total injuries. The NAS report says:

[I]t is clear that there were more injuries and fatalities than otherwise would have occurred had the fleet in recent years been as large and heavy as the fleet of the mid-1970s.

According to the July 2001 issue of the American Journal of Public Health, the rates at which drivers crash are strongly influenced, of course, by drunk driver behavior. But the relative risk to each driver when a crash does occur is not affected in any obvious way by driving behavior. The relative risk is enormously influenced by relative masses of the involved cars. That is pretty simple. In other words, if two cars crash into each other, and one of them is twice as heavy as the other, then the driver of the lighter car is about 12 times as likely to be killed.

Again, according to the Insurance Institute for Highway Safety, between 1991 and 1997, 41 percent of all car deaths occurred in single-vehicle accidents. So we need to ask ourselves this: If you or a member of your family are going to be in one of these single-vehicle accidents, in what kind of a car should you be sitting? Obviously, the heavier the car, the safer you are.

In the year 2000, the motor vehicle death rate per 100,000 people was especially high among 16 to 24-year-olds—that is what we continue to see—and people 80 years and older. These are the portions of the population most likely, candidly, to buy a car based on financial situations since lighter cars are



cheaper to purchase and fuel. Now, in all fairness, there are other reasons why 16 to 24-year-olds are involved in more fatal accidents, but this is certainly one of them.

Finally, according to the Competitive Enterprise Institute, based on J. DeFalco's findings in the "Deadly Effects of Fuel Economy Standards, CAFE's Lethal Impact on Auto Safety," in my own State of Ohio, it is estimated, based on the data, that in the year 2000, 768 passenger car occupants died because of these CAFE standards.

I believe the statistics are clear. Simply put, we cannot increase CAFE standards without increasing fatalities. Yes, there are actions you can take to improve safety, such as airbags and other safety devices, and we are certainly moving in that direction, albeit more slowly than this Member would like. Yes, you can argue that the safety effect of downsizing and downweighting as a result of CAFE standards has been negligible because the injury and fatality experience per vehicle mile of travel has, in fact, steadily declined during the changes in the fleet. That is true.

However, a 1992 National Research Council report suggested that reduced risk of motor vehicle travel is part of a long-term historical trend tracing way back to 1930, and the improving safety picture is the result of various interacting and sometimes conflicting trends.

So while things such as enhanced vehicle designs, increased rates of safety belt use, better roads, and decreased drunk driving are, in fact, reducing crash injury risk, there are other variables, such as higher speed limits or no speed limits on some roads, increased horsepower, and an increased number of teenagers and other risky drivers on the road that are increasing crash injury risk. In short, technological innovations don't get you out of a CAFE safety bind.

In the words of Dr. Leonard Evans, to argue this is

[L]ike a tobacco industry executive saying that smoking doesn't endanger your health because with everything we know about diets and exercise, you can smoke and still be as healthy as a non-smoker. It is true that with current knowledge about keeping fit, smokers can be healthier. But, this knowledge can make a non-smoker even healthier yet. If you smoke, you're going to be taking a risk no matter what.

Similarly, if you get in a car, you are taking a risk no matter what. That is just reality. We accept that there will be a certain number of accidents and injuries and deaths. We know that. We may not accept it, but we understand it. But the question really is about the weight and size of cars. You can argue about how many lives are lost or saved, what the exact figure is, what the exact number is. You can argue about how many variables impact safety and which variables have the most impact.

You can argue about how much the environment will be affected by this bill. You can argue about oil dependency. But in the end, one of the main

variables that we know will make a difference in determining how many Americans die next year driving automobiles or as passengers in automobiles is the weight of the car. That is a variable we know will make a difference.

For me, that is what it comes down to. As millions of Americans, I do read Consumer Reports. Year after year, I take a look at the annual report that lists the cars and rates them for many reasons. It rates them for safety. One of the special reports every year is a safety report. You can look down and see how they rate each size car. They always break them down into the larger cars, the heavier cars, all the way down to the light cars.

What you will see is that, yes, some of the midsize cars do very well. Some of the smaller cars do better than you might expect. But what you clearly can see is that by and large, if you are interested in safety, you buy a bigger, heavier car.

I am not suggesting that every American should do that or can afford to do that. I am suggesting that is something that every American should have the option to do. Every American should have the option within their means to as best they can protect their family from highway fatalities. They should be able to intelligently choose their car. They should make the choice of the car, what safety features the cars have, and they should be able to make the choice in regard to the weight of that car.

I believe the underlying bill strikes at that freedom, at that liberty, and at the ability of parents to protect their children in the car, the ability of someone buying a car to protect themselves or their loved ones. It is a tragic mistake.

I will be supporting the Levin-Bond amendment. It is a rational compromise. It is an approach that makes sense. It is not micromanagement from the Congress but is allowing the science and technology to take place and to be utilized. I hope if that amendment does pass, when the decisions are made in regard to setting of the standards, highway safety will not just be one of the items considered, that highway safety will be at the top of the list.

Madam President, I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. NELSON of Nebraska. Madam President, we yield time to the distinguished Senator from the State of Missouri, who will speak. We are alternating, but if there is no one on the other side to speak, then Senator JOHNSON will be next.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mrs. CARNAHAN. Madam President, the Senate is engaged in an important debate on our Nation's energy policy. America needs an energy policy that reduces our dependency on imported

oil, one that increases our energy efficiency, promotes the use of renewable fuels, and encourages additional domestic production of fossil fuels.

We need an energy policy for the 21st century—not a pipeline to the past. The bill the Senate is now considering is a good foundation for this debate.

This legislation promises to increase our domestic natural gas supply dramatically. It improves energy efficiency standards. It requires that the Federal Government lead in using our natural resources more efficiently. To me, the most exciting aspect of this bill is that it encourages production and use of renewable fuels. One of the most promising of these is ethanol. By blending ethanol with gasoline, we can reduce our oil imports and we can reduce the environmental damage of vehicle emissions.

This legislation lays out a plan for increasing the amount of ethanol Americans use, and I strongly support these provisions. As America struggles to meet its growing energy needs, ethanol provides extraordinary opportunities. This product is made from corn and, unlike fossil fuels, can be produced in abundance. The more ethanol we use to fuel our cars and trucks, the less oil we will need to import from hostile countries such as Iraq. Rather than looking to the Mideast for energy, we would be far better off to look to the Midwest. With the use of a corn-based product such as ethanol, we can create an enormous market for homegrown agricultural products. At the same time, we can reduce the emission of harmful greenhouse gases. In short, ethanol use is good for the economy, good for the environment, and good for our national security interests.

Ethanol is a relatively new fuel, and we are still building the infrastructure and capacity for wider use of this product. Last year, I introduced legislation to promote the production and the use of ethanol-blended fuels and other value-added agricultural products.

My legislation proposed to expand eligibility for the tax credit available for small producers of ethanol. I am very pleased that these aspects of my bill have been included in the amendment crafted by the Senate Finance Committee. These changes will ensure that farmer-owned cooperatives are eligible to receive the tax credit. They will also encourage small producers to expand the size of their operations to meet increased demands.

Under this legislation, facilities that produce as much as 60 million gallons a year could still qualify as small producers. These changes are necessary if America is to meet the demand for ethanol envisioned by this bill.

Last year, America produced less than 2 billion gallons of ethanol. Under this legislation, annual ethanol use would increase to 5 billion gallons over the next 10 years.

Ethanol is truly a win-win solution to our energy needs. The increased use required by this legislation represents

a positive step for our farmers, for our environment, and for energy independence.

I support the compromise of this bill that will lead to the increased use of ethanol, and I urge my colleagues to support it as well.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. JOHNSON. Madam President, I am pleased to rise today to speak about the inclusion of a renewable fuels standard in the pending energy bill. In the midst of the ongoing debate about this legislation, it is heartening to see us come together on an issue that has the potential to enormously improve our Nation's transportation fuel supply.

This is a landmark provision that will improve our energy security and provide a direct benefit for the agricultural economy in my State and in other rural States across our country. Senator DASCHLE should be commended for his hard work in bringing the parties and the industries together to reach a bipartisan consensus that will help our Nation in the next decade and in the decades to come. Senator JEFF BINGAMAN, chairman of the Energy Committee, also deserves commendation for working with us to include this package in a comprehensive energy bill.

As we all know, there has been a great deal of discussion this past year about our Nation's energy. The increasing volatility in gasoline and diesel prices and the growing tension in the world from terrorist attacks have affected all of us. There is a clear need for energy policies that will address issues of the environment, issues of improving our trade balance, clean air, energy security, our farm economy, and more jobs in America. This provision addresses all of those issues.

Earlier this year, I introduced legislation with my friend and colleague from Nebraska, Senator CHUCK HAGEL. Our legislation, the Renewable Fuels for Energy Security Act of 2001, S. 1006, was designed to ensure future growth for ethanol and soybean-based biodiesel fuels through the creation of a new renewable fuels content standard in all motor fuel produced and used in the United States. I am also a cosponsor of another renewable fuels bill that was introduced by Senator DASCHLE and Senator LUGAR. I am pleased that an effort has been made here to incorporate these bills in a comprehensive energy legislation bill and that we have the package we are considering today.

Meanwhile, the House of Representatives passed an energy bill that contains no renewable fuels standard of any kind. It is the Senate legislation that is the groundbreaking bill which will determine whether our Nation will, in fact, go forward with a thoughtful renewable fuels standard for our Nation. So it is with some pride and satisfaction that, in a bipartisan

fashion, the Senate has come together on this issue. It is clear that Senators—particularly from rural States but others as well—understand the importance of including a new standard in our energy legislation.

Today, ethanol and biodiesel comprise less than 1 percent of all transportation fuel in the United States, and 1.8 billion gallons is currently produced in our country. The consensus package we have today would require that 5 billion gallons of transportation fuel be comprised of renewable fuel by the year 2012. Ambitious but doable. That is nearly a tripling of the current ethanol production for the coming decade as we incorporate this new standard.

I don't need to convince anybody in my State of South Dakota or other rural areas of the benefits of ethanol to the environment and the economies of rural communities. We have several plants in South Dakota and more are being planned. These farmer-owned ethanol plants in South Dakota, and in neighbor States, demonstrate the hard work, commitment, and vision we see in rural areas and the commitment to a growing market for clean domestic fuels.

Based on current projections, construction of any new plants will generate roughly \$900 million in capital investment and tens of thousands of construction jobs in rural communities. For corn farmers, the price of corn is expected to rise as much as 20 to 30 cents a bushel. Farmers will have the opportunity to invest in these ethanol plants to capture a greater piece of the "value chain." Combining this with the provisions in this bill and the potential economic impact for South Dakota is tremendous.

An important but underemphasized fuel is biodiesel, which is chiefly produced from excess soybean oil. We all know soybean prices are hovering near historic lows. Biodiesel production is small but has been growing steadily. The renewable fuels standard would greatly increase the prospects for biodiesel production and greatly benefit soybean producers all across our land.

It is important that Congress take a serious look at these issues beyond just the economic impact to our region. Bio-based fuels offer multiple benefits—from addressing climate change to improving our trade balance.

By increasing fuels production in rural areas of our Nation, we can also reduce the need for new refineries and new pipelines.

The renewable fuel standard over the next decade will displace roughly 1.6 billion barrels of oil without any additional drilling and could increase ethanol renewable fuels being more widely used. In addition, it takes 1 gallon of ethanol to the same amount of fuel that produces 2 gallons of oil.

A substantive bill that improves the Nation's energy security can only be enacted if we work in a bipartisan manner. Problems and difficulties our

Nation faces are simply too important to be bogged down in partisan rhetoric. The consensus emerging on this issue demonstrates the benefits of working together to find real solutions for our Nation and should serve as a model for the consideration of the rest of the legislation we take up this year.

Again, I thank Senator HAGEL, Senator DASCHLE, and Senator BINGAMAN for their extraordinary efforts and for working with me as we have developed this amendment and included it in this important legislation.

We know we are not to the goal line yet relative to the renewable fuel standard. This energy legislation remains controversial as a whole, with issues ranging from drilling in ANWR to CAFE standards, all creating hurdles to its final passage. But I am pleased to see the kind of bipartisan consensus that reaches across industries on the renewable fuel standard.

It is my hope when the dust settles at the conclusion of this debate that we will have a comprehensive energy bill that will include this provision. Whatever else happens, this Congress cannot adjourn at the end of the year without having addressed the need for a renewable fuel standard in this or some other comprehensive legislation.

I thank the Chair. I urge my colleagues to be supportive of the renewable fuel standard, and I look forward to final passage of this legislation. I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. NELSON of Nebraska. Madam President, I thank my colleague from South Dakota, who has worked so long and hard on this issue and has cosponsored the Hagel-Johnson/Johnson-Hagel legislation that helped lead the way to this particular part of the energy bill. I thank him for his constant support and vigilance on the issue.

It is clear that this issue has achieved a wide bipartisan result with strong support from both sides of the aisle. It is also very apparent that some of the challenges the ethanol or biofuels industry faced in the past have lessened as a result of the hard work of so many.

There was a time when there was an absolute conflict between oil and ethanol producers and between the interests that supported each of those industries. This past week, an agreement was announced that brought together the environmental industry as well as the petroleum industry. I thank the API for their support. It is a clear recognition that this is a way to work together to support an energy policy that will benefit all Americans and benefit our world as well.

It is important to point out that while we continue to stress the importance of more domestic production and reduce the reliance on foreign sources of oil, there is a role that the industry domestically and the renewable fuels industry today can play together, a role that finds room for both domestically produced oil as well as foreign-

produced oil and domestically produced energy in the area of renewable fuels.

It is pleasant to recognize we have crossed that line and have been able to bring together parties from different industries to recognize the common goal of the ability to rely on our own needs to the extent we can with our own production. That is clear in moving from 1 percent of the oil and fuel needs of our country and the supply to up to 4 percent in just 10 years. That is not only a move in the right direction, it is a move away from some of the reliance we have had in other areas of the world where stability is not strong for our future but certainly puts us in peril for the future needs of our energy.

It is also very important to point out that this industry, with the renewable fuel standard that will be created and with the ethanol and other biofuels processing plants that will be springing up all over America, can extend to the rural areas.

I know the distinguished Presiding Officer is concerned about, in her own State, the erosion of the rural areas in population and the decreasing opportunities that exist in some of the rural areas. This industry can extend across America because of the reliance on biomass—and it is not simply limited to the corn-producing States or other States more closely associated with farm products—and not only be a strong industry far beyond a cottage industry, but it can certainly extend to many of the other States that are not always considered part of the agricultural producing industry in America today, but we know they are. Therefore, this is, as the distinguished Senator from Missouri said, a win-win situation for all of us.

I am also pleased there is a cutting-edge technology that continues to be a part of this biofuels effort. Many States are today advancing the new technology, which the distinguished Senator from North Dakota mentioned, of aviation fuel that can be extended to biorefinery products.

The High Plains facility in my State of Nebraska at York is processing the plant's waste stream in an anaerobic digester for the production of biogas that can be used to dry the distiller's grains and operate the plant, so that the plant has the opportunity ultimately to be self-sustaining in terms of its own energy needs as it produces energy for the rest of the country.

The Dow-Cargill facility in Blair, NE, is currently producing ethanol but in short order will be producing biodegradable plastics for use in the food industry in that same facility. They produce energy, but they will be producing an environmentally friendly plastic that will be biodegradable rather than what we are currently using.

Later in this session, I hope to offer an amendment calling for a Manhattan-type project to aggressively advance the biorefinery concept—the production of biofuels, bioenergy, and biochemicals in integrated facilities. A

major resource commitment, utilizing the unique capabilities of the Department of Defense to take a concept from inception to fruition, is needed in this country to ensure that 10 years from now we have established the commercial technology base to produce many billions of gallons of renewable fuels in dispersed and decentralized installations around our country.

There is the opportunity for increased technology, for increased production of biofuels that will assist us in the growth that is being sponsored by this legislation with the expectation that perhaps it is only the beginning—that, in fact, we can exceed the requirements that will be provided in this bill in years to come.

I am proud the production and the testing of these products is underway today and will expand into the future and be a nationwide emphasis, whereas today clearly the emphasis has been more limited and more discussed in terms of the rural areas of the Midwest. This is about more than the Midwest. It is about, in fact, a national energy policy that will end up with national energy needs, in meeting those needs from so many different parts of our world and our Nation.

The energy needs are clear, and that is why this energy bill is important. But not only are the needs important, but the sources of production to fill those needs likewise are important. That is why this particular provision is extremely important to deal not only with the energy needs, but to deal with a cleaner environment, for economic development, and obviously for national security by relying on our own sources for more of our own energy production.

Shortly, Senator LINCOLN from Arkansas will be joining us. I might mention, as I did before, as part of the Governors' Ethanol Coalition that was established in 1991, we had a distinguished Governor from the State of Arkansas in that initial group who kept his commitment to supporting ethanol not only in his role as Governor but as the President of the United States. It is also important to point out that as we have continued to expand the role of the current President, while the Governor of Texas he participated in that Governors' Ethanol Coalition, making it a broad-based group of 26 States and several countries working together to continue to support ethanol and the development of biofuels to deal with our energy needs.

Until the distinguished Senator from Arkansas arrives, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NELSON of Nebraska. 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. NELSON of Nebraska. Madam President, as we are waiting for Senator LINCOLN, perhaps it is important to point out some of the truths about the renewable fuel standard and debunk some of the myths that sometimes have continued for a period of time as a method of trying to avoid dealing with the need for more domestic production and as a means of deterring our efforts for this renewable fuel standard.

There is a myth that somehow there are inadequate supplies of ethanol to meet the demand that will be created by this renewable fuel standard. The fact is, the ethanol industry has been growing substantially in recent years. If I could get the chart that shows the growth within the industry, it has been growing in recent years in anticipation of the phaseout of MTBE, particularly in the State of California. We can see the historic fuel ethanol production over the course of the last 20 years. It continues to increase.

According to the Renewable Fuels Association, 15 new plants have opened and several expansions have been completed, increasing U.S. ethanol production capacity to 2.3 billion gallons. Thirteen plants are currently under construction and will bring the total capacity to 2.7 billion gallons by the end of 2002. A survey conducted by the California Energy Commission concludes that the ethanol industry will have the capacity to produce 3.5 billion gallons a year by the end of 2004. So achieving the 5 billion gallon requirement over a 10-year period is clearly within reach, and we are clearly on our way to achieving that.

There is also a myth that MTBE will result in a shortage of gasoline-blending components; that if we remove MTBE it will result in a shortage of gasoline-blending components that will therefore reduce U.S. fuel supplies. The fact is, while acknowledging there will be enough ethanol, some have suggested there will be a shortage of gasoline-blending components needed to replace MTBE.

MTBE is currently blended at 11-percent volume, largely in Federal reformulated gasoline in the Nation's nine severe ozone nonattainment areas so we can satisfy the oxygenate requirements.

Ethanol is used exclusively today in RFG in Chicago and Milwaukee, where it is blended at 10-percent volume. Ethanol used in RFG to replace MTBE will similarly be blended at the 10-percent level, mitigating any loss in supply from MTBE's removal. A large share of the ethanol-blended formula will satisfy the renewable fuel standard. It will be blended in conventional gasoline where it simply is blended with finished gasoline, adding an additional 10-percent volume to the U.S. fuel market. In other words, it will, in fact, expand the availability of fuel rather than reduce it.

There is another myth: that the RFS will result in significant price increases for consumers at the pump. The

fact is, S. 517 does not require a single gallon of renewable fuels be used in any particular State or region. The additional flexibility provided by the RFS credit-trading provisions of S. 517 will result in much lower costs to refiners and therefore to consumers. The credit-trading system will ensure that ethanol is used where it is most cost effective.

According to ChevronTexaco, the free market will not allow a California price differential of 20 to 30 cents per gallon to be sustained. The market will always find ways to take advantage of a much smaller differential. Furthermore, a nationwide Federal MTBE ban provides certainty for investments and eliminates the greater use of boutique fuels, thereby lowering gasoline prices.

One of the constant challenges we have today is the use of boutique fuels, the blending of certain grades and certain kinds of fuels, which actually has the impact that while reducing efficiency it raises the cost of gasoline prices. This will have the effect of moderating that, and it will, in fact, reduce the number of boutique-blended fuels and therefore reduce the cost of production of these fuels.

Increasing the use of renewable fuels such as ethanol and biodiesel will diversify our energy infrastructure, making it less vulnerable to acts of terrorism and increases the number of available fuel options, increasing competition, and reducing consumer costs of gasoline.

There is a myth that more time is needed for the MTBE phaseout to ensure adequate fuel supplies. The fact is, the negotiated agreement set forth in S. 517 announced last week provides for a 4-year phaseout of MTBE, giving the petroleum and the transportation industries adequate lead time to make necessary changes to accommodate the increased use of renewable fuels. In fact, the American Petroleum Institute, the lead trade association for the refining industry, agrees that 4 years is an adequate phaseout period, and cost estimates for removing MTBE must also consider the cost incurred in additional MTBE water contamination if MTBE is not removed from the fuel supply.

A recent poll conducted by the California Renewable Fuels Partnership concluded that 76 percent of likely voters supported banning MTBE because we cannot afford the pollution caused by MTBE, while only 13 percent think it is a bad idea because of potential higher gasoline prices.

The myth is it will raise gasoline prices when it is not expected to raise those prices. But 13 percent is a bad idea because of potential higher gasoline prices. If they are aware of the fact that it will not raise gasoline prices, perhaps the 76 percent favoring the phaseout, banning it, will increase substantially.

There is another myth important to debunk; that is, ethanol cannot be transported from production centers in

the Midwest, where it is currently produced, to coastal markets without incurring substantial investments and therefore large costs to the consumer. Furthermore, ethanol must be blended at the terminal and cannot be shipped by pipeline, constraining the distribution network. The fact is, today ethanol is transported cost effectively from coast to coast by barge, railcar, and oceangoing vessel.

An analysis completed in January for the U.S. Department of Energy assessed the infrastructure requirements including transportation, distribution, and marketing issues for an expanding ethanol industry. The report concludes that no major infrastructure barriers exist to expanding the U.S. ethanol industry to 5.1 billion gallons per year, comparable to the renewable fuel standard established in S. 517. Therefore, the study concludes the logistics modification necessary under the scenario can be achieved cost effectively.

Myths are important to debunk because they will, if not countered, very often stand in the way of the progress of this important part of our energy efforts.

One final myth: Air quality will actually suffer as ethanol use increases nationwide. The fact is, the use of ethanol significantly reduces tailpipe emissions of carbon monoxide, an ozone precursor, VOCs and fine particulates that pose a health threat to children, seniors, and those with respiratory ailments. Importantly, renewable fuels help to reduce greenhouse gases emitted from vehicles, including carbon dioxide, methane, and other gases that contribute to global warming.

S. 517 protects against any backsliding on air quality. First, the agreement tightens the toxic requirements of reformulated gasoline by moving the baseline refiners must meet by 1999 to 2000.

The Northeast States for Coordinated Air Use Management concluded that they are satisfied to have reached an agreement that substantially broadens the ability of the U.S. EPA and our Nation's Governors to protect, and in some cases actually improve to a greater extent, air quality and public health as we undertake major changes in the Nation's fuel supplies.

Those who typically have proposed the myths and have supported those myths and made them a part of current mythology relating to biofuels and ethanol in particular have very often done so out of a lack of information but very often as a result of trying to derail the effort toward expanding this important part of our energy source. That is why it is important we take the opportunity to point out the truthfulness of the facts underlying ethanol and point out the falsehoods in the myths being used to deter our actions toward this amendment.

I note my colleague from the other side. I yield the floor.

The PRESIDING OFFICER (Mr. CARPER). The Senator from Montana.

Mr. BURNS. I thank both of my friends from Nebraska. Both have been champions for renewable fuels, especially in the area of ethanol development.

We all know we have not put forth our best effort toward research and development for the best use of this fuel. I was raised in the Midwest. When people think of ethanol, they think of corn. But corn is not the only grain that can be used. I lend my support to what the Senator from Nebraska is saying, and also to all our work in research and development for making this fuel more viable, making it work, and making it cost effective. It must be one of our big challenges.

I have heard my good friend from Nebraska, the former Governor of Nebraska, make a couple of speeches on ethanol; both his enthusiasm for the product and the benefits it provides. It is not only good for our country, but good for our air and for the agricultural community that sorely needs help.

Increasing the use of ethanol to 5 billion gallons is a step in the right direction. Some say it is possible to increase that figure. It is a number we finally settled on that was acceptable to folks who want to participate in this industry in my State of Montana.

As I have stated, early this morning we spoke of the high-tech task force that we put together on this side of the aisle. We talk of all the research and development for the free flow of information. Here is another area we should zero in on. It will be new structures that will allow us to take advantage of this fuel and make it as efficient as using total gasoline or oxygenated gasolines.

I talk to refiners in the private sector. Nobody wants to make a cleaner fuel than the refiners. The increase in production of ethanol is a good step. However, we should look at what we can do with our land grant universities who have the wherewithal to do some real research and development on this fuel, making it more viable than it is today. We have shortchanged making it better and more cost effective. We can let this work for us.

I support my good friends from Nebraska. I thank them for their leadership on this issue. It is important. I would like to be part of trying to round up a little more money in a government-private sector partnership and allow the research to go forward on this matter.

I thank my good friend from Nebraska. I yield the floor.

Mr. NELSON of Nebraska. I thank my colleague from the great State of Montana for his support. He does have Midwest connections. He had the good fortune to marry a woman from the State of Nebraska. We appreciate his connection with the Midwest and his support.

I yield the floor to the Senator from Arkansas, who will speak on the renewable fuel standard.

Mrs. LINCOLN. Mr. President, I thank my colleague from Nebraska, who has done critical work on this issue. I am delighted to be joining many of my colleagues in discussing the critical role that renewable fuels will play in our national energy policy.

The energy bill we have been considering contains an important provision for renewable motor fuel standards. This provision establishes a national program for renewable fuels to be phased in beginning in 2004.

This program would be flexible, so as not to adversely affect small producers and refineries, and it would provide incentives to encourage the development and use of renewable fuel.

What would be the end result of this program? It would require 5 billion gallons of renewable fuels by the year 2012, significantly reducing our dependence upon foreign energy sources.

What does this mean? This is incredible. I think this is so important for us to stop and take a moment and realize what we are actually doing—5 billion gallons of renewable fuels by 2012. What a dramatic move we are making in the right direction.

I should also mention that this provision includes measures to protect consumers. It would require a Department of Energy study next year, before the program begins, to assess the possible consumer impacts of a renewable fuels program. If the program would have a negative effect on consumers, the Environmental Protection Agency would be authorized to adjust the requirements to prevent these negative effects. By delivering the United States from the whims of groups like OPEC, who manipulate the production and price of oil, we will also reduce our trade deficit by an estimated \$34 billion. That will be good for both American economic security and national security.

Furthermore, a renewable fuel standard would create new economic opportunities in rural America. As many as 214,000 new American jobs could be created in response to the renewable fuel standard. It would increase the demand for grain by an average of 1.4 million bushels per year. It would create nearly \$5.3 billion in new investment, much of that in rural areas.

Importantly, a renewable fuel standard has attracted broad support—and not only from the agricultural and fuel industries. The American Lung Association, for example, has also offered strong support for this provision, since renewable fuels would provide an effective strategy to reduce toxic air emissions and protect our air quality.

It is an exaggeration to say that a renewable fuel standard could protect the health and well-being of future generations of Americans. Those of us from rural states appreciate the remarkable potential of renewable fuels. That is one reason why the farm bill that recently passed in the Senate also included a renewable motor fuels standard.

In Arkansas, we recognize the importance of renewable fuels in helping the

United States to become more energy-independent. That is why we are continuing to move forward with the development of a valuable new alternative fuel: Biodiesel. Biodiesel is a clean-burning fuel that can be produced from domestic renewable sources, such as agricultural oils, animal fats, or even recycled cooking oils. It contains no petroleum, but it can be easily blended with petroleum diesel at any stage of the process—during production at the refinery, in the pipeline, or even from the gas pump into a diesel tank.

Biodiesel can be used in compression-ignition diesel engines with no major modifications. We are there. We are there with a product that is environmentally safe, that is good for our economy, and good for our environment.

In road tests, biodiesel blends have demonstrated performance, fuel mileage, and drivability comparable to petroleum diesel. Biodiesel is simple to use, biodegradable, non-toxic, and essentially free of sulfur and aromatics.

Although new to our country, its use is well-established in Europe with over 250 million gallons consumed annually. Farmers in Arkansas and other rural States have embraced the development of biodiesel because it makes good economic sense for the farm industry. Biodiesel would allow us to develop new markets and to expand existing markets for soybean oil, cottonseed oils, and other types of agricultural oils.

I have fought to include biodiesel as an alternative fuel, most recently by inserting a biodiesel tax credit in the Finance Committee's energy tax incentives package. This provision was overwhelmingly approved by the committee in a vote last month.

Biodiesel is not yet cost-competitive with petroleum diesel. In order to create favorable market conditions for biodiesel, we need market support and tax incentives to foster these conditions. With today's depressed market for farm commodities, biodiesel would serve as a ready new market for surplus farm products.

Investment now in the biodiesel industry will level the playing field and create new opportunities in rural America.

I believe that biodiesel could be made more available by allowing its use under the Energy Policy Act which Congress passed in 1992. If we expand the alternative fuels options to include biodiesel, we can make even more progress on bringing renewables to a wider market and making them more cost-effective.

Reduced dependency on foreign oil, greater protection of our air and water against pollution and contamination, a strengthened rural economy with new jobs and productive uses for surplus farm commodities, energy sources that are natural, sustainable, and renewable—and all of this now. We do not have to wait. We do not have to retrofit our automobiles. All we have to

do is move forward in making this product comparable in the sense that it can be competitive in the marketplace. We can do it now.

These are only a few of the major benefits we will see from increasing our investment in renewable fuels. Now is the time to lay the groundwork to move our Nation in the direction of energy independence. How excited we should be that we have come this far, that we can move quickly now in energy policy to lessen our dependence on foreign oil, to use our own economy, our own production, and our agricultural and rural States to create a better environment and less dependence on foreign oil.

I am very pleased to join Senator NELSON and the rest of my colleagues today in making sure that efficient, renewable fuels will play a key role in our Nation's future energy plan. Now is the time to act.

We have been void of energy policy in our Nation for far too long—one that is progressive, meets our needs, lessens our dependence on foreign oil, as well as putting our people to work—all the while protecting our environment.

I thank my colleagues for bringing up such a critical issue, and I look forward to moving forward on this one quickly.

Mr. President, I ask unanimous consent that several letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

RED RIVER VALLEY  
SUGARBEET GROWERS ASSOCIATION,  
*Fargo, ND, January 18, 2002.*

Hon. BEN NELSON,  
*U.S. Senate, Hart Office Building,  
Washington, DC.*

DEAR SENATOR NELSON: As the Senate prepares to work on an energy bill, you will have a voice on some important decisions that will affect our country in many ways and for many years to come. One of the most important things you can do to make a difference is to support including a renewable fuels standard in the energy bill. Such a measure would require the oil industry to use an increasing amount of ethanol and biodiesel every year, while giving the oil industry the flexibility to determine when and where it is best to use it.

More importantly, a renewable fuels standard that would require the use of at least five (5) billion gallons of ethanol by 2012 is good energy policy. We hear a lot of talk about reducing our dependence on foreign oil, and this would be the best measurable and tangible step we could take to actually accomplish that goal.

A renewable fuels requirement would increase jobs, something our country desperately needs, create markets for farm products, and help us reduce our reliance on oil from the Middle East—over 66% of the world's oil reserves lie in the politically unstable Persian Gulf. Ethanol and biodiesel can help our country, but we need your support in order to help make that happen. The time is right, and we need your support for this effort. I urge you to contact me if for any reason you cannot support such a provision. Thank you for your help on this issue.

A renewable fuels standard has been incorporated in S. 1766, and we strongly support

that provision. No matter what form the final bill takes, we want to see a renewable fuels requirement in the final version of the Senate's energy bill.

Sincerely,

MARK F. WEBER,  
*Executive Director.*

— ACE,  
*Sioux Falls, SD, March 5, 2002.*

Hon. BEN NELSON,  
*U.S. Senate, Washington, DC.*

DEAR SENATOR NELSON: I am writing to thank you for your support for including a renewable fuels standard in the Senate energy bill. The American Coalition for Ethanol (ACE) was one of the first organizations to advocate the creation of a renewable fuels standard (RFS). In fact, I testified on behalf of ACE in support of an RFS in front of the Senate Agriculture Committee all the way back on April 11, 2000. As an organization that represents a broad, grassroots base, including many farmer-owned ethanol plants, rural electric cooperatives and public power districts, ACE feels that a renewable fuels standard that phases in ethanol demand over 10 years will allow more farmer-led ethanol projects to be developed.

A renewable fuels standard will give the ethanol industry the certainty that it needs in order to continue to grow. It will give farmers and bankers the assurance they need in order to keep investing in new ethanol production. At the same time, a renewable fuels standard will also: create badly needed jobs and economic development in rural areas; create opportunities for farmers to invest in the processing of the products they are producing; and significantly reduce our country's dependence on foreign oil, much of which we are importing from Iraq and other countries in the Middle East.

Various studies have shown that there are no barriers to the implantation of a 5 billion gallon renewable fuels requirement. Now, as the Senate begins work on its version of the energy bill, it is time that ethanol and biodiesel be recognized for their ability to help provide for a secure energy future for the United States. We thank you for your support for a renewable fuels standard and will look forward to working with you to further expand opportunities for farmers and rural America.

Sincerely,

TREVOR GUTHMILLER,  
*Executive Director.*

— NEBRASKA FARMERS UNION,  
*Lincoln, NE, March 6, 2002.*

Hon. BEN NELSON,  
*Hart Building,  
Washington, DC.*

DEAR SENATOR NELSON: As you prepare for the debate on a national energy policy, I want to re-state the importance of the proposed renewable fuel standard to the Nebraska Farmers Union. I know you have been a long-time supporter of this concept but it is important that others understand the impact this proposal can have on the agricultural economy, the environment, and on our country. One example of the potential impact generated by the proposed national standard is clearly illustrated by the ethanol plants in Nebraska. The Clean Air Act Amendments of 1990 and the ethanol program adopted in Nebraska encouraged investment in ethanol plants. The investment in Nebraska ethanol plants yielded a host of economic and environmental benefits. These include the expansion of grain markets in the state, quality jobs in rural areas, displacement of imported gasoline, diversified local tax bases, and the reduction of carcinogenic gasoline components with clean burning ethanol. Enactment of a renewable en-

ergy standard would provide a strong impetus for additional investment in new plants throughout the country. New investment will yield additional jobs, additional grain consumption, increased output of clean burning ethanol and additional tax contributions to state and local tax coffers. All these benefits are crucial to the economy of Nebraska and other states.

Higher prices offered by ethanol plants for cash grain helps support our farmers and reduces transportation of crops grown in the state. Local access to expanded grain markets reduces the use of imported fuels and lowers the transportation costs associated with grain marketing. These reduced costs are especially important during times of economic hardship in the agricultural sector.

These are many reasons why a national renewable fuel standard is of importance to the national economy. I urge you to continue your strong support for the proposed national renewable fuel standard and to convey the importance of this standard to your colleagues in the Senate.

Sincerely,

JOHN K. HANSEN,  
*President.*

— NEBRASKA CORN GROWERS ASSOCIATION,  
*Lincoln, NE, March 6, 2002.*

Hon. BEN NELSON,  
*Hart Building,  
Washington, DC.*

DEAR SENATOR NELSON: As you prepare for the debate on a national energy policy, I want to re-state the importance of the proposed renewable fuel standard to Nebraska corn producers. I know you have been a long-time supporter of this concept but it is important that others understand the impact this proposal can have on the agricultural economy, the environment, and on our country. The ethanol plants in Nebraska perhaps best illustrate one example of the potential benefits that can be generated by the proposed national standard. The ethanol development program adopted in Nebraska encouraged investment in new ethanol plants. The investment in Nebraska ethanol plants yielded a host of economic and environmental benefits. These include the expansion of grain markets in the state, quality jobs in rural areas, displacement of imported gasoline, diversified local tax bases, and value-added grain processing.

Enactment of a renewable energy standard would provide a strong impetus for additional investment in new plants throughout the country. New investment will yield additional jobs, additional grain consumption, expanded grain markets, increased output of clean burning ethanol and additional tax contributions to state and local tax coffers. These benefits are crucial to the economy of Nebraska and other states.

Increased demand for ethanol tends to stimulate higher prices for corn. Higher prices bid by ethanol plants for cash grain helps support our corn producers and reduces transportation of crops grown in the state. Local access to expanded grain markets reduces the use of imported fuels and lowers the transportation costs associated with grain marketing. These reduced costs are especially important during times of economic hardship in the agricultural sector.

These are numerous reasons why a national renewable fuel standard is of importance to the national economy, and to our rural economy in Nebraska. On behalf of Nebraska's corn producers, we commend your hard work and thank you for your strong support for the proposed national renewable fuel standard.

Sincerely,

MARK SCHWEERS,  
*President.*

NE ETHANOL BOARD,  
*Lincoln, NE, March 5, 2002.*

Hon. BEN NELSON,  
*Hart Building,  
Washington, DC.*

DEAR SENATOR NELSON: As you and your colleagues prepare to continue the debate on a national energy policy, I want to take this opportunity to reiterate the importance of the proposed renewable fuel standard. I know you have been a longstanding supporter of this concept but it is important that others understand the profound impact this proposal can have on our country. One example of the potential impact generated by the proposed national standard is clearly illustrated in Nebraska. The ethanol development program adopted in Nebraska more than a decade ago has yielded a host of economic and environmental benefits. These include the following:

Construction of seven grain processing plants that annually convert 20 per cent of the Nebraska corn and grain sorghum crop to clean burning ethanol and value-added protein products.

New capital investment in these facilities that totals more than one billion dollars to date. Additional investment is currently underway in new and existing plants.

More than 1,000 permanent jobs directly resulting from plant operations and more than 5,000 induced jobs that support the ethanol industry.

Quality jobs in rural areas of the state. A recent survey indicates that the average salary paid at ethanol plants in Nebraska is approximately \$36,100. This salary level is significantly higher than the average salary for all job categories in the state. Quality jobs help retain skilled workers in rural parts of the state. This income, coupled with tax assessments on the plant, helps to diversify the local tax base.

Higher prices and reduced transportation of crops grown in the state. This new demand for grain stimulates cash prices and provides a local market.

Increased economic activity in other sectors. For example, a recent analysis by the University of Nebraska-Lincoln indicates that the feeding of high protein co-products produced at ethanol plants yields improved gains in cattle. The study indicates that when fed as a wet ration, energy costs are saved and cattle weight gains are improved. The economic impact of this activity is measured at more than \$41 million each year in Nebraska.

Improved air quality. Reductions of carbon monoxide in the atmosphere are in part due to the use of ethanol enhanced fuels in Nebraska. In addition, a recent study by the University of Nebraska concludes that ethanol reduces aromatic levels in gasoline.

Retention of energy dollars in the state economy. There is no gasoline refined in Nebraska. Every gallon of gasoline must be imported from outside the borders of the state. Displacement of gasoline with ethanol helps retain dollars in our economy.

These are a few reasons why a national renewable fuel standard is of such importance to the Nebraska economy. More importantly, the proposed standard offers the opportunity to generate similar benefits nationwide. For that reason, the 27 Governors that comprise the National Governors' Ethanol Coalition stand firmly in their support of this proposed standard.

The proposed standard must be a key component of a new national energy plan. The standard presents us with an opportunity to stimulate a significant national biofuels effort that will yield important economic, energy, environmental and national security benefits. I urge you to continue your strong support for the proposed national renewable



fuel standard and to convey the importance of this standard to your colleagues in the Senate.

Sincerely,

TODD C. SNELLER.

CHIEF ETHANOL FUELS, INC.,  
Hastings, NE, March 5, 2002.

Hon. BEN NELSON,  
Hart Building,  
Washington, DC.

DEAR SENATOR NELSON: As you prepare for the debate on a national energy policy, I want to re-state the importance of the proposed renewable fuel standard to companies like Chief Ethanol Fuels. I know you have been a long-time supporter of this concept, but it is important that others understand the impact this proposal can have on ethanol companies and on our country. One example of the potential impact generated by the proposed national standard is clearly illustrated by our plant in Nebraska. The ethanol development program adopted in Nebraska encouraged us to invest in the Hastings plant. Our investment has yielded a host of economic and environmental benefits. These include the expansion of our processing plant from 10 million gallons annual capacity to more than 60 million gallons capacity. At our plant, we convert Nebraska corn and grain sorghum to clean burning ethanol and value-added protein products.

We continue to evaluate the investment of new capital in our facility when market conditions warrant. Enactment of a renewable energy standard would provide a strong impetus for additional investment. New investment yields additional jobs, additional grain consumption, increased output of clean burning ethanol and additional tax contributions to state and local tax coffers.

Our ethanol plant is an aggressive bidder for local grain. Higher prices bid for cash grain helps support our farmers and reduces transportation of crops grown in the state. The ethanol we sell at local terminals helps to retain energy dollars in the state's economy. Since no gasoline is refined in Nebraska, we must import it from outside the borders of the state. Displacement of gasoline with ethanol helps retain dollars in our economy.

As the debate on the issues progresses, I would ask that a mechanism be included to assure year around blending and not just Winter season. Smaller ethanol producers do not have the storage capacity or financial wherewithal to store ethanol production during the 6 month Summer season.

I urge you to continue your strong support for the proposed national renewable fuel standard and to convey the importance of this standard to your colleagues in the Senate. Thank you for your many years of strong support for ethanol.

Sincerely,

ROGER BURKEN.

GRIFFIN INDUSTRIES, INC.,  
Cold Spring, KY, March 5, 2002.

Hon. BEN NELSON,  
U.S. Senate, Hart Senate Building,  
Washington, DC.

DEAR SENATOR NELSON: I wish to thank you for your continued support of the biofuel efforts and initiative that you are supporting in the upcoming discussion on the Senate Energy Bill.

As you know, we are the major supplier of biodiesel, a renewable energy source for replacement of petroleum diesel fuel, here in Kentucky. We currently service the Midwest, East Coast and Southeast regions of the country with ASTM-121 high quality fuel to many non-attainment air quality cities for use in buses and service vehicles and other fleets delivering consumer goods of all types.

Our plant has the capacity to produce ASTM standard fuel from various feedstocks including soybean oil and spent cooking oil. This new process is helpful in creating new uses for agri-products and lessens our dependency on foreign oil suppliers, especially the volatile Middle East Region of the world where we are under battle at the present time.

Biofuels can play a very important part in the United States Energy Policy while helping agriculture at the same time. We currently have several new projects under consideration at other Griffin Industries locations and will commit new capacities to the biodiesel market if biofuels are included in our nation's energy future.

Thank you for "carrying the flag" on biofuels. If we can be of assistance, please don't hesitate to contact me.

Best Regards,

DENNIS B. GRIFFIN,  
Chairman.

CHANGING WORLD TECHNOLOGIES, INC.,  
West Hempstead, NY, March 5, 2002.

Hon. BEN NELSON,  
U.S. Senate, Hart Senate Office Building,  
Washington, DC.

DEAR SENATOR NELSON: Although I am a resident of New York and not Nebraska, I wanted to applaud your efforts in promoting renewable bio-fuels. I am the chairman of a company that is building a bio-refinery in Missouri, which will process turkey slaughterhouse waste into natural gas, oil and fertilizer with no material remaining that requires disposal.

Our patented technology, if applied broadly, could replace all imported energy feedstocks, thus insuring our energy independence. In addition to our Missouri plant, which will be operational in August, we are building commercial plants to handle agricultural waste in Nevada, Alabama, Georgia, Arkansas and Colorado. Our process can also be applied to other organic wastes, such as scrap tires, waste plastic, sewage sludge and municipal solid waste.

We and others like us have commercial technologies, which can transform costly waste materials into valuable energy products. With your support and that of other like-minded senators, we can advance the commercial viability of the renewable fuels industry, enhance the quality of our environment, and replace imported oil as a significant energy source. You have our full support in all of your efforts.

Best regards,

BRIAN S. APPEL,  
Chairman and CEO.

MASADA, OXYNOL,  
Birmingham, AL, March 5, 2002.

Hon. E. BENJAMIN NELSON,  
Dirksen Office Building,  
Washington, DC.

DEAR SENATOR NELSON: I am writing to tell you how pleased I am that a Renewable Fuel Standard proposal has been included in the Senate energy bill. I know that you are a strong supporter of the renewable fuel standard and I share your hope that it is enacted.

A renewable fuel standard will increase national energy security, stimulate economic growth and help protect the environment. The use of ethanol, a domestically produced fuel, will reduce our dependence on foreign oil imports while adding much needed jobs in the United States. Not only is ethanol an alternative to imported oil, it is cleaner burning and helps decrease air pollution by dramatically reducing the production of greenhouse gases.

Masada OxyNol™ has patented a unique process that converts household garbage into fuel ethanol. After traditional recyclables

are removed, the remaining cellulosic portion of the garbage is processed into ethanol. More than 90% of the garbage is beneficially reused or recycled instead of being landfilled or incinerated.

As a leader in the field of cellulose to ethanol production, our company realizes the importance of a strong renewable fuel standard. We at Masada OxyNol™ are very much in favor of the inclusion of the renewable fuel standard in the final energy bill. The implementation of such a standard will be good for the nation.

Thank you for all of your hard work toward the establishment of the renewable fuel standard.

Yours truly,

DARYL E. HARMS,  
Chief Executive Officer.

FEBRUARY 22, 2002.

SENATORS THOMAS A. DASCHLE, TRENT LOTT, JEFF BINGAMAN, FRANK H. MURKOWSKI, ERNEST F. HOLLINGS, AND JOHN MCCAIN, AND REPRESENTATIVES J. DENNIS HASTERT AND RICHARD A. GEPHARDT: As you wrestle with the complex and vitally important energy bill now before the Senate and the subsequent House/Senate Conference, we ask that you carefully consider the national and energy security aspects of this legislation in order to reduce our reliance on oil.

The United States is almost out of oil, and our dependence takes us places and forces us to do things that are not always in America's national interest. The power of oil reinforces the top of almost all societies and that strength and privilege too often fails to translate into policies and actions meeting the true needs of the people, their environment and their future. Perhaps the greatest gift America can give to the world is to put the power of oil into perspective.

We can use less oil to meet our needs in smarter ways while advancing energy efficiency and renewable energy technologies. Europe is ahead of us in many these areas. Countries rich in oil and poor in dealing with their people and their environment may then begin to take a more insightful look at their 20 year horizon and decide that their current wealth can be better deployed. They should then be able to see that subjugation, terrorism, and war are not good investments for current oil-derived wealth.

Here at home: America must reduce its dependency on oil as we deplete our reserves and increase imports that will increasingly come from the Middle East, the Caspian Basin and Indonesia; we must accept our responsibility to reduce America's greenhouse gas and other harmful emissions largely emanating from the combustion of fossil fuels; we must preserve for future generations and for strategic purposes, the last of our oil reserves and pioneer the advancement of non-petroleum transportation fuels; and we must disperse our energy production facilities and reduce our reliance on vulnerable electrical grids and oil and gas pipelines.

There are major opportunities for energy efficiency, fuel economy and renewable energy technologies like solar, wind, biomass, geothermal, incremental hydro and hydrogen.

While these imperatives will come at a modest investment to our economy, they will bring major returns and benefits: accelerate the process of freeing us from our oil dependency; honor our international environmental obligations; create major new domestic industries and millions of jobs—especially in rural America where opportunities for biomass, solar, wind and geothermal industries abound; take America out of the "rumble seat" and into the driver's seat in establishing the world's energy future; and greatly strengthen our energy and national security.

We are national security specialists and energy security advocates of biofuels because of their ready potential to replace imported oil. We recommend: passage of a meaningful renewable fuels and a renewable portfolio standard; increased efficiency standards for vehicles—and the use of biofuels in these vehicles—and for facilities/appliances using electricity; and extension of the energy production tax credits for at least two years and include open-loop biomass, agricultural and forestry residues, animal waste, solar and geothermal.

We ask that you give our convictions and recommendations careful consideration in your deliberations.

ROBERT C. MCFARLANE,  
*National Security Ad-  
visor to President  
Ronald Reagan.*

R. JAMES WOOLSEY,  
*Former Director, Cen-  
tral Intelligence.*

Admiral THOMAS H.  
MOORER, USN (Ret),  
*Former Chairman, the  
Joint Chiefs of Staff.*

GOVERNORS' ETHANOL COALITION,  
*Lincoln, NE, March 12, 2002.*

Hon. TOM DASCHLE,  
*Majority Leader, U.S. Senate,  
Washington, DC.*

Hon. TRENT LOTT,  
*Minority Leader, U.S. Senate,  
Washington, DC.*

DEAR SENATOR DASCHLE and SENATOR LOTT: On behalf of the 27 members of the Governors' Ethanol Coalition, we are writing to express our strong support for the provisions included in the Energy Policy Act of 2002 (S. 517), which will establish a national renewable fuels standard.

The provisions set forth in the Manager's Amendment to S. 517 reflect an agreement negotiated over the last two years by the states, agricultural interests, refiners, and the environmental community that will address such important issues as MTBE water contamination and the oxygenate requirement in reformulated gasoline while providing a significant market for renewable fuels such as ethanol and biodiesel. Specifically, we support those provisions in S. 517 that: create a national renewable fuels standard, ensuring a growing part of our nation's fuel supply, up to 5 billion gallons by 2012, is provided by domestic, renewable fuels; eliminate the use of MTBE in the United States within four years; eliminate the oxygenate requirement in the reformulated gasoline program; and maintain the air quality gains of the reformulated gasoline program.

By enacting these provisions, we will strengthen our national security, displace imported oil from politically unstable regions, stimulate ethanol and biodiesel production, expand domestic energy supplies, and continue to reduce air pollution.

We encourage you to support these provisions and to resist any amendments that would alter this landmark agreement.

Sincerely,

BOB HOLDEN,  
*Governor of Missouri,  
Chair.*

JOHN HOEVEN,  
*Governor of North Da-  
kota, Vice Chair.*

MIKE JOHANNIS,  
*Governor of Nebraska,  
Past Chair.*

NATIONAL CORN GROWERS ASSOCIATION,  
*Washington, DC, March 13, 2002.*

DEAR SENATOR: On behalf of the National Corn Growers Association, I want to express

our solid support for the inclusion of a Renewable Fuel Standard (RFS) in S. 517 that is being debated in the Senate. A commitment to a RFS is a commitment to making America energy independent. Our energy security is not a partisan issue and we hope that all Members of the Senate will put America first and vote yes on the RFS.

We believe the benefits from passing the RFS are overwhelming. Even a modest RFS that equals to about 3% (phased in over 10 years) of the gasoline used in the U.S. would reduce oil imports by 1.6 billion barrels over the next decade. According to a recent study by AUS Consultants, reducing oil imports by this amount will reduce our trade deficit by nearly \$34 billion while creating 214,000 jobs and adding \$51 billion to household income. In addition, the RFS will create \$5.3 billion in new investment, much of it in rural America. Finally, the RFS provisions of S. 517 will provide flexibility for refiners to produce fuel more cost effectively while protecting the environment.

The RFS is a standard, just like the standards we have for automobile fuel economy or the energy efficiency of appliances and buildings. Congress has established these visionary goals for energy efficiency over many years as an integral part of our public policy. The RFS simply says that it is good public policy, and in our national interest for some portion of our transportation fuel to be derived from renewable resources.

It is time for America to take meaningful steps toward energy independence. A first, small step is to establish a RFS now. Put America first, vote yes on the RFS.

Sincerely,

TIM HUME,  
*President.*

Mr. GRASSLEY. Mr. President, I yield myself such time as I might consume.

The PRESIDING OFFICER. The Senator is recognized.

Mr. GRASSLEY. Mr. President, I wish to speak on the issue of ethanol and the renewable fuel standard, but before I do, I compliment the Senator from Arkansas for the simple reason that she was the sponsor of the amendment in the Senate Finance Committee in which we adopted this as part of our tax incentives for renewable fuels. She led the way in that committee. I was happy to join her as the Republican leader of that effort because not only will Arkansas benefit but half of our States raise some soybeans and they will benefit as well. So I compliment Senator LINCOLN.

I am pleased to join my colleagues in support of the renewable fuel standard, which is an example of true bipartisan cooperation in this body. It was a bipartisan effort that made this possible. Obviously, Senator NELSON has already been applauded by my colleagues. I would say that as well. Not only since he has been in the Senate but as Governor of the State of Nebraska he helped, through the Governors' Conference, cochairing issues of ethanol for that conference. So he has been a leader in this area for a long time.

So I give my heartfelt thanks to him and to others who were instrumental, both directly and indirectly. Even though President Bush is not a member of this body, I think he needs to be complimented in the first instance for

denying California's request for a waiver out of the Clean Air Act's oxygenation requirements.

Upon taking office, President Bush quickly recognized that there was no scientific or legal justification for the waiver. He, in fact, had the courage to take that action. It could have been possible 2 years before, if President Clinton had done likewise. During that period of lost time, we had a dampening and a delaying of efforts, such as we are having today, to successfully help our national security and our farm economy because these all benefit from the increased ethanol use as an oxygenate.

President Bush, has turned out to be the most pro-ethanol President we have ever had, and because he refused to let the Clean Air Act unravel, he gave us the leverage necessary for this process, the negotiation of a new renewable fuel standard. Now we are back on track.

I thank Senator NELSON. I also thank the senior Senator from Nebraska, Mr. HAGEL, because he provided persuasive leadership last fall in securing support for his Senate Energy Committee Republican colleagues to get behind this renewable fuel standard.

I also have said this has been a very bipartisan effort. Obviously, our majority leader, Senator DASCHLE, has been involved in a very helpful way. During the negotiations conducted by Senator HAGEL, he provided constant assurances that he would be supportive of this final product.

I compliment our Republican leader, who comes from an oil-producing State and who has been behind ethanol for several years, Senator LOTT, and also Senator MURKOWSKI, the ranking member of the Energy Committee. Last fall, they gave Senator HAGEL, myself, and other Senators their commitment, at least for the Republican side, that they would support this renewable standard.

Today, our Nation produces just 1.8 billion gallons of ethanol a year. The renewable fuel standard will require that we use 2.3 billion. That is a one-half-billion increase in gallons by the year 2004. Then it steadily increases up the ladder until it is a mandated use of 5 billion gallons by the year 2012.

This sounds like just more and cheaper gas to burn. But it also will improve air quality. It strengthens our national security, and it reduces our trade deficit. One-third of our trade deficit is caused by the import of oil. It will decrease our independence upon oil from dictators who aren't reliable—Saddam Hussein. It will extend markets for agricultural products in a way that we all want—value added. It creates jobs in cities.

A 1997 study by the Midwestern Governors' Conference—I would bet Senator NELSON had something to do with this when he was Governor—determined that ethanol demand was responsible for over 195,000 jobs throughout the economy. Forty-two thousand of those jobs were located in Iowa.

With the passage of the renewable fuel standard, 214,000 new jobs are anticipated. I expect a large portion of those would be in my State of Iowa.

Just last week, for instance, Quad County Corn Processors, a cooperative in the small town of Galva, IA, began production at their new 18-million-gallon ethanol facility. Iowa now has nine ethanol plants and five more are under construction.

The Iowa Corn Growers Association provided me an analysis of the economic impact of seven new Iowa farmer-owned ethanol plants in our State, two of which have been completed and five are under construction. Over 4,000 farmers have invested in these facilities. These are farmers helping themselves in a cooperative way. The facilities will create 170 new jobs. While Iowa currently produces 500 million gallons of ethanol each year, these new facilities will add 150 million gallons more.

According to the Iowa Corn Growers, corn prices will increase 5 cents per bushel for every 100 million bushels of corn processed. Therefore, these seven new farmer-owned ethanol facilities alone will increase corn prices by 3.5 cents.

Every year, about 175 million bushels of Iowa corn are processed into ethanol. This in turn adds about \$730 million per year to the income of Iowa farm families. It adds up to \$1.7 billion of increased economic activity in our State.

As I mentioned today, we produce nationwide about 1.8 million gallons of ethanol. When fully implemented, the bipartisan compromise in this bill—the renewable fuel standard—will almost triple production.

Economic analysis by A-U-S Consultants found that this legislation will displace over 1.6 billion barrels of oil, increase farm income by almost \$6 billion annually, increase household income by \$52 billion per year, and create over 214,000 new jobs nationwide.

I also would like to share with my colleagues the finding of a study produced 2 years ago by the Department of Energy entitled "The Impacts of Alternative and Replacement Fuel Use On Oil Prices." The study found that "current use of alternative and replacement fuels is estimated to reduce total U.S. petroleum costs by about \$1.3 billion per year."

It is very important to understand that these alternative fuels—primarily MTBE as well as ethanol—made up only 2.71 percent of our total motor fuel use. I want to say to naysayers who criticize efforts to expand alternative sources of motor fuels that the evidence proves that even small amounts of alternative motor fuels can generate huge savings to consumers.

The Department of Energy study went on to estimate that if we increase our alternative motor fuels use by just 10 percent by the year 2010, consumers will save \$6 billion per year. By increasing the use of alternative motor

fuels, we increase price elasticity in the event of supply disruption and thus reduce the potential damage to our Nation's economy. To do otherwise leaves us subjected to our current vulnerable situation where, again, according to the Department of Energy, "For every one million barrels per day of oil disruption, world prices could increase by \$3 to \$5 per barrel."

In closing, I emphasize that 1 million barrels per day is a mere 5 percent of U.S. oil consumption. Yet this very small amount would cause price hikes of 10 to 25 percent if oil were \$20 per barrel. A little in alternatives, such as ethanol—or we could even say biodiesel—can go a long way toward protecting all consumers from OPEC efforts of price gouging.

I thank my colleagues for working together in this bipartisan effort, which is good for the economy, good for the environment, good for jobs, and good for energy independence.

As I so often say to describe ethanol, it is good, good, good.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. NELSON of Nebraska. Mr. President, I yield the remaining time to the distinguished Senator from the State of Florida.

Mr. NELSON of Florida. Mr. President, first of all, alternative fuels and ethanol are the subject of the instant amendment, but I think we have to use our creativity and our technology in order to approach the overall energy crisis.

If a terrorist sinks a supertanker in the Straits of Hormuz, which are only 19 miles wide, we are going to see a major disruption in the flow of oil to the industrialized world, and we will have wished we had used our technology and our creativity to reduce our dependence on that foreign oil by doing things that have worked to save our oil consumption in the past, like increasing the miles per gallon of the automobiles we drive. We have the know how to do that.

It just amazes me that we have the technology to, for example, produce a car which will go 80 miles per gallon and yet we are still so balled up in our politics that we may not pass an initiative that calls for moderate increases in the fuel efficiency of our nation's automobiles. The modest increases called for by the Kerry-McCain initiative would achieve three goals of particular importance to our nation in this time of war: lessen our dependence on foreign oil, reduce gasoline costs for consumers and protect the environment by reducing toxic air emissions and carbon dioxide emissions, which contribute to global warming. Increasing CAFE can achieve these goals—which are particularly important to our nation's security now that we are in a battle against terrorists around this globe.

So I wanted to add my voice, hopefully, as a voice of reason, to get our representative body to start using our

technology and our common sense to increase the fuel economy of all of our vehicles.

Thank you, Mr. President.

The PRESIDING OFFICER. All time has expired.

AMENDMENT NO. 2997

Under the previous order, the hour of 11:30 having arrived, there now will be 20 minutes equally divided on the Levin amendment No. 2997.

Who yields time?

The Senator from Michigan.

Mr. LEVIN. Mr. President, I would assume that I would be dividing the time in support of the amendment equally with my cosponsor from Missouri, and we would each control 5 minutes of the 10 minutes on our side. So I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. LEVIN. Mr. President, our bipartisan alternative to the Kerry-Hollings language in the substitute before us is aimed at increasing fuel economy, helping to protect the environment, and decreasing our dependence on foreign oil but doing it in a way which does not harm the domestic manufacturing industries.

We have a three-point policy, basically: One, we provide that we will increase fuel economy. Two, we have greater emphasis on positive incentives to produce and to purchase fuel-economic vehicles. We do this through joint research and development funds which we would increase over the amount requested by the administration. We would do this through mandatory Government purchases of hybrids. And we would also do this through increased tax credits above those provided by the Finance Committee.

But the third part of our policy is that many factors should be considered in raising the CAFE requirement. It should be raised. And our amendment says that it will be raised, but it would be raised, under our amendment, not in an arbitrary way, not just by adopting an arbitrary number on the floor of the Senate, but, rather, by telling, in the first instance, the Department of Transportation to look at all of the factors which should be considered in adopting a new CAFE standard—many factors, including safety, including cost, including competitiveness of manufacturers.

The National Academy of Sciences has specifically said that there is a safety tradeoff. That is what they have found. The opponents of our amendment say it is a flawed study. OK. We disagree with that. But, nonetheless, if it is a flawed study, the National Academy of Sciences has also then said, the National Highway Traffic Safety Administration should continue their work in this area. But, point blank, the National Academy of Sciences says there is a tradeoff.

I yield myself an additional minute.

The PRESIDING OFFICER. The Senator is recognized.

Mr. LEVIN. In the year studied, 1993, they found between 1,300 and 2,600

deaths and 13,000 and 26,000 injuries. They said these deaths and injuries were a painful tradeoff that resulted from CAFE. The opponents of our amendment do not consider safety. They just say the study is flawed. That is their answer.

What about the discriminatory impacts of CAFE?

The National Academy of Sciences again says that one concept of equity among manufacturers requires equal treatment of equivalent vehicles made by different manufacturers. We do not have equal treatment of equivalent vehicles made by different manufacturers under the language that is in the substitute of Senator KERRY and Senator HOLLINGS. It treats equally-efficient vehicles differently and discriminates, thereby, against American jobs and the American industry.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. Mr. President, I yield 1 minute to my colleague from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. I thank my colleague from Michigan.

Mr. President, it is important to emphasize today that this debate is not about whether or not we will increase vehicle fuel efficiency. We are not arguing for a freeze on CAFE standards. What we are saying is that we need to do this in the best way possible. This needs to be something where we win environmentally and we win in terms of the economy and jobs.

That is what this substitute does. It is comprehensive. It moves vehicle fuel efficiency forward. It creates the market incentives and the support to make sure we have what is necessary in terms of infrastructure for these new vehicles. It moves us in the right direction.

I simply urge my colleagues to vote for this amendment, to support increased vehicle fuel efficiency, and a vibrant, economically healthy U.S. auto industry. We do both through this amendment.

Mr. FEINGOLD. Mr. President, I am voting in favor of the Levin-Bond amendment, and I want to explain my views in detail. Fuel efficiency is a critically important issue for our country, for my home State of Wisconsin, and for our future. I remain committed to the goal that significant improvements in automobile and light truck fuel efficiency can be achieved over an appropriate time frame. Some will argue that my vote for Levin-Bond is a vote against increasing the corporate average fuel economy, CAFE. I do not share that view.

The Levin-Bond amendment seeks to renew the Department of Transportation's role in setting CAFE standards acting through the National Highway Traffic Safety Administration, NHTSA, part of the Federal Department of Transportation, DOT. If Congress does

not act today to try to restore normalcy to the NHTSA process, Congress will always either block or act to set CAFE standards, every 20 years or so, when the political will is sufficient to do so. NHTSA will never be able to carry out the normal process of reviewing and incrementally improving fuel efficiency for automobiles and light trucks, as Congress originally intended when it passed the CAFE law in the 1970s.

Both interest groups battling over the CAFE issue, the auto manufacturers and the environmental community, have switched their positions in this debate on this bill. The auto industry, who once wanted CAFE perpetually frozen with a rider, now support the Levin amendment. The environmental community, who once opposed the rider and wanted NHTSA to act, now wants Congress to set the standard rather than NHTSA. With my vote, I am committing to a consistent position. Let me explain the evolution of that position.

Months prior to the midterm elections in 1994, NHTSA published a notice of possible adjustment to the fuel economy standards for trucks before the end of the decade. The following year, however, the House-passed version of the FY1996 Department of Transportation Appropriations bill prohibited the use of authorized funds to promulgate any CAFE rules. The Senate version did not include the language, but it was restored in Conference. Much the same scenario occurred in the second session of the 104th and the first session of the 105th Congresses. In both those sessions, a similar rider was passed by the House and not by the Senate, but included by the Conferees and enacted. However, the growth in gasoline consumption and the size of the light-duty truck fleet were concerns cited behind introduction in the Senate of an amendment to the bill expressing the Sense of the Senate that the conferees should not agree to the House-passed rider for FY2000. The amendment, sponsored by the former Senator from Washington, Mr. Gorton, and the Senator from California, Mrs. FEINSTEIN, was defeated in the Senate on September 15, 1999, by a vote of 55-40, and the rider was once again enacted into law.

As I stated on the Senate floor in the debates on the CAFE rider on June 15, 2000, my vote was about "Congress getting out of the way and letting a federal agency meet the requirements of federal law originally imposed by Congress." I supported removing the rider because I was concerned that Congress has for more than 5 years blocked NHTSA from meeting its legal duty to evaluate whether there is a need to modify fuel economy standards.

As I made clear then, I have made no determination about what fuel economy standards should be, though I do think that an increase is possible. NHTSA has the authority to set new standards for a given model year, tak-

ing into account several factors: technological feasibility, economic practicability, other vehicle standards such as those for safety and environmental performance, the need to conserve energy, and the recommendations of the National Academy of Sciences. I want NHTSA to fully and fairly evaluate all the criteria, and then make an objective recommendation on the basis of those facts. I expect NHTSA to consult with all interested parties—unions, environmental interests, auto manufacturers, and other interested Wisconsin citizens in developing this rule. And, I expect NHTSA to act, and if it does not, this amendment requires Congress to act on a standard.

In opposing the Levin-Bond amendment, some subscribe to the view that NHTSA has a particular agenda and will recommend weak standards. I do not support that view, just as I could not support retaining the CAFE rider in law.

NHTSA should be allowed to set this standard. Congress is not the best forum for understanding whether or not improvements in fuel economy can and should be made using existing technologies or whether emerging technologies may have the potential to improve fuel economy. Changes in fuel economy standards could have a variety of consequences. I seek to understand those consequences and to balance the concerns of those interested in seeing improvements to fuel economy as a means of reducing gasoline consumption and associated pollution.

In the end, I would like to see that Wisconsin consumers, indeed all consumers, have a wide range of new automobiles, SUVs, and trucks available to them that are as fuel efficient as they can be while balancing energy concerns with technological and economic effects. That balancing is required by the law. I fully expect NHTSA to proceed with the intent of the law to fully consider all those factors, and this amendment ensures they do so.

In supporting this amendment, I maintain the position that it is my job to ensure that the agency responsible for setting fuel economy be allowed to do its job. I expect them to be fair and neutral in that process, and I will work with interested Wisconsinites to ensure that their views are represented and that the regulatory process proceeds in a fair and reasonable manner toward whatever conclusions the merits will support.

Mr. VOINOVICH. Mr. President, as co-chairman of the Senate Auto Caucus, I am pleased to join with my colleagues, Senator LEVIN and Senator BOND, in offering this CAFE standards amendment to the energy bill. This is truly an important issue; one that impacts upon our Nation's economy, our environment and the safety of the traveling public.

There is no doubt that each of us wants the automobile industry to make cars, trucks, SUVs and minivans that are as energy efficient as possible.

Not only is it good for the environment, it also means more money in the pocket of the American consumer because they spend less at the gas pump.

However, I am deeply concerned that the extreme Corporate Average Fuel Economy (CAFE) standard included in the pending energy bill will have a devastating effect on public safety, as well as put a severe crimp in the manufacturing base of my state of Ohio.

For the first time in American history, new vehicle sales of trucks, SUVs and minivans in 2001 outpaced the sale of automobiles. This remarkable result can be attributed to a number of factors, but one reason that is often cited is the fact that these vehicles are seen as safer.

Indeed, when asked why they bought their particular vehicle, truck, SUV and minivan owners overwhelmingly stated that they simply felt safer than they would have in a regular sedan or compact car.

Overall, Mr. President, our roadways are safer. In fact, safety statistics show that the numbers of automobile fatalities are at historic lows while total vehicle highway miles traveled has risen. According to the National Highway Traffic Safety Administration (NHTSA), there were 1.5 fatalities per 100 million vehicle miles traveled in 2000, while in 1999, the rate was 1.6 per 100 million vehicle miles traveled. Ten years earlier, in 1990, the rate was 2.1 per 100 million vehicle miles traveled. Part of the reason traffic fatality rates have continued to drop can be attributed to the fact that vehicles are being made safer.

However, some in this body are indirectly proposing that we give up the safety accomplishments we have attained in order to achieve an arbitrary fuel efficiency standard for automobile vehicles.

As my colleagues know, the provision included in the energy bill sets the CAFE standard at a combined fleet average of 35 miles per gallon by 2015.

Under current law, light truck fleets and passenger cars make up two separate fleet distinctions with different mile-per-gallon requirements for each. The existence of two separate fleets recognizes that passenger cars and light trucks are different vehicles that require different capabilities. However, the enactment of a combined fleet average would ignore this distinction.

We also need to ask what the scientific basis is for the 35 mile-per-gallon threshold? What rational explanation is there for the magic number "35," or was that number simply fabricated?

To achieve this standard, the auto industry would have to modify their manufacturing base, and produce an automotive fleet that will in all likelihood require greater use of lighter materials. Lighter materials will definitely help increase fuel efficiency, however, it will also make those automobiles less safe.

The provision in the bill also will be damaging to auto manufacturers that

produce a large number of light trucks because a combined fleet average will factor in both the fuel efficiency averages of passenger cars and light trucks by a manufacturer.

And, because truck, SUV and minivan demand is not expected to decrease anytime soon, automakers that are meeting this demand will either have to manufacture and sell a high-gas mileage vehicle that likely does not exist now, or cut the production of the trucks, the SUVs and the minivans that American consumers want. This will only increase prices for the safe vehicles America wants.

Ohio is the number two automotive manufacturing state in America, employing more than 630,000 people either directly or indirectly. I've heard from a number of these men and women whose livelihood depends on the auto industry and who are frankly very worried about their future. I have met with members of the United Auto Workers, and executives from the major automobile manufacturers about the CAFE proposal and there is genuine concern that the provision in the bill could cause a serious disruption in the auto industry resulting in the loss of tens of thousands of jobs across the Nation.

The Levin-Bond-Voinovich amendment is a rational proposal that will keep workers both in Ohio and nationwide working, allowing these men and women to continue to take care of their families and educate their children while also encouraging greater fuel efficiency and safer vehicles.

Our amendment calls for the Department of Transportation to increase fuel economy standards based on the following factors:

The need to conserve energy;

Economic practicability;

The effect of other government motor vehicle standards on fuel economy;

The desirability of reducing U.S. dependence on foreign oil;

The effect on motor vehicle safety;

The effects of increased fuel economy on air quality;

The adverse effects of increased fuel economy standards on the relative competitiveness of manufacturers;

The effect on U.S. employment;

The cost and lead-time required for introduction of new technologies;

The potential for advanced technology vehicles (such as hybrid and fuel cell vehicles) to contribute to significant fuel usage savings;

The effect of near-term expenditures required to meet increased fuel economy standards on the resources available to develop advanced technology;

Technological feasibility; and

The report of the National Research Council, entitled "Effectiveness and Impact of Corporate Average Fuel Economy Standards," issued in January 2002.

I believe this is a much more responsible approach than picking a number arbitrarily—literally, it seems, out of thin air.

Our amendment also requires that the Department of Transportation complete the rulemaking process that would increase fuel efficiency standards within 15 months for light trucks, and 24 months for passenger cars. If the Administration doesn't act within the required timeframe, Congress will act, under expedited procedures, to pass legislation mandating an increase in fuel economy standards consistent with the same criteria that the Administration must consider.

The amendment will also increase the market for alternative powered and hybrid vehicles by mandating that the federal government, where feasible, purchase alternative powered and hybrid vehicles.

This mandate is nothing new. The federal government, under the Energy Policy Act of 1992, is already required to maintain a covered fleet of 75 percent of alternative fuel vehicles. This amendment will simply increase the amount to 85 percent for covered fleets and require the purchase of hybrid vehicles for fleets that currently are not covered. There are waivers that allow the federal government to purchase traditional fueled vehicles where necessary.

However, I believe that this guaranteed market will encourage the auto industry to increase their investment in research and development with an eye towards making alternative fuel and hybrid vehicles more affordable, available and commercially appealing to the average consumer.

Additionally, a federal fleet of alternative fuel and hybrid vehicles will result in an improved infrastructure for these vehicles and encourage a commercial growth in such infrastructure as well.

Our amendment will not cause shifting within the auto manufacturing industry. It does not pretend that Congress has the scientific expertise to determine the best mile-per-gallon increase for both light trucks and passenger cars, a number which currently would unfairly punish the auto companies and auto workers who build what consumers want—larger cars and trucks.

I urge my colleagues to support our amendment. It meets our environmental, safety and economic needs in a balanced and responsible way, contributing to the continued and needed harmonization of our energy and environmental policies.

Mr. INHOFE. Mr. President, I want to take some time to explain to my friends the importance of the CAFE debate to the people of Oklahoma.

Today most of the people in Oklahoma buy light trucks, sports utility vehicles, and minivans. They are what you see on the road in Oklahoma. In fact, they are what Americans all over the country are buying.

Last year national sales of light trucks, sports utility vehicles and minivans outpaced cars for the first time, and since 9-11 there has been a

spike in sales of these vehicles. We have hard data showing us that this increase is due to Americans' desire for safety, comfort, and utility.

In the 2001 Customer Satisfaction Study, Maritz Marketing Research, Inc. surveyed 83,196 new vehicle buyers. When asked what vehicle attributes were "Extremely Important" in their purchase decision, gas mileage ranked 15th on car buyers' lists, behind such things as reliability, value for the money, durability, and safety features. 43 percent rated gas mileage as "extremely important" vs. 70.6 percent for reliability, 59.3 percent of value, 59.2 percent for durability, and 57.3 percent for safety features.

When asked the same question, truck, SUV, and full-size van owners ranked gas mileage 32nd on their list of "extremely important" items, below safety features, interior roominess, passenger seating, and cargo space, among others. 29.8 percent rated gas mileage as "extremely important" vs. 51.4 percent for safety features, 41.9 percent for interior roominess, 38 percent for passenger seating, and 36.8 percent for cargo space.

A governmental mandate flies in the face of Americans' desire for these very attributes: safety, utility, and comfort. A mandate against the will of the American people is not the way we do things in government of the people, by the people and for the people.

As far as jobs and economics, a typical assessment comes from Dr. Robert W. Crandall, Senior Fellow in the economic study program at the Brookings Institution notes that the current proposal would cost the United States something like \$17 or \$18 billion a year in lost consumer surplus. This loss of jobs and damage to our economy is unacceptable when this mandate will also cost lives and fly in the face of Americans' free choice of vehicles.

On safety, we have the scientific analyses of our National Academy of Science and our National Highway Traffic Safety Administration, as well as numerous analysts.

For example, in 1972, Ralph Nader and Clarence Ditlow published a book entitled *Small on Safety*. Page after page has such statements as, "Small size and light weight impose inherent limitations on the degree of safety that can be built into a vehicle."

After all is said and done, drivers and passengers are safer and do better in crashes about 98 percent of the time when vehicle weight is greater. A Federal Government mandate to cut the weight of vehicles is going to cost lives. I want safe Oklahomans and therefore oppose CAFE mandates.

The following groups oppose the Kerry/McCain CAFE provisions because they are bad for safety, utility, performance, consumer choice, and jobs:

United Auto Workers; U.S. Chamber of Commerce; National Automobile Dealers Associations; American Iron and Steel Institute; Association of American Railroads; National Associa-

tion of Manufacturers; American Highway Users Alliance; Alliance of Automobile Manufacturers; American Farm Bureau Federation; Union Pacific.

Competitive Enterprise Institute; American International Automobile Dealers Association; Motor & Equipment Manufacturers Association; Original Equipment Suppliers Association; Delphi Automotive Systems; Automotive Coalition for Traffic Safety; National Marine Manufacturers Association.

Small Business Survival Committee; National Cattlemen's Beef Association; American Horse Council; American Recreation Coalition; Associated General Contractors of America; Automotive Coalition for Traffic Safety; Coalitions for America; Coalition for Vehicle Choice; National Association of Plumbing, Heating and Cooling.

General Motors; Ford Motor Company; Daimler Chrysler; Toyota; Nissan; Volkswagen; BMW; Mazda; Fiat; Isuzu; Mitsubishi Motors; Porsche; Volvo; National Association of RV Parks and Campgrounds.

National Grange; National Truck Equipment Association; Recreation Vehicle Industry Association; Specialty Equipment Market Association; National Four Wheel Drive Association; Business Round Table; AFL/CIO.

Please join me in supporting the compromise crafted by Senators LEVIN and BOND.

Ms. CANTWELL. Mr. President, I rise today to express my disappointment with the Senate's inability to act on the important issue of corporate average fuel economy standards for our Nation's vehicles. Addressing the transportation sector's consumption of fossil fuels is an integral part of any energy policy designed to meet the needs of our 21st century economy.

I continue to believe that raising CAFE standards is absolutely critical in promoting more efficient fuel use—thus weening this nation from its dependence on foreign oil—while continuing to meet our transportation needs. At the same time, CAFE standards promise environmental benefits and savings for consumers. Despite what some in industry might suggest—suggestions that harken back to Congress' first debate on CAFE in 1975, when some claimed the current standards would render this Nation's auto manufacturers extinct—I believe we have the technologies and the American ingenuity necessary to meet the goals set out by tougher CAFE standards.

Transportation accounts for 67 percent of U.S. oil consumption and one-third of U.S. greenhouse gas emissions. Clearly, improving the efficiency of the U.S. vehicle fleet would serve the public interest by reducing individuals' exposure to fluctuations in oil prices and emitting fewer of climate changing greenhouse gases.

To me, the numbers suggest a very clear choice.

If my colleagues truly wanted to take the environmentally and eco-

nomically responsible vote—to mitigate our exposure to foreign oil and economically devastating price shocks—they would have acted today to increase our fuel efficiency standards.

I believe many in this Chamber agree on the theoretical goals of this bill—increased energy independence, diversification of our energy resources and improving the energy efficiency of our economy. But my colleagues must realize that to meet these goals we must address both supply-side and demand-side of the equation. And we cannot wait to take action.

Simply cranking up oil production and ignoring the efficiencies at our fingertips will ensure that we will be in the same place 20 years from now—or worse yet, even more dependent on foreign sources of oil.

Estimates suggest that if the status quo is maintained, our dependence will grow from 51 percent today, to 64 percent in 2020. If the status quo is maintained, we will be asking ourselves the same questions about economic and energy security as we are asking ourselves today.

I believe that the CAFE provision proposed by Senator KERRY and Senator MCCAIN, like its predecessor in 1975, would have gone a long way toward meeting the multiple goals of the overall energy bill. In addition to the energy security and environmental benefits I've already mentioned, it would have protected consumers against disruptions in oil supplies that increase the cost of a gallon of gasoline.

The current CAFE standard—which has saved 14 percent of fuel consumption from what it would have been without CAFE—has not been updated in 20 years. By increasing fuel economy standards, consumers would travel farther on a gallon of gasoline than ever before. Since the introduction of the first CAFE standards in 1975, vehicle operating expenses have been halved, mostly due to decreased expenditures on gas and oil.

Increasing fuel efficiency has a second impact, which is to help to stimulate the American economy by keeping dollars at home. At present, Americans spend over \$300 million dollars per day on foreign oil. By reducing how much of that oil we consume, Americans save billions of dollars a year at the gas pump. This money would be available for reinvestment in our own economy and to help improve the lives of American families.

Opponents of CAFE standards have argued that increased fuel efficiency will result in decreased vehicle safety. To the contrary, provisions to maintain vehicle safety are written directly into the language. Furthermore, by bringing SUVs and light trucks under the rubric of the CAFE standard, CAFE will without question save lives.

Opponents also argued that CAFE standards hurt the American auto industry and American workers.



In reality, a high fuel economy standard would put existing technologies into vehicles and spur technological innovation—something in which American industry is a proud leader. The CAFE proposal provided for gradual improvement in fuel economy over time, allowing manufacturers the opportunity to retool processes and redesign product lines over time. Consumer fuel savings and technological innovation will lead to an infusion of capital in local economies and investments in the auto industry, making U.S. vehicles competitive in a global market and creating—not destroying—jobs.

The first time around, CAFE was created in response to rising oil prices. Today, volatility in the oil market continues to be a concern, along with our energy security and the environmental impact of fossil fuel emissions. We had before us an opportunity to alleviate threats to our national energy and economic security posed by foreign oil dependence, while protecting our environment and taking a positive step in the battle to mitigate greenhouse gas emissions. Now is the time to make these changes.

I thank Senator KERRY and Senator MCCAIN for their leadership on this issue. I want to add that I agree with my colleague from the Energy Committee, Senator CARPER, who has suggested that we should—we must—return to the issue of CAFE standards before we finish our work on this bill. Hopefully, we will all come to our senses.

The PRESIDING OFFICER. Who yields time?

The minority leader.

Mr. LOTT. Mr. President, I know there is a limited amount of time available, and it has been equally divided, so I would like to speak briefly and use leader time so it will not count against the time that has been reserved.

The PRESIDING OFFICER. The Senator is recognized.

Mr. LOTT. Mr. President, I rise in very passionate support of the Levin-Bond amendment. I know very good work has been done on this amendment, and it is based on sound science and solid data. It seems to me that is the way to go instead of just picking a number out of the sky, whether it is 32 or 35 or 37 or moving the years up or down. It seems to me it would be wiser to have decisions about the miles-per-gallon requirements done in a responsible way, having been studied by the proper entity and based on science and solid data.

Of course, the organization to do that is NHTSA. They have the expertise to analyze the numbers and consider all that should be involved here: the jobs that might be affected, technology, how soon this improved fuel efficiency could be obtained, and safety. Safety is a big issue.

I heard Senator MIKULSKI from Maryland on the radio this morning talking

about her concerns about the safety issue, and that was the point she emphasized. That is certainly understandable.

The Levin-Bond amendment would be what we would do instead of the Kerry provision which adversely affects employment, safety, and consumer choice. I think the Levin-Bond amendment is a much wiser way to proceed.

The National Academy of Sciences CAFE report declared there will be more deaths and injuries if fuel economy standards are raised too fast without proper consideration given to how that is going to be done and what impact it might cause.

This amendment, the Levin-Bond amendment, is supported by labor, the UAW, the Chamber of Commerce, the AFL-CIO, the National Association of Manufacturers, the Farm Bureau, automobile dealers, and over 40 other organizations, but, more importantly, by real people in the real world, people who do worry about safety, people who do have needs for a van or an SUV or a pickup truck who refuse to be relegated to an automobile such as the one shown in this picture. This type of car may be fine in Boston or Chicago, but it is not fine in Lucedale, MS, or Des Moines, IA, or a lot of other places around this country. People have to drive long distances. They have large families.

In my case, when I move my family around now, I have a choice. I have a bigger automobile, an SUV. I worry about safety. And I worry about strapping in the grandchildren properly, making sure they are going to be safe. And I even worry about making sure that third seat is secured properly.

I have a choice. I either can take two vehicles, the SUV or the van—one of them being a bigger one—or I can take three automobiles. How much gas have you saved?

This whole area astounds me. Let's talk about what real people do when they have a choice. After all, this is still America. We should be able to make our choices. We should not have the Federal Government saying you are going to drive the purple people eater shown here. I am not picking on this manufacturer. In fact, purposely I wanted to have a car that is hard to identify. This is basically in Europe. And when I was over there, I saw these little cars. I saw people pick them up and set them over into parking spaces. I also was trying to figure out how I was going to get my 6 foot 2½ inch frame in this automobile.

So what do real people do when they have a choice in America? Well, the 10 most fuel-efficient cars account for only 1.5 percent of automobiles sales. Americans value fuel economy, but it ranks far behind other very important competing values, such as safety, comfort, utility, and performance.

A recent survey of attributes consumers look for when buying a new automobile found that fuel economy ranks 25th out of the 26 vehicle attributes they were looking for.

Automobile makers produce 50 different automobiles that get 30 miles per gallon or better. Anybody can go to a dealer today if they want to and drive home a very fuel-efficient automobile, but small cars make up only 14 percent of the market.

Today's light truck gets better gas mileage than a subcompact car from the 1970s. Progress is being made. I do pay attention to it. The SUV I own and drive in the Washington, DC, area is the Honda SUV. It is actually my wife's car. I have to confess that because I always insist on still driving an American-made automobile. But a lot of these automobiles now are made by Honda and Nissan and Hyundai and Toyota. They are international companies, as are our domestic companies. So are all these other companies.

I do pay some attention to what I choose to drive and the fuel efficiency that it gets in the District of Columbia.

There also is no magic technology. I think progress is being made. But if you had the technology to go immediately to an automobile that got this fuel efficiency number picked out of the sky without sacrificing a lot of other very important factors, such as safety and comfort and the needs of the consumers, you would do that.

There are those who say technology is going to make it possible for us to have much more fuel efficiency without reducing the waste and size of the automobile. I have faith in American technology. I think we will get there. We are headed there. That option will be there. But I still don't understand why we should be trying to mandate the laws of physics and require that these things happen.

I heard one of the Senators the other day saying that the goal is to use less foreign oil. I agree with that. This is a national security question. That is why this bill is important. I have another alternative. While we do want to encourage conservation and look at alternative fuels, I also don't want us to take actions that basically mandate that in America you have to use less. We have a lot of domestic oil that we can use, natural gas, hydroelectricity, nuclear. We have to have more, not just less.

If we conserve and produce more, America can continue to grow. That is what we want. We want a growing economy. If you don't have the energy supply, you are not going to have the economic development you want.

CAFE standards have not reduced imported oil. We started to put these standards in place back in the 1970s. Yet as the efficiency has gotten better, the use of foreign oil has not gone down. It has been steadily going up. Now we are dependents for 59 percent of our energy needs supplied by foreign oil. That is a dangerous concept. We should produce more here while we are also conserving.

I personally think the CAFE program is a flawed program. I don't think we

ought to be issuing these mandates. I urge my colleagues to vote for the Levin-Bond approach. It is the responsible way. It will be based on something done by an entity in the Government that has the responsibility to get it done. I am not even sure right now what may be offered later on today, perhaps by Senators KERRY or MCCAIN or others. If we don't even know what they are going to offer, what science is it based on?

I conclude by saying this is the responsible way to go. It will not ignore the issue. It sets up a process based on science, capability, technology. It does take into consideration or will allow consideration of safety. And I don't want every American to have to drive this car.

I yield the floor.

Mr. BINGAMAN. Mr. President, I yield 2 minutes to the Senator from Maine, Ms. COLLINS.

Ms. COLLINS. Mr. President, I am pleased to join several of my colleagues in rising in support of increased fuel efficiency standards for cars and trucks. Some people have tried to cast this argument as a choice between trucks and better fuel economy. This is simply a false choice. I am convinced that we can, with America's can-do attitude and technological know-how, provide safer, more efficient cars and trucks that will go further on a gallon of gas and save consumers money at the gas pump. CAFE standards will give us better trucks and more money in our pockets.

OPEC's anticompetitive manipulations have driven the price of oil to a 6-month high. If we don't increase CAFE standards, America will only grow more and more dependent on foreign oil. Already we rely on foreign oil for 60 percent of our supply. That is a dangerous dependency. How much further into OPEC's clutches do we have to let ourselves slide before we decide that there is another way, a better way? CAFE is the American way of sending OPEC a message that we will not stand for their anticompetitive manipulative price increases.

Our proposal will save more than 1 million barrels of oil a day. It will save billions of dollars for consumers. And it will do more to reduce our reliance on foreign oil than any other single measure before us.

I call on my colleagues to join me in supporting the proposal to increase CAFE standards. This proposal is the right thing to do for the environment, for the economy, for consumers, and for America.

I commend Senators KERRY, BINGAMAN, MCCAIN, and my colleague from Maine, Senator SNOWE, for their efforts in coming up with an alternative approach.

Mr. BINGAMAN. Mr. President, I yield myself 2 minutes in opposition to the amendment.

The Republican leader was just urging us to consider sound science and sound data in making judgments on

this issue. I recall several years during which we passed in the Congress prohibitions against the administration, through NHTSA, even considering a change in CAFE standards. That doesn't seem particularly consistent to me with a reliance on sound science and sound data. The truth is, the Republican leader has set up a totally false choice. He has indicated the choice is between what we have now and, as he put it, this purple people eater that he has pictured.

The reality is, the technology is there to keep the cars, the SUVs, the vehicles we now drive and shift them to being much more fuel efficient. The real choice is in the SUV that the Senator from Massachusetts has a picture of, which Ford Motor Company indicates they are going to have on the market next year. They say it is the same power as before, the same convenience as before, the same room as before, but it uses half as much gas. That is the option. We just need to step up to giving that challenge to the car dealers.

When you look at why we are continuing to import more and more oil, it is very clear. The main reason is we have stalled out on improving efficiency in the motor vehicle sector.

This chart shows that, since 1989, there has been absolutely no improvement. In fact, there has been a decline in the fuel efficiency of our overall fleet. So this amendment will take the teeth out of our efforts to improve efficiency. It should be rejected. I hope my colleagues will do so.

The PRESIDING OFFICER. Who yields time? If no one yields time, time is charged equally to both sides.

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

The PRESIDING OFFICER. There are 5 minutes 20 seconds on the opposition side and 5 minutes 13 seconds on the proponents side.

Who yields time?

Mr. BOND. Mr. President, I yield myself 2 minutes.

I ask unanimous consent that Senators GRASSLEY and HUTCHINSON of Arkansas and ALLEN be added as cosponsors.

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

Mr. BOND. Some people here believe Americans cannot be trusted to make the right choice. In choosing between consumers and Government, I will side with the consumers. I don't pretend to know what is best for the 15 million Americans who are purchasing vehicles each year, but I prefer to listen to those who are actually in the business of selling cars and trucks. They tell me one consistent message: The Kerry amendment is a job killer, a threat to the safety of friends and families, a mandated market that eliminates consumer choice.

Now, 2,000 people a year, according to the National Academy of Sciences, have been killed by lighter cars. I don't want to tell a mom in my State she

should not get an SUV because Congress decided that would be a bad choice. I just came from a news conference with Martha Godet, who explained last week that she wanted a minivan to carry her two preteen sons and one baby to various events. Her story in the newspaper was countered by one of my colleagues on the other side of the aisle who said her proposal was "nonsense." She extends an invitation to that Senator to join her in a carpool to see how it would be if they were in a subcompact or a Yugo. She said it would look like a clown car if they were in a Yugo that managed to meet the fuel standards in the Kerry amendment.

I am grateful for the support of the Missouri Soybean Association, Corn Growers, and the Farm Bureau. We appreciate the information on safety from the Insurance Institute for Highway Safety and the National Association of Independent Insurers. The best way to get better mileage is through sound science and NHTSA.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I ask that I may speak for 1 minute.

Mr. BOND. I yield a minute to the Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I rise in support of the Bond-Levin amendment. I believe the automobiles need to become more efficient; it is in our national interest. I think our leader referred to this car pictured on the chart as the "purple people eater." I think that is a pretty good name.

I do not believe the Senate is in the best position to dictate how we do this. When it comes to Congress dictating what kind of fuels we use in our vehicles, we fail miserably. We have about 15 different types of fuels we use in the country. It is at a significant cost. We don't even address it in this bill. We have proven we are not very good chemists in the Congress. We are not very good automotive engineers either.

Congress should not randomly determine vehicle fuel mileage on a whim. We should leave it to the experts who know what they are doing, and we will take into account safety and economic impact. The Bond-Levin amendment does that and leaves the decision to the experts. I urge my colleagues to support this amendment.

Mr. BINGAMAN. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. There are 5 minutes 12 seconds in opposition, and there are 2 minutes 1 second for the proponents.

Mr. BINGAMAN. I yield the remainder of the time to the Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank my colleague.

Let me share what this vote is now about. This vote is about whether or not we will keep any standard at all with respect to fuel efficiency. If the Bond-Levin amendment passes, there

will be not only no standard whatsoever in place, there will be a process that will allow for delay into the far future. And there is a provision in the Bond-Levin amendment which undoes the current safety standards. There is no safety standard at all. In NHTSA, they ask to look at it, but it undoes the current safety standard.

Mr. President, this is a question of whether or not we are going to do what 88 percent of the people in America want us to do and only 9 percent are opposed to, and that is to save a significant amount of oil that we import from the Persian Gulf, from countries that have the ability to dictate to the United States the price in our future—whether we will save that and simultaneously contribute to global warming problems, as well as health in America.

There are two stories here. There is the lie and there is the truth. To my right, that purple machine in the photograph is the lie. No American will be forced to drive any different automobile. My wife drives an SUV. She supports this effort because she knows she can still drive an SUV that is efficient. Cars such as Suburbans are not even included in this measure.

We have seen advertisements suggesting that people will have to farm with a subcompact car. How insulting is that to the intelligence of Americans, who know they want more efficient cars? This doesn't even cover tractors. It doesn't even cover the basic trucks, the large trucks in the country.

This is the most extraordinary expenditure of money in phony advertisements to scare the American people that I have ever seen here—perhaps since the tobacco debate. Here is the truth. This is Ford Motor Company's own advertisement. They advertise an SUV—a vehicle that gives you all the room and power you want but uses half the gasoline. That is the Ford Motor Company advertisement that stands as a stark contrast to these extraordinary, ridiculous scare tactics.

My colleagues have been told that if we raise the CAFE standards, that will harm safety. Let me read from the Chairman of the National Academy of Sciences, from March 10 of this year. Paul Portney says:

This proposal of ours is roughly consistent with what the academy identified as being technologically possible, economically affordable, and consistent with the desire of consumers for safety.

What safety organization in America supports the Bond-Levin proposal? Not one. Not the major safety organization, the Public Citizen Center for Auto Safety; they support what we are trying to accomplish. The reason they support it is that there are no safety provisions whatsoever in the Bond-Levin proposal. In our proposal, there is, however, an ability to live up to the safety standards.

You have heard the National Academy of Sciences report distorted again and again. The update of that report,

on which NHTSA has signed off, says you can build a car in America that is just as competent as any SUV today and provides safety.

Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has approximately 1 minute.

Mr. KERRY. They try to suggest that this is a jobs problem. The fact is that our workers in Detroit have the ability to build all the cars America can buy that are just as large as the cars we have today but are more efficient. What they need is an auto industry that asks them to do it, that gives them the cars that are so designed. It is extraordinary that my colleagues have so little confidence in the ability of the American worker and American ingenuity to provide cars that are going to be competitive well into the future with the Japanese and Germans.

I think we should celebrate the capacity of the American worker, and that is what we are asking people to do. Every year, there has been an opportunity to delay, to obfuscate. The opponents have chosen to do it. The only people who support Bond-Levin are those who support the specific automobile interests, the Big Three, people who work there—not the safety people, not consumers, not the environmental interests of the country.

Generally speaking, this is a pattern of delay and obfuscation. We will have an opportunity after this vote to vote on the Kerry-McCain alternative that reduces the level even further. I ask my colleagues to remember that there is no CAFE requirement at all in Bond-Levin. We will have no standard whatsoever. We will have years of lawsuits and years of delay. It is one more step in Detroit's effort to prevent us from having an opportunity to have cars that are competitive and meet the needs of the future.

I retain the remainder of the time.

The PRESIDING OFFICER (Mr. REED). Who yields time?

Mr. LEVIN. Mr. President, how much time remains in support of the amendment?

The PRESIDING OFFICER. The Senator from Michigan controls 2 minutes and 1 second, and the time of the Senator from Massachusetts has expired.

Mr. LEVIN. I yield 30 seconds to Senator STABENOW.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Mr. President, this is not about the Ford Escape. We are pleased the auto industry is moving forward. The CAFE number does not reflect the fuel economy improvements of one particular vehicle. It is a fleet average. GM has from 2000 to 2001 improved fuel efficiency for eight different vehicles, and their CAFE number did not change.

It is a system that does not work. It is crazy. It is discriminatory against the American auto industry. I encourage a vote for this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, the Senator from Massachusetts said the amendment before us would eliminate existing safety standards. That is flat out wrong. He summarized a quote from one member of the National Academy of Sciences. I want to read one line from the National Academy of Sciences on the exact point:

Equal treatment of equivalent vehicles made by different manufacturers is a requirement of equity. The current CAFE standards fail that test.

I have much more confidence in the workers of this country and their representatives than my friend from Massachusetts. They strongly oppose this amendment. The UAW favored CAFE when it first came into existence. They favored CAFE. They strongly oppose the Kerry language because it discriminates against equally efficient vehicles made in America.

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

Mr. LEVIN. I yield the remainder of my time to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri has 10 seconds.

Mr. BOND. Mr. President, I thank the Senator from Michigan. It is not fair to say there are no safety standards. The Levin-Bond amendment requires safety be considered in setting the standards. There will be standards.

I have just come from a press conference with Diane Steed, former NHTSA Director, speaking on behalf of the National Safety Council. The National Safety Council is extremely concerned about the Kerry proposal and its likelihood to kill more people. Therefore, I urge support of the Levin-Bond amendment.

I ask unanimous consent that Senator VOINOVICH be added as a cosponsor.

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

All time has expired. The question is on agreeing to amendment No. 2997.

Mr. LEVIN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

Mr. LEVIN. Did the Chair add Senator VOINOVICH as a cosponsor?

The PRESIDING OFFICER. The Chair did.

The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 62, nays 38, as follows:

[Rollcall Vote No. 47 Leg.]

YEAS—62

Allard	Bond	Byrd
Allen	Breaux	Campbell
Baucus	Brownback	Carnahan
Bayh	Bunning	Carper
Bennett	Burns	Cleland

Cochran	Helms	Nelson (NE)
Conrad	Hutchinson	Nickles
Craig	Hutchison	Roberts
Crapo	Inhofe	Santorum
DeWine	Johnson	Sessions
Domenici	Kohl	Shelby
Dorgan	Kyl	Smith (NH)
Ensign	Landrieu	Specter
Enzi	Levin	Stabenow
Feingold	Lincoln	Stevens
Fitzgerald	Lott	Thomas
Frist	Lugar	Thompson
Gramm	McConnell	Thurmond
Grassley	Mikulski	Voinovich
Hagel	Miller	Warner
Hatch	Murkowski	

# NAYS—38

Akaka	Edwards	Murray
Biden	Feinstein	Nelson (FL)
Bingaman	Graham	Reed
Boxer	Gregg	Reid
Cantwell	Harkin	Rockefeller
Chafee	Hollings	Sarbanes
Clinton	Inouye	Schumer
Collins	Jeffords	Smith (OR)
Corzine	Kennedy	Snowe
Daschle	Kerry	Torricelli
Dayton	Leahy	Wellstone
Dodd	Lieberman	Wyden
Durbin	McCain	

The amendment (No. 2997) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Georgia is to be recognized to offer an amendment on which there will be 10 minutes of debate.

The Senator from Georgia.

## AMENDMENT NO. 2998

Mr. MILLER. Mr. President, I call up an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. MILLER], for himself, Mr. GRAMM, and Mr. HUTCHINSON, proposes an amendment numbered 2998.

Mr. MILLER. I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To prohibit the increase of the average fuel economy standard for pickup trucks)

On page 177, before line 1, insert the following:

## SEC. 811. AVERAGE FUEL ECONOMY STANDARDS FOR PICKUP TRUCKS.

(a) IN GENERAL.—Section 32902(a) of title 49, United States Code, is amended—

(1) by inserting “(1)” after the after “AUTOMOBILES.—”; and

(2) by adding at the end the following new paragraph:

“(2) The average fuel economy standard for pickup trucks manufactured by a manufacturer in a model year after model year 2004 shall be no higher than 20.7 miles per gallon. No average fuel economy standard prescribed under another provision of this section shall apply to pickup trucks.”.

(b) DEFINITION OF PICKUP TRUCK.—Section 32901(a) of such title is amended by adding at the end the following new paragraph:

“(17) ‘pickup truck’ has the meaning given that term in regulations prescribed by the

Secretary for the administration of this chapter, as in effect on January 1, 2002, except that such term shall also include any additional vehicle that the Secretary defines as a pickup truck in regulations prescribed for the administration of this chapter after such date.”.

Mr. MILLER. Mr. President, I rise to urge my colleagues to vote in favor of the Miller-Gramm-Hutchinson of Arkansas amendment to protect pickup trucks.

Our amendment is very simple. In fact, I cannot remember seeing a more simple amendment ever offered on the floor of the Senate. It is easy for all of you to understand. And I will tell you something else that is important, it is easy for the folks back home to understand.

Pickups are now required to meet a standard of 20.7 miles per gallon. This amendment simply says that standard cannot be increased. The only thing greater than its simplicity is its fairness. We absolutely should not impose an undue safety risk and extra cost of higher CAFE standards on our farmers or on our rural families or on our carpenters, plumbers, painters, electricians—those small businesses that rely so heavily on the pickup that keeps our Nation moving.

These are the hard-working people with calloused hands who build our homes and work our farms. They are the forgotten Americans who work from dawn to dark and then turn on the headlights of their pickup so they can see to work another hour.

They never ask us for anything they have not earned. All too often in this great citadel of the people we turn our backs on these folks. They have no lobbyists. They don't have a single one; pickup pops are not organized. No soft money comes from them, and not much hard money. They are too busy working. As the pickup goes, so goes the very heart and muscle of this great country.

If you apply higher CAFE standards to pickups, you will make them unaffordable for some and you will make them unsafe for all. A “yes” vote is a vote for the working man. A “yes” vote is a vote for rural America. A “no” vote is a vote against the working man. A “no” vote is a vote against rural America.

In 1 year alone, the year before last, working people in this country bought 3,180,000 pickup trucks in 29 of our States. Pickups account for between 20 percent and 37.4 percent of all registered vehicles. Folks across this country buy pickups, not just because they are affordable and not just because they are safe. They also buy them because they have to have them. They have to have them to do their work. Pickups are as essential to the carpenter as his hammer; as essential to the painter as his paintbrush.

So we must leave this American workhorse, the pickup truck, alone. Don't pick on the pickup.

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

Mr. REID. Mr. President, under the authority of Senator DASCHLE, I yield 5 additional minutes to Senator BINGAMAN in opposition to this amendment. That will be a total of 6 minutes.

The PRESIDING OFFICER. Is there objection? The Senator from Texas.

Mr. GRAMM. Mr. President, I do not object. I think I have 5 minutes reserved to speak on the amendment.

The PRESIDING OFFICER. The Senator has 5 minutes. Is there objection to the unanimous consent request? Without objection, it is so ordered.

The Senator from Texas.

Mr. GRAMM. Mr. President, first of all, I congratulate my dear colleague from Georgia. I thank him for his leadership on this issue. I say to him I am very happy again to be married up together, promoting the interests of the people who do the work and pay the taxes and pull the wagon in America.

If you want to know how far out of touch with reality this Congress is, all you have to do is look at this CAFE standard debate. The American people want to be safe in their cars and trucks, and they have work to do. It is not uncommon in my State for people to get up in Corsicana at 4:30 in the morning, get in their pickup, drive to Dallas, work all day and work that pickup all day until 6 or 7 o'clock at night and then drive that pickup back to Corsicana. Every morning in small towns all over this country, people who work for a living and get their hands dirty in the process use their pickups for transportation and to make a living. There are not good substitutes.

Our colleagues tell us: Oh, there are substitutes. We can have a substitute for the pickup. You don't need that big Dodge. You don't need that Chevrolet. You don't need that Ford. You don't need that Toyota pickup. They have an alternative. But they don't live in Mexia. They don't carry around tools. They are not hauling lumber. They are not getting their hands dirty working for a living, and they are totally and absolutely out of touch with the people who do the work in this country. Our amendment simply says: Leave pickup trucks alone.

Try as I may to understand people who have a different mindset than I do—and I know many of my views are hopelessly out of fashion—but try as I do to understand it, sometimes I cannot. We will impose billions of dollars of cost on little towns to try to change arsenic standards for drinking water based on a projection of a very small effect on the health and lives of Americans. But, yet, when the National Academy of Sciences, the most prestigious scientific body on the face of the Earth, concludes that the existing CAFE standards may be costing as many as 3,600 lives a year—we are not talking about the new standards, we are talking about the old standards—the people who go absolutely ballistic over these little towns are nowhere to be seen. If Fallon, NV, has arsenic in its drinking water, and if the mayor

and his children and grandchildren have been drinking it for years with no appreciable effect or no effect, we have no doubt in our mind about imposing those costs because we are so concerned about an effect on people. Yet, when hundreds of times as many people are killed by these CAFE standards, we act as if that is all right because fuel efficiency is a good goal.

I don't know a better goal than to have people drive pickups. I don't know any more reliable Americans than those who drive pickups. I don't know people who more deserve good government than people who drive pickups. So this amendment is critically important.

Finally, if anybody cares about the automobile industry, let me remind my colleagues that we are trying to get out of a slowdown, a minor recession. We have just had the administration impose tariffs up to 30 percent on steel and while many Members of Congress support that, I do not. This action means money will be taken right out of the profit margin of American automobile producers because the Germans and the Japanese are not going to pay these higher prices for steel.

If we come in now with these new CAFE standards on big-selling items such as pickups, this will further hurt automobile manufacturers and their workers. In my State, pickups are the largest selling vehicles. If you take trucks in general, trucks in general outsell cars in Texas. My guess is that is true in most of your States.

I urge my colleagues to vote for this bipartisan effort on behalf of people who drive and use pickups—people who do the work and make America work, and who deserve to be represented on the floor of the Senate. I am proud that Senator MILLER has seen the day that they are represented.

Mr. MURKOWSKI. Mr. President, how much time remains for the proponents?

The PRESIDING OFFICER. There is no additional time except for the time remaining to the Senator from Georgia, who has 41 seconds remaining.

Who yields time?

Mr. MILLER. Mr. President, I yield 41 seconds to the Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I thank my good friend from Georgia.

For those of you who have ever driven a pickup and gotten stuck in the snow, you need a four-wheel-drive pickup to get out. We would not have been able to develop the Trans-Alaska Pipeline without the U.S.-made pickup. It has the heavy undercarriage that can stand the gravel roads. The Senator from Texas is quite correct. The rest of the country lives on the pickup, and the transportation is used as part of your toolbox. You get your tools in it, you go out to work, and you get a job done. There is simply no other way you are going to accomplish this.

I think the Senator from Georgia in his reference to what is in this amendment—automakers make more fuel-eff-

icient pickups—there is nothing in this amendment that would prevent that. The reality is a pickup is a heavy piece of equipment that is designed to do a job. We should support the amendment of the Senator from Georgia.

The PRESIDING OFFICER. Who yields time?

Mr. BINGAMAN. Mr. President, how much time do we have in opposition?

The PRESIDING OFFICER. The Senator from New Mexico has 6 minutes.

Mr. BINGAMAN. Mr. President, I yield myself 3 minutes, and then I will yield 3 minutes to the Senator from Illinois.

Let me put this in perspective. We just had an amendment agreed to on the Senate floor which essentially says that we in the Congress are not going to specify what the corporate average fuel efficiency or economy number ought to be; that it ought to be left up to NHTSA, the National Highway Traffic Safety Administration, to make those decisions.

The Republican leader came to the floor and said we should do this because clearly we need to be sure that the decision is made on the basis of sound science and solid data. Those were the two phrases he kept using—sound science and solid data.

The Senator from Michigan continually referred to the fact that we should not adopt some arbitrary number; that is totally contrary to common sense. Now we have an amendment by my good friend the Senator from Georgia which says let us make it permanent law—that beginning 2 years from now with model year 2004 and after, for all pickups, it is prohibited for NHTSA or anyone else to impose a fuel efficiency standard in excess of what has been the standard for many years, 20.7 miles per gallon.

The last amendment said that NHTSA would make the decision. This amendment takes that away and says we are making the decision. It will be 20.7 miles per gallon on pickups starting in 2004, and from then on it is permanent law. I don't think we can have it both ways. If we know best, then fine, we shouldn't have adopted the last amendment. If NHTSA knows best, then we shouldn't adopt this amendment.

I understand where the votes are. I understand that everyone wants to wrap themselves in the flag of the pickup pops and indicate that they don't want to pick on pickups. I understand all that rhetoric.

I have a lot of pickups in my State. But I don't see why people who drive pickups should be required to be buying vehicles that are less fuel efficient than the rest of the population. The truth is these people who work so hard and have callused hands and are driving pickups don't want to have to pay more at the gas pump than anyone else. And this amendment essentially will ensure that they have to pay more from now on. They may get a very fuel-inefficient pickup, but every time they

go in to fill up, they are going to be paying more because of this amendment, if it is agreed to.

I urge my colleagues to oppose the amendment.

I yield the remainder of our time to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I ask to be recognized for 2 minutes, and then yield 1 minute to Senator LEVIN from Michigan.

Mr. President, I rise in opposition to this amendment. With the last vote, we threw in the towel on fuel efficiency. We said this Congress is incapable of requiring the automobile manufacturers to make a more fuel-efficient car so that America could have energy security and energy independence. We gave up on it. We turned it over to NHTSA and said: Study it, look at it, and we will get back to you.

Now, with this amendment, we are saying we are going to exempt pickup trucks forever and that 20.7 miles a gallon is all we will ever ask of them. We will not ask Detroit to make a pickup truck that is more fuel efficient. And the argument has been made that it is unfair, that it is unpatriotic, that it is impossible to ask the drivers of pickup trucks across America to ask for a more fuel-efficient vehicle—even 1 more mile per gallon.

Let me tell you what is also unfair. It is unfair to ask the men and women in uniform in the United States to risk their lives in a war in the Middle East to fight to preserve more imported fuel to fuel these vehicles on the highways. These hard-working farmers and ranchers and blue-collar men and women who drive these pickup trucks have kids who may be forced to serve in the military to fight a war because of our dependence on Middle East oil.

With the last vote, we bowed down to the special interests on fuel efficiency. And I want to tell you that as a result of it, we are going to continue to bow down to OPEC for decades to come. That is not in the best interests of people who drive cars and pickup trucks in America.

The PRESIDING OFFICER. Who yields time?

Mr. BINGAMAN. Mr. President, I yield the remainder of our time to the Senator from Michigan.

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

The PRESIDING OFFICER. One minute fifteen seconds.

Mr. LEVIN. I will split that time evenly with my colleague from Michigan.

Mr. President, we have decided to refer to NHTSA for the next 15 months the complicated question of whether or not we ought to increase CAFE on what vehicles and by what amounts. This amendment runs contrary to what we just agreed to.

I could not disagree more with our friend from Illinois when he says we threw in the towel in terms of increasing CAFE with this last amendment.

That was my amendment. We specifically said we are going to increase it, but we are going to do it in a rational and responsible way, considering all the criteria which should be considered. We should not adopt the standard on this floor. The Miller amendment, I am afraid, does that for one particular type of vehicle.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Mr. President, I rise to oppose this amendment.

CAFE relates to fleet-wide averages. If we take out pickup trucks, we put more pressure on fuel efficiency standards for SUVs and minivans. I hope we will instead use the last amendment as the way that we will approach vehicle fuel efficiency and that we will not pit our farmers against our soccer moms.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I ask unanimous consent that I be made a cosponsor of this amendment.

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

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the Miller amendment, No. 2998.

Mr. MILLER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 56, nays 44, as follows:

[Rollcall Vote No. 48 Leg.]

#### YEAS—56

Allard	Dorgan	McConnell
Allen	Edwards	Miller
Baucus	Enzi	Murkowski
Bennett	Frist	Nelson (NE)
Breaux	Gramm	Nickles
Brownback	Grassley	Roberts
Bunning	Hagel	Rockefeller
Burns	Harkin	Santorum
Byrd	Hatch	Sessions
Campbell	Helms	Shelby
Carnahan	Hutchinson	Smith (NH)
Cleland	Hutchison	Smith (OR)
Cochran	Inhofe	Stevens
Conrad	Johnson	Thomas
Craig	Kyl	Thompson
Crapo	Landrieu	Thurmond
Daschle	Lincoln	Voinovich
DeWine	Lott	Warner
Domenici	Lugar	

#### NAYS—44

Akaka	Ensign	McCain
Bayh	Feingold	Mikulski
Biden	Feinstein	Murray
Bingaman	Fitzgerald	Nelson (FL)
Bond	Graham	Reed
Boxer	Gregg	Reid
Cantwell	Hollings	Sarbanes
Carper	Inouye	Schumer
Chafee	Jeffords	Snowe
Clinton	Kennedy	Specter
Collins	Kerry	Stabenow
Corzine	Kohl	Torricelli
Dayton	Leahy	Wellstone
Dodd	Levin	Wyden
Durbin	Lieberman	

The amendment (No. 2998) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

#### AMENDMENT NO. 2999

Mr. KERRY. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY], for himself and Mr. MCCAIN, proposes an amendment numbered 2999.

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

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

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. KERRY. On behalf of Senator MCCAIN and myself, I ask unanimous consent that the amendment be temporarily set aside.

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

Mr. KERRY. Mr. President, I want to speak for a few moments about where we now find ourselves. I was talking with the distinguished Senator from Michigan, who won a significant vote by the Senate a little while ago with respect to, instead of having the Senate set a standard, sending the CAFE standard to NHTSA and asking NHTSA to do so within a specified period of time. I understand the dynamics, but may I say there is an incredible schizophrenia in what the Senate has done in these two votes, because on the one hand the minority leader and many of our colleagues came to the floor to argue that the Senate doesn't have the ability—we don't have the science, the information, and we don't have enough capacity to make a determination about how the overall fleet ought to be determined. Then, of course, with the amendment of the occupant of the chair, the Senate decided all of that goes out the window; we do that by exempting pickup trucks.

I sympathize with the occupant of the chair that pickup trucks ought to be treated differently. I am not arguing about that. Clearly, they are a mainstay to a huge amount of economic activity and people who contribute very significantly to the fabric of this country. But it is completely contrarian to say we are going to have NHTSA try to evaluate this and, on the next vote, we have exempted 20 percent of the available fleet, so that now, whatever fuel savings we have left to gain have to come out of the rest of the fleet—either passenger cars, SUVs, or others—if it is decided that any savings are going to come at all.

Now, just today, some polls were released that showed that 88.9 percent of Americans believe we are better off trying to raise the fuel efficiency of our automobiles, and they would like to see CAFE standards be at a level

where America is saving oil, where we are not importing oil from abroad to a greater degree.

Senator MCCAIN has worked diligently with a group of Senators on both sides of the aisle—Senator SNOWE, Senator COLLINS, Senator GORDON SMITH, and Senator CHAFEE, and Senators on our side, such as Senators HOLLINGS and FEINSTEIN—to come up with an agreement on a different approach on CAFE. It is an approach that embraces the concept of credit trading, so that you soften, reduce significantly, the pressure on an automobile company to meet the higher standard of, say, the 36 miles or 35 miles—or whatever it might be—by allowing that company to purchase credits from a greenhouse-gas-producing entity of some kind in the United States.

What you get from this is a two-fer: You get the reduction in greenhouse gases, and you also get the incentive for companies to move forward, meeting a higher standard of fuel efficiency. I hope NHTSA—now that the Senate has voted, it is my hope; and I am sure Senator MCCAIN joins me—that this will be a concept maybe they will embrace as they consider how we might come back to more effectively implement the standard.

What has happened here in the Senate is the result, to a large degree, of an extraordinary process of distortion over the course of the last days, where huge sums of money have been spent by an industry that has a lot of money, and rather than putting the money into fuel efficiency, they put it into advertising to maintain the status quo. It is ironic.

Mr. MCCAIN. If the Senator will yield on that point, isn't it particularly entertaining to hear the comments about the drivers of pickup trucks and how important it is for those good citizens—hard-working, poor citizens who drive the pickup trucks, not a penny of theirs pays for these advertisements that have distorted this issue so badly.

Wouldn't it have been more fair in the debate to talk about who is paying for all the advertising attacking you and me and anybody who wanted to increase CAFE standards? I don't think a single pickup truck owner paid for those ads. We know who it is. It is the automobile manufacturers. Isn't it the automobile manufacturers who have resisted every single change in safety or efficiency over the last 40 years in the United States of America? Isn't it true that to drag out a picture of an automobile called the "purple people eater" and somehow infer that that would be an automobile that the American people would be forced to drive, if we increased CAFE standards, has trivialized this entire debate?

I have to tell my friend from Massachusetts that I have been engaged in debates on the floor of the Senate now for quite a few years, as has the Senator from Massachusetts. I haven't quite seen the trivialization of a debate



in the manner with which this one was when they dragged out pictures of little European cars. Frankly, the Europeans buy those cars because they don't have parking spaces in the major cities in Europe. I suggest that perhaps the occupant of the chair might go to Germany and get on the autobahn sometime. He will see some pretty big automobiles traveling at very high rates of speed. If we had the little "purple people eater," maybe we ought to have shown the Porsches and the Mercedes Benz, which are extremely popular in Europe, as well.

The other thing I ask of my colleague that is a bit disturbing about this debate is this: All these comments about the health of our citizens and the risks to their lives and how this could be so dangerous because we would have more accidents, which by the way have been refuted by recent studies—

Mr. KERRY. Mr. President, if I could interrupt, I need to go into the cloakroom for a moment. I will yield the floor and let my colleague continue to speak.

Mr. MCCAIN. I thank my colleague. I am sure he will be responding to the questions.

Here we have a study from my home State of Arizona, the "Governor's Brown Cloud Summit," a study released January 16, 2002, concerning the very serious problem we have in the valley, where the city of Phoenix and surrounding cities are located. I hope colleagues will keep in mind that this is the same valley where, many years ago, doctors recommended people to go and live if they had respiratory problems. Part of the conclusions here are that:

Microns, often referred to as PM 2.5, is a significant cause of haze. Each particle, about the size of a single grain of flour, can float in the atmosphere for days, behaving much like a gas. Over half of the PM 2.5 is caused by the burning of gasoline and diesel fuel in vehicles, which are sometimes referred to as on-road mobile vehicles.

Then it says:

PM 2.5, the prime cause of poor visibility in the valley, also exacerbates health effects, such as asthma attacks and other heart and lung problems that cause people the need to go to the hospitals and is consistently associated with higher-than-average death rates. Reducing the amount of PM 2.5 will make the view of more distant landmarks clearer and reduce health effects. Improvements in visibility and health will be directly proportional to the amount of the emissions eliminated.

Recently there was an editorial in the Arizona Republic on March 9, 2002—"New study reveals wider health risks." The title is "Legislature Must Attack Brown Cloud":

We have always known the valley's brown cloud is ugly and unhealthy. Now we know it can be deadly. A new study indicates years of breathing that haze of particulate pollution will significantly raise a person's risk of dying of lung cancer and heart attack. For lung cancer, the risk is the same as living with a cigarette smoker, according to a report published this week in the Journal of the American Medical Association. The

study, funded by the National Institute of Environmental Health Sciences—

Not an automobile manufacturer—

is compelling because of its breadth. Researchers followed half a million people across the country for over two decades. No, it is not just desert dust. The most dangerous particles are much smaller, 2.5 microns or less, so tiny that it takes at least 28 to equal the diameter of a human hair. These ultrasmall particles which wreak havoc by penetrating deep into the lungs come from combustion.

Here in the valley, as elsewhere in the West, a big part of our particulate pollution spews out of tailpipes.

Long-term exposure to pollution increases risk of lung cancer, according to this study, by 8 percent.

The study concludes air pollution puts individuals at greater risk for heart attacks and lung cancer. Pollution has been correlated to reproductive, musculoskeletal, respiratory, and gastrointestinal problems. It is of particular concern to children and older people as their immune responses are less capable of dealing with the stresses caused by pollutants.

Arizona has the second highest rate of asthma sufferers in the Nation. Approximately 300,000 Arizonans have asthma. The 2002 report by the Journal of the American Medical Association, says:

Six hundred sixty-six premature deaths in Arizona are from exposure to particulate matter.

This is serious business. This is not pictures of little European cars. This is not comments about the great individuality of the pickup truck driver. This is about life and death of children and older people. That is what this argument is about and, unfortunately, that has not been part of this debate. It certainly could not have been part of this debate that I know of.

It is calculated that brown cloud material would be reduced by 1.8 metric tons per day in 2010, if the use of clean burning fuel was implemented.

My State, Arizona, got an F, the worst rating on air quality, in 2001 from the American Lung Association. Ninety percent of the workforce in my State drives to work. One in every 4.5 cars is an SUV; 54 percent of the passenger vehicles sold in Arizona qualify as light-duty trucks. I would be the last representative to try to take away an SUV from my family, my neighbors, or my constituents.

Phoenix received a D rating for the amount of smog from cars and trucks per person and an F for the amount spent on public transit versus highways per person. In Phoenix, we have 70 pounds of smog per person per year. In Pima County, vehicle emissions are responsible for up to 70 percent of area air pollution, making them a prime candidate for reduced emissions and cleaner burning cars.

An increase in CAFE would reduce my State's pollution by about 2.3 million metric tons per year. The California Air Resources Board established a zero emission vehicle program in 1990

to meet health-based air quality goals. Ten percent of new vehicles produced in 2003 have to be zero emission vehicles. As of 1990, other States may adopt the California program as their own but are otherwise prohibited from setting their own emissions standards.

The State of California has listed over 40 chemicals in diesel exhaust as toxic air contaminants. Numerous studies have linked diesel exhaust with cancer, bronchitis, asthma, and other respiratory illnesses.

It is very unfortunate that we are failing to address the severe health care problems and direct threat to the health of our citizens as we blithely believe the same old rhetoric from the automobile manufacturers of America which were wrong in 1974, they were wrong in 1976, and they are wrong today. At one time, they were against seatbelts. At one time, they were against airbags. At one time, they said the CAFE standards increase that Congress had the courage to pass years ago would drive them out of business. The last time I checked, they were doing pretty well.

I regret this action on the part of the Senate because I believe people will die unnecessarily over time as a result of the action we have taken today. We will revisit this issue because the problem in my State and America is getting worse rather than better.

I thank my colleague from Massachusetts. I know he has been made famous in newspaper and television advertisements all over America as being the one who is bent on destroying Western civilization as we know it. I do extend to him some sympathy. Some day we will have a rational debate on this issue, and we will bring the scientific facts forward, as I tried to do through different studies conducted by the Journal of the American Medical Association and the National Academy of Sciences, as to the threats to the health of Americans that our failure to address this issue presents.

Some day I am sure we will revisit this issue, and I hope the debate is devoid of pictures of small cars that are used in Europe as a threat to the American way of life, in which I know the Senator from Massachusetts and I would never engage.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the Senator from Arizona for his comments. I know he has been the recipient of those kinds of comments previously. He and I seem to find ourselves together on that occasionally.

I came to the Senate hoping I would always find that this institution debated facts and truth. Obviously, I am not naive. I know there are some politics; we all understand that. I am not trying to suggest that is not part of it. But the level of Harry and Louise-ing of this issue that we saw in the last days is a commentary on money in American politics and how the agenda

of the country gets distorted and the ways in which special interests and big money can mold an issue into a certain perspective completely devoid of some of the reality.

We saw a National Academy of Sciences study used again and again in the most obviously distorted way. People would read from the study which referenced a 1993 analysis. Despite the fact that analysis has been redone since then, despite the fact there is a 2002 current year analysis, everybody kept going back.

Let us go back to 1993 because that is much more effective, even though it is not true. Across America, people were told they might have to farm with a compact car. I know the Chair does not believe that. People are not going to be farming with compact cars. Tractors are not even under CAFE standards. As to the level of reasonableness of the standard that could have been found with respect to light trucks or pickups, it is beyond imagination we would not be willing to come to grips with what I think is a greater truth.

Those most concerned with safety in America, those entities that consistently earn a reputation coming to the Senate with studies and analyses upon which all of our colleagues depend—the Center for Auto Safety, Public Citizen, people who have a reputation of representing the consumer—were against what the Senate did. Not one safety organization in America supported what was adopted.

I have learned to take my losses, and we are all going to live to fight another day. This issue is going to come back, I am absolutely convinced about that. We are going to face it.

I saw that the price of gas went up about 5 or 6 cents at the pump in the Washington area in the last couple of days. I remember when I was going to law school what it was like to study my torts and contracts sitting for an hour and a half in a line waiting to get gasoline, and I wished I had a car that did not require me to go into that line as frequently as it did so I could get to school and back on one tank of gas more frequently.

In Europe, people are driving cars that get 60 and 70 miles per gallon, and the question is pregnant here in America: Why aren't we?

There is a new poll that came out yesterday. It shows 88 percent of Americans want cars that are more efficient. I believe even those who drive pickups and light trucks all across America would like a truck that is more efficient. They pay their gas bill. They have to pay for the same costs as everybody else. It would be a lot more efficient if they could have some of that new technology.

In my judgment, we missed—it is my judgment, and I could be wrong, as everybody knows—an opportunity to help make America more competitive, to help save money for our consumers, and to beat back what has been a proven reluctance by an industry for years. This is not a matter of conjecture.

I know the Presiding Officer, the Senator from Georgia, knows Stuart Eizenstat. I know the Presiding Officer knows President Jimmy Carter very well. President Jimmy Carter sat in front of the Big Three, and they came to him and said:

Mr. President, we cannot do this. You are going to put us out of business. Stuart Eizenstat testified to our committee that he sat in that meeting and listened to the president of General Motors tell him it was impossible to meet the standards, but President Carter himself, somebody who understood technology, an engineer by training, made a courageous decision that we had to move forward. That courageous decision to move forward saved millions of barrels of oil—billions by now. It saved, many would say, the American industry because it made them competitive with the German and Japanese car that was increasingly gaining market share because Americans wanted cars that were more efficient.

I believe in the capacity of every UAW worker and every car manufacturer in America to build a car that is competitive with any car in the world. I believe in the capacity of American ingenuity and technology. I believe in our entrepreneurial spirit.

Today, we turned our backs on something President Kennedy did in the 1960s when he said we could go to the moon in 10 years. He did not know for certain we could get there, but he set a goal, and America met the goal.

We could have, today, set a goal for America. We could have said we are going to reduce the threat that our kids may have to go to another country to defend our gluttony on oil by becoming more efficient. We could have, today, had an opportunity to set a standard that would have pushed the technology curve so America could be the country that sells the cars of the future, all over the world, that are more efficient, more effective, and safer.

I misspoke earlier when I said something about the Senator from Michigan. I want to clarify it. I told him about it, and it was purely misspeaking. I said his bill would wipe out the safety standards. I did not mean the safety standards of CAFE that are in existence today. I meant it would wipe out the underlying safety standards in our bill. That, it did.

We had a safety standard that would have provided a rollover standard for SUVs. Every year we lose 10,000 Americans who are killed in rollover accidents in SUVs. SUVs are built with a very fragile roof. I think the roof weighs about 75 pounds, something in that vicinity. When the heavy SUV rolls over, people are crushed and killed. That could be prevented.

The safety people who supported our bill suggested we should have had that standard in this legislation. That has now been wiped out.

The reason this is so important is that there is a history. People know

NHTSA has not been a fighting agency for change or for standards. That is why when Ronald Reagan came in and Congress was going to do standards, everybody said: Oh, NHTSA ought to do it. Do not let Congress do it.

When Bush 41 was President, they said: Oh, Congress should not do this. NHTSA ought to do this. Then all of a sudden when President Clinton was in office, and Congress was in the hands of the Republicans, the whole argument flipped: Oh, we should not have NHTSA do this. We ought to have Congress do this.

Lo and behold, in 1995, the Congress prohibited the EPA from even evaluating what the impact might be of raising the CAFE standards.

There is a history, a history of delay, a history of resistance, a history of can't-do, a history of we do not want to do, a history of this is going to kill us. But when Congress had the courage to stand up and raise the aspirations of Americans, guess what. The industry met the standard and exceeded it. And guess what. We raised the numbers of workers in Detroit up to about 1 million in the year 1999, the highest level it had been for a number of years.

When I hear my colleagues say, "What about jobs," I do not think it is Toyota and Honda that moved to Mexico. The last measurement I had, it was the Big Three that had moved some plants to Mexico. Honda and Toyota are building plants in the United States of America, and they are increasingly building engines and automobiles in our country and grabbing market share.

Maybe the competition of the marketplace will spur some of these entities on but history has shown—look at Enron. There is an example. If ever we have learned in recent days what President Teddy Roosevelt taught us when he had the courage, coming from his party, to stand up against trusts in America, we learned of the unfettered, completely unrestrained, absolutely unregulated appetite of most businesses. We have found countless examples of abuses where sometimes someone is needed to act as a referee, to act as a standard bearer. I believe that someone should have been the Congress. It has not been, and it obviously will not be. So my hope is that as we go down the road, people will think hard about the gains that were lost today.

This is not the long-term solution for our country. I understand that. The long-term solution for our country is to be independent of oil, but 70 percent of the oil we consume in America is consumed in transportation. If we are going to reduce foreign dependence, we have only two choices: We either produce it in America or we reduce our dependency abroad. Since oil is the principal dependency, we cannot solve the problem when we only have 3 percent of the world's oil reserves but we use 25 percent of those reserves every year. The math is simple. Every child

in school can do the math. If the United States is using 25 percent of the oil, and we only own 3 percent of the oil reserves, either find the oil somewhere else or find an alternative to oil.

We cannot drill out of this predicament; we have to invent our way out. One of the ways to have invented our way out of it would have been to have adopted a standard that pushed the technology curve so our industry would suddenly become the world's leader, as we were in alternatives and renewables and photovoltaics in the late 1970s, when we made a similar effort to adopt those technologies.

I am proud we were fighting for this. I will stand up anywhere in this country and defend the rectitude of what we attempted to do and decry the lies that suggest everybody in America has to get into some little purple people eater, when Ford Motor Company itself is promoting an SUV with all the power you want, and all the room you want, and it uses half the gasoline.

There it is, the car of the future, from Ford Motor Company. There is not a pickup truck, there is not an SUV, there is not a vehicle in America that cannot be driven this size. Look at our buses; look at our fleets. In America today we are driving huge numbers of people in buses that are driven on compressed natural gas. We have alternative vehicles. Fleets are being purchased that way.

The Government has the opportunity to set the standard, requiring that no automobile is going to be bought for fleet use of the Government unless we are using hybrids and alternatives. We could begin to create the demand for the marketplace. There are all kinds of ways to try this, but it takes leadership.

Today I regret to say I don't think the Senate offered that. I hope it will in the future.

I yield the floor.

**THE PRESIDING OFFICER.** The Senator from Delaware.

**Mr. CARPER.** Mr. President, for 2 weeks we have debated the comprehensive energy policy we should have for this country. Most Members and most Americans agree we need to do two basic things: One, we need to create more energy; two, we need to conserve more energy.

Throughout the legislation we are debating, there are a variety of ways we will create more energy: make natural gas more readily accessible from northern Alaska; create renewable energy; more solar, wind, geothermal; interesting exploitation of biomass, biofuels, soy diesel, among others.

On the conservation side, we are not doing so well. On the conservation side, we need to do a whole lot better. The Senator from Massachusetts has alluded to how much oil we consume. We consume a whole lot, given the size and population of our country, compared to the rest of the world. Our oil imports account for roughly 60 percent of the oil we consume. That is up from 30 per-

cent when I came back to the United States at the end of the Vietnam war.

By the mid-1970s, we did not have much of a trade deficit. Today we have a trade deficit of \$300 billion a year. A good deal of that is oil. Roughly a little more than half of the oil we consume, we consume with cars, trucks, and vans we drive. To pass from the Senate and send to conference with the House energy legislation that does not make meaningful, measurable steps toward reducing the amount of oil we use for our cars, trucks, and vans is shortsighted and a mistake.

A month ago I had an opportunity to participate in a meeting convened by our majority leader, Senator DASCHLE. At that meeting were Senator LEVIN, Senator STABENOW, Senator KERRY, Senator CARNAHAN, myself, and others. We were at the behest of our majority leader to see if we might try to find middle ground between the approach Senator KERRY wanted to take on CAFE standards and the approach of Senator LEVIN.

I thought on that day and today I still believe there is a compromise, and a good compromise, between what each proposed then and what each proposes to do today. At that early meeting I laid out what I thought were five principles that should underlie any changes we make with respect to the fuel efficiency of our cars, trucks, and vans. I mention those again. Senator MIKULSKI alluded to them yesterday. No. 1, we need to reduce oil imports. That should be an embodied principle. No. 2, we should set clear, measurable objectives. No. 3, we should do our dead-level best to preserve American jobs. No. 4, we should provide reasonable leadtime to the auto industry for any changes that are going to be coming. No. 5, we need to think out the box. We need to be innovative.

I have never been a big one for micromanaging. I urged Senator KERRY in his legislation to move away from the idea that the Congress would set these interim goals for fuel efficiency. It is appropriate for Congress and the Senate to set longtime goals for fuel efficiency, be it CAFE or a reduction, a measurable, tangible reduction in oil imports. I am not as comfortable for the Congress setting interim goals. I would have that delegated to an appropriate entity.

Earlier today we debated the Levin amendment, for which I voted. I would like to be able to vote for the Kerry amendment not because I thought Levin was perfect, but there are a lot of elements that are good. Not because I think Kerry-McCain is perfect, but there is a lot that is good. If you put it together, we would have a good package.

I mention a couple aspects of the Levin amendment that I think are helpful and ought to be in the final package that hopefully will go to the President for his signature. The Levin amendment focuses on three or four major things that the Government

ought to do and can do well. One is significant investments of Federal dollars in research and development, for fuel cells, for hybrid technology, including diesel hybrid technology.

The Levin amendment acknowledges there is a responsibility, and a good opportunity, a responsibility for the Federal Government to help commercialize the new technologies in fuel efficiency, vehicle efficiency that are coming along. The Federal Government has the opportunity to use its purchasing power to buy large numbers of cars, trucks, vans, jeeps, SUVs, trucks, semitrucks, others that are more fuel efficient. We should do that in the military and on the civilian side and use our purchasing power to help commercialize the new technologies.

Another role for the Federal Government is with respect to tax policy. If we want producers of vehicles to produce more fuel-efficient vehicles, we need to include a tax incentive. The Levin approach provides that.

Similarly, if we want to make sure the vehicles that are energy efficient are purchased by consumers, we need to provide incentives for consumers to buy. We do that under the Levin approach.

The one element that is missing in the approach of Senators LEVIN and BOND is the biggest hole in the amendment: We do not set a clear, measurable objective. We can argue until the cows come home about whether or not we need to change CAFE, concerns of foreign and domestic production, are we fearful of exporting the building of small cars to other countries if we approach this the wrong way.

Maybe the debate should not be about CAFE at all. Maybe the clear, measurable objective we ought to debate is an objective that reduces oil imports, reduces the consumption of oil by our cars, trucks, and vans.

The House of Representatives has passed by a very narrow margin a flawed energy bill, flawed with respect to the measurable objective they set in reducing consumption of oil. But at least they have a measurable objective. And their measurable objective, as I recall, is over roughly another 5 or 6 years to reduce by, I think, 5 billion gallons the amount of oil that we consume. That is in their bill, with respect to our light trucks, vans, SUVs.

If we actually consider how many miles per gallon that equates to, it says we are going to improve our fuel efficiency by maybe a mile or mile and a half per gallon over roughly the next half dozen years. That is not much. That is far too modest a goal and certainly far too modest a goal for the next dozen years.

We are going to stay on this bill for a while longer. I wish very much we could vote for the Kerry-McCain amendment because it has changed a whole lot from what was originally envisioned and, frankly, what has been originally put in this bill, and it has been changed in ways that I think

make sense. I thank them for the changes, including ones I proposed, that they have been willing to accept.

Before we move off this bill, I hope we will come back to this thought; that while it is important that we preserve jobs and while it is important that we provide reasonable lead time for the auto industry, and while it is important that we think outside the box and invest in R&D and tax credits and commercialize the technologies that are coming along—those are all things that are important to do—it is also important for us to reduce our reliance on foreign oil.

For us, today, to think we are going to have to cram into these tiny little cars like the purple people eater that was put on display by Senator LOTT earlier is just not the case.

We build Dodge Durangos in my State. They get about 17 miles per gallon. If they introduce a gas hybrid engine, they will increase their fuel efficiency next year by about 30 percent. That is just next year, by 30 percent. There are ways we can use diesel hybrids to increase that 30 percent to something like 60 percent, if the diesel hybrid is able to meet our requirements for tier 2 clean air standards, particularly for nitrogen oxide and particulates. We can do these things and we don't have to sacrifice comfort, we don't have to sacrifice space, we don't have to sacrifice safety in order to have the kind of vehicles people want to buy and want to drive and to be able to remove our country's future from the hands of the folks who control so much of the oil in the world.

My wife has a Ford Explorer. She likes it a lot. It doesn't get very good gas mileage, but she likes it a lot. She likes the size and a lot of things about it. Probably the next car she buys will be a similar vehicle. I drive a Chrysler Town and Country minivan. I like it a lot, and with a young family, it meets our needs. I sure wish it got better gas mileage. I wish it got a lot better gas mileage. We can do those things.

Senator KERRY mentioned—I will just close with this—when John Kennedy was running for President in 1960, he talked about a goal of putting a man on the Moon, an American on the Moon by the end of that decade. Today, that may not seem to be a very big undertaking, but in 1960 it sure was. The idea we could take a man and put him in a space suit, put him in a missile and send him up to the Moon and let him walk on the Moon and turn around and fly back safely, the idea somebody at the time could was almost incomprehensible. But he said we could do this as a nation; that we ought to do it before the end of the 1960s. And we did.

If we could do that as a nation four decades ago, we can build cars, trucks, and vans that people want to buy and want to use in this country and at the same time reduce our reliance on foreign oil.

When I filled up the tank of my Chrysler Town and Country minivan in

Dover earlier this week, I know some of the \$20 I charged on my credit card to fill that tank is going to people around the world, or will end up in the pockets of people in nations that do not like us very much anymore. They don't have our best interests in mind, necessarily. In some cases, they will use the resources we continue to ship overseas when we purchase the oil—some of them are committed to using the resources we give them against us, to hurt us and hurt our people here and in other places around the world. We should not continue to be so foolish as to do that.

Before we leave this bill and vote on final passage next week, I believe we need to come back and address the issue of clear, measurable objectives and make sure as we go to conference with the House with respect to the use of oil, consumption of oil in our cars, trucks, and vans, that we have put in place some clear, measurable objectives that will reduce our reliance on that foreign oil.

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

The PRESIDING OFFICER (Mrs. CARNAHAN). The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

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

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

#### DEPARTMENT OF TRANSPORTATION NOMINATIONS

Mr. MCCAIN. Madam President, I come to the floor to discuss briefly the qualifications of two individuals who have been nominated for essential positions within the Department of Transportation.

Mr. Jeffrey Shane has been nominated to be the Associate Deputy Secretary for the Department of Transportation, and Emil Frankel has been nominated to be Assistant Secretary of Transportation Policy.

Last December, the Commerce Committee held a hearing to consider both these nominees and reported them out unanimously on December 19, 2001. We are approaching 3 months since they received committee approval. I think it is time for this Chamber to act on these two qualified nominees.

These are very important positions. One is Associate Deputy Secretary for the Department of Transportation and the other is the Assistant Secretary for Transportation Policy.

There is very little doubt, with all of the issues surrounding post-September 11 and our transportation security requirements, the situations at our airports, et cetera, that we should be putting qualified men and women who have been nominated without objection into those offices. They are important positions. The confirmations of Mr. Shane and Mr. Frankel have been placed in limbo due to an unrelated legislative matter.

As Associate Deputy Secretary, Mr. Shane would be in charge of the Office of Intermodalism at DOT. Secretary Mineta proposed a reorganization plan concerning DOT's policy functions. It would ultimately broaden Mr. Shane's responsibilities.

Under the proposal, the Deputy Secretary positions would be retitled "Undersecretary of Policy" and would manage all aspects of transportation policy development within the Department of Transportation. In addition, the Office of Intermodalism, the Office of Aviation and International Affairs, and the Office of Transportation Policy would report to the Under Secretary under this reorganization.

While this reorganization plan must be considered separately from the nomination, at this point it is important that Mr. Shane be permitted to carry out his duties as soon as possible. He has extensive experience and expertise that would be invaluable to the Department. He has also served in several prominent positions at DOT and the State Department and has been confirmed on several occasions by the Senate.

I believe Mr. Shane is one of the most widely respected individuals in the transportation community, particularly with respect to aviation issues. I have not always agreed with Mr. Shane in the past, but I have always respected his capability and his judgment. We should consider ourselves fortunate that such a qualified and distinguished individual wants to return to public service when he could continue a much more financially rewarding life in the private sector. It is inexcusable that his and Mr. Frankel's nominations have languished for nearly 3 months.

As Assistant Secretary for Transportation Policy, Mr. Frankel would be the chief domestic policy officer at the Department of Transportation. In that position, he would be responsible for the analysis, development, communication, and review of policies and plans for domestic transportation issues.

If there is anyone in this body who has not been to an airport recently, I have to tell them, we certainly need all the help we can get right now. On my last trip back from Phoenix, I spent an hour and a half standing in line in order to get through security, which is warranted, certainly, in these times. But we also need to modernize that system as soon as possible.

Since September 11, the Department of Transportation has been under tremendous strain dealing with critical aspects of interstate transportation as it relates to national security. The Department needs all the help it can get as it struggles with the new wartime reality. It is our obligation to give the Department of Transportation every reasonable resource at this time.

I am dismayed we continue to deny the Department the benefit of these nominees' public service. Our inaction sets a miserable example for others who might consider devoting part of their lives to public service.

If someone has a substantive problem with either of these nominees, I want to hear about it. But as far as I am aware, their nominations are not controversial in any substantive way. I am unaware of any legitimate reason for not acting on these nominations today.

I am informed that at least one Member of this body is holding these nominees because that Member believes he can best advance the cause of one mode of transportation security—in this case, Amtrak—by holding up their confirmations. I believe this is most unfortunate and, in fact, a big mistake.

I support Senate passage of rail security legislation. In fact, I introduced the first rail security measure last year that would help address Amtrak safety and security funding needs. On October 10, I introduced S. 1528, the Rail Transportation Safety and Security Act, along with Senator GORDON SMITH. I am also lead cosponsor of S. 1550, the Rail Security Act of 2001, introduced by Senator HOLLINGS and myself on October 15, 2001.

S. 1550 would authorize \$515 million for security and \$989 million for addressing the tunnel life safety needs in the Northeast. It was reported unanimously by the Commerce Committee on October 17 and is awaiting full action by the Senate.

I urge the majority leader to schedule floor time for us to consider S. 1550. I understand a number of Members are interested in offering additional security-related amendments to that measure. I would also support allowing it to pass by unanimous consent if such agreement could be reached. It is an important bill not just for Amtrak but for addressing all rail security, both passenger and freight.

But to hold these two nominees hostage to somehow better position the passage of Amtrak security legislation is not the best approach. After all, these positions are largely about security. We are holding up nominees who are good and qualified people because they are being held hostage to some other piece of legislation. That is wrong.

What is going to happen if we do not move with these nominees? They will withdraw their candidacy. And this also sends a very disturbing message to others who are willing to serve this country. Usually when we find people who are willing to serve in positions of responsibility, they make a financial sacrifice. It is just because we do not compete salary-wise with the private sector. And that is entirely appropriate.

But if these men and women are presented with situations like this, where two perfectly qualified nominees are prevented from being confirmed by the Senate and have to wait months after being unanimously reported out by the committee of oversight, and not even given a hearing on the floor of the Senate on their nomination, then, obviously, we are going to have more and more difficulty in getting qualified men and women to serve.

I have been around here since 1987. I have never put a hold on a nomination. I have opposed nominees, and I have opposed them on the floor and forced votes on their nomination, but it is not correct to hold these two good and decent Americans hostage for some other agenda item.

So, Madam President, I intend to come back to the floor later this afternoon, since there are those who have put a hold on it, and ask unanimous consent that these nominees be confirmed or, if need be, have a rollover vote.

I think it is time we move forward with these nominations, as I have discussed at some length.

Let's not do this to these people. They are not responsible for any failure or perceived lack of consideration of any Senator. They are not even in the job. Let's give them a chance to serve the country.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

#### NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001—Continued

Mr. BINGAMAN. Madam President, let me take a moment while there is a lull in the proceedings to reiterate a request that I believe has been made by both Democratic and Republican cloakrooms last night, to Senators on both sides of the aisle, and it is my hope, as floor manager, along with Senator MURKOWSKI, that we can, at some stage later this week, seek a finite list of amendments that would be in order on the bill.

As all Members know, we have been on this bill now for all of last week; and so far this week, we have addressed some significant issues. There are some other amendments that are being negotiated and finalized, and we have been working with some Members on those. There are others that we just hear about. There are rumors of amendments which we hear about.

I think the majority leader is trying to get as much done as possible before we move to the issue of campaign finance reform, which he is committed to move to later.

I think our chances of completing action on this energy bill would be dramatically improved if we could get a finite list of amendments to work through.

So I once again encourage all Members to cooperate with the two cloakrooms and give copies of their amendments to those cloakrooms so that we can see them and can talk to Senators about how to move ahead with those amendments or with votes on those amendments, if those are necessary.

I know there will be an amendment at some stage fairly soon by my friend Senator THOMAS. If he is ready, I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

AMENDMENTS NOS. 3000 THROUGH 3006, EN BLOC, TO AMENDMENT NO. 2917

Mr. THOMAS. Madam President, I rise to send a series of amendments to the desk and ask for their immediate consideration en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. THOMAS] for himself and others, proposes amendments numbered 3000 through 3006, en bloc.

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

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

The amendments are as follows:

#### AMENDMENT NO. 3000

(Purpose: To clarify FERC merger, market-based rate, and refund authority, and to strike the transmission interconnection provision)

On page 14, strike line 3 and all that follows through page 21, line 15, and insert the following:

#### SEC. 202. ELECTRIC UTILITY MERGERS.

Section 203(a) of the Federal Power Act (16 U.S.C. 824b) is amended to read as follows:

“(a)(1) No public utility shall, without first having secured an order of the Commission authorizing it to do so—

“(A) sell, lease, or otherwise dispose of the whole of its facilities subject to the jurisdiction of the Commission, or any part thereof of a value in excess of \$10,000,000,

“(B) merge or consolidate, directly or indirectly, such facilities or any part thereof with the facilities of any other person, by any means whatsoever,

“(C) purchase, acquire, or take any security of any other public utility, or

“(D) purchase, lease, or otherwise acquire existing facilities for the generation of electric energy unless such facilities will be used exclusively for the sale of electric energy at retail.

“(2) No holding company in a holding company system that includes a transmitting utility or an electric utility company shall purchase, acquire, or take any security of, or, by any means whatsoever, directly or indirectly, merge or consolidate with a transmitting utility, an electric utility company, a gas utility company, or a holding company in a holding company system that includes a transmitting utility, an electric utility company, or a gas utility company, without first having secured an order of the Commission authorizing it to do so.

“(3) Upon application for such approval the Commission shall give reasonable notice in writing to the Governor and State commission of each of the States in which the physical property affected, or any part thereof, is situated, and to such other persons as it may deem advisable.

“(4) After notice and opportunity for hearing, the Commission shall approve the proposed disposition, consolidation, acquisition, or control, if it finds that the proposed transaction—

“(A) will be consistent with the public interest;

“(B) will not adversely affect the interests of consumers of electric energy of any public utility that is a party to the transaction or is an associate company of any part to the transaction;

“(C) will not impair the ability of the Commission or any State commission having jurisdiction over any public utility that is a party to the transaction or an associate

company of any party to the transaction to protect the interests of consumers or the public; and

“(D) will not lead to cross-subsidization of associate companies or encumber any utility assets for the benefit of an associate company.

“(5) The Commission shall, by rule, adopt procedures for the expeditious consideration of applications for the approval of dispositions, consolidations, or acquisitions under this section. Such rules shall identify classes of transactions, or specify criteria for transactions, that normally meet the standards established in paragraph (4), and shall require the Commission to grant or deny an application for approval of a transaction of such type within 90 days after the conclusion of the hearing or opportunity to comment under paragraph (4). If the Commission does not act within 90 days, such application shall be deemed granted unless the Commission finds that further consideration is required to determine whether the proposed transaction meets the standards of paragraph (4) and issues one or more orders tolling the time for acting on the application for an additional 90 days.

“(6) For purposes of this subsection, the terms ‘associate company’, ‘electric utility company’, ‘gas utility company’, ‘holding company’, and ‘holding company system’ have the meaning given those terms in the Public Utility Holding Company Act of 2002.”.

#### SEC. 203. MARKET-BASED RATES.

(a) APPROVAL OF MARKET-BASED RATES.—Section 205 of the Federal Power Act (16 U.S.C. 824d) is amended by adding at the end of the following:

“(h) The Commission may determine whether a market-based rate for the sale of electric energy subject to the jurisdiction of the Commission is just and reasonable and not unduly discriminatory or preferential. In making such determination, the Commission shall consider such factors as the Commission may deem to be appropriate and in the public interest, including to the extent the Commission considers relevant to the wholesale power market—

“(1) market power;

“(2) the nature of the market and its response mechanisms; and

“(3) reserve margins.”.

(b) REVOCATION OF MARKET-BASED RATES.—Section 206 of the Federal Power Act (16 U.S.C. 824e) is amended by adding at the end of the following:

“(f) Whenever the Commission, after a hearing had upon its own motion or upon complaint, finds that a rate charged by a public utility authorized to charge a market-based rate under section 205 is unjust, unreasonable, unduly discriminatory or preferential, the Commission shall determine the just and reasonable rate and fix the same by order.”.

#### SEC. 204. REFUND EFFECTIVE DATE.

Section 206(b) of the Federal Power Act (16 U.S.C. 824e(b)) is amended by—

(1) striking “the date 60 days after the filing of such complaint nor later than 5 months after the expiration of such 60-day period” in the second sentence and inserting “the date of the filing of such complaint nor later than 5 months after the filing of such complaint”;

(2) striking “60 days after” in the third sentence and inserting “of”; and

(3) striking “expiration of such 60-day period” in the third sentence and inserting “publication date”.

#### SEC. 205. OPEN ACCESS TRANSMISSION BY CERTAIN UTILITIES.

Part II of the Federal Power Act is further amended by inserting after section 211 the following:

#### “OPEN ACCESS BY UNREGULATED TRANSMITTING UTILITIES

“SEC. 211A. (1) Subject to section 212(h), the Commission may, by rule or order, require an unregulated transmitting utility to provide transmission services—

“(A) at rates that are comparable to those that the unregulated transmitting utility charges itself, and

“(B) on terms and conditions (not relating to rates) that are comparable to those under Commission rules that require public utilities to offer open access transmission services and that are not unduly discriminatory or preferential.

“(2) The Commission shall exempt from any rule or order under this subsection any unregulated transmitting utility that—

“(A) sells no more than 4,000,000 megawatt hours of electricity per year;

“(B) does not own or operate any transmission facilities that are necessary for operating an interconnected transmission system (or any portion thereof), or

“(C) meets other criteria the Commission determines to be in the public interest.

“(3) The rate changing procedures applicable to public utilities under subsections (c) and (d) of section 205 are applicable to unregulated transmitting utilities for purposes of this section.

“(4) In exercising its authority under paragraph (1), the Commission may remand transmission rates to an unregulated transmitting utility for review and revision where necessary to meet the requirements of paragraph (1).

“(5) The provision of transmission services under paragraph (1) does not preclude a request for transmission services under section 211.

“(6) The Commission may not require a State or municipality to take action under this section that constitutes a private business use for purposes of section 141 of the Internal Revenue Code of 1986 (26 U.S.C. 141).

“(7) For purposes of this subsection, the term ‘unregulated transmitting utility’ means an entity that—

“(A) owns or operates facilities used for the transmission of electric energy in interstate commerce, and

“(B) is either an entity described in section 201(f) or a rural electric cooperative.”.

#### SEC. 206. ELECTRIC RELIABILITY STANDARDS.

##### AMENDMENT NO. 3001

(Purpose: To clarify provisions on access to transmission by intermittent generators and make conforming changes)

On page 24, strike line 1 and all that follows through page 27, line 20 and insert the following:

#### SEC. 207. MARKET TRANSPARENCY RULES.

Part II of the Federal Power Act is further amended by adding at the end of the following:

#### “SEC. 216. MARKET TRANSPARENCY RULES.

“(a) COMMISSION RULES.—Not later than 180 days after the date of enactment of this section, the Commission shall issue rules establishing an electronic information system to provide information about the availability and price of wholesale electric energy and transmission services to the Commission, state commissions, buyers and sellers of wholesale electric energy, users of transmission services, and the public on a timely basis.

“(b) INFORMATION REQUIRED.—The Commission shall require—

“(1) each regional transmission organization to provide statistical information about the available capacity and capacity of transmission facilities operated by the organization; and

“(2) each broker, exchange, or other market-making entity that matches offers to

sell and offers to buy wholesale electric energy in interstate commerce to provide statistical information about the amount and sale price of sales of electric energy at wholesale in interstate commerce it transacts.

“(c) TIMELY BASIS.—The Commission shall require the information required under subsection (b) to be posted on the Internet as soon as practicable and updated as frequently as practicable.

“(d) PROTECTION OF SENSITIVE INFORMATION.—The Commission shall exempt from disclosure commercial or financial information that the Commission, by rule or order, determines to be privileged, confidential, or otherwise sensitive.”.

#### SEC. 208. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.

Part II of the Federal Power Act is further amended by adding at the end of the following:

#### “SEC. 217. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.

“(a) FAIR TREATMENT OF INTERMITTENT GENERATORS.—The Commission shall ensure that all transmitting utilities provide transmission service to intermittent generators in a manner that does not unduly prejudice or disadvantage such generators for characteristics that are—

“(1) inherent to intermittent energy resources; and

“(2) are beyond the control of such generators.

“(b) POLICIES.—The Commission shall ensure that the requirement in subsection (a) is met by adopting such policies as it deems appropriate which shall include the following:

“(1) Subject to the sole exception set forth in paragraph (2), the Commission shall ensure that the rates transmitting utilities charge intermittent generator customers for transmission services do not unduly prejudice or disadvantage intermittent generator customers for scheduling deviations.

“(2) The Commission may exempt a transmitting utility from the requirement set forth in paragraph (1) if the transmitting utility demonstrates that scheduling deviations by its intermittent generator customers are likely to have an adverse impact on the reliability of the transmitting utility's system.

“(3) The Commission shall ensure that to the extent any transmission charges recovering the transmitting utility's embedded costs are assessed to such intermittent generators, they are assessed to such generators on the basis of kilowatt-hours generated or some other method to ensure that they are fully recovered by the transmitting utility.

“(4) The Commission shall require transmitting utilities to offer to intermittent generators, and may require transmitting utilities to offer to all transmission customers, access to nonfirm transmission service.

“(c) DEFINITIONS.—As used in this section:

“(1) The term ‘intermittent generator’ means a facility that generates electricity using wind or solar energy and no other energy source.

“(2) The term ‘nonfirm transmission service’ means transmission service provided on an ‘as available’ basis.

“(3) The term ‘scheduling deviation’ means delivery of more or less energy than has previously been forecast in a schedule submitted by an intermittent generator to a control area operator or transmitting utility.”.



## SEC. 209. ENFORCEMENT.

## AMENDMENT NO. 3002

(Purpose: To require states to consider requiring time-of-use metering)

On page 44, strike line 3 and all that follows through page 45, line 12 and insert the following:

## SEC. 241. REAL-TIME PRICING AND TIME-OF-USE METERING STANDARDS.

(a) ADOPTION OF STANDARDS.—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is amended by adding at the end the following:

“(11) REAL-TIME PRICING.—(A) Each electric utility shall, at the request of an electric consumer, provide electric service under a real-time schedule, under which the rate charged by the electric utility varies by the hour (or smaller time interval) according to changes in the electric utility’s wholesale power cost. The real-time pricing service shall enable the electric consumer to manage energy use and cost through real-time metering and communications technology.

“(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

“(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standard set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.

“(12) TIME-OF-USE.—(A) Each electric utility shall, at the request of an electric consumer, provide electric service under a time-of-use rate schedule which enables the electric consumer to manage every use and cost through time-of-use metering and technology.

“(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

“(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standards set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.”.

(b) SPECIAL RULES.—Section 115 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625) is amended by adding at the end the following:

“(i) REAL-TIME PRICING.—In a state that permits third-party marketers to sell electric energy to retail electric consumers, the electric consumer shall be entitled to receive the same real-time metering and communication service as a direct retail electric consumer of the electric utility.

“(j) TIME-OF-USE METERING.—In a state that permits third-party marketers to sell electric energy to retail electric consumers, the electric consumer shall be entitled to receive the same time-of-use metering and communication service as a direct retail electric consumer of the electric utility.”.

## AMENDMENT NO. 3003

(Purpose: To require states to consider adopting federal net metering standard)

On page 50, strike line 10 and all that follows through page 54, line 10, and insert the following:

## SEC. 245. NET METERING.

(a) ADOPTION OF STANDARD.—Section 111(d) of the Public Utility Regulatory Policies Act

of 1978 (16 U.S.C. 2621(d)) is further amended by adding at the end the following:

“(13) NET METERING.—(A) Each electric utility shall make available upon request net metering service to any electric consumer that the electric utility serves.

“(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

“(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standard set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.

(b) SPECIAL RULES FOR NET METERING.—Section 115 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625) is further amended by adding at the end the following:

“(k) NET METERING.—

“(1) RATES AND CHARGES.—An electric utility—

“(A) shall charge the owner or operator of an on-site generating facility rates and charges that are identical to those that would be charged other electric consumers of the electric utility in the same rate class; and

“(B) shall not charge the owner or operator of an on-site generating facility any additional standby, capacity, interconnection, or other rate or charge.

“(2) MEASUREMENT.—An electric utility that sells electric energy to the owner or operator of an on-site generating facility shall measure the quantity of electric energy produced by the on-site facility and the quantity of electric energy consumed by the owner or operator of an on-site generating facility during a billing period in accordance with normal metering practices.

“(3) ELECTRIC ENERGY SUPPLIED EXCEEDING ELECTRIC ENERGY GENERATED.—If the quantity of electric energy sold by the electric utility to an on-site generating facility exceeds the quantity of electric energy supplied by the on-site generating facility to the electric utility during the billing period, the electric utility may bill the owner or operator for the net quantity of electric energy sold, in accordance with normal metering practices.

“(4) ELECTRIC ENERGY GENERATED EXCEEDING ELECTRIC ENERGY SUPPLIED.—If the quantity of electric energy supplied by the on-site generating facility to the electric utility exceeds the quantity of electric energy sold by the electric utility to the on-site generating facility during the billing period—

“(A) the electric utility may bill the owner or operator of the on-site generating facility for the appropriate charges for the billing period in accordance with paragraph (2); and

“(B) the owner or operator of the on-site generating facility shall be credited for the excess kilowatt-hours generated during the billing period, with the kilowatt-hour credit appearing on the bill for the following billing period.

“(5) SAFETY AND PERFORMANCE STANDARDS.—An eligible on-site generating facility and net metering system used by an electric consumer shall meet all applicable safety, performance, reliability, and interconnection standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.

“(6) ADDITIONAL CONTROL AND TESTING REQUIREMENTS.—The Commission, after consultation with State regulatory authorities and nonregulated electric utilities and after notice and opportunity for comment, may

adopt, by rule, additional control and testing requirements for on-site generating facilities and net metering systems that the Commission determines are necessary to protect public safety and system reliability.

“(7) DEFINITIONS.—For purposes of this subsection:

“(1) The term ‘eligible on-site generating facility’ means—

“(A) a facility on the site of a residential electric consumer with a maximum generating capacity of 10 kilowatts or less that is fueled by solar energy, or fuel cells; or

“(B) a facility on the site of a commercial electric consumer with a maximum generating capacity of 500 kilowatts or less that is fueled solely by a renewable energy resource, landfill gas, or a high efficiency system.

“(2) The term ‘renewable energy resource’ means solar, wind, biomass, or geothermal energy.

“(3) The term ‘high efficiency system’ means fuel cells or combined heat and power.

“(4) The term ‘net metering service’ means service to an electric consumer under which electric energy generated by that electric consumer from an eligible on-site generating facility and delivered to the local distribution facilities may be used to offset electric energy provided by the electric utility to the electric consumer during the applicable billing period.”.

## AMENDMENT NO. 3004

(Purpose: To clarify state authority to protect electric consumers)

On page 58, strike line 16 and all that follows through line 23 and insert the following:

## SEC. 256. STATE AUTHORITY.

Nothing in this subtitle shall be construed to preclude a State or State regulatory authority from prescribing and enforcing laws, rules, or procedures regarding the practices which are the subject of this section.

## AMENDMENT NO. 3005

(Purpose: To clarify the requirement for the federal government to purchase renewable fuels)

On page 64, strike line 8 and all that follows through page 65, line 17, and insert the following:

## SEC. 263. FEDERAL PURCHASE REQUIREMENT.

(a) REQUIREMENT.—the President shall seek to ensure that, to the extent economically feasible and technically practicable, of the total amount of electric energy the federal government consumes during any fiscal year—

(1) not less than 3 percent in fiscal years 2003 through 2004,

(2) not less than 5 percent in fiscal years 2005 through 2009, and

(3) not less than 7.5 percent in fiscal year 2010 and each fiscal year thereafter—

shall be renewable energy. The President shall encourage the use of innovative purchasing practices by federal agencies.

(2) DEFINITION.—For purposes of this section, the term “renewable energy” means electric energy generated from solar, wind, biomass, geothermal, fuel cells, municipal solid waste, or additional hydroelectric generation capacity achieved from increased efficiency or additions of new capacity.

(c) TRIBAL POWER GENERATION.—The President shall seek to ensure that, to the extent economically feasible and technically practicable, not less than one-tenth of the amount specified in subsection (a) shall be renewable energy that is generated by an Indian tribe or by a corporation, partnership, or business association which is wholly or majority owned, directly or indirectly, by an Indian tribe. For purposes of this subsection, the term “Indian tribe” means any Indian

tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(d) BIENNIAL REPORT.—In 2004 and every 2 years thereafter, the Secretary of Energy shall report to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives on the progress of the federal government in meeting the goals established by this section.

#### AMENDMENT NO. 3006

(Purpose: To make conforming changes in the table of contents)

On page 2, strike the items relating to sections 205 through 210 and insert the following:

Sec. 205. Open access transmission by certain utilities.

Sec. 206. Electric reliability standards.

Sec. 207. Market transparency rules.

Sec. 208. Access to transmission by intermittent generators.

Sec. 209. Enforcement.

Mr. THOMAS. Madam President, these amendments are from Senator THOMAS of Wyoming and Senator BINGAMAN of New Mexico. They have been cleared on both sides.

Mr. BINGAMAN. Madam President, I do support the amendments. We have worked jointly with Senator THOMAS and his staff to perfect these amendments. I think they are acceptable on this side. As far as I know, there is no objection to their adoption.

The PRESIDING OFFICER. Is there further debate?

If not, without objection, the amendments are agreed to en bloc.

The amendments (Nos. 3000 through 3006) were agreed to en bloc.

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

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

The motion to lay on the table was agreed to.

Mr. THOMAS. Madam President, I thank the chairman for his cooperation in finding some areas on which we are in agreement and on which we can move forward. This electric title of the energy bill is a very important one. Probably nothing affects more people than the electric aspect of energy. We are very pleased.

We do have several more amendments in this area, some of which will come up for a vote. Certainly being able to agree on these and move them forward is a great advantage. I appreciate the cooperation of the Senator from New Mexico.

Mr. BINGAMAN. Madam President, I thank the Senator from Wyoming for his leadership on this issue. He has been very focused on trying to get these provisions right. We have worked hard with him and his staff to be sure that that is what has happened. This package of amendments we have now adopted moves us substantially toward a consensus on what ought to be in-

cluded in this bill in the way of electricity restructuring.

There are going to be a couple of issues that probably will require individual votes. We are still in the process of defining the areas of disagreement that exist there. I see this as a substantial step forward. I thank the Senator from Wyoming.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CAMPBELL. 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. CAMPBELL. Madam President, I ask unanimous consent that the pending amendment be temporarily set aside.

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

#### AMENDMENT NO. 3007 TO AMENDMENT NO. 2917

Mr. CAMPBELL. Madam President, I send an amendment to the desk on behalf of myself, Senator GRAMM of Texas, Senator ENZI of Wyoming, and Senator BROWNBACK of Kansas, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. CAMPBELL], for himself, Mr. GRAMM, Mr. ENZI, and Mr. BROWNBACK, proposes an amendment numbered 3007.

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

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

The amendment is as follows:

(Purpose: To strike the section establishing a program to provide assistance for State programs to retire fuel-inefficient motor vehicles)

Strike section 822.

Mr. CAMPBELL. Madam President, the bill we are considering is an extremely large and expansive bill dealing with many important and controversial topics. Although the bill was stripped from its committee of jurisdiction pretty much completely behind closed doors, we have an idea of the issues with which we have been dealing. CAFE, ANWR, and renewables are all topics we are familiar with and which have been debated for some days now.

I am here to discuss a very small provision that many of my friends may not have noticed because it is buried pretty deeply. That provision, unlike several others that have been discussed and studied, will be discussed for the first time, I believe, now.

Before getting into my comments, I wish to state that a comprehensive energy bill is no place to put this new and untested idea; such an action is, at best, poor policy. In particular, I wish

to discuss section 822 of the current bill.

Section 822 sounds as if it is not very offensive in a big bill such as this, but it lies within the CAFE title. In short, section 822 provides grants for States to establish scrappage programs for cars that are 15 years old or older. Car owners who choose to turn in their car for scrap receive a "minimum payment." Section 822 does not tell us what the "minimum payment" might be, but they pay now about \$1,000 to \$1,200 for scrapping cars.

Further, section 822 would have the Department of Energy pay the former car owner a "credit" toward the purchase of a new vehicle. Like the "minimum payment" language failing to state how much that would be, this provision fails to tell us the value of the taxpayer-subsidized "credit." However, unlike the minimum payment, we have no guidance what that "credit" might be because, as with so much of this little section, this is the first time we have heard of it.

Since no hearings were held on section 822, we don't know how much it would cost U.S. taxpayers. We do know, however, that the cost would be enormous since there are approximately 38 million cars at least 15 years old or older currently on the roads. If we estimate that just one-quarter of those car owners choose to scrap their automobile and receive the \$1,000 and get another \$1,000 to purchase a DOE-approved vehicle, the cost to the U.S. taxpayer would be about \$19 billion—deficit dollars that could go to much better uses as we approach deficits next year.

When I first heard of section 822, I wondered: Why should we do this? Why should States be burdened with establishing a voluntary program to scrap old cars? Why should U.S. taxpayers be subsidizing some people to buy new cars? I am a big supporter of the auto industry, but I don't support Government subsidizing their sales.

Section 822 simply states its purpose: To retire fuel-inefficient vehicles, the assumption being that any car 15 years old or older would be inefficient.

This is a brandnew approach to address fuel efficiency and gasoline consumption, an approach that has not been discussed at any level and that has not been studied. In principle, I oppose the making of rash decisions without adequate knowledge or public hearings, or input from the public at large, particularly when the results could hurt the American people, since section 822 was included in this bill without any study whatsoever.

Beyond principle, I also oppose section 822 on its merits as it is fundamentally flawed, expensive, and potentially a harmful policy. Some States have elected to establish scrappage programs to get vehicles with poor emissions off the road. Again, section 822's purpose is to get fuel-inefficient cars off the road—the first of its kind.

States that choose to enact scrappage programs are not in compliance with clean air regulations. Those States choose scrappage programs as a tool, among others, because they believe they are effective in meeting health concerns.

Section 822 creates incentives not to further public health but to further unfounded prejudices against older vehicles.

Under State scrappage programs, the State is able to means-test a polluting vehicle so that only those affecting public health would be scrapped. Yet this federally promoted, State-run scrappage program does not provide any means testing to ensure that only fuel-inefficient vehicles are scrapped. Therefore, a 1986 Ford Escort getting 41 miles to the gallon would be treated the same as a Cadillac Seville of the same year that only gets 17 miles per gallon.

The only criteria would be that they are both 1986 automobiles. I give that example to show simply that section 822 is fundamentally flawed: that older cars are all inefficient and, therefore, should be treated the same.

Since this is the first time the Senate has heard about this provision, we should review who is benefited and who is injured and what are the costs and benefits of section 822.

First of all, section 822 would have a disproportionate impact on low- and fixed-income individuals. It is more cost effective for people of low means to maintain older vehicles than to buy new ones. However, the scrappage program in section 822 would reduce the supply of car parts, thereby increasing the cost to citizens with lower incomes.

The reduction of car parts would detrimentally affect the aftermarket parts industry, 98 percent of which are made up of registered small businesses.

I think it is safe to assume the authors did not intend to hurt low-income individuals and small businesses during a recession. Yet that is the unintended consequence that most surely would happen.

Who would benefit? Just as this provision hurts the most vulnerable, section 822 unjustly enriches people of better wealth. In short, section 822 is tantamount to corporate welfare for automotive companies and upper classes.

I submit the Federal Government should not be in the advertising business to sell cars. The Department of Energy credit to purchase new cars is akin to a mail-in rebate as advertised on television, a wasteful expense that cheapens important energy issues and the work of this body.

Further, I do not believe the Federal Government should have any role in pushing certain vehicles on consumers. The private market is described as an "invisible hand." However, section 822 would certainly strengthen that hand. By paying people to choose certain cars over others, the Federal Government would inappropriately insert itself into private decisions.

I mentioned this provision would reward those people who do not want to put money out for repairs. In addition to establishing a scrappage program, section 822 also requires States to establish repair programs. As provided in that section, a car owner paying 20 percent of the cost would have the State fix his vehicle, normally through a tuneup, to increase fuel efficiency.

The Federal Government and States should not be turned into tuneup stations to have people properly maintain their vehicles, something which they should do out of their own pockets.

The majority correctly states that section 822 is a voluntary program, but it is not voluntary for the Federal Government which is compelled to establish a carrot-and-stick approach to entice States to engage in potentially disastrous and certainly burdensome actions.

The participating State must create two new programs just in case someone might decide to volunteer to scrap their car or have the Federal Government pay 80 percent of their repair costs. The burden on States could be enormous.

My friends, the authors, might say the State would not be hurt because the Federal Government provides funds through grants for those programs, but we have no idea how much that will cost. We do not know because we have had no hearings and no studies on this section.

We all know the Federal Government never provides enough money to States to enact programs and, in uncertain times such as these, I do not think we should approve ill-conceived and uncertain measures when we do not know the bottom line pricetag.

How is the State going to administer the public notification and salvage of parts? Who may participate in the parts salvage? Will that be open to individuals or restricted to businesses? And how will a State value and sell the parts of the cars? We simply do not know.

In closing, those of us who are cosponsoring this amendment have had only a brief time to look at this section. We believe it is the wrong approach. Our amendment will strike section 822 from the bill.

Madam President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Madam President, first, I am disappointed that the Senator from Colorado has chosen to propose striking this provision entirely. The provision is clearly written in a way that provides absolute maximum flexibility to States to participate or not participate.

The Senator starts out with the argument that we do not know how much

this will cost. That is right because this is strictly an authorization. It will cost whatever we decide to appropriate for this program. Congress will still have to make a judgment as to whether to appropriate anything for this program.

This is a grant program to States that want to participate. We will either put some money in to fund this grant program or we will not, and we will specify each year the amount of funds we think should be made available to the Department of Transportation to fund this program.

It is clear it is a purely voluntary program on the part of States. There are some States that have vehicle scrappage programs in place today. There may be other States that would want to consider that. The purpose of the provision is obvious. The purpose of the provision is to try to assist with getting extremely fuel-inefficient vehicles, high-emission vehicles off the road where there is a desire on the part of the owner of the vehicle to either improve the efficiency of that vehicle or to trade that vehicle in and get something else. That is the clear intent of these programs that some States have adopted.

What we are saying is that the Federal Government would be authorized through the Department of Transportation to assist States in these programs to the extent that we appropriate money to support them.

The argument by the Senator from Colorado is that this is a terrible burden on people with low incomes. There is obviously a misunderstanding about what this provision says. This is purely a voluntary provision. Nobody is required to do anything under the language of this section 822. If an individual wants to continue driving a 30-year-old vehicle, that is their option. There is no penalty; there is no requirement they do anything. They clearly would not even have the opportunity to do anything if they were in a State that did not have one of these vehicle scrappage programs.

If they were in a State that did have a vehicle scrappage program, then at least if that program was receiving Federal funds, the State could use some of those Federal funds under the program that is designed by the State. The individual could use some of those funds to compensate for having the vehicle scrapped or to repair the vehicle so that it is more efficient, so that it has fewer emissions. That is clearly the purpose of it.

As to the argument that this will cause a problem with the salvage of valuable parts for vehicles, there is a specific provision in the bill that the Secretary cannot provide any funds to a State under this program. The Secretary could not provide funds unless the State's plan allows for giving public notification before any parts are scrapped so that those parts could be purchased or auctioned or otherwise salvaged.

And as to the objections that the Senator has cited, we heard similar objections to an earlier version of this section. Frankly, we thought we had accommodated the concerns that were brought to us and modified the amendment in order to do that.

Now, of course, after making the modifications, we are faced with an amendment to strike the section entirely. I think it is good public policy for the Federal Government to assist States that want to have these programs. I do not see why it is in the public interest to strike a provision that enables the Secretary of Transportation to pursue this, to the extent the Appropriations Committee puts in funds to support the program.

So I very much hope we will not adopt the Senator's amendment and have this provision stricken from the bill. To my mind, it is a good provision. It provides an opportunity for States to move ahead with these programs where they would like to do that and where Federal funds are made available.

As I see it, it is not onerous in any respect as to either what States are required to do or what individuals are required to do. The entire effort is purely voluntary.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

#### BIPARTISAN CAMPAIGN REFORM ACT OF 2002—MOTION TO PROCEED

##### CLOTURE MOTION

Mr. DASCHLE. Madam President, I move to proceed to H.R. 2356, and I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant 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 motion to proceed to Calendar No. 318, H.R. 2356, a bill to provide bipartisan campaign reform:

Russell D. Feingold, Tom Daschle, Tim Johnson, Byron Dorgan, Bob Graham, Daniel Inouye, Joe Biden, Patty Murray, Jim Jeffords, Jeff Bingaman, Debbie Stabenow, Max Baucus, Ben Nelson of Nebraska, Harry Reid, Richard J. Durbin, Jon Corzine, Tom Carper.

Mr. DASCHLE. Madam President, I withdraw the motion to proceed.

The PRESIDING OFFICER. The motion to proceed is withdrawn.

Mr. DASCHLE. Madam President, as I indicated to Senator LOTT and as I indicated yesterday to a joint leader meeting, we would be required to file cloture on the motion to proceed to the campaign finance reform bill today, this afternoon. We have been working patiently with our colleagues who have opposed campaign reform now for some time. I am still hopeful that perhaps

we can reach an agreement which will allow us to vitiate this cloture motion, and if that can be done, we will vitiate the vote on cloture on Friday and we will move forward, but time has run out.

It is essential we at least file cloture today on the motion to proceed in order to accommodate a worst case scenario on campaign finance reform. I have put all of our colleagues on notice that this is one piece of legislation that must be completed prior to the time we leave for the Easter recess. So we will have the cloture vote on Friday, if it is required. We will then be on the bill on Monday. I will notify our colleagues that we will file cloture on Monday for a Wednesday cloture vote, and assuming we get cloture on Wednesday, we will be in session all night Wednesday night, all night Thursday night, and we will then have our vote on Friday.

So Senators should be aware, it may be unusual but we will be involved in an all-night session Wednesday and Thursday night in order to complete our work on the bill by Friday.

Now again, it is my hope that perhaps we can reach some agreement with regard to the package of technical amendments. We have not been able to do it to date. I am concerned that time is quickly running out, but we are certainly more than willing to continue our discussions. I have run out of time in terms of our ability to assure we can have the cloture votes at a time that will accommodate completing our work by the end of next week.

So I thank my colleagues. I especially thank the distinguished Senators MCCAIN and FEINGOLD for their extraordinary work and effort in getting us to this point.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, I thank the majority leader for his steadfastness in this effort. It has been a long odyssey, and as we have reached crucial points he has been extremely helpful in moving this process along. It has been pretty clear in the last few weeks that the opposition has chosen to delay consideration of the bill. So I thank him and look forward to trying to reach an agreement with the opponents of the bill so we are not required to follow the scenario as outlined by the majority leader. I am not sure we can get an agreement without that scenario being presented. So I thank him for that.

For the benefit of my colleagues, Senator MCCONNELL approached me a short time ago. He said he wanted to continue negotiations on a so-called package of technical amendments and that he would not insist that a substantive amendment be considered on it. I will be glad to, along with my colleague Senator FEINGOLD, consider any technical changes that are purely technical in nature, but we have found out in the course of this long odyssey we

have been involved in that words do have meaning and some people view words that are technical as not technical.

We require the agreement of all of our colleagues who have been involved in this issue, including Members of the House, and we have to be sure of a certain methodology that would be taken up in the other body. So we will be glad to continue to negotiate. I hope we can reach agreement, but under no circumstances would our failure to reach an agreement on a technical package of amendments impede the process we are now embarked on of reaching final resolution on Shays-Meehan/McCain-Feingold before we leave for the next break.

I wish to make it clear, I am willing, along with my colleagues, to work on so-called technical amendments, but in no way would they impact the final passage of the bill because they are technical in nature. That is the name of them. So I, again, thank the majority leader. I thank my friend Senator FEINGOLD, and perhaps—and I emphasize “perhaps”—we can reach some amicable agreements to get this thing done without causing discomfort to the schedules and lives of our colleagues.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I know the Senator from Wisconsin wishes to say a few words, but before these two men leave, I wanted to be able to say to them it is not often in this body that one can make such a significant difference as they have done with campaign finance.

I can remember in 1986, I woke up one morning and the State of Nevada was covered with signs of my opponent. I thought to myself, what a tremendous waste of money. Why would he be wasting money on signs? They cost so much. So I filed a complaint with the Federal Election Commission. Two years later I get a response that they have done something technically in violation.

The fact is, the signs were paid for by the State party. That was the beginning of this rush of corporate money. From that time, 1986 to 1998, 12 years, it changed dramatically. Between JOHN ENSIGN and HARRY REID, from signs paid for by the State party, there was \$20 million spent in the State of Nevada, not counting independent expenditures. The vast majority of that was corporate money. That is not going to happen when this legislation takes effect.

I am so grateful to these two men for what they have done to make my life more understandable. I will still have to work hard to raise money, but I will not have to go to people and ask for large sums of money for the State party, or for myself for the State party, however it worked, however one had to do it just right.

I know the Senator from Arizona has indicated he appreciated Shays-Meehan. Well, I appreciate the work they have done, also. I admire those two

men a great deal. These two gentlemen have to understand that the House legislation would never have passed without their travels around the country daring people not to do something about this. It was because of these two that a cloture motion was signed and filed in the House forcing the House leadership to take up this legislation.

Now there is going to be a lot written about this. There will never be enough positive written about the work you two have done. If you never do another thing legislatively—which you both do a great deal—you have done so much. There are very few people in the history of this country, in my opinion, legislatively, that have done as much as you are about to accomplish when this legislation passes.

I wanted you to be here to tell you how much people will appreciate the fact, even though they may not feel the benefit as some Members here, with the work you have done. It will improve our system of government, and it will put it back, in my opinion, the way it used to be, when people campaigned—instead of going out seeing how much money they could raise.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. We thank the Senator from Nevada for his extremely kind words and we thank the majority leader for his firm resolve in a very reasonable timeframe to bring this matter to a conclusion. I also thank the Senator from Nevada for the many hours he has been here with us on this issue. He has been extremely helpful. I look forward to the final stages with the Senator from Nevada and my colleague.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, I thank the Senator from Nevada not only for his kind remarks, which may be to some degree undeserved, but his continuous help as we have gone through every conceivable parliamentary obstacle as we moved forward. I am very appreciative of his patience, as well as his kind words.

Perhaps we are entering the last phase. Perhaps not. As the famous philosopher Yogi Berra said: It ain't over until it's over.

I think we have established a scenario which could lead us to a conclusion. I believe, for a period of time, this result may have the beneficial effect that Senator REID predicts.

I yield the floor.

#### NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001—Continued

Mr. REID. For the information of all Senators, Senator DASCHLE has indicated he would like a vote about 4:30 this afternoon. So everyone should arrange their schedules accordingly. This vote is on the Campbell amendment. Senator CAMPBELL has asked for the yeas and nays. They have been ordered.

Unless there is a change by the two managers of the bill, we will have that vote about 4:30 this afternoon. We will have announcements at a later time.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. What is the pending business?

AMENDMENT NO. 3007

The PRESIDING OFFICER. The amendment is No. 3007, offered by the Senator from Colorado.

Mr. BROWNBACK. I rise to speak in favor of the amendment of my colleague from Colorado.

Is there a time agreement or allocations on the amendment?

The PRESIDING OFFICER. There is none.

Mr. BROWNBACK. I rise to speak in favor of the amendment put forward by my colleague from Colorado, Senator BEN NIGHTHORSE CAMPBELL, on the vehicle scrap provision that is in the underlying energy bill.

The Senator from Colorado has hit it right. This program is not a good idea. It is not a good idea to put forward Federal funds to purchase used cars as a way of trying to improve fuel efficiency. This is unproven, not wise, and expensive in the process. Plus, by the number of calls and letters we have been getting in my office, a lot of people do not think it is a very bright idea to go with this program. They do not see the benefits. A number of car enthusiasts think this is a program aimed at getting at them.

This provision creates a federally funded program giving grants to States to establish scrappage programs for vehicles 15 years or older or pursue repairs to improve fuel economy. Owners who turn in such vehicles receive a minimum payment and future credit toward purchasing a new vehicle, meeting certain DOE guidelines.

The stated intent is to retire fuel-inefficient vehicles, the first program of its kind. All prior State scrappage programs sought to address poor emissions. The provision requires a vehicle to be scrapped, not stripped for parts.

To make a couple of points, this provision has no guaranteed environmental benefit. Vehicle scrapping requires States neither to determine the fuel efficiency of vehicles being scrapped nor to certify that scrapped vehicles are replaced by more fuel-efficient vehicles. A carowner could scrap an older but more fuel-efficient compact car and replace it with a newer but less fuel-efficient vehicle. While revisions have been made to address this problem, the fundamental issue remains: There is no guarantee that the scrapped car is actually replaced by a more efficient one. That is point one.

Under this provision, cars rarely or never driven, vehicles that have minimal or no impact on overall fuel economy, may be turned into scrap. DOE would be required to pay and give credit to carowners for these cars, although they are just sitting there.

This provision could possibly hurt low- and fixed-income families and in-

dividuals. Even if, as proponents claim, section 822 did improve emissions somewhat, the program will definitely create a burden on the used car market and the low- to middle-income families who buy them.

If the vehicles are scrapped, then their parts are destroyed. A reduced supply of older auto parts translates into an increased demand for these parts, raising the cost for anyone who desires to responsibly maintain his or her older vehicle. Low- and fixed-income car occupiers who cannot afford to purchase a new DOE-approved vehicle are affected. I don't think the authors of this provision desire that sort of feature. That is the likely impact.

If the Department of Energy gets into a State grant program and buys up a bunch of older used cars, it will drive up the market price for the cars. That is not an impact we want on lower or moderate-income families, or families seeking to buy a first-time car for a younger member of the family. They should not be competing against the Government for that car, nor should they compete against the Government for replacement parts for that car because the older vehicles are being scrapped.

Vehicle scrappage hurts small business by encouraging the destruction of older, and in some cases vintage, cars and the parts necessary for maintenance. This provision would have a detrimental effect on the automotive industry on aftersales. After the new car is sold, there is a huge industry that supports the auto industry in the automotive sales after the original sale; 98 percent of that business is comprised of small businesses.

The potential cost of the program to taxpayers is unclear. Certainly the benefits are unclear, but the costs are unclear. This provision states neither how much DOE will pay for each scrapped vehicle nor the value of the credit toward a new vehicle purchase. The State programs do not offer a clear precedent. The State of California Bureau of Automotive Repair pays \$1,000 for each donated car. However, this program addresses the State's poor air quality, not fuel efficiency. Moreover, no State provides interested car donors with credits toward the purchase of new cars. This vehicle scrap program does not meet its own intended goals. It hurts low- and middle-income families who are the predominant buyers of used cars or families buying for first-time car users.

It is the wrong way to dedicate our Federal resources. We all want a better environment, but this is not the way to achieve it. I urge my colleagues to vote in favor of the Campbell amendment to take out this provision.

This impacts a lot more people than what might appear on the surface. It has broad impact for the public. It is not being well-received by the public. We are getting a number of calls and letters in our office saying this is a bad idea for a program. It seems highly

controversial and questionable in its ability to impact in a positive way fuel efficiency. With the lack of support from the public, this provision should be scrapped—not the vehicles.

For that reason, I call on my colleagues to vote for the Campbell amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

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

Mr. REID. Mr. President, I have spoken to the managers of this legislation and, as a result of that, I ask unanimous consent that at 4:20 p.m. this afternoon there be 10 minutes of debate in relation to Campbell amendment No. 3007, equally divided between Senators CAMPBELL and BINGAMAN prior to the 4:30 vote in relation to the amendment, with no second-degree amendments in order prior to that vote.

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

Mr. MURKOWSKI. Mr. President, I rise to join Senator CAMPBELL in opposing section 822 of S. 517, which is pending. I support the amendment by Senator CAMPBELL to strike that. The section creates a federally funded program requiring States to establish scrappage programs for vehicles 15 years and older, or pays such car owners to improve the fuel economy. Owners who turn in such vehicles receive the minimum payment and a future credit towards purchasing a new vehicle that meets certain DOE guidelines.

The section's stated intent is to retire inefficient vehicles. This is really the first of its kind. All prior State scrappage programs sought to address primarily poor emissions standards.

Who is affected by this? Although section 822 is a voluntary program, everyone who opts in is penalized. A reduced supply of auto parts translates to increased costs to everyone who wants to responsibly maintain their older vehicles. Since section 822 disproportionately impacts or penalizes low-income and fixed-income vehicle owners, car owners who cannot afford to purchase a new Department-of-Energy-approved vehicle are particularly affected by the increased costs of parts as they translate to increased maintenance as the car grows older.

Section 822 would have a detrimental impact on small businesses. Mr. President, 98 percent of the aftermarket parts industry are really small businesses. Some people would refer to them as car yards, yards and so forth. But particularly for young people growing up and people on modest income, that is where they get their parts.

Section 822 does not require States to determine the fuel efficiency of vehi-

cles being scrapped, where scrapped vehicles are being replaced by more fuel-efficient vehicles. A car owner could scrap an older but more fuel-efficient compact car and replace it with a newer but less fuel-efficient vehicle.

Section 822 would require the Department of Energy to give credit to car owners who turn in cars that are rarely or never driven—vehicles that have minimal or no impact on overall fuel economy.

Further, this section requires the States to create a program that provides public notification of the intent to scrap and allow the salvage of "valuable parts" from the vehicle without providing for the costs or the regulation of this operation; determines the registration, operational status, and repair needs of vehicles as well as the dissemination of funds for these procedures; and provides reports on the program's fuel efficiency to the DOE.

Since we have spent a good deal of time here on safety and costs, what about the cost? We don't know what the cost to the taxpayer will be.

Section 822 requires all U.S. taxpayers to pay for some to purchase new cars. It does not state how much the DOE will pay for the vehicle or the value of the credit towards the purchase of the new vehicle.

No State currently provides new car buyers with "credits" towards the purchase of new cars. Since there is no precedent concerning "credits" and section 822 provides no guidance, no one knows the total cost to the U.S. taxpayers.

Section 822 would establish the voluntary repair programs for vehicles without detailing guidelines or costs of those repairs.

I am told there are over 38 million cars 15 years old or older on the roads right now. Current State programs currently pay \$1,000 for each donated car. This translates into at least \$38 billion in potential Department of Energy costs for scrappage payments alone and does not include repair or purchase incentive costs included in the provisions of this section.

As Citizens Against Government Waste states:

This provision has all the symptoms of developing into a costly government program that can be handled far more efficiently and inexpensively by the private sector.

What we have here is an effort to take the older cars that are paid for off the road—not because of concern over emissions but rather a concern over taking away parts availability of these cars as a consequence of removing them from the highways.

A lot of collectors and others who want to have good used cars clearly look upon this as an intrusion of the Federal Government into their own privacy which they treasure.

I support the amendment by Senator CAMPBELL, which is section 822 of the bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I think this energy bill is critically important. The whole question of how we consume and produce energy in relationship to the environment is critically important, especially in my State of Minnesota at the other end of the pipeline where we import our oil in barrels and natural gas, and we export our dollars.

I will be in the Chamber talking about energy policy a lot, especially as we focus on renewables and clean fuel.

I ask unanimous consent to speak in morning business.

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

(The remarks of Mr. WELLSTONE are printed in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Parliamentary inquiry: Mr. President, are we still on the bill and on an amendment?

The PRESIDING OFFICER. The Senate is on the energy bill and on amendment No. 3007 by Senator CAMPBELL.

Mr. DOMENICI. Mr. President, I have no amendment to offer at this time, but I ask unanimous consent that I be given up to 7 minutes as in morning business for some comments on the economy, which is indirectly related to the energy bill.

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

Mr. DOMENICI. I thank the Chair and thank the Senate.

(The remarks of Mr. DOMENICI are printed in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I was in the office when the electricity portion was discussed. First, I compliment the staffs who worked so hard to reach an accord, Senator BINGAMAN and his staff, our staff. The adoption of the bipartisan package of amendments was a good, encouraging start in this long process to resolve the electricity issue. I have long advocated moving forward to promote competition in the electric power industry. Competition certainly benefits consumers, increases supply, helps reduce the cost of power.

I have long promoted the three guiding principles for good electric legislation: To deregulate where we can, streamline where we can, and not interfere with the States protecting retail customers.

It would be appropriate to basically underline what we have been able to accomplish. I also thank a number of my colleagues. Senator CRAIG THOMAS, particularly, had the initiative under the leadership's guidance to coordinate this for the minority. I want to take a few minutes to recognize what we were able to do from what the underlying bill addressed.

Under section 202, mergers, there was a concern. The concern was that it would be a major expansion of FERC



authority over traditional State matters with no time limit on FERC review and action. By this bipartisan effort, we were able to come up with a solution. The solution reduces the expansion of FERC authority, raises the threshold for FERC review of asset sales from \$1 million to \$10 million, excludes from FERC review acquisition of generation that is under State jurisdiction, and establishes procedures for expedited action on merger applications.

Secondly, under section 203, the market-based rates, there was a concern that it gave FERC broad authority to take "any action"—that startled a lot of people—any action to initiate unjust rates, including divestiture and mandatory RTO participation. It specified six specific factors FERC must use when granting/revoking market-based rates which possibly intrude on State rate-making.

Again, the question was the broad authority to take any action. What we did in the solution was FERC can only fix the rate itself, if found to be unjust. And the six specific criteria modified to be three general criteria that FERC can use if FERC considers them to be relevant. So we took the authority from any action and conditioned it. If they found it to be unjust, then they have the authority to fix it.

The other one in section 204, refund effective date: The concern was the provision created an open-ended period for FERC to act to establish a "refund effective date." Refunds, of course, might never go into effect. The solution was: Restore existing law which provides a 5-month window for FERC to establish the refund effective date.

Section 205, transmission interconnections: The concern there was whether it gave FERC authority on own motion to order construction of transmission and sale of electricity. It didn't have to be requested by a third party.

Eliminated protections in existing law—Bonneville, for example—and their retail wheeling issue: A solution to that was to strike section 205 entirely. We eliminated that concern.

Section 209, access to transmission by intermittent generators: The concern there was: Gave transmission subsidies to "intermittent" generators; created a presumption that intermittent generators do not create any reliability problem; did not allow utilities to recover all costs of transmitting electricity for intermittent generators. The solution: Eliminate transmission subsidies; eliminate presumption on reliability; ensure that utilities recover all transmission costs.

The next section was 241, real-time pricing: The concerns: Did not include time of use metering. The solution was: Add time of use metering.

Section 245, net metering: The concern there was: Establishing a Federal net metering program that preempted 35 existing State net metering programs. The solution was: Convert

PURPA section 111(d) requirement that State PUCs and nonregulated utilities consider the Federal standard.

Section 256, State authority: The concerns there were: Preempted State consumer protection laws and regulations to the extent they are inconsistent with FTC regulations. The solution was: Eliminate preemption.

Section 263: The concern is: Required the Federal Government to purchase renewable power—regardless of the cost. That was somewhat contentious. The DOD needs to spend money on the war—not renewables. The solution was: "Best efforts" only to purchase renewable power.

So we went from a mandate requiring the Federal Government to purchase renewable power, regardless of the cost, to a solution that was to use the best efforts only to purchase renewable power.

I thought that explanation was in order because there are a lot of terms and technology involved here. I think it is meaningful that we have a solution and we have a bipartisan agreement.

I thank my colleague, the Senator from New Mexico, and others who were active in this, including the professional staff who worked so hard to achieve it.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

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

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

#### AMENDMENT NO. 2995

Ms. LANDRIEU. Mr. President, I thought I would take a moment to speak about an amendment that has already been accepted. I was very proud to offer this amendment along with Senator DOMENICI and Senator CRAIG yesterday. I thank the chairman for his leadership in this effort. Because the time was short yesterday and we really did not get to present the amendment, I thought I would say a few words about it while we have time pending a vote.

This amendment by Senator DOMENICI, Senator CRAIG, and myself says will contribute to the strengthening of this bill.

It says that as we develop our nuclear reactors in the future, they will be designed with new technologies that look very promising, not only to make our nuclear industry more powerful and more effective, but also to create the opportunity to produce hydrogen which can help us in meeting our energy needs.

I will explain for the record why this is so important.

As most Members know, nuclear energy now provides one-fifth of all the electric power used in this country. I do not think that is clear to everyone

in the United States. Some people think we have shut our nuclear industry down or that we have shut our nuclear powerplants down. That is not true. The truth is, 20 percent of the power we use in this Nation is generated by nuclear energy.

Nuclear power produces energy without compromising air quality and without dangerous reliance on fuel exports from politically unstable regions of the world.

When we look a few years into the future, the projected demand for increased electric power is staggering. That is one of the reasons we are considering this legislation: because the demand for power and the demand for energy is far outpacing our ability to produce it. Because we have different views about production, we have conflicting views about conservation; that does not mean the demand, or the challenge, is going to go away.

It means we have to work harder to find solutions, and this is one solution. According to the Energy Information Administration, by the year 2020 the U.S. will need, under current trends, 400,000 megawatts of additional electric power capacity. That is the equivalent of 400 new coal plants or gas-fired plants to be built in this country before the year 2020.

I am in no way opposed to burning coal. We are doing it in a much cleaner and better way for our environment. I am obviously not opposed to domestic natural gas production or imported natural gas. That also meets our new environmental standards. We have to meet some of this demand, but for environmental and energy security reasons we cannot completely rely on these sources.

Just to maintain the existing proportion of nonemitting nuclear power in our energy mix, we will have to construct 50 nuclear plants. So we have to build more nuclear powerplants, and our amendment helps to build them in the right ways.

It is clear to this Senator that the environmental and energy security benefits of nuclear power are so compelling that not only must we ensure the continued operation of our existing plants, but we must also encourage the construction of new plants in this country to help meet this extraordinary demand.

Let me be very clear, when push comes to shove, we have a very short list of energy options for the foreseeable future: oil, natural gas, coal, nuclear, hydropower, conservation, and renewables such as solar and wind. All of these have substantial roles to play in our future energy mix, but none of these by themselves is enough to address the huge demand that is facing us.

Again, that is one of the compelling reasons, if not the principal reason, that we are fighting to shape an energy bill that will meet this demand. Why? Because it is important our economy continue to grow so we can be not only

the great military power we are, but the greatest economic power as well.

Nuclear power is perhaps unique in this list in that there is a large potential for expansion in the relatively near term with little downside in terms of environmental damage or an increase in our reliance on foreign sources. Furthermore, as many Members are aware, there is an exciting next generation of nuclear reactors being developed which take a good product and make it even better.

These reactors, which should be available by the end of this decade, are meltdown proof, substantially more efficient than the old generation, produce less high-level waste, and are more proliferation resistant than existing reactors. That, in this post-September 11 day and age, is a goal we need to be mindful of. We need to be mindful that this material in the wrong hands could cause a lot of trouble, a lot of destruction, and that is why this new design is exciting.

Indeed, one of these designs, the gas turbine modular helium reactor, is even designed to be built underground and therefore better suited to the threats that now present themselves post-September 11.

The Federal Government should work closely with the nuclear industry and with our utilities to see that these new reactors live up to the claims being made about them and that they are brought to market as soon as possible.

Let me turn now to another aspect with which our amendment attempts to address. We have spent a great deal of time this morning speaking about the transportation sector, CAFE standards, and what can we do to make our transportation sector more efficient. All of those are very important issues. But one of the most interesting solutions that might be found as we develop a new generation of nuclear powerplants is the byproduct of these new plants—hydrogen.

The administration recently announced some interesting facts regarding the development of a new generation of hydrogen-powered car. They call it the freedom car. But we should be mindful that we could call it the freedom truck, the freedom bus. This is not only about cars.

Every Member probably realizes the importance of ultimately changing the coinage of the energy and transportation sector from oil to something else. Although we are an oil- and gas-producing State, and I am proud of the oil and gas that we produce, we know even in Louisiana that the future calls for a greater mix, and the new nuclear reactors could really be what we need in terms of freeing ourselves from imported oil.

Our recent engagement in the Middle East and the festering instabilities there, make it very clear the sooner we wean ourselves from imported oil the better. Hydrogen, either through direct combustion or through fuel cells,

seems to have all the hallmarks of an ideal, non-polluting fuel for transportation that might ultimately supplant imported oil. However, the President's announcement and much of the subsequent excitement seems to miss one very important question: Where are we going to get the hydrogen in the quantities necessary to fuel the cars or trucks or buses on our Nation's highways in the future?

Please remember that hydrogen is not an energy source. Hydrogen is an energy carrier. It must be produced by either splitting water or reforming fossil fuels. Right now, industrial scale quantities of hydrogen are produced from natural gas or other fossil fuels, but it does not make sense from an environmental or energy security point of view to produce hydrogen from fossil fuels. What progress would we be making if we go down that road?

So what is the alternative? Fortunately, nuclear power is offering to us an alternative, a very promising way to produce large amounts of hydrogen required to move towards a hydrogen economy in the relatively near term.

The more promising way to produce hydrogen is to utilize the next generation of nuclear reactors that operate at much higher temperatures. The higher temperatures of these reactors make possible a process called thermochemical water splitting. The process has received only minor research dollars in this country but has received substantial research dollars in funding from other parts of the world, including Japan.

Thermochemical water splitting is very promising as it is environmentally benign and has a very high rate of efficiency. Indeed, it is up to 50 percent more efficient in converting the heat of a reactor into hydrogen energy.

The amendment we have offered and that has been accepted recognizes the importance of developing a next generation of reactors that is safer, more economical, more proliferation resistant, and creates less waste. It also recognizes the importance of developing hydrogen production capabilities with the next generation of nuclear reactors.

The promise of a hydrogen-based transportation sector is indeed very exciting. As the chairman has pointed out on numerous occasions, it is the transportation sector demand that is driving our dangerous and unwise, in my opinion, reliance on foreign oil imports. We must begin to free ourselves from that relationship, and this amendment, with the underlying technology, gives us a real opportunity, not in 50 years, not in 20 years, but within the next few years, in this decade, to begin exploring new technologies that keep our environment clean, that give us the freedom we deserve and we expect, and also is well within our economic means of achieving.

It is very exciting, but unless we plant the seeds of a realistic means of

producing the large scale amounts of hydrogen required, this dream will never be realized. Based on the acceptance of this amendment, I think the Senate has decided that the next generation of nuclear powerplants we are going to have to build in this Nation anyway could provide that answer.

It has been a great pleasure working on this amendment with my colleagues and being part of this energy debate.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, let me congratulate my colleague, the junior Senator from Louisiana, on her amendment. I think the realization of what the advanced technology would mean, particularly on high-level nuclear waste in recovery of hydrogen for a number of purposes, including fuel cells and others, is something that would tend to focus in on high-level waste, and would have a potential value there that may lead us to recognize it is not sufficient to just concentrate on burying this waste.

The PRESIDING OFFICER. Under the previous order, there is 10 minutes of debate on the amendment of the Senator from Colorado. Who yields time?

Mr. MURKOWSKI. If I may have 1 minute to compliment the Senator from Louisiana.

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

Mr. MURKOWSKI. I will take it off of our time.

I commend the Senator for her recognition of the value of high-level nuclear waste and the utilization of it.

I also commend the Senator from Louisiana on her bioenergy amendment, which we have accepted. This amendment expands the authorization for bioenergy research to include biochemical processes that can create certain replacements. There is promising research in these areas. It is wise to continue to work on this. We support the amendment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I congratulate the Senator from Louisiana for these two amendments. I am a co-sponsor of both. On a bigger scale than that, we are both from oil and gas States. Yet the Senator has taken a position that it is not just oil and gas that make up the future for the United States. We have to look at a variety of alternatives.

The Senator has done a superb job working on nuclear issues. The two proposed amendments on nuclear are clearly relevant. We are moving ahead in those areas in the appropriations process. The Senator will have the assurance that both are covered by appropriations if, indeed, Senator BINGAMAN and the others bring it back from conference with the amendments.

Ms. LANDRIEU. Will the Senator yield?

Mr. DOMENICI. I yield.

Ms. LANDRIEU. I appreciate those remarks. The Senator from New Mexico has been an extraordinary leader in this field of nuclear energy.

I compliment the industry. The Senator from New Mexico understands that the oil and gas industry has been, in the last couple of years, broadening its horizons and outlook in welcoming these new sources of energy. They are turning themselves from oil companies to energy companies, from gas companies to energy companies, opening up possibilities for new sources of energy.

I commend the industry and hope this bill that Senator DOMENICI has worked on so hard will compliment the work in the private sector to help this country get to the freedom we need from imported sources so we can set our own destiny.

I am proud to be a sponsor of this amendment and others like it.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. I compliment the Senator from Louisiana also for her amendment earlier agreed to. We worked hard with her and her staff to be sure this amendment could be included in the bill. I am glad it is in the bill.

What is the regular order?

AMENDMENT NO. 3007

The PRESIDING OFFICER. There is a vote at 4:30 with respect to the Campbell amendment.

Mr. BINGAMAN. How much time remains on both sides?

The PRESIDING OFFICER. Four minutes thirty seconds on the Senator's time and 2 minutes for the Senator from Colorado.

Mr. BINGAMAN. I yield the floor.

Mr. CAMPBELL. Mr. President, I ask unanimous consent to have Senator SMITH of New Hampshire added as a cosponsor of this amendment, and I yield myself the remainder of the time.

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

Mr. CAMPBELL. Colleagues, section 822 is a bad idea. Under section 822, we are going to allow the DOE to give grants to take 15-year-old, and possibly more, fuel-efficient cars, which would rarely be driven, off the highways and then turn around and offer another grant of taxpayer-funded money to people who want to purchase a new car which may be less fuel efficient than the ones to be taken off the highway and will probably be driven more because they are newer.

How do we sell that under the guise of fuel efficiency? States have the ability to have scrappage programs—many do. Some offer between \$1,000 and \$2,000 per car to be scrapped. In the suggested grant to take older cars out of circulation, if one-fourth of the 38 million cars 15 years or older were funded, it would cost taxpayers \$19 billion. Maybe I am missing something, but I did hear we have lost our huge surplus of last year and may, in fact, be in deficit this year. It seems to me we have a better

place to use our money. This is not the time to spend \$19 billion.

The authors of the section 822 say it is voluntary, but who will turn down a potential \$1,000 to turn in an old car and another \$1,000 of taxpayer money to buy a new one when someone else is paying?

I ask my colleagues to vote down section 822 at 4:30.

As Senators, we have an obligation to make decisions based on information. Here, the authors of section 822 are asking you to make a decision based on no information because no studies or hearings were ever held that would legitimize the Federal subsidization of car scrappage programs.

Again, the authors of 822 argue that compelling states to establish scrappage and repair programs to get older cars off the road is a voluntary program. Further, they argue that some states already have scrappage programs.

Well, if States want scrappage programs then they should be able to establish their own—why should the Federal Government have any role in that which States can do already do?

Furthermore, the authors of section 822's reliance on some states choosing to establish scrappage program is misleading. Current state programs seek to address poor emissions quality, a serious health concern.

Section 822 assumes that older cars have poor fuel efficiency and creates an expensive carrot and stick approach to compel states and individuals to participate in a completely new and untested program.

In any event section 822 does not provide any means testing ensuring that only fuel inefficient vehicles are scrapped. Therefore, a 1986 Ford Escort getting 41 city miles per gallon would be treated the same as a Cadillac Seville of the same year that gets a mere 17 miles per gallon. The only qualifying criteria would be that they are both 1986 automobiles.

The authors of section 822 state that no one is penalized, that only individuals choosing to participate would be affected. Yet, the truth is that everyone is captured by this program.

The reduced supply of car parts translates to increased costs for low and fixed income people who cannot afford to buy a federal government subsidized, DOE approved vehicle.

Further, there are 38 million cars that could be affected. If just one quarter of those owners chose to get \$1,000 for scrapping their car, and then another tax payer subsidized \$1,000 credit to buy a new DOE approved vehicle, the total cost to all U.S. taxpayers, whether they "volunteer" to participate or not, would be \$19 billion.

Well, that seems to be a lot of money—that's because it is. I would have my friends note that at no time did the authors of section 822 state that this provision would not be terribly expensive. They didn't defend their measure as fiscally responsible because they don't know if it is or not.

The authors argue that they "fixed" their provision by requiring the states to hold a public notification of the intent to scrap vehicles and then provide for parts salvage. How will a state possibly manage that, and what will it cost the federal government? Again, we don't know.

A few short hours ago, my friend Senator BINGAMAN stated, "I don't see why it is in the public interest to strike a provision that enables the Secretary of Transportation to pursue this to the extent that the Appropriations Committee puts funds in to support the program." Normally, we know how much money something costs before we buy it.

I ask you not to buy this ill conceived Federal subsidization scrappage program of old cars and welfare for the wealthy. Section 822 will hurt the most vulnerable of our citizens, hurt small businesses, and hurt U.S. taxpayers.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, first, as I indicated, I am disappointed the Senator from Colorado felt obligated to offer this amendment. Having heard his concerns and the concerns of others, I urge all Senators to support his amendment. My view is this is not an amendment that justifies having a vote on the Senate floor, but he is insisting on one, so evidently we will go through it and have a rollcall vote and bring all Senators to the floor to vote for the amendment.

Mr. CAMPBELL. Will the Senator yield?

Mr. BINGAMAN. I yield the floor.

Mr. CAMPBELL. If our colleagues on the other side of the aisle do not need a recorded vote, we do not, either. If he is willing to accept this amendment, I am sure the minority would, too, and I ask unanimous consent to vitiate the recorded vote.

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

Mr. BINGAMAN. Mr. President, before we do the voice vote, which I gather is what the Senator from Colorado would like on his amendment, let me read some provisions or sections of a letter we received from the Automotive Service Association.

This is a letter to Senator DASCHLE, dated February 25, an organization with 15,000 members nationwide. It has 300 members in Colorado, my colleague's home State. It says:

DEAR SENATOR DASCHLE: I want to thank you for your efforts on behalf of the automotive aftermarket in the development of Senate Bill 517, the energy policies act of 2002.

The Automotive Service Association is the largest and the oldest trade association representing independent automotive repair facilities in the United States. . . .

Your revised Section 832, Assistance for State Programs to Retire Fuel-Inefficient Motor Vehicles, includes both a repair and recycling facilities. This assists mechanical and coalition repair facilities. Quite frankly, many of these older vehicles would not receive fuel-efficiency related repairs without

some incentive. This legislation will provide the opportunity for these vehicles to receive the necessary maintenance.

Allowing the salvage of valuable parts enhances competition in the parts marketplace as well as makes sense for the environment.

We appreciate the efforts that you and Chairman Jeff Bingaman have made to alleviate many of the concerns our industry has had with this legislation. We support the bill and look forward to a continued working relationship with you and your staff.

ASA is contacting automotive repairers in South Dakota and New Mexico to inform them of your efforts.

Signed by Robert Redding, Jr., on behalf of the Automotive Service Association.

Mr. President, I ask unanimous consent this entire letter be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. BINGAMAN. Mr. President, I believe this is good public policy to enact, along the lines we have talked about here. But since my colleague and others have indicated concern about including it in the energy bill, I have no problem with it being deleted.

I urge all Senators to support the amendment of the Senator from Colorado.

I yield the floor.

#### EXHIBIT 1

AUTOMOTIVE SERVICE ASSOCIATION,  
Bedford, TX, February 25, 2002.

Hon. TOM DASCHLE,  
Majority Leader, U.S. Senate,  
Washington, DC.

DEAR SENATOR DASCHLE: I want to thank you for your efforts on behalf of the automotive aftermarket in the development of Senate Bill 517, the Energy Policy Act of 2002.

The Automotive Service Association is the largest and oldest trade association representing independent automotive repair facilities in the United States. These collision, mechanical and transmission small business members are located in all fifty states and several foreign countries.

Your revised Section 832, Assistance for State Programs to Retire Fuel-Inefficient Motor Vehicles, includes both a repair and recycling option. This assists mechanical and collision repair facilities. Quite frankly, many of these older vehicles would not receive fuel-efficiency related repairs without some incentive. This legislation will provide the opportunity for these vehicles to receive the necessary maintenance.

Allowing the salvage of valuable parts enhances competition in the parts marketplace as well as makes sense for the environment.

We appreciate the efforts you and Chairman Jeff Bingaman have made to alleviate many of the concerns our industry has had with this legislation. We support the bill and look forward to a continued working relationship with you and your staff.

ASA is contacting automotive repairers in South Dakota and New Mexico to inform them of your efforts.

Sincerely,

ROBERT L. REDDING, Jr.

Mr. CAMPBELL. Mr. President, I yield the remainder of my time and urge the adoption of the amendment.

The PRESIDING OFFICER. Does the Senator from New Mexico yield back his time?

Mr. BINGAMAN. I yield all time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3007) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

#### AMENDMENT NO. 3009

Mr. DOMENICI. Mr. President, I have an amendment with reference to an Office of Spent Nuclear Fuel Research. I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI) proposes an amendment numbered 3009.

Mr. DOMENICI. I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To establish an Office within the Department of Energy to explore alternative management strategies for spent nuclear fuel)

On page 123, after line 17, insert the following:

#### SEC. 514. OFFICE OF SPENT NUCLEAR FUEL RESEARCH.

(a) FINDINGS.—Congress finds that—

(1) before the Federal Government takes any irreversible action relating to the disposal of spent nuclear fuel, Congress must determine whether the spent fuel in the repository should be treated as waste subject to permanent burial or should be considered an energy resource that is needed to meet future energy requirements; and

(2) national policy on spent nuclear fuel may evolve with time as improved technologies for spent fuel are developed or as national energy needs evolve.

(b) DEFINITIONS.—In this section:

(1) ASSOCIATE DIRECTOR.—The term “Associate Director” means the Associate Director of the Office.

(2) OFFICE.—The term “Office” means the Office of Spent Nuclear Fuel Research within the Office of Nuclear Energy Science and Technology of the Department of Energy.

(c) ESTABLISHMENT.—There is established an Office of Spent Nuclear Fuel Research within the Office of Nuclear Energy Science and Technology of the Department of Energy.

(d) HEAD OF OFFICE.—The Office shall be headed by the Associate Director, who shall be a member of the Senior Executive Service appointed by the Director of the Office of Nuclear Energy Science and Technology, and compensated at a rate determined by applicable law.

(e) DUTIES OF THE ASSOCIATE DIRECTOR.—

(1) IN GENERAL.—The Associate Director shall be responsible for carrying out an integrated research, development, and demonstration program on technologies for treatment, recycling, and disposal of high-level nuclear radioactive waste and spent nuclear fuel, subject to the general supervision of the Secretary.

(2) PARTICIPATION.—The Associate Director shall coordinate the participation of national laboratories, universities, the com-

mercial nuclear industry, and other organizations in the investigation of technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste.

(3) ACTIVITIES.—The Associate Director shall—

(A) develop a research plan to provide recommendations by 2015;

(B) identify promising technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste;

(C) conduct research and development activities for promising technologies;

(D) ensure that all activities include as key objectives minimization of proliferation concerns and risk to the health of the general public or site workers, as well as development of cost-effective technologies;

(E) require research on both reactor- and accelerator-based transmutation systems;

(F) require research on advanced processing and separations;

(G) include participation of international collaborators in research efforts, and provide funding to a collaborator that brings unique capabilities not available in the United States if the country in which the collaborator is located is unable to provide for their support; and

(H) ensure that research efforts are coordinated with research on advanced fuel cycles and reactors conducted by the Office of Nuclear Energy Science and Technology.

(f) GRANT AND CONTRACT AUTHORITY.—The Secretary may make grants, or enter into contracts, for the purposes of the research projects and activities described in this section.

(g) REPORT.—The Associate Director shall annually submit to Congress a report on the activities and expenditures of the Office that describes the progress being made in achieving the objectives of this section.

Mr. DOMENICI. Mr. President, I introduce an amendment creating a new DOE Office of Spent Nuclear Fuel Research. This new Office would organize a research program to explore new, improved national strategies for spent nuclear fuel.

Spent fuel has immense energy potential—that we are simply tossing away with our focus only on a permanent repository. We could be recycling that spent fuel back into civilian fuel and extracting additional energy. We could follow the examples of France, the U.K., and Japan in reprocessing the fuel to not only extract more energy, but also to reduce the volume and toxicity of the final waste forms.

It is too bad we did not start with this emphasis and organization within the last 15 or 20 years. But we were on a path that said under no conditions would we do this. We thought it would add to the nonproliferation potential. We thought we would set an example and nobody would do it, so we would not produce any additional plutonium.

What happened is we stayed in our rut, thinking it was going to be worldwide, while other countries decided ours was a rather imprudent policy and they have proceeded. I just enumerated the countries that have done that.

I support continued progress at Yucca Mountain and appreciate the President's decision to move ahead toward licensing of it as our Nation's first permanent repository for high

level waste. But, I have frequently suggested that our single-minded focus on this "solution" for spent fuel does not serve our Nation well. It is simply not obvious that permanent disposal of spent fuel is in the best interests of all our citizens. It's even less obvious to me that we should equate the terms "spent fuel" and "waste."

Since Yucca Mountain can't accommodate all the spent fuel from our current generation of nuclear plants, we clearly either need a better solution or more repositories. Given the level of local public support enjoyed by Yucca Mountain, I don't think any of us should relish the prospect of creating more Yucca Mountains.

Depending on our future demands and options for electricity, we may need to recover the tremendous energy that remains in spent fuel. And strong public opposition to disposal of spent fuel, with its long-term radio toxicity, may preclude use of repositories that simply accept and permanently store spent fuel.

If the research program led by this new office is successful, we can recover the residual energy in spent fuel. And we could produce a final waste form that is no more toxic, after a few hundred years, than the original uranium ore. I was very pleased that the President specifically endorsed these studies of reprocessing and transmutation in the national energy policy.

I am well aware that reprocessing is not viewed as economically practical now, because of today's very low uranium prices. Furthermore, I fully recognize that it must only be done with careful attention to proliferation issues. But I submit that the U.S. should be prepared for a future evaluation that may determine that we are too hasty today to treat spent fuel as waste, and that instead we should have been viewing it as an energy resource for future generations.

We do not have the knowledge today to make this decision. This amendment establishes a research program to evaluate options to provide real data for such a future decision.

This research program would have other benefits. We may want to reduce the toxicity of materials in any repository to address public concerns. Or we may find we need another repository in the future, and want to incorporate advanced technologies into the final waste products at that time. We could, for example, decide that we want to maximize the storage potential of a future repository, and that would require some treatment of the spent fuel before final disposition.

This amendment requires that a range of advanced approaches for spent fuel be studied with the new Office of Spent Nuclear Fuel Research. It encourages the Department to seek international cooperation. I know, based on personal contacts, that France, Russia, and Japan are eager to join with us in an international study of spent fuel options.

It requires that we focus on research programs that minimize proliferation and health risks from the spent fuel. And it requires that we study the economic implications of each technology.

With this new Office and its research program, the United States will be prepared, some years in the future, to make the most intelligent decision regarding the future of nuclear energy as one of our major power sources. Maybe at that time, we'll have other better energy alternatives and decide that we can move away from nuclear power. Or we may find that we need nuclear energy to continue and even expand its current contribution to our nation's power grid. In any case, this research will provide the framework to guide Congress in these future decisions.

Mr. President, while I have the floor, I also want to speak briefly to three other amendments on nuclear energy issues, presented by my colleagues, Ms. LANDRIEU and Mr. CRAIG. I greatly appreciate their interest in this important technology. I strongly support these additional amendments and am a cosponsor of each one.

Ms. LANDRIEU has two amendments. One notes the important role that hydrogen may play in future transportation strategies for the nation, either directly as a fuel or in fuel cells. Either of these approaches could lead to a transportation sector that is virtually emission free. This is a great vision, but it depends on, among several challenges, identification of a cheap reliable supply of hydrogen.

Hydrogen can either be made from water using electricity, or from several chemical processes involving heat. Senator LANDRIEU's amendment asks that the Nuclear Energy Research Initiative specifically explore the use of nuclear reactors for hydrogen production.

Reactors are well suited to such a challenge. They could supply electricity in off-peak hours. Or, some types of advanced reactors would provide an ample heat resource. In fact, in Japan, their research on one form of advanced reactor is focused on hydrogen production.

Her second amendment encourages the Nuclear Regulatory Commission to explore licensing issues, which may arise with advanced reactor designs. Her legislation would allow the NRC to pursue this research without tapping income collected from licensees, through use of appropriated funds. This is a good idea, and one that is already encouraged in the appropriations process.

Mr. CRAIG's nuclear energy amendment authorizes the Nuclear Power 2010 program, as proposed by the Administration to begin in fiscal year 2003. This builds on and expands the work pursued in the Nuclear Energy Technology Program that has been funded for the last two years.

Under this new program the DOE would seek industrial proposals for joint venture teams to participate, in-

cluding development of business arrangements for building and operating new plants in the United States. I appreciate that it would pursue development of the two most promising classes of advanced reactors, either water- or gas-cooled systems.

Mr. CRAIG's inclusion of international collaboration is also critical, just as I want to encourage such participation in development of improved strategies for spent fuel. Many countries have strong nuclear energy programs, we can achieve mutual goals faster and cheaper if we work together, just as is now happening with the ten-nation effort toward the Generation IV reactor.

I share the vision of Mr. CRAIG that the Nuclear Power 2010 program will result in a new reactor in this country in the next decade. That will be an important step in demonstrating to our citizens and to the world that the United States is not going to be left by the wayside while other countries pursue this vital energy source.

Tomorrow or next week, whichever is most accommodating, I will take the floor and tell the American people what is in this bill regarding the future for nuclear energy. Many things have already been adopted and put in the bill by the sponsors, but we now have, with this amendment before the Senate or put in the bill, all of the amendments that Senators who have been following and working in this area thought were important to its future. They will now be encapsulated in this with the adoption of this, which is our last one.

#### NUCLEAR WASTE

Mr. REID. I want to confirm that acceptance of this amendment does not create any opportunity to discuss nuclear waste issues in conference.

Mr. DOMENICI. I agree with the Senator's view. I will be a conferee on this bill. I assure the Senator that I will resist any attempt to open the conference to discussion of waste issues. I would also like to note that, as stated in the amendment, the national laboratories will play strong roles in this work. In fact, from our positions on the Energy and Water Development Subcommittee on Appropriations, let's work together to ensure their participation.

I thank Senator BINGAMAN in advance of agreeing to this for his help on it, for what he has done in the bill with reference to not only the Price-Anderson, which he took the lead on even though it was not his amendment, but all the other provisions he has put in that will create a level playing field and modernize Americans' ability to utilize nuclear power if they choose, since it will not pollute the environment and can be part of a national program to do that.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, let me say with the colloquy my colleague from New Mexico has entered into the

RECORD between himself and Senator REID, I think all concerns that have been raised on our side are resolved. There is no objection to the adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3009) was agreed to.

Mr. DOMENICI. Mr. 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. MURKOWSKI. Mr. President, I rise in support of the amendment by the senior Senator from New Mexico. I appreciate the junior Senator's acceptance of it.

The amendment, as noted, establishes an Office of Spent Fuel within the Department of Energy. It is important that Congress address the range of alternatives to deal with spent fuel from nuclear reactors. This amendment goes a long way to accomplish that.

I have served here 21 years with Senator DOMENICI. He has been a tireless advocate of pursuing the advancement of nuclear energy. Last year he introduced S. 472, which is a comprehensive energy bill and nuclear bill, and the committee held several hearings. He understands we must have a diverse and responsible energy mix if we ever hope to reduce our dependence significantly on Saddam Hussein and his oil.

Currently, nuclear energy provides 20 percent of the electricity in this country. It is taken for granted by many. It is a clean, nonemitting generation and produces no greenhouse gases, no SO<sub>x</sub>, no NO<sub>x</sub>. There are 103 operating reactors in 31 States.

Senator DOMENICI's Office of Spent Fuel is an important part of the future of nuclear energy in this country, and we must deal with the issue of spent fuel. This will require research on all fronts.

The language of the amendment was part of S. 1287, the Nuclear Waste Act amendments that passed the Senate in the last Congress. The office would examine the treatment, recycling, and disposal of high-level reactive wastes and spent fuel, and consequently I strongly urge its support. I thank the Members for the adoption of this amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

#### DEPARTMENT OF TRANSPORTATION NOMINATIONS

Mr. McCAIN. Mr. President, I come to the floor to talk again about two

nominees, Mr. Emil Frankel, to be Assistant Secretary of Transportation, and Jeffrey Shane, to be Associate Deputy Secretary of Transportation.

I, again, urge the holds that are being placed on these nominations to move forward. It is been 3 months since they were reported unanimously out of the Commerce Committee.

I know both individuals and they are highly qualified. Both of them are nominated for very important jobs in the Department of Transportation. All of us know, in light of the events of September 11, that these jobs are vital to America's security.

I said earlier in my remarks that I had not put a hold on a nominee. What I meant to say—and I would like to correct the record at this time—is that I have put holds on nominees, but I have never done so anonymously. I have stood up and said that I had holds on nominees. On the holds I have put on over the years, I have been here and stated my reasons why. I have not done so anonymously.

I hope the unnamed Member or Members who have a hold on Mr. Shane and Mr. Frankel will come forward. So, I hope, again, that the Senate will consider these two highly qualified nominees. If there are areas that are not related to these nominees, as far as transportation is concerned, I will be pleased to work with any Member to try to get those concerns satisfied.

Again, I would like to correct the record when I stated earlier that I had never put a hold on a nominee. I have never anonymously put a hold on a nominee. And I have forced votes on other nominees as well.

I hope the holds on Mr. Frankel and Mr. Shane will be removed soon. We are in danger of losing those individuals because, understandably, after a period of 3 months, they have to get on with their lives. And that certainly is understandable.

So I hope we will move forward with their nominations soon and the holds will be lifted. Again, I stand ready to work with any Member who has a hold on their nominations if there is any way we can resolve any problems that they might have.

I also state that I never put a hold on a nominee because there was some unrelated issue. I put holds on nominees in the past because I did not think they were qualified, and I stated so.

So I hope that clarifies the record on that. But that does not detract from the fact—whether I ever did or did not—that these are two qualified nominees. It has now been over 3 months since they were reported out of the Commerce Committee and they deserve to have the opportunity to serve.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

#### NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001—Continued

AMENDMENTS NOS. 3010 AND 3011, EN BLOC, TO  
AMENDMENT NO. 2917

Mr. BINGAMAN. Mr. President, I send two amendments to the desk and ask that they be considered en bloc and adopted en bloc. I believe they have been cleared on both sides.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside.

The clerk will report the amendments.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes amendments numbered 3010 and 3011 en bloc to amendment No. 2917.

Mr. BINGAMAN. Mr. President, I ask unanimous consent reading of the amendments be dispensed with.

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

The amendments, en bloc, are as follows:

##### AMENDMENT NO. 3010

(Purpose: To include biobased polymers and chemicals in the biofuels program)

On page 405, strike line 16 and all that follows through line 23, and insert the following:

(6) BIOFUELS.—The goal of the biofuels program shall be to develop, in partnership with industry—

(A) advanced biochemical and thermochemical conversion technologies capable of making liquid and gaseous fuels from cellulosic feedstocks that are price-competitive with gasoline or diesel in either internal combustion engines or fuel cell vehicles by 2010; and

(B) advanced biotechnology processes capable of making biofuels, biobased polymers, and chemicals, with particular emphasis on the development of biorefineries that use enzyme based processing systems.

For purposes of this paragraph, the term "cellulosic feedstock" means any portion of a food crop not normally used in food production or any non-food crop grown for the purpose of producing biomass feedstock.

##### AMENDMENT NO. 3011

(Purpose: To direct the Secretary of Energy to study designs for high temperature hydrogen-producing nuclear reactors)

On page 443, strike lines 21 through page 444, line 2 and insert the following:

(2) examine—

(A) advanced proliferation-resistant and passively safe reactor designs;

(B) new reactor designs with higher efficiency, lower cost, and improved safety;

(C) in coordination with activities carried out under the amendments made by section 1223, designs for a high temperature reactor capable of producing large-scale quantities of hydrogen using thermo-chemical processes;

(D) proliferation-resistant and high-burn-up nuclear fuels;

(E) minimization of generation of radioactive materials;

(F) improved nuclear waste management technologies; and

(G) improved instrumentation science;

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, the amendments have been cleared on this



side, and we are in total agreement with the majority and recommend acceptance.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The amendments (Nos. 3010 and 3011), en bloc, were agreed to.

Mr. MURKOWSKI. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, as we come close to the hour of 5 o'clock, I am not sure just what the remainder of the schedule is. I think we anticipate tomorrow morning starting on renewables.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, my understanding is that we will spend several hours tomorrow, at least, dealing with a couple of issues related to electricity restructuring. One is a reliability amendment that we expect to have offered. I believe Senator THOMAS is planning to offer that amendment. We will have debate and a vote.

Then I intend to offer an amendment on a renewable portfolio standard, which will then be followed by a proposal by Senator JEFFORDS. And then probably also there will be a proposal by Senator KYL. We will deal with, hopefully, those three proposals, including the issue of a renewable portfolio standard. After that, I don't know what the business will be.

Mr. REID. If my friend will yield?

Mr. MURKOWSKI. Yes.

Mr. REID. If I could just make this comment, I think the two managers have a great plan: in the morning come in and work on the Thomas legislation. It is my understanding that he does not want a time set. I think that is appropriate because there may be other issues that come up.

But I would hope that we could—if we come in, say, at 9:30—complete action on that by 12:15 or thereabouts, because every Thursday we have the policy luncheons, so we do not have votes from 12:30 to 2.

We could do that and then move to the Bingaman amendment. Senator JEFFORDS said he would agree to an hour and 15 minutes. So that would be 2½ hours, if all that time were used.

I would hope, I say to the manager, my friend from Alaska, that we could get Senator KYL to agree on a time for his amendment tonight, so when we do the wrap-up we could have it set that whenever we finish the reliability amendment—that is the Thomas amendment—we could immediately go into the mechanics set up for the Bingaman amendment, the Jeffords amendment, and the Kyl amendment, and have an end for that.

It seems it should not be difficult for people to agree for times on that be-

cause, if Senator KYL's amendment is adopted, then it wipes out everything in front of it anyway. So I hope Senator KYL can give us some time tonight so we can complete action on this matter tomorrow.

Mr. MURKOWSKI. If I may respond to the majority whip, I am in complete agreement. We do not have a time agreement yet among ourselves. I assume the leadership will set the time for us to come in. But I encourage Senators on our side to be prepared on reliability, which, as the majority whip indicated, will be offered by Senator THOMAS in the morning.

I also encourage all Members on our side, if they have other amendments they intend to offer, I would like to get the amendments in so we can anticipate what we will have before us. I would be willing at some point in time to agree to a list of amendments that have been brought in by a certain time, let's say, prior to the end of this week, something of that nature. But we can pursue that.

But I do agree with the majority whip that we should move along. The renewable portfolio, as the Senator indicated, probably will take some time. So I would be happy to work towards some time agreements as we proceed tomorrow.

Mr. REID. If I could propound a unanimous consent request, I ask unanimous consent that tomorrow, when we resume consideration of the energy bill, at approximately 9:30 a.m., immediately following the prayer and the Pledge of Allegiance, Senator THOMAS be recognized to offer his reliability amendment.

The PRESIDING OFFICER. Is there objection?

Mr. MURKOWSKI. Reserving the right to object, in fairness to Senator THOMAS, we have not had a chance to contact him as to whether it would be 9:30 or 10 o'clock, but I am not going to object.

Mr. REID. We will protect him until he gets here.

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

Mr. REID. We will attempt to work with the managers to see if we can work out something for this evening on time for renewability. If we can, it is the plan of the two managers that after completing the Thomas amendment we will move to Bingaman, Jeffords, and then Kyl.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, it would be inappropriate if I let a day go by when I did not remind my colleagues that there was some significance as to what we did during the day.

Today, there has been a good deal of conversation that, indeed, we could make up by CAFE savings what we would generate by opening ANWR. The Senate, in its action—you notice I did not reflect on wisdom—basically precluded that, at least for the time being until we go to conference.

Also, the issue of the pickup truck, I think, spoke for a majority concerning safety issues.

I wouldn't be surprised before we are out of here if we also have an amendment that addresses the Suburbans and SUVs relative to safety.

The point I would like to leave with Members today is that we are rapidly diminishing excuses for not opening up ANWR and recognizing that, indeed, the argument that previously prevailed that we can simply make this up on CAFE standards is clearly not in the interest of a majority of the Senate, primarily for the reason of safety associated with Americans, and children in particular, and the advantages of a heavier car moving our children around.

As we look at alternatives, I remind my colleagues who are in objection to opening ANWR that they do bear responsibility for coming up with alternatives that are realistic. Certainly from our side, ANWR is realistic. And the probability of a major discovery is second to none from the standpoint of the geology of North America.

I think I have said enough for today. Anything I would say further would be repetition of what I have said time and time again. In an effort to relieve my colleague from New Mexico and the staff and the Presiding Officer, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, just to indicate to my colleague from Alaska, my interpretation of what occurred today is perhaps somewhat different than his. My own view is we made some substantial progress in getting agreement on provisions related to electricity restructuring; that is, the package of amendments Senator THOMAS proposed and that we agreed to was a very good effort on the part of our staff, the Republican staff, Senator THOMAS's staff, various people who have been working very hard on that set of issues.

My own view is, the bill was substantially weakened by the two votes we had related to CAFE standards in particular. Clearly, the Senate was not willing to step up and ensure any kind of significant increased efficiency in the transportation sector in the coming years. That, to me, is a disappointment, a weakening of the bill.

I don't see the logic that my colleague from Alaska seems to read into everything: The lack of wisdom of the Senate in the area of CAFE standards should justify additional lack of wisdom in the area of opening ANWR to drilling. But that is a debate for another time.

I do hope my colleague from Alaska will offer his ANWR amendment at the earliest possible date. Clearly, we cannot move to complete action on this bill until that much awaited event occurs. We have been hearing about his proposal on ANWR for many months. We have had the opportunity now to

have it offered for the last week and a half. We hope very much soon that will happen.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I would certainly concur with my colleague that we have made significant progress, particularly on that portion covering electricity. I remind my colleague that the transit of people, goods, and services utilizes not electricity but oil. We are somewhat extraordinary in this country inasmuch as we are about 3 percent of the population, and we use about 25 percent of the energy and contribute about a third of the gross world product. We are pretty efficient, but nevertheless, we don't move in and out of Washington, DC, by hot air. Somebody has to take the oil, whether it be oil coming from Saddam Hussein, refine it, put it in the airplanes.

Until we find another alternative, we are going to either have to make a choice of increasing our dependence on imported sources such as Iraq or have the alternative of developing resources here at home and preserving U.S. jobs and the U.S. economy rather than exporting our dollars overseas. I hope the wisdom of the Senate will prevail when we get to the ANWR amendment.

Mr. BINGAMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### MORNING BUSINESS

Mr. BINGAMAN. Madam President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER (Ms. LANDRIEU). Without objection, it is so ordered.

#### THE MIDDLE EAST

Mr. WELLSTONE. Madam President, I wish to speak about the Middle East because the news from the Israeli and the Palestinian territory grows dimmer and deadlier by the day.

Terrorist attacks and reprisal raids have now merged into continuous carnage that looks increasingly indistinguishable from all-out war. The Israelis and the Palestinians are being drawn into a horrific cycle of revenge.

Frankly, I think an eye for an eye and pain inflicted upon pain extended into the future will be an ever-wider river of blood that will be spilled. I wonder how wide the river of blood has to be before we get back to some kind of political settlement—some kind of

political process. There is no future as I look at the status quo extended into the future—not for the people of Israel and not for the Palestinians.

Let me start out on a personal note. I have used this example several times while talking to other Minnesotans and people I met with here in DC as well.

I was at a gathering where I was in a fairly sharp debate with some citizens who were talking to me about what they consider to be the unfairness and the wrongness of Israeli policies towards the Palestinian people. In this discussion, I turned to them and said: Listen, you have a right to make the critique you are making. But I have not heard you express any indignation whatsoever about the Palestinian suicide bombers going to an Israeli teenager pizza parlor with fragmentation bombs and cluster bombs trying to basically murder as many Israeli teenagers as possible. I don't mind your critique of some of Sharon's policies. I have questions about some of them. But where is your indignation and your anger about the murder of Israeli teenagers? I condemn that. I condemn the deliberate targeting of innocent people and the murder of innocent people. As Camus said, murder is never legitimate.

Frankly, some of Arafat's comments have become increasingly militant in the last several days. I certainly question some of his leadership. His statements in the last several days—and, maybe even more importantly, some of the actions taken by Arafat's people—give me pause.

But, by the same token, I want to be really clear about this. I think it is really important that we have Tony Zinni in the Middle East. I think it is critically important that our country play a positive role. I think it is critically important, as the administration has made clear—I said this to Secretary Bill Burton as well—that we make it clear to the extremists that Zinni is not leaving on the basis of a terrorist act here, there, or somewhere else. We are engaged.

Frankly, the only future is a political settlement. Senator Mitchell was right. The Mitchell report I think lays out a brilliant framework—if we can just somehow get there again.

I don't come to the floor with clear answers as to what to do, but I do know that an eye for an eye and the increasing cycle of violence takes us nowhere good—not for the Israelis, not for the Palestinians, not for our country, and not for the world in which we live.

I do not know. I think there are many questions that can be raised about Crown Prince Abdullah's proposal and where Saudi Arabia is going. I myself have questions about some of the proposals. But, by the same token, at least there is some hope here. We shall see what happens at this Arab summit conference.

We really need to be talking—on the part of Saudi Arabia and other countries—about the full normalization of

relations with Israel. They cannot back down from that. That is the very essence of where we have to go. I am concerned that some of the Arab countries seem to be backing down from that.

But I do not believe this proposal should be ruled out. I do not believe a proposal that at least attempts to move us towards some kind of negotiation and some kind of a peace process should be ruled out. Not all of it will be acceptable. I can tell you that right now. But I certainly would like to see the American Government in particular somehow play a role in moving from what has become an ever-growing cycle of violence and loss of life of innocent people to some kind of framework for negotiation and a political settlement.

Ultimately, the truth of the matter is that I am an American Jew. I am the son of a Jewish immigrant who fled from persecution in Ukraine. And then his family moved to Russia. At the age of 17, he fled to our country. I will be clear. I speak out of love for Israel. And Israel as a country will exist. The security of Israel and the need of Israel have to be met.

It is also true that the Palestinian people will have their own nation. Palestinians and Israelis have to live next to one another, and they will have to respect one another. That will happen. My only question is, How much wider a river of blood has to be spilled before we get back to where we all know we need to go? So I want to, I guess in a way, applaud the administration, applaud Secretary Powell for sending Tony Zinni there.

I simply say that we need to be engaged. Our Government can play a decisive, critical, and positive role. And we must do so.

#### HELPING THE HELPLESS

Mr. WELLSTONE. Madam President, I rise to express my puzzlement, my dismay, as to why, as soon as possible, we can't do a better job of helping people who are faced with some very compelling problems, very compelling needs.

What I am getting at is very simple. And maybe this all becomes part of the budget resolution. I know the ranking member of the Budget Committee is in the Chamber.

I was on the Iron Range in Minnesota. These are people who have been spat out of the economy. They are tacomite workers. Royal TV has pulled the plug. Others are going into bankruptcy. But I thought the discussion would be about pensions, and that is part of what people are worried about. It is not just Enron.

But I met more workers who were in their late fifties—57, 58 years old—mainly men, some women; and they were all saying the same thing: "I had a bout with cancer," or, "I had a heart attack and I can't get any coverage anywhere." They are terrified. They have no health care coverage. The

COBRA plan is \$1,000 a month. They can't afford it. They are out of work, and they have these preexisting conditions, and the premiums are so high.

What are these people going to do? They are asking me for help. They are asking all of us for help.

I have to figure out a way—I guess we can have a vote on it—as to how we can help people who are out of work through no fault of their own. People have no coverage. They are terrified. We would be terrified.

So I keep thinking—my head spins—there is education, special education, and States saying: Please live up to your commitment. In Minnesota, some of our school districts are letting off 20, 25 percent of the teachers. The class size is going up. The prekindergarten programs are being cut. But then we say we don't have enough money.

Other people are talking to me about affordable prescription drugs—a huge issue—but we say we really do not have enough money to make sure the premiums are down and the copays aren't too high and the deductibles aren't too high, and having catastrophic coverage that will work for people. We say we do not have money for that.

Then on the whole question of what I just talked about, expanding health care coverage for people, we do not have the money for that. I just think it is unacceptable. I think we have to make some decisions about choices, about how much money goes to the tax cuts scheduled over X number of years, benefiting whom, and whether or not we are going to be able to do anything when it comes to other really critically important issues in our communities having to do with education, health care, job training, and affordable prescription drugs, to mention just three or four. I put affordable housing right up there as well.

I am convinced affordable housing is becoming the second most important education program. It breaks my heart: I don't know how these 8- and 9- and 10-year-olds can do well in school when their families move two or three times a year because they do not have affordable housing.

I do not know. I think soon we will get to this debate. I, for myself, have made it really clear. Listen, the Senator from New Mexico, he is one of my favorite Senators. The work we do on mental health is so important to me. I know he would not agree with what I am about to say, but I will say it in the Chamber. I say it in Minnesota all the time. Other people can have better alternatives.

I am saying, forgo the tax cut for the top 1 percent of the population—families who earn around \$297,000 a year—forgo it. And don't eliminate the alternative minimum tax. Don't do it. That alone is \$130 billion. That would fund special education. That would put the Federal Government on a glidepath, within 5 years, to reach our full funding, and in another 5 years to have full funding. That would make all the dif-

ference in the world, just to educate our children.

To me, it is a choice. I make that choice. I will probably have an amendment to give Senators a chance to decide. There is an old Yiddish proverb that says: You can't dance at two weddings at the same time. We either go forward with all these scheduled tax cuts the way we want to do it—in which case we will not have the money for all of these other things, and we will cut the Community Policing Program by 80 percent, cut the 7(a) Small Business Program by 50 percent, cut the Job Training Program, and cut the low-income energy assistance program by \$300,000 and we will tell people we have no money to do any of these other things or we will not go forward with all these scheduled tax cuts. It is that simple.

I yield the floor.

#### THANK GOODNESS FOR ALAN GREENSPAN AND THE TAX CUTS

Mr. DOMENICI. Madam President, in my view, the recession that started last March is over and the economy is in recovery.

The unemployment rate has dropped 2 straight months and is now at 5.5 percent. Clearly, it was thought that the last unemployment report would show that unemployment went up. That is what all the experts thought, even if we were beginning a recovery. So for it to belie that and come down is a very powerful indicator that, indeed, the recovery has started.

New orders and production are expanding the manufacturing sector. Excluding automobiles, retail sales have increased for 5 straight months. Good news.

We ought to be thankful that the recession was not deeper or longer than it was. It now appears that the peak in the unemployment rate was 5.8 percent in December. The peak was 5.8 percent, and that was a lot higher than anyone would like. No one likes to watch the unemployment rate go up. But we ought to recognize that 5.8 percent is the lowest peak for any recession since 1945. Indeed, we have grown accustomed to having extremely high unemployment; and it is good that it did not go as high as it has in the past, as we went through this set of impacts that I believe are behind us.

Why was the recession so shallow? Why didn't it linger on, as many thought it would? In my view, a number of factors played a role.

First, there was a very high rate of productivity growth. Usually during a recession, productivity growth is about zero.

During this recession, productivity growth was 2.7 percent, which is faster than we usually get during economic expansion. And, indeed, the last quarter of reporting would say that the productivity growth was 5 percent. It is so high and so robust that it permits a Senator such as this one to even ques-

tion whether that could be right. But it seems to be the right number based on the same information that we have been gathering before, that we have been using before, and that is rather incredible from the standpoint of the positive.

In a typical recession, real compensation tends to stagnate along with productivity. Businesses do not increase compensation when workers are not getting more productive. But in this high productivity recession, real compensation, believe it or not, has been relatively strong, not adversely affected by the recession. In other words, if you did not lose your job, you were much better off during this recession than during previous ones. In turn, increases in compensation helped support the consumer demand which, in a very real sense, fueled the fires in opposition to the recession and the factors that were feeding it.

The second factor that made it milder than expected was monetary policy. The Fed started cutting interest rates 2 months before the recession began and reduced rates to 1.75, the lowest since 1961. In total, the Fed reduced rates 11 times last year.

By contrast, during the last recession, the Federal Reserve reacted more slowly and much less forcefully. Short-term rates were still 6 percent when the recession ended the last time we had a recession.

The third factor was fiscal policy. The tax cut enacted last year could not have come at a better time. No one knows exactly how much it contributed to what I have just described, but obviously it had some positive impact. It was there at the right time, under the right circumstances, and it is one of the few times in modern history that a Congress has enacted a piece of legislation on time, in a timely manner, rather than too late and too little.

There are those who would argue that the last tax incentive to help with the recession bill was too late. I believe that is the case. Nonetheless, those changes are all good changes that will perhaps help the economy stay in this upward moving direction in which we find ourselves.

By using tax rebates as downpayments on marginal tax rate cuts, we put money in the pockets of people and convinced them that there were more tax cuts to come. I believe just doing the rate cuts alone would not have helped the economy as much as they did in that format with those understandings possible by our people.

The fourth factor is financial flexibility. Unlike the situation 10 years ago or the situation in Japan today, our banking system is very sound, and so are our credit markets. Firms have a wide variety of options when they want to raise funds, and households have been able to refinance their homes at lower interest rates. That has put many billions of dollars in the pockets of our people, when the refinancing occurred. Some of that money

went into purchases and acquisitions that our people made by using some or all of the refinance bonus they received because their equity was long.

Lower energy prices contributed to this occurring. Now we are noticing that they are beginning to go up again, rather dramatically—in fact, too much. We must send a signal to those who would arbitrarily do that—and they are—that we are busy producing an energy bill in both the House and Senate that will have an impact on that kind of capriciousness they exercise against our people through the economy they adversely affect.

Does this mean we have nothing to worry about regarding the economy? I don't think so. Another strike by terrorists could again do a great deal of harm both to investors and to consumers and, in particular, to confidence. Probably it would be even a little more lasting than the last one because the strike on September 11 was obviously a total surprise. Another strike of that magnitude or bigger would prove we are vulnerable even when we are more vigilant.

We also have to be concerned about the flow of oil from the Middle East. There are those who would like to see a much wider area of conflagration in that region, if for no other reason than to hurt the United States. We have to apply our best efforts to ensure that this does not happen. But apart from these potential negative shocks, the economy seems to be recovering and looks poised to enter a period of quite respectable economic growth—not a boom, but that is all right.

Now it is our job to make sure we continue to focus on policies that will maximize the long-term growth potential of our economy, including strong national defense, homeland security, energy independence, as much as we can do, and free trade. We also need to start paying attention to simplifying and streamlining our Tax Code. It will not wait forever.

Together these policies will put us in the best position to face the challenges ahead and improve the living standards of the American people.

#### HISTORICAL PUBLICATION AWARD

Mr. DASCHLE. Madam President, I am very pleased to note that a recent Senate publication has won a prestigious award. At its forthcoming annual meeting, the Society for History in the Federal Government will present its George Pendleton Award to Senate Historical Editor Wendy Wolff and the Senate Historical Office for the book entitled *Capitol Builder: The Shorthand Journals of Montgomery C. Meigs, 1853-1861*. The Pendleton Award is given annually for "an outstanding major publication on the Federal Government's history produced by or for a Federal history program." It commemorates former U.S. Senator George Pendleton, who sponsored the 1883 civil service reform act that bears his name.

As an officer in the U.S. Army Corps of Engineers, Montgomery Meigs supervised construction of the current Senate and House wings and the Capitol dome. During this project, Meigs kept a detailed journal of his activities, written in an obscure shorthand and only recently transcribed. This publication provides rich new information on construction of the Capitol extension, and on politics and life in mid-nineteenth-century Washington.

The Meigs transcription and publication project has been a collaborative effort among a number of congressional offices over the past decade, including the Secretary of the Senate, the Clerk of the House, the Architect of the Capitol, and the Library of Congress. William Mohr, a retired Senate Official Reporter of Debates, translated the shorthand, with financial support provided by the Senate Bicentennial Commission and the U.S. Capitol Historical Society.

This project has been guided through to completion by the Senate's very able historian, Dr. Richard Baker, and his dedicated staff. The idea originated in 1991 when Joe Stewart was Secretary of the Senate. It was Joe Stewart who ensured that the resources were made available to bring this fascinating history to the American public. It should be noted that Dr. Baker is the first Senate historian and he has set a high standard indeed for every Senate historian who will follow in his footsteps. We in the Democratic Caucus have been pleased to listen to Dr. Baker's "history minutes" each Tuesday at the start of our regular weekly conferences. He has given us a deeper appreciation of the challenges previous Senators faced, the rich traditions of the Senate, and also the humor exhibited in past times. His stewardship of this project has been justly rewarded by the awarding of the George Pendleton Award to the Montgomery Meigs Journals.

Copies of this 900-page book are available from the Government Printing Office and the Senate Gift Shop. I highly recommend it to my colleagues and to anyone else who treasures the Capitol.

#### LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred June 21, 1997 in Lansing, MI. Two gay men were attacked with blow darts. The assailants, who targeted the victims because of their sexual orientation, were arrested in connection with the incident.

I believe that government's first duty is to defend its citizens, to defend them

against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

#### RECOGNITION OF THE 90TH ANNIVERSARY OF THE GIRL SCOUTS

Mr. LEVIN. Madam President, I would like to congratulate the Girl Scouts of America on their 90th anniversary. The Girl Scouts began on March 12, 1912, when founder Juliette Gordon Low assembled 18 girls in Savannah, GA, for the first ever Girl Scout meeting. She believed that all girls should be given the opportunity to develop physically, mentally, and spiritually.

Girl Scouts of America has a current membership of more than three million girls and adults, 150,000 of whom live in Michigan. There are also more than 50 million Girl Scout alumnae throughout our nation. Girl Scouts serve their communities, developing skills in a diverse array of activities including sports, media relations, education and science while growing into the leaders of tomorrow.

One of this year's Young Women of Distinction is Ms. Noorain Khan from Grand Rapids, MI. To earn this distinction she worked on many projects including one with the Islamic Center of Grand Rapids which serves a community of 13,000 Muslims. She helped develop a grant proposal for a program to educate Muslim youth about their religion and culture, and better equip them to make responsible decisions as adults. Her grant proposal consisted of a preliminary curriculum outline, data on demographics in the Islamic community and a job description for a program director. Though the grant has not yet been secured, a framework now exists for the Islamic center and for future grant proposals.

All Girl Scout programs are based on the Girl Scout Promise and Law and Four Program Goals: developing self-potential, relating to others, developing values and contributing to society. To achieve these goals, they have established programs in foster homes, homeless shelters, school yards and Native American reservations. Further, the Girl Scouts of America have established a research institute, received government funding to address violence prevention and are addressing the digital divide with activities that encourage girls to pursue careers in science, math and technology.

Today, 90 years later, the organization offers girls of all races, ages, ethnicities, socioeconomic backgrounds and abilities the chance to develop the real-life skills they'll need as adults. I am sure that my Senate colleagues join me in commending the Girl Scouts on their first 90 years and look forward to them celebrating many more.

Mrs. BOXER. Madam President, this week, celebrations throughout the Nation will mark the 90th anniversary of the founding of Girl Scouts. I would like to take a few moments to acknowledge this great organization and the profound impact it makes in the lives of girls and young women.

Ninety years ago, Juliette Gordon Low assembled a group of girls in Savannah, GA, for the first meeting of Girl Scouts. Her goal was to provide an environment where girls could develop physically, mentally and spiritually. Those goals are unchanged today, with nearly 4 million girls and adults currently holding membership in Girl Scouts. Even more impressive is that more than 50 million women in the United States today claim a Girl Scout experience in their past.

While focused on its goal to help individual girls thrive, Girl Scouts has also known that it can make an important difference in our Nation's cultural life. From its beginnings, Girl Scouts has maintained a commitment to inclusiveness. It has encouraged diversity in its ranks, in its leadership and in the broad variety of public service programs Girl Scouts pursue.

I ask my colleagues to join me today in acknowledging the anniversary of Girl Scouts. I think that if Juliette Gordon Low were to visit a Girl Scout Troop today, she would rightfully be very proud of what she would see.

• Mr. HOLLINGS. Madam President, I want to congratulate the Girl Scouts of the USA on celebrating its 90th anniversary. Last night I attended the anniversary banquet with my wife, Peatsy, who has been involved with the Girl Scout leadership for many years.

It never ceases to amaze me how this organization, with a membership of almost 4 million, has maintained the same core values it held 90 years ago; yet it still has changed with the times to empower girls of all races, all backgrounds, and all income levels to meet their full potential. Some two-thirds of the women members of Congress are Girl Scout alumni, and there is no question that more and more of our future business leaders, doctors, lawyers, educators, and community leaders will come from the Girl Scout ranks. •

#### GLOBAL HIV/AIDS: THE HEALTH CRISIS OF OUR TIME

Mr. FRIST. Madam President, I came to Washington to the U.S. Senate in my heart to serve my home state of Tennessee and this great nation, but after arriving my steps have also taken me far from the floor of the United States Senate—on medical mission trips to Sudan, Africa, and most recently, in January, to Uganda, Kenya, and Tanzania.

The purpose of my trip just a few weeks ago was to learn, for myself, more about the human impact that a simple virus is having on the destruction of a continent. Not a family. Not a community. Not a state. Not a country. But an entire continent.

The statistics behind this global plague are shocking:

Each year, a staggering three million people die of AIDS. Someone dies from the disease every ten seconds. About twice that many, 5.5 million, or two every ten seconds, become infected. That's 15,000 a day. And what's even more tragic is that 6,000 of those infected each day are young—between ages 15 and 24. Globally, as many as 40 million are infected. Africa is hit particularly hard. Of those infected, 70% are in Africa. In Botswana alone, one out of every three individuals is infected.

And the toll on families is incalculable. 13 million children have been orphaned by AIDS, mostly in Africa. Projections for the next ten years are sobering—the orphan population may well grow to 40 million—the number equivalent to all children living east of the Mississippi River here in the U.S. But Africa is not alone. India, with over 4 million cases, is on the edge of an explosive epidemic. China is estimated to have as many as 10 million infected persons. The Caribbean sadly boasts one of the highest rates of infection of any region in the world. Eastern Europe and Russia report the fastest growth of AIDS cases, 11 times over during a three year period. And even worse—90 percent of those infected do not know they have the disease. There is no cure. There is no vaccine. And it is increasing in numbers.

As ranking member of the African Affairs subcommittee of the Foreign Relations Committee, I have a commitment to increase public awareness of the HIV pandemic in Africa, and most importantly, to develop a strategy to combat and eradicate the disease from the continent and the world. What I saw and learned in Uganda, Kenya, and Tanzania was extraordinary—coming face-to-face with the human tragedy of HIV/AIDS, and lives cut far too short.

Madam President, Africa has lost an entire generation. In Nairobi, Kenya, I visited the Kibera slum. With a population of over 750,000, one out of five of those who live in Kibera are HIV/AIDS positive. As I walked the crowded, dirty pathways sandwiched between hundreds of thousands of aluminum shanties, I was amazed that everyone was a child, or very old. The disease had wiped out the parents—the most productive segment of the population—teachers, military personnel, hospital workers, law enforcement officers.

In Arusha, Tanzania, I met Nema whose name means “Grace.” She sells bananas to survive and provide for her year and a half old son, Daniel. When Daniel cried from hunger, Nema kissed his hand because she had nothing to give him but her love.

Margaret, also in Arusha, whose symptoms first came on in 1990. When her husband died, despite her illness, she found the strength to fight his family to keep the family property. Thanks to her brothers, she has a house for her six children.

And I had the privilege of visiting with Tabu, a 28-year-old prostitute, who was leaving Arusha to return to her village to die. She stayed an extra day to meet with us, and I will never forget her cheerful demeanor and mischievous smile as we met in her small stick-framed mud hut, no more than 12 by 12. Her two sisters are also infected, another sister has already died. Tabu will leave behind an eleven year old daughter, Adija.

At home in Tennessee, or even here in Washington, D.C., Uganda and Tanzania feel very far away. But the plague of HIV/AIDS and the chaos, despair and civil disorder it perpetrates only leads to the demise of democracy in a country, in a continent, in the world. Without civil institutions, there is disorder. Last year in South Africa, one in every 200 teachers died of AIDS. In Kenya, 75 percent of deaths on the police force are from AIDS. HIV-related deaths among hospital workers in Zambia have increased 13 times in over a decade. In the wake of these losses, economies are devastated. Botswana's economy is projected to shrink by 30 percent in ten years. Kenya's economy will see a 15 percent decline. Family incomes in the Ivory Coast have declined by 50 percent while expenditures for health care have risen by 4000 percent.

The orphans of Africa are left without parents, without teachers, without role models and leaders. They are susceptible to recruitment by criminal organizations, revolutionary militias, and terrorists. Terrorism could become a way of life—not only for maniacal cults but for a generation. September 11 taught us how small our world really is. And how great the responsibility before us.

And that is why I'm devoting much of my time in the U.S. Senate to the issue of global HIV/AIDS, and in particular, to the impact of the disease in Africa. Just as our great nation is the leader in the war on terrorism, we must also continue to lead in the global battle against AIDS as we work to build a better, safer world. Then where do we go from here?

It seems to me there are three key ingredients: leadership, prevention and treatment, and funding.

I would like to elaborate a moment on each. The good news is we know a lot about how to reverse the epidemic. And as a first step, it takes strong leadership at all levels, but as with most things in life, that leadership must start at the top. President Museveni in Uganda, with whom I spent some time on my trip, has not been bashful about speaking very publicly to the citizens of his country about HIV/AIDS. Bakili Muluzi, President of Malawi, was in my office here in Washington just a few weeks ago. He told me that he opens every speech to his countrymen with an admonition about HIV/AIDS. These two presidents underscore the need to bring the disease out into the light, helping to eliminate the stigma often associated

with the disease, and opening the way for public education.

Others have also been doing their part—governments, the U.N., the World Bank, world leaders, corporations and philanthropies. From President Bush to Kofi Annan and Secretary Powell, world leaders support a call to action, and all recognize the need to do more. It's also leadership from people as unlikely as Bono, lead singer of the Irish rock band, U-2. With his passion for Africa and his "bully pulpit" as a celebrity, he's a credible and accomplished spokesperson on the issue. He joined us in Uganda and Kenya for a couple of days, and I was impressed with his knowledge, his commitment, his caring.

It's the role of leadership at all levels to ensure that our efforts are well coordinated, understanding the importance of enlisting all stakeholders in the fight against HIV/AIDS. We must coordinate within national governments as well as across them. We must leverage our precious resources and avoid duplication of effort. As I saw first-hand in east Africa, many of the best ideas come from those working in the trenches to fight this disease. Local community participation is essential to this process, and local leadership is critical, particularly as we work to prevent and treat the disease. Let me cite a couple of examples.

In Tanzania, Sister Denise Lynch runs the Uhai Center for the Roman Catholic Diocese of Arusha, providing a range of services to village schools and churches. Father Bill Freida, a physician at St. Mary's Hospital in Kenya, tells me they serve over 400 patients a day, and their chapel and bakery are anchors for the community. And Dr. Ebenezer Mawasha, also in Tanzania, promotes the teaching of spiritual and moral values in addition to health and hygiene education.

The work that these individuals have accomplished, coupled with their faith and commitment, are a true inspiration to me. And their efforts in preventing the disease will have positive repercussions in the years to come. Their leadership on the ground, in the trenches, each and every day, is fundamental to our ultimate success. I also want to salute the leadership of those with the CDC and U.S. AID on the ground in east Africa. President Museveni told me that our government's investment in Uganda, for example, of \$120 million over the last ten years has been instrumental in their success in bringing new infection rates from 32 percent to just over 6 percent. Our presence through these two federal agencies is making a difference.

Until science produces a vaccine, prevention through behavioral change and awareness is the key. And once again, cultural stigmas must be overcome. With a combination of comprehensive national plans, donor support and community-based organizations, progress can be made. Uganda, Thailand and Senegal are these examples of solid

success. We must encourage people to be tested, for here is our real opportunity to save countless lives. The more people know about infection, the more likely they are to do something about it. I believe we should increase investments in rapid HIV testing kits and counseling for developing countries. Access to these testing tools helps to reinforce prevention messages and guide treatment options.

As I saw in Africa, testing centers become centers of hope for a community, a place where those struggling with HIV/AIDS can share ideas, support each other, learn coping strategies, and receive medical treatment and nutritional support. I was particularly impressed with the work in the Kibera slum of Nairobi at the Kibera Self-Help Programme, run by the Centers for Disease Control. Officials there told me that a negative test provides a powerful incentive to stay healthy, and gives people an opportunity to receive counseling on risk behavior that will ultimately save lives. A positive test removes the burden of not knowing and allows for timely treatment and counseling, an important first step in living longer and healthier lives.

In recent months, pharmaceutical companies sent a message of hope by slashing prices on anti-retrovirals for poor countries. Other treatment regimens may make an ever bigger difference in extending life and holding families together. Just as importantly, the hope of some kind of treatment will encourage more people to have themselves tested. And there are other potential public health advantages to treatment that require further research and evaluation. Treatment with anti-retroviral drugs lowers the amount of virus in the blood, potentially decreasing the risk of transmission, both among adults and mother to child transmissions.

In addition, access to treatment and drugs is also needed for opportunistic infections, such as tuberculosis. For all the damage that HIV/AIDS does, TB kills more people in Africa with AIDS than any other opportunistic infection. CDC officials in Kenya told me TB has increased six times over in the last ten years, and it's impossible to separate HIV and TB. I've seen first hand in Sudan the reemergence of TB in strains more resistant, more virulent, than any we've seen before.

And finally, support of health care delivery systems, with a special emphasis on personnel training, is essential to effective treatment programs. Let me add that on the subject of vaccines we must continue to search for the tools to finally reverse the spread of HIV/AIDS. Research and development must continue, and I'm pleased to report that NIH currently has over two dozen vaccine candidates in the pipeline. Someday, and hopefully very soon, we will have a vaccine to prevent this disease.

In sum, I believe there are eight goals we must pursue in this global fight.

1. We must continue to encourage the political, religious and business leaders of the world to unit in an international commitment to halt the spread of HIV/AIDS and to help those who are afflicted with the disease.

2. We must continue to embrace the new Global Fund for HIV/AIDS, TB, and Malaria. This is not a UN fund, or an American fund. It is a new way of doing business.

3. We must better leverage America's public health care resources and talent to address the challenge. There must be a "call to cure" for our health care professionals to use their talent and expertise.

4. We should encourage and empower coalitions of governments, multi-lateral institutions, corporations, foundations, scientific institutions and NGO's to fill the gap between the available resources and the unmet needs for prevention, care and treatment.

5. We must continue to put community-based organizations, both religious and secular, at the forefront of action on the ground by getting funds to them quickly so they can most effectively do their jobs in reaching out those who need help most.

6. We must make certain that international research efforts on disease affecting poor countries is reinforced in a manner that assures the best scientific work in the world will lead to real benefits for the developing world—at a cost they can afford.

7. We must focus on prevention, and also support care and treatment options that combine reasonable cost pharmaceuticals with appropriately structured health care delivery systems.

8. Finally, we must do all we can to provide comfort to the families and orphans affected, to give them hope and dignity.

I can still hear young Daniel's cries of hunger and know that his young mother will not live to see him grow into adolescence, much less manhood; can see Sister Denise as she patiently and capably answers my many questions about the best ways we can help; still hear the pride in Father Freida's voice as he describes his hospital as a place to provide dignity and comfort to the afflicted and dying; and I think of Tabu who has returned to her home village to face death. These images will remain with me; these images strengthen my resolve to win the fight against HIV/AIDS.

History will judge us as to how we as a nation, as a global community, address and respond to this most devastating and destructive public health crisis we have seen since the bubonic plague ravaged Europe over 600 years ago.

The task before us looms large, but by pulling together, with leadership from all, we will eliminate the scourge of HIV/AIDS from the face of the globe in our lifetime.



ECONOMIC STIMULUS—SENATE  
PASSAGE

Mr. ALLEN. Madam President, it is with great relief that I rise today in commendation for approval of the "Job Creation and Worker Assistance Act of 2002," which I believe represents a job security, job creation and balanced response by the Federal Government to the economic challenges faced by families and businesses. With the signing of this Act into law, on March 9, 2002, by the President, Americans finally received the economic stimulus relief that should have been passed many months ago.

During the past months, all Americans have been deluged with grim news of recessions, plummeting consumer confidence and rising unemployment. Last March, which is widely believed to be the beginning of the current recession, unemployment totaled 6.2 million, or 4.3 percent. Just under a year later, February unemployment rate equaled 5.5 percent, a number representative of the 1.4 million jobs lost since March of last year.

These numbers represent much more than just mere statistics, the 5.5 percent represents 7.9 million people who are without a job, a steady paycheck and the security of knowing that bills will be paid and food will be on the table. Even more worrisome for many families is that they have begun to exhaust their State unemployment benefits: in January 2002 alone, 373,000 displaced workers ran out of the financial support they need to simply survive as they look for a job.

This is why ending the obstruction by passage of the Job Creation and Worker Assistance Act of 2002 is so important. This bill not only includes targeted tax incentives that will increase capital investment and spending, ensuring that the weak recovery underway will not be derailed, but it provides the economic security the families of displaced workers so desperately need to get by until new jobs can be found.

I would like to take this opportunity to talk briefly about two provisions that I am particularly pleased are included in the economic stimulus package.

First, this recession is notable for the sharp plummet in the level of capital investment in new equipment and technologies by companies, coupled with a decrease in consumer demand. Until such capital expenditures increase, our economy will not fully recover from the recession.

Accelerated depreciation is a top priority of Virginia's and America's technology industry. It will spur capital expenditures for new advanced equipment and technology. This incentive will create and save more jobs for working men and women involved in producing, creating, fabricating and transporting such capital equipment from computers and construction equipment to airplanes and locomotives.

By providing for a 30-percent bonus depreciation rate over a 3-year period,

the economic stimulus package will encourage enterprising businesses and people to invest and grow, promoting capital expenditures that would not have occurred but for the passage of this act, eventually increasing job growth and consumer spending.

Second, the bill includes a provision, similar to legislation I introduced in September 2001, which provides displaced workers with an additional 13 weeks of unemployment benefits after they have exhausted their State-provided unemployment benefits.

Recently, we have received good news on the economy and the prospects of its recovery from the recession. February was the first month in which jobs were added since July 2001, and the unemployment rate is finally beginning to inch down from its high of 5.8 percent in December 2001.

Yet, even with the good news, Chairman Greenspan is still maintaining his earlier forecast of relatively weak economic growth in 2002 of between 2.5 percent and 3 percent. It will take time for the economy to fully recover and to create the jobs that will get workers back on the payrolls. News of eventual recovery is of little relief for the 1.4 million workers who have exhausted their unemployment benefits since September 2001.

Without the immediate financial lifeline that the additional 13 weeks of benefits provides, these families, at the minimum, risk ruining their credit ratings and, in the worst-case scenario, could lose their home or car.

Hard-working Americans, facing such a harrowing situation, ought to have a response to help them get through the early stages of the economy recovery until jobs become more readily available and workers can provide for their families. The 13 weeks of extended benefits provides the temporary financial assistance for displaced workers to get back on their feet and successfully get a new job.

In sum, the Job Creation and Worker Assistance Act of 2002 is the appropriate combination of immediate financial relief and security to American families and tax incentives for businesses to make the capital investments necessary for economic growth and job creation. I am confident that the new opportunities made available with the passage of this act will go a long way toward ensuring a more secure future for American working men, women and families.

## ADDITIONAL STATEMENTS

## HONORING BETHANEY ADAMS

• Mr. BUNNING. Madam President, I rise today to honor a truly amazing and enchanting woman, Ms. Bethaney Adams of Bowling Green, Kentucky. Bethaney was recently named Ms. Wheelchair Kentucky by the Ms. Wheelchair America Program, Inc. The Ms. Wheelchair America Program's

mission is to provide an opportunity for women of achievement who utilize wheelchairs, such as Bethaney, to successfully educate and advocate for individuals with disabilities.

One certainty that I have come to realize in life is that adversity will strike and often with a mighty blow. When Bethaney Adams came face to face with adversity, she did not back down from her fears or focus her thoughts on negative scenarios. In fact, she excluded the word defeat from her vocabulary and decided to live life with a purpose and meaning. Bethaney, a senior at Murray State University, is currently getting her undergraduate degree in therapeutic recreation. After completing her studies at Murray, she plans on pursuing her masters degree in therapeutic recreation and eventually wants to work in a children's hospital where she could assist and inspire those living with disabilities on a daily basis.

Outside of her studies, Bethaney has made great strides in the area of community service. She has taken trips to Mexico, Washington, D.C., and New Orleans, where she worked to aid those less fortunate individuals living in poverty. Here in D.C., she stayed at a homeless shelter in an attempt to motivate those currently down on their luck. Bethaney made the choice a long time ago to view her "dis"ability as just the opposite. Being in a wheelchair gives her the ability to communicate with others and make a difference in their lives.

As for Bethaney's most recent accomplishment, winning Ms. Wheelchair Kentucky, she now plans to use this as an opportunity to broaden the scope of her audience. She will speak at camps across the Commonwealth and address inner-city youth in an effort to provide that successful and positive thinking leads directly to successful and positive actions. In June Bethaney will, for the third straight year, be a speaker at the National Spina Bifida Conference in Orlando, Florida, and in August she will represent Kentucky in the Ms. Wheelchair America pageant to be held in Maryland. The contest will judge the contestants based upon their accomplishments, communication skills, self-perception, and projection in the personal and on-stage interviews as well as the platform speech presentation. I know Bethaney will make Kentucky proud.

I once again congratulate Bethaney Adams for this honorable distinction and wish her the best in all her future endeavors. I believe each and every one of us can take something away from this incredible woman and her ability to turn an obstacle into a motivation. I thank her for being an inspiration to me and so many others. •

TRIBUTE TO 2001 BUSINESS OF  
THE YEAR—FIDELITY INVESTMENTS

• Mr. SMITH of New Hampshire. Madam President, I rise today to pay

tribute to Fidelity Investments of Merrimack, New Hampshire, on being named as the 2001 Business of the Year by the Merrimack Chamber of Commerce. An active member of the community, Fidelity Investments has been a model in stewardship for the greater Merrimack area.

I commend the achievements of Fidelity Investments for the growth of the company and the opportunities it provides to the citizens of Merrimack and the State. In 1996, Fidelity Investments opened its Merrimack facility with 300 employees and a single business unit on the former Digital Equipment site. Five years later in 2002, Fidelity has expanded to more than 20 Fidelity-affiliated business units with more than 3,500 employees.

Fidelity Investments has been a dedicated member of the Merrimack Chamber for the past five years. Always active in community events, Fidelity has contributed to programs including: Merrimack Chamber Golf Tournament and Banquet, Fidelity Foundation, Mentor Program with Masticola Middle School, Career's Academy of Finance program at the South Central School, sponsor of the Union Leader's Stock Market Made Easy program, sponsor of Junior Achievement's Titan Cyber-Biz program, and sponsor of Kids Voting New Hampshire.

The company also has a strong relationship with members of the Merrimack law enforcement and public safety communities providing sponsorships for training and donations of equipment including participation in the Local Emergency Planning Committee. Fidelity also offers access to and usage of the company's helicopter pad by the Merrimack Fire Department during medical emergencies.

I applaud the exemplary acts of community involvement by the leadership and employees of Fidelity Investments and congratulate them on this prestigious award. The Town of Merrimack and entire State have benefitted from the economic and charitable contributions made by the concerned citizens at Fidelity Investments. It is truly an honor and a privilege to represent you in the United States Senate.●

#### TRIBUTE TO THE TOWN OF MILTON, NEW HAMPSHIRE

● Mr. SMITH of New Hampshire. Madam President, I rise today to pay tribute to the citizens of Milton, New Hampshire, on the occasion of the Town's bicentennial celebration.

The Town of Milton, located in Strafford County, has a rich history in the State of New Hampshire. A petition was submitted in 1794 by the citizens of Rochester to be incorporated as a separate town. On June 11, 1802, the Town of Milton was incorporated.

Milton is located on Milton Three Ponds, an area blessed with an abundance of waterpower which was utilized by different industries including several sawmills and a woolen mill,

Miltonia Mills which specialized in fine wool blankets that were used by Admiral Peary on exploratory exhibitions. A distillery and five icehouses which supplied ice to Boston, Massachusetts, were also located in Milton.

Construction of homes began in Milton during the early 1800's and the first rural schools, Plummer's Ridge School #1 and Nute Ridge School #2 were built. Both school buildings remain standing in Milton today. In 1853, Lewis Worster Nute, a native of Milton, provided financial support in his will to build a school and a library in Milton and a chapel in West Milton.

Today, the Town of Milton, situated in southeastern New Hampshire, has a population of approximately four thousand residents. Teneriffe Mountain overlooks Milton Three Ponds which connects to the Salmon Falls River, offering spectacular scenery year round.

Milton's municipal government consists of an elected three member Board of Selectmen and numerous other boards and committees. The Town's representatives in the New Hampshire legislature include: Representatives Nancy Johnson and Rodney Woodill and State Senator Carl Johnson. The Town has an excellent on-call Fire Department and Ambulance Corps, along with a well staffed Police Department and a summer marine patrol.

Each year the townspeople of Milton nominate a "Citizen of the Year". In 2002, the Fire, Police and Ambulance Corps will be honored as the true heroes in Milton, New Hampshire.

I congratulate the citizens of Milton, New Hampshire, as they celebrate the Town's bicentennial anniversary and wish them continued success and prosperity in the years to come. It is truly an honor and a privilege to represent the people of the Town of Milton in the United States Senate.●

#### TRIBUTE TO NELSON DISCO

● Mr. SMITH of New Hampshire. Madam President, I rise today to pay tribute to Nelson Disco of Merrimack, New Hampshire, on being named as the 2001 President's Award recipient by the Merrimack Chamber of Commerce.

A dedicated member of the community at large, Nelson has worked diligently donating his time and talents to projects and programs benefitting the Town of Merrimack including: Parks and Recreation Department tennis court designer, member of the Board of Selectmen, and Planning Board.

Nelson was a recipient of the Paul Harris Fellowship Award from the Merrimack Rotary Club and was the 1990 Chamber Business Person of the Year. Retired from Sanders Corporation in 2000, he has been an exemplary contributor to the Chamber of Commerce assisting with programs including co-chair of the Gourmet Festival and volunteer on the Banquet Committee.

Nelson enjoys his retirement exercising with friends four days per week

and volunteering at the American Canadian Genealogy Library.

I applaud the service that Nelson has selflessly provided to the citizens of Merrimack. His caring efforts have benefitted the residents of Merrimack and the community at large. I congratulate Nelson on this prestigious award and wish him well in his retirement years. It is truly an honor and a privilege to represent him in the United States Senate.●

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

#### PRESIDENTIAL MESSAGE

The following presidential message was laid before the Senate together with accompanying reports, which was referred as indicated:

PM-75. A message from the President of the United States, transmitting, pursuant to law, the Periodic Report on the National Emergency with Respect to Iran; to the Committee on Banking, Housing, and Urban Affairs.

*To the Congress of the United States:*

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iran emergency is to continue in effect beyond March 15, 2002, to the *Federal Register* for publication. The most recent notice continuing this emergency was published in the *Federal Register* on March 14, 2001 (66 Fed. Reg. 15013).

The crisis between the United States and Iran constituted by the actions and policies of the Government of Iran, including its support for international terrorism, efforts to undermine Middle East peace, and acquisition of weapons of mass destruction and the means to deliver them, that led to the declaration of a national emergency on March 15, 1995, has not been resolved. These actions and policies are contrary to the interests of the United States in the region and pose a continuing unusual and extraordinary threat to the national security, foreign policy, and economy

of the United States. For these reasons, I have determined that it is necessary to continue the national emergency declared with respect to Iran and maintain in force comprehensive sanctions against Iran to respond to this threat.

GEORGE W. BUSH.  
THE WHITE HOUSE, March 13, 2002.

#### PRESIDENTIAL MESSAGE

The following Presidential message was laid before the Senate together with accompanying reports, which was referred as indicated:

PM-76. A message from the President of the United States, transmitting, pursuant to law, a report concerning the continuation of the National Emergency with Respect to Iran beyond March 15, 2002; to the Committee on Banking, Housing, and Urban Affairs.

*To the Congress of the United States:*

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c), I transmit herewith a 6-month periodic report prepared by my Administration on the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995.

GEORGE W. BUSH.  
THE WHITE HOUSE, March 13, 2002.

#### MESSAGE FROM THE HOUSE

At 11:28 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has agreed to the amendment of the Senate to the title and agreed to the amendment of the Senate to the text of the bill (H.R. 1499) to amend the District of Columbia College Access Act of 1999 to permit individuals who graduated from a secondary school prior to 1998 and individuals who enroll in an institution of higher education more than 3 years after graduating from a secondary school to participate in the tuition assistance programs under such Act, and for other purposes, with an amendment to the Senate amendments in which it requests the concurrence of the Senate.

The message also announced that the House has agreed to the amendment of the Senate to the bill (H.R. 1885) to expand the class of beneficiaries who may apply for adjustment of status under section 245(i) of the Immigration and Nationality Act by extending the deadline for classification petition and labor certification filings, and for other purposes, with an amendment and an amendment to the title in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2175. An act to protect infants who are born alive.

The message also announced that the House has agreed to the following concurrent resolution:

H. Con. Res. 339. Concurrent resolution expressing the sense of the Congress regarding the Bureau of the Census on the 100th anniversary of its establishment.

The message also announced that pursuant to clause 11 of rule 1, the Speaker removes Mr. BALLENGER of North Carolina, as a conferee to the bill (H.R. 2646) to provide for the continuation of agricultural programs through fiscal year 2011, and appoints Mr. BARTLETT of Maryland, to fill the vacancy.

#### MEASURES REFERRED

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 339. Concurrent resolution expressing the sense of the Congress regarding the Bureau of the Census on the 100th anniversary of its establishment, to the Committee on Governmental Affairs.

#### MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 2175. An act to protect infants who are born alive.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-5724. A communication from the Chief Counsel, Saint Lawrence Seaway Development Corporation, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Seaway Regulations and Rules: Ballast Waters" (RIN2135-AA13) received on March 12, 2002; to the Committee on Environment and Public Works.

EC-5725. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14-297, "Advisory Neighborhood Commissions Boundaries Act of 2002" received on March 12, 2002; to the Committee on Governmental Affairs.

EC-5726. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Weighted Average Interest Rate Update Notice" (Notice 2001-65) received on March 12, 2002; to the Committee on Finance.

EC-5727. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Update of Notice 2000-11" (Notice 2002-3) received on March 12, 2002; to the Committee on Finance.

EC-5728. A communication from the Deputy Chief Counsel, Maritime Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Eligibility of U.S. Flag Vessels of 100 Feet or Greater in Registered Length to Obtain a Fishery Endorsement to the Vessel's Documentation" (RIN2133-AB45) received on March 12, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5729. A communication from the Trial Attorney, Federal Railroad Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regulations on Safety Integration Plans Governing Railroad Consolidations, Mergers, and Acquisitions of Control, and Procedures for Surface Transportation Board Consideration of Safety Integration Plans in Cases Involving Railroad Mergers, Consolidations, and Acquisitions of Control" (RIN2130-AB24) received on March 12, 2002; to the Committee on Commerce, Science, and Transportation.

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2011. A bill to extend the temporary suspension of duty on ferroboration; to the Committee on Finance.

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2012. A bill to extend the temporary suspension of duty on cobalt boron; to the Committee on Finance.

#### ADDITIONAL COSPONSORS

S. 367

At the request of Mrs. BOXER, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 367, a bill to prohibit the application of certain restrictive eligibility requirements to foreign non-governmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961.

S. 917

At the request of Ms. COLLINS, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 917, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income amounts received on account of claims based on certain unlawful discrimination and to allow income averaging for backpay and frontpay awards received on account of such claims, and for other purposes.

S. 960

At the request of Mr. BINGAMAN, the names of the Senator from North Dakota (Mr. CONRAD), the Senator from Maine (Ms. SNOWE), the Senator from Massachusetts (Mr. KERRY), the Senator from Washington (Ms. CANTWELL), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Louisiana (Ms. LANDRIEU), and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 960, a bill to amend title XVIII of the Social Security Act to expand coverage of medical nutrition therapy services under the medicare program for beneficiaries with cardiovascular diseases.

S. 987

At the request of Mr. TORRICELLI, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 987, a bill to amend title XIX

of the Social Security Act to permit States the option to provide medicaid coverage for low-income individuals infected with HIV.

S. 1067

At the request of Mr. COCHRAN, his name was added as a cosponsor of S. 1067, a bill to amend the Internal Revenue Code of 1986 to expand the availability of Archer medical savings accounts.

S. 1258

At the request of Mr. DORGAN, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1258, a bill to improve academic and social outcomes for teenage youth.

S. 1410

At the request of Mr. COCHRAN, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 1410, a bill to amend the Internal Revenue Code of 1986 to clarify the excise tax exemptions for aerial applicators of fertilizers or other substances.

S. 1625

At the request of Mr. BINGAMAN, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1625, a bill to require the Secretary of Health and Human Services to approve up to 4 State waivers to allow a State to use its allotment under the State children's health insurance program under title XXI of the Social Security Act to increase the enrollment of children eligible for medical assistance under the medicaid program under title XIX of such Act.

S. 1652

At the request of Mr. BINGAMAN, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1652, a bill to amend the Agricultural Market Transition Act to convert the price support program for sugarcane and sugar beets into a system of solely recourse loans and to provide for the gradual elimination of the program.

S. 1738

At the request of Mr. KERRY, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1738, a bill to amend title XVIII of the Social Security Act to provide regulatory relief, appeals process reforms, contracting flexibility, and education improvements under the medicare program, and for other purposes.

S. 1752

At the request of Mr. CORZINE, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1752, a bill to amend the Public Health Service Act with respect to facilitating the development of microbicides for preventing transmission of HIV and other sexually transmitted diseases.

S. 1917

At the request of Mr. JEFFORDS, the names of the Senator from Colorado (Mr. ALLARD) and the Senator from Hawaii (Mr. INOUE) were added as cosponsors of S. 1917, a bill to provide for

highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

S. 1991

At the request of Mr. HOLLINGS, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of S. 1991, to establish a national rail passenger transportation system, reauthorize Amtrak, improve security and service on Amtrak, and for other purposes.

S. 2003

At the request of Mr. NELSON of Florida, the names of the Senator from Hawaii (Mr. INOUE), the Senator from Illinois (Mr. DURBIN), and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 2003, a bill to amend title 38, United States Code, to clarify the applicability of the prohibition on assignment of veterans benefits to agreements regarding future receipt of compensation, pension, or dependency and indemnity compensation, and for other purposes.

S. RES. 132

At the request of Mr. CLELAND, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. Res. 132, a resolution recognizing the social problem of child abuse and neglect, and supporting efforts to enhance public awareness of it.

S. RES. 206

At the request of Mr. MURKOWSKI, the names of the Senator from Colorado (Mr. CAMPBELL), the Senator from Hawaii (Mr. INOUE), the Senator from Washington (Mrs. MURRAY), the Senator from South Dakota (Mr. JOHNSON), the Senator from Maryland (Mr. SARBANES), and the Senator from New Jersey (Mr. TORRICELLI) were added as cosponsors of S. Res. 206, a resolution designating the week of March 17 through March 23, 2002 as "National Inhalants and Poison Prevention Week."

S. RES. 207

At the request of Mr. BINGAMAN, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. Res. 207, a resolution designating March 31, 2002, and March 31, 2003, as "National Civilian Conservation Corps Day."

S. RES. 219

At the request of Mr. GRAHAM, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. Res. 219, a resolution expressing support for the democratically elected Government of Colombia and its efforts to counter threats from United States-designated foreign terrorist organizations.

AMENDMENT NO. 2997

At the request of Mr. BOND, the names of the Senator from Iowa (Mr. GRASSLEY), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Virginia (Mr. ALLEN), and the Senator from Ohio (Mr. VOINOVICH) were added as cosponsors of amendment No. 2997.

At the request of Mr. BUNNING, his name was added as a cosponsor of amendment No. 2997 supra.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2011. A bill to extend the temporary suspension of duty on ferroboron; to the Committee on Finance.

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2012. A bill to extend the temporary suspension of duty on cobalt boron; to the Committee on Finance.

Mr. HOLLINGS. Madam President, today, I, along with Senator THURMOND, introduce two duty suspensions designed to permit the import of raw materials into the United States duty free. The materials are not indigenous to or made in the United States. Therefore, their importation will not displace domestic sourcing. Moreover, because of the nature of the products at issue, they will assist in the creation of additional jobs in the United States.

I believe that this is the most appropriate use of such legislation. The imported product will not displace any that is manufactured in the United States. Moreover, the imported product will assist in enhancing American productive capacity. I am therefore hopeful that this new capacity can be used to supply both domestic and foreign needs and will increase employment in the United States.

#### AMENDMENTS SUBMITTED AND PROPOSED

SA 2998. Mr. MILLER (for himself, Mr. GRAMM, Mr. HUTCHINSON, Mr. INHOFE, Mr. HELMS, and Mr. ALLEN) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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.

SA 2999. Mr. KERRY (for himself, Mr. MCCAIN, Ms. SNOWE, Mr. SMITH, of Oregon, Ms. COLLINS, and Mr. CHAFEE) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3000. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3001. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3002. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3003. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3004. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3005. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3006. Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3007. Mr. CAMPBELL (for himself, Mr. BROWNBACK, Mr. GRAMM, Mr. ENZI, and Mr. SMITH of New Hampshire) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3008. Mr. DAYTON (for himself and Mr. GRASSLEY) submitted an amendment intended to be proposed to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra; which was ordered to lie on the table.

SA 3009. Mr. DOMENICI proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3010. Mr. BINGAMAN (for Ms. LANDRIEU) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3011. Mr. BINGAMAN (for Ms. LANDRIEU (for himself and Mr. DOMENICI)) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

#### TEXT OF AMENDMENTS

**SA 2998.** Mr. MILLER (for himself, Mr. GRAMM, Mr. HUTCHINSON, Mr. INHOFE, Mr. HELMS, and Mr. ALLEN) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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; as follows:

On page 177, before line 1, insert the following:

#### **SEC. 811. AVERAGE FUEL ECONOMY STANDARDS FOR PICKUP TRUCKS.**

(a) IN GENERAL.—Section 32902(a) of title 49, United States Code, is amended—

(1) by inserting “(1)” after the after “AUTOMOBILES.—”; and

(2) by adding at the end the following new paragraph:

“(2) The average fuel economy standard for pickup trucks manufactured by a manufacturer in a model year after model year 2004 shall be no higher than 20.7 miles per gallon. No average fuel economy standard prescribed under another provision of this section shall apply to pickup trucks.”.

(b) DEFINITION OF PICKUP TRUCK.—Section 32901(a) of such title is amended by adding at the end the following new paragraph:

“(17) ‘pickup truck’ has the meaning given that term in regulations prescribed by the Secretary for the administration of this chapter, as in effect on January 1, 2002, except that such term shall also include any additional vehicle that the Secretary defines as a pickup truck in regulations prescribed for the administration of this chapter after such date.”.

**SA 2999.** Mr. KERRY (for himself, Mr. MCCAIN, Ms. SNOWE, Mr. SMITH of Or-

egon, Ms. COLLINS, and Mr. CHAFEE) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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; as follows:

Strike subtitle A of title VIII and insert the following:

#### Subtitle A—CAFE Standards and Related Matters

#### PART I—CORPORATE AVERAGE FUEL ECONOMY STANDARDS

#### **SEC. 801. AVERAGE FUEL ECONOMY STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.**

(a) INCREASED STANDARDS.—Section 32902 of title 49, United States Code, is amended—

(1) by striking “NON-PASSENGER AUTOMOBILES.—” in subsection (a) and inserting “PRESCRIPTION OF STANDARDS BY REGULATION.—”; and

(2) by striking “(except passenger automobiles)” in subsection (a) and inserting “(except passenger automobiles and light trucks)”;

(3) by striking subsection (b) and inserting the following:

“(b) STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.—

“(1) IN GENERAL.—The Secretary of Transportation, after consultation with the Administrator of the Environmental Protection Agency, shall prescribe average fuel economy standards for passenger automobiles and light trucks manufactured by a manufacturer in each model year beginning with model year 2007 in order to achieve a combined average fuel economy standard for passenger automobiles and light trucks for model year 2015 of at least 36 miles per gallon.

“(2) INTERMEDIATE FUEL ECONOMY STANDARDS.—Consistent with the requirements of paragraph (1), the Secretary of Transportation shall, in determining the pacing of fuel economy standards described in paragraph (1), set intermediate standards in a manner that—

“(A) encourages introduction and use of advanced technology vehicles, such as hybrid and fuel cell vehicles, to achieve reductions in fuel consumption;

“(B) takes into account the effects of increased fuel economy on air quality;

“(C) takes into account the effects of compliance with average fuel economy standards on levels of employment in the United States; and

“(D) takes into account cost and lead time necessary for the introduction of the necessary new technologies.

“(3) DEADLINE FOR REGULATIONS.—The Secretary shall promulgate the regulations required by paragraph (1) in final form no later than 24 months after the date of enactment of the Energy Policy Act of 2002.

“(4) DEFAULT STANDARD.—If the regulations required by paragraph (1) are not promulgated in final form within the period required by paragraph (3), then the combined average fuel economy standard for passenger automobiles and light trucks beginning with model year 2011 is 30 miles per gallon. This paragraph does not supersede the standard required by paragraph (1) for model year 2015.”;

(4) by striking “the standard” in subsection (c)(1) and inserting “a standard”;

(5) by striking the first and last sentences of subsection (c)(2); and

(6) by striking “(and submit the amendment to Congress when required under sub-

section (c)(2) of this section)” in subsection (g).

(b) DEFINITION OF LIGHT TRUCKS.—

(1) IN GENERAL.—Section 32901(a) of title 49, United States Code, is amended by adding at the end the following:

“(17) ‘light truck’ means a vehicle, as determined by the Secretary by regulation, that—

“(A) is manufactured primarily for transporting not more than 10 individuals;

“(B) is rated at not more than 10,000 pounds gross vehicle weight;

“(C) is not a passenger automobile; and

“(D) is not described in paragraph (1) or (4) of the definition of the term ‘medium-duty passenger vehicle’ in section 86.1803-01 of title 40, Code of Federal Regulations.”.

(2) DEADLINE FOR REGULATIONS.—The Secretary of Transportation—

(A) shall issue proposed regulations implementing the amendment made by paragraph (1) not later than 1 year after the date of the enactment of this Act; and

(B) shall issue final regulations implementing the amendment not later than 18 months after the date of the enactment of this Act.

(3) EFFECTIVE DATE.—Regulations prescribed under paragraph (1) shall apply beginning with model year 2007.

(c) APPLICABILITY OF EXISTING STANDARDS.—This section does not affect the application of section 32902 of title 49, United States Code, to passenger automobiles or non-passenger automobiles manufactured before model year 2007.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation to carry out the provisions of chapter 329 of title 49, United States Code, \$25,000,000 for each of fiscal years 2003 through 2015.

#### **SEC. 802. FUEL ECONOMY STANDARD CREDITS.**

(a) IN GENERAL.—Section 32903 of title 49, United States Code, is amended by striking the second sentence of subsection (a) and inserting “The credits—

“(1) may be applied to any of the 3 model years immediately following the model year for which the credits are earned; or

“(2) transferred to the registry established under section 821(a) of the Energy Policy Act of 2002.”.

(b) GREENHOUSE GAS CREDITS APPLIED TO CAFE STANDARDS.—Section 32903 of title 49, United States Code, is amended by adding at the end the following:

“(g) GREENHOUSE GAS CREDITS.

“(1) IN GENERAL.—A manufacturer may apply credits purchased through the registry established by section 821(a) of the Energy Policy Act of 2002 toward any model year after model year 2006 under subsection (d), subsection (e), or both.

“(2) LIMITATION.—A manufacturer may not use credits purchased through the registry to offset more than the following percentages of the fuel economy standard applicable to any model year:

“(A) 2 percent for model year 2007.

“(B) 4 percent for model year 2008.

“(C) 6 percent for model year 2009.

“(D) 8 percent for model year 2010.

“(E) 10 percent for model year 2011 and thereafter.”.

(c) NO CARRYBACK OF CREDITS.—Section 32903(a) of title 49, United States Code, is amended—

(1) by striking “applied to—” and inserting “applied—”; and

(2) by inserting “for model years before model year 2007, to” in paragraph (1) before “any”;

(3) by striking “and” after the semicolon in paragraph (1);

(4) by striking “earned.” in paragraph (2) and inserting “earned; and”; and

(5) by adding at the end the following:  
 “(3) for model years after 2006, in accordance with the vehicle credit trading system established under subsection (g), to any of the 3 consecutive model years immediately after the model year for which the credit was earned.”.

#### SEC. 803. STUDY OF TIER 2 STANDARDS.

(a) **STUDY.**—Not later than 6 months after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall, in consultation with the Secretary of Energy and the Secretary of Transportation, commence a study to analyze the regulations regarding motor vehicle emission standards and gasoline sulfur control requirements promulgated on May 13, 1999, (40 CFR Parts 80, 85, and 86) to determine whether those regulations allow optimization of motor vehicle fuel efficiency and promote greenhouse gas emission reductions in the new vehicle fleet. The study shall include an examination of the extent to which the bin structure created by those regulations may deter manufacturers from developing and producing covered vehicles, including those using compression ignition engines, that are more fuel efficient and will promote greater greenhouse gas emission reductions than vehicles that would otherwise be produced. In addition, the study shall include an examination of the extent to which biofuels can contribute to meeting vehicle emission standards for covered vehicles.

(b) **REPORT.**—Not later than 18 months after the date of enactment of this Act, the Administrator shall submit the report on the results of the study to the Committee on Commerce, Science, and Technology, and the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives. The report shall contain recommendations for any legislative or regulatory action the Administrator proposes if the Administrator determines such act would encourage improvements in vehicle fuel efficiency, reduce greenhouse gas emissions from the new vehicle fleet, and maintain or improve the new vehicle fleet's emissions reductions projected to occur from implementation of the regulations referred to in subsection (a).

#### SEC. 804. ELIMINATION OF 2-FLEET RULE.

(a) **IN GENERAL.**—Section 32904 of title 49, United States Code, is amended—

(1) by striking subsection (b); and  
 (2) by redesignating subsections (c) through (e) as subsections (b) through (d), respectively.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall apply to model years 2007 and later.

#### SEC. 805. ELIMINATION OF DUAL FUEL CREDIT.

Section 32905 of title 49, United States Code, is repealed.

#### SEC. 806. ENSURING SAFETY OF PASSENGER AUTOMOBILES AND LIGHT TRUCKS.

(a) **IN GENERAL.**—The Secretary of Transportation shall exercise such authority under Federal law as the Secretary may have to ensure that—

(1) passenger automobiles and light trucks (as those terms are defined in section 32901 of title 49, United States Code) are safe;

(2) progress is made in improving the overall safety of passenger automobiles and light trucks; and

(3) progress is made in maximizing United States employment.

(b) **IMPROVED CRASHWORTHINESS.**—Subchapter II of chapter 301 of title 49, United States Code, is amended by adding at the end the following:

##### “§ 30128. Improved crashworthiness

“(a) **ROLLOVERS.**—Within 3 years after the date of enactment of the Energy Policy Act

of 2002, the Secretary of Transportation, through the National Highway Traffic Safety Administration, shall prescribe a motor vehicle safety standard under this chapter for rollover crashworthiness standards that includes—

“(1) dynamic roof crush standards;  
 “(2) improved seat structure and safety belt design;  
 “(3) side impact head protection airbags; and  
 “(4) roof injury protection measures.

“(b) **HEAVY VEHICLE HARM REDUCTION COMPATIBILITY STANDARD.**

“(1) **INITIAL STANDARD.**—Within 3 years after the date of enactment of the Energy Policy Act of 2002, the Secretary, through the National Highway Traffic Safety Administration, shall prescribe a motor vehicle safety standard under this chapter that will reduce the aggressivity of light trucks by 33 percent, using a baseline model year of 2002 and will improve vehicle compatibility in collisions between light trucks and cars, in order to protect against unnecessary death and injury.”.

“(2) **5-YEAR REVIEW.**—The section should review the effectiveness of this standard every 5 years following final issuance of the standard and shall issue, through the National Highway Traffic Safety Administration, upgrades to the standard to reduce fatalities and injuries related to vehicle compatibility and light truck aggressivity.”.

“(c) **CONFORMING AMENDMENT.**—The chapter analysis for chapter 301 of title 49, United States Code, is amended by inserting after the item relating to section 30217 the following:

“30128. Improved crashworthiness”.

#### SEC. 807. SAFETY RATING LABELS.

Section 32302 of title 49, United States Code, is amended—

(1) by redesignating paragraphs (3) and (4) of subsection (a) as paragraphs (4) and (5), respectively;

(2) by inserting after paragraph (2) of subsection (a) the following:

“(3) overall safety of the driver and passengers of the vehicle in a collision.”; and

(3) by striking subsection (b) and inserting the following:

“(b) **MOTOR VEHICLE SAFETY INFORMATION.**

“(1) **IN GENERAL.**—In carrying out subsection (a), the Secretary shall establish test criteria for use by manufacturers in determining crashworthiness and the overall safety of vehicles for drivers and passengers.

“(2) **PRESENTATION OF DATA.**—The Secretary shall prescribe a system for presenting information developed under paragraphs (1) through (3) of subsection (a) to the public in a simple and understandable form that facilitates comparison among the makes and models of passenger motor vehicles.

“(3) **LABEL REQUIREMENT.**—Each manufacturer of a new passenger motor vehicle (as defined in section 32304(a)(8)) manufactured after September 30, 2005, and distributed in commerce for sale in the United States shall cause the information required by paragraph (2) to appear on, or adjacent to, the label required by section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232(b)).”.

#### SEC. 808. FUEL ECONOMY TRUTH-IN-TESTING STUDY.

(a) **IN GENERAL.**—The Administrator of the Environmental Protection Agency shall conduct—

(1) an ongoing examination of the accuracy of fuel economy testing of passenger automobiles and light trucks in accordance with procedures in effect as of the date of enactment of this Act, as compared to the actual performance of such passenger automobiles and light trucks when driven by average

drivers under average driving conditions in the United States, which may be obtained through a survey of current vehicle owners; and

(2) an assessment of the extent to which fuel economy deteriorates during the life of such passenger automobiles and light trucks.

(b) **REPORT.**—The Administrator shall, within 12 months after the date of enactment of this Act and annually thereafter, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Commerce and Energy of the House of Representatives a report on the results of the study required by subsection (a) of this section. The report shall include—

(1) a comparison between—

(A) fuel economy measured, for each model in the applicable model year, through testing procedures in effect as of the date of enactment of this Act; and

(B) fuel economy of such passenger automobiles and light trucks during actual on-road performance, as determined under subsection (a);

(2) a statement of the percentage difference, if any, between actual on-road fuel economy and fuel economy measured by test procedures of the Environmental Protection Administration; and

(3) any recommendations for legislative or other action.

#### SEC. 809. FUEL ECONOMY LABELS.

Section 32908 of title 49, United States Code, is amended—

(1) by striking “title.” in subsection (a)(1) and inserting “title, and a light truck (as defined in section 32901(17) after model year 2007; and”; and

(2) by redesignating subparagraph (F) of subsection (b)(1) as subparagraph (II), and inserting after subparagraph (E) the following:

“(F) a label (or a logo imprinted on a label required by this paragraph) that—

“(i) reflects an automobile's performance on the basis of criteria developed by the Administrator to reflect the fuel economy and greenhouse gas and other emissions consequences of operating the automobile over its likely useful life;

“(ii) is easily understandable and permits consumers to compare performance results under clause (i) among all passenger automobiles and light duty trucks (as defined in section 32901), and in the vehicles in the vehicle class to which it belongs; and

“(iii) is designed to encourage the manufacture and sale of passenger automobiles and light trucks that meet or exceed applicable fuel economy standards under section 32902.

“(G) a fuelstar under paragraph (5).”; and

“(3) by adding at the end of subsection (b) the following:

“(4) **LABEL PROGRAM.**

“(A) **MARKETING ANALYSIS.**—Within 2 years after the date of enactment of the Energy Policy Act of 2002, the Administrator shall complete a study of social marketing strategies with the goal of maximizing consumer understanding of point-of-sale labels or logos described in paragraph (1)(F).

“(B) **CRITERIA.**—In developing criteria for the label or logo, the Administrator shall also consider, among others as appropriate, the following factors:

“(i) The recyclability of the automobile.

“(ii) Any other pollutants or harmful by-products related to the automobile, which may include those generated during manufacture of the automobile, those issued during use of the automobile, or those generated after the automobile ceases to be operated.

“(5) **FUELSTAR PROGRAM.**

“The Secretary, in consultation with the Administrator, shall establish a program, to be known as the ‘fuelstar’ program, under which stars shall be imprinted on or attached to the label required by paragraph (1)



that will, consistent with the findings of the marketing analysis required under paragraph (4)(A), provide consumer incentives to purchase vehicles that exceed the applicable fuel economy standard.

**SEC. 810. SECRETARY OF TRANSPORTATION TO CERTIFY BENEFITS.**

Beginning with model year 2007, the Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, shall determine and certify annually to the Congress—

(1) the annual reduction in United States consumption of petroleum used for vehicle fuel, and

(2) the annual reduction in greenhouse gas emissions,

properly attributable to the implementation of the average fuel economy standards imposed under section 32902 of title 49, United States Code, as a result of the amendments made by this Act.

**SEC. 811. DEPARTMENT OF TRANSPORTATION ENGINEERING AWARD PROGRAM.**

(a) **ENGINEERING TEAM AWARDS.**—The Secretary of Transportation shall establish an engineering award program to recognize the engineering team of any manufacturer of passenger automobiles or light trucks (as such terms are defined in section 32901 of title 49, United States Code) whose work directly results in production models of—

(1) the first large sport utility vehicle, van, or light truck to achieve a fuel economy rating of 30 miles per gallon under section 32902 of such title; and

(2) the first mid-sized sport utility vehicle, van, or light truck to achieve a fuel economy rating of 35 miles per gallon under section 32902 of such title.

(b) **REQUIREMENTS FOR PARTICIPATION IN ENGINEERING TEAM AWARDS PROGRAM.**—In establishing the engineering team awards program under subsection (a), the Secretary shall establish eligibility requirements that include—

(1) a requirement that the vehicle, van, or truck be domestically-manufactured or manufacturable (if a prototype) within the meaning of section 32903 of title 49, United States Code;

(2) a requirement that the vehicle, van, or truck meet all applicable Federal standards for emissions and safety (except that crash testing shall not be required for a prototype); and

(3) such additional requirements as the Secretary may require in order to carry out the program.

(c) **AMOUNT OF PRIZE.**—The Secretary shall award a prize of not less than \$30,000 to each engineering team determined by the Secretary to have successfully met the requirements of paragraph (1) or (2) of subsection (a). The Secretary shall provide for recognition of any manufacturer to have not the requirements of subsection (b) with appropriate ceremonies and activities, and may provide a monetary award in an amount determined by the Secretary to be appropriate.

(d) **MANUFACTURER'S AWARD.**—The Secretary of Transportation shall also establish an Old Independence Award to recognize the first manufacturer of domestically-manufactured (within the meaning of section 32903 of title 49, United States Code) passenger automobiles and light trucks to achieve a combined fuel economy rating of 36 miles per gallon under section 32902 of such title.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary to carry out this section.

**SEC. 812. HIGH OCCUPANCY VEHICLE EXCEPTION.**

(a) **IN GENERAL.**—Notwithstanding section 102(a)(1) of title 23, United States Code, a

State may, for the purpose of promoting energy conservation, permit a vehicle with fewer than the otherwise required number of occupants to operate in high occupancy vehicle lanes if it is a hybrid vehicle or is certified by the Secretary of Transportation, after consultation with the Administrator of the Environmental Protection Agency, to be a vehicle that runs only on an alternative fuel.

(b) **HYBRID VEHICLE DEFINED.**—In this section, the term “hybrid vehicle” means a motor vehicle—

(1) which—

(A) draws propulsion energy from onboard sources of stored energy which are both—

(i) an internal combustion or heat engine using combustible fuel; and

(ii) a rechargeable energy storage system; or

(B) recovers kinetic energy through regenerative braking and provides at least 13 percent maximum power from the electrical storage device;

(2) which, in the case of a passenger automobile or light truck—

(A) for 2002 and later model vehicles, has received a certificate of conformity under section 206 of the Clean Air Act (42 U.S.C. 7525) and meets or exceeds the equivalent qualifying California low emission vehicle standard under section 243(e)(2) of the Clean Air Act (42 U.S.C. 7583(c)(2)) for that make and model year; and

(B) for 2004 and later model vehicles, has received a certificate that such vehicle meets the Tier II emission level established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act (42 U.S.C. 7521(i)) for that make and model year vehicle; and (3) which is made by a manufacturer.

(c) **ALTERNATIVE FUEL DEFINED.**—In this section the term “alternative fuel” has the meaning such term has under section 301(2) of the Energy Policy Act of 1992 (42 U.S.C. 13211(2)).

**SEC. 813. ALTERNATIVE FUEL ECONOMY STANDARD FOR LOW VOLUME MANUFACTURERS AND NEW ENTRANTS.**

Section 32902(d) of title 49, United States Code, is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively;

(2) by striking so much thereof as precedes paragraph (4), as redesignated, and inserting the following:

“(d) **ALTERNATIVE AVERAGE FUEL ECONOMY STANDARD.**—

“(1) **IN GENERAL.**—Upon application by an eligible manufacturer, the Secretary of Transportation may prescribe an alternative average fuel economy standard for passenger automobiles and light trucks manufactured by that manufacturer if the Secretary finds that—

“(A) the applicable standard prescribed under subsection (a), (b), or (c) of this section is more stringent than the maximum feasible average fuel economy level the manufacturer can achieve; and

“(B) the alternative average fuel economy standard prescribed under this subsection is the maximum feasible average fuel economy level that manufacturer can achieve.

“(2) **APPLICATION OF ALTERNATIVE STANDARD.**—The Secretary may provide for the application of an alternative average fuel economy standard prescribed under paragraph (1) to—

“(A) the manufacturer that applied for the alternative average fuel economy standard;

“(B) all passenger automobiles to which this subsection applies; or

“(C) classes of passenger automobiles or light trucks manufactured by eligible manufacturers.

“(3) **ELIGIBLE MANUFACTURER.**—In this section the term ‘eligible manufacturer’ means a passenger automobile or light truck manufacturer that—

“(A) sold in the United States fewer than 0.5 percent of the combined number of passenger automobiles and light trucks sold in the United States in the model year 2 years before the model year to which the application relates; and

“(B) will sell in the United States fewer than 0.5 percent of the combined number of passenger automobiles and light trucks sold in the United States for the model year for which the alternative average fuel economy standard will apply.”;

(3) by inserting “IMPORTERS.—” before “Notwithstanding” in paragraph (4), as redesignated;

(4) by striking “be exempted” in paragraph (4), as redesignated, and inserting “not apply for an alternative average fuel economy standard”;

(5) by inserting “APPLICATION.—” in paragraph (5), as redesignated, before “The”; and

(6) by striking “exemption.” in paragraph (5), as redesignated, and inserting “alternative average fuel economy standard.”.

**PART II—MARKET-BASED INITIATIVES FOR GREENHOUSE GAS REDUCTION**

**SEC. 821. MARKET-BASED INITIATIVES.**

(a) **ESTABLISHMENT OF REGISTRY FOR VOLUNTARY TRADING SYSTEMS.**—The Secretary of Commerce, through the Undersecretary for Technology, shall establish a national registry system for greenhouse gas emission reduction trading among entities under which emission reductions from the applicable baseline are assigned unique identifying numerical codes by the registry. Participation in the registry is voluntary. Any entity conducting business in the United States may register its emission results, including emissions generated outside of the United States, on an entity-wide basis with the registry, and may utilize the services of the registry.

(b) **PURPOSES.**—The purposes of the national registry are—

(1) to encourage voluntary actions to reduce greenhouse gas emissions and increase energy efficiency, including increasing the fuel economy of passenger automobiles and light trucks and reducing the reliance by United States markets on petroleum produced outside the United States used to provide vehicular fuel;

(2) to enable participating entities to record voluntary greenhouse gas emissions reductions; in a consistent format that is supported by third party verification;

(3) to encourage participants involved in existing partnerships to be able to trade emissions reductions among partnerships;

(4) to further recognize, publicize, and promote registrants making voluntary and mandatory reductions;

(5) to recruit more participants in the program; and

(6) to help various entities in the nation establish emissions baselines.

(c) **FUNCTIONS.**—The national registry shall carry out the following functions:

(1) **REFERRALS.**—Provide referrals to approved providers for advice on—

(A) designing programs to establish emissions baselines and to monitor and track greenhouse gas emissions; and

(B) establishing emissions reduction goals based on international best practices for specific industries and economic sectors.

(2) **UNIFORM REPORTING FORMAT.**—Adopt a uniform format for reporting emissions baselines and reductions established through—

(A) the Director of the National Institute of Standards and Technology for greenhouse gas baselines and reductions generally; and

(B) the Secretary of Transportation for credits under section 32903 of title 49, United States Code.

(3) **RECORD MAINTENANCE.**—Maintain a record of all emission baselines and reductions verified by qualified independent auditors.

(4) **ENCOURAGE PARTICIPATION.**—Encourage organizations from various sectors to monitor emissions, establish baselines and reduction targets, and implement efficiency improvement and renewable energy programs to achieve those targets.

(5) **PUBLIC AWARENESS.**—Recognize, publicize, and promote participants that—

(A) commit to monitor their emissions and set reduction targets;

(B) establish emission baselines; and

(C) report on the amount of progress made on their annual emissions.

(d) **TRANSFER OF REDUCTIONS.**—The registry shall—

(1) allow for the transfer of ownership of any reductions realized in accordance with the program; and

(2) require that the registry be notified of any such transfer within 30 days after the transfer is effected.

(e) **FUTURE CONSIDERATIONS.**—Any reductions achieved under this program shall be credited against any future mandatory greenhouse gas reductions required by the government. Final approval of the amount and value of credits shall be determined by the agency responsible for the implementation of the mandatory greenhouse gas emission reduction program, except that credits under section 32903 of title 49, United States Code, shall be determined by the Secretary of Transportation. The Secretary of Commerce shall by rule establish an appeals process, that may incorporate an arbitration option, for resolving any dispute arising out of such a determination made by that agency.

(f) **CAFE STANDARDS CREDITS.**—The Secretary of Transportation shall work with the Secretary of Commerce and the implementing panel established by section 822 to determine the equivalency of credits earned under section 32903 of title 49, United States Code, for inclusion in the registry. The Secretary shall by rule establish an appeals process, that may incorporate an arbitration option, for resolving any dispute arising out of such a determination.

#### SEC. 822. IMPLEMENTING PANEL.

(a) **ESTABLISHMENT.**—There is established within the Department of Commerce an implementing panel.

(b) **COMPOSITION.**—The panel shall consist of—

(1) the Secretary of Commerce or the Secretary's designee, who shall serve as Chairperson;

(2) the Secretary of Transportation or the Secretary's designee; and

(3) 1 expert in the field of greenhouse gas emissions reduction, certification, or trading from each of the following agencies—

(A) the Department of Energy;

(B) the Environmental Protection Agency;

(C) the Department of Agriculture;

(D) the National Aeronautics and Space Administration;

(E) the Department of Commerce; and

(F) the Department of Transportation.

(c) **EXPERTS AND CONSULTANTS.**—Any member of the panel may secure the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, for greenhouse gas reduction, certification, and trading experts in the private and nonprofit sectors and may also utilize any grant, contract, cooperative agreement, or other arrangement authorized by law to carry out its activities under this subsection.

(d) **DUTIES.**—The panel shall—

(1) implement and oversee the implementation of this section;

(2) promulgate—

(A) standards for certification of registries and operation of certified registries; and

(B) standards for measurement, verification, and recording of greenhouse gas emissions and greenhouse gas emission reductions by certified registries;

(3) maintain, and make available to the public, a list of certified registries; and

(4) issue rulemakings on standards for measuring, verifying, and recording greenhouse gas emissions and greenhouse gas emission reductions proposed to the panel by certified registries, through a standard process of issuing a proposed rule, taking public comment for no less than 30 days, then finalizing regulations to implement this Act, which will provide for recognizing new forms of acceptable greenhouse gas reduction certification procedures.

(e) **CERTIFICATION AND OPERATION STANDARDS.**—The standards promulgated by the panel shall include—

(1) standards for ensuring the certified registries do not have any conflicts of interest, including standards that prohibit a certified registry from—

(A) owning greenhouse gas emission reductions recorded in any certified registry; or

(B) receiving compensation in the form of a commission where sources receive money for the total number of tons certified;

(2) standards for authorizing certified registries to enter into agreements with for-profit persons engaged in trading of greenhouse gas emission reductions, subject of paragraph (1); and

(3) such other standards for certification of registries and operation of certified registries as the panel determines to be appropriate.

(f) **MEASUREMENT, VERIFICATION, AND RECORDING STANDARDS.**—The standards promulgated by the panel shall provide for, in the case of certified registries—

(1) ensuring that certified registries accurately measure, verify, and record greenhouse gas emissions and greenhouse gas emission reductions, taking into account—

(A) boundary issues such as leakage and shifted utilization; and

(B) such other factors as the panel determines to be appropriate;

(2) ensuring that—

(A) certified registries do not double-count greenhouse gas emission reductions; and

(B) if greenhouse gas emission reductions are recorded in more than 1 certified registry, such double-recording is clearly indicated;

(3) determining the ownership of greenhouse gas emission reductions and recording and tracking the transfer of greenhouse gas emission reductions among entities (such as through assignment of serial numbers to greenhouse gas emission reductions);

(4) measuring the results of the use of carbon sequestration and carbon recapture technologies;

(5) measuring greenhouse gas emission reductions resulting from improvements in—

(A) power plants;

(B) automobiles (including types of passenger automobiles and light trucks, as defined in section 32901(a)(16) and (17) respectively, produced in the same model year);

(C) carbon re-capture, storage and sequestration, including organic sequestration and manufactured emissions injection, and or storage; and

(D) other sources;

(6) measuring prevented greenhouse gas emissions through the rulemaking process and based on the latest scientific data, sampling, expert analysis related to measurement and projections for prevented greenhouse gas emissions in tons including—

(A) organic soil carbon sequestration practices;

(B) forest preservation and re-forestation activities which adequately address the issues of permanence, leakage and verification; and

(7) such other measurement, verification, and recording standards as the panel determines to be appropriate.

(g) **CERTIFICATION OF REGISTRIES.**—Except as provided in subsection (h), a registrant that desires to be a certified registry shall submit to the panel an application that—

(1) demonstrates that the registrant meets each of the certification standards established by the panel under subsections (d) and (e); and

(2) meets such other requirements as the panel may establish.

(h) **AUTOMOBILE INDUSTRY.**—The Secretary of Transportation is deemed to be the certified registrant for credits earned under section 32903 of title 49, United States Code.

(i) **ANNUAL REPORT.**—Within 1 year after the date of enactment of this Act and biennially thereafter, the panel shall report to the Congress on the status of the program established under this section. The report shall include an assessment of the level of participation in the program and amount of progress being made on emission reduction targets.

#### SEC. 823. DEFINITIONS.

In this part:

(1) **GREENHOUSE GAS.**—The term “greenhouse gas” includes—

(A) carbon dioxide;

(B) methane;

(C) hydro fluorocarbons;

(D) perfluorocarbons;

(E) nitrous oxide; and

(F) sulfur hexafluoride.

(2) **BASELINE.**—The term “baseline” means—

(A) the greenhouse gas emissions, determined on an entity-wide basis for the participant's most recent previous 3-year annual average of greenhouse gas emissions prior to the date of enactment of this Act; or

(B) if data is unavailable for that 3-year period, the greenhouse gas emissions as of September 30, 2002, (or as close to that date as such emission levels can reasonably be determined). In promulgating regulations under this part, the panel shall take into account greenhouse gas emission reductions or offsetting actions taken by any entity before the date on which the registry is established.

(3) **CERTIFIED REGISTRY.**—The term “certified registry” means a registry that has been certified by the panel as meeting the standards promulgated under section 821(e) and (f) and, for the automobile industry, the Secretary of Transportation.

(4) **GREENHOUSE GAS EMISSIONS.**—The term “greenhouse gas emissions” means the quantity of greenhouse gases emitted by a source during a period, measured in tons of greenhouse gases.

(5) **GREENHOUSE GAS EMISSION REDUCTION.**—The term “greenhouse gas emission reduction” means a quantity equal to the difference between—

(A) the greenhouse gas emissions of a source during a period; and

(B) the greenhouse gas emissions of the source during a baseline period of the same duration as determined by registries and entities defined as owners of emission sources.

(6) **KYOTO PROTOCOL.**—The term “Kyoto protocol” means the Kyoto Protocol to the United Nations Framework Convention on Climate Change (including the Montreal Protocol to the Convention on Substances that Deplete the Ozone Layer).

(7) **PANEL.**—The term “panel” means the implementing panel established by section 822(a).

(8) **REGISTRANT.**—The term “registrant” means a private person that operates a database recording quantified and verified greenhouse gas emissions and emissions reductions of sources owned by other entities.

(9) SOURCE.—The term “source” means a source of greenhouse gas emissions.

**SA 3000.** Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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; as follows:

On page 14, strike line 3 and all that follows through page 21, line 15, and insert the following:

**SEC. 202. ELECTRIC UTILITY MERGERS.**

Section 203(a) of the Federal Power Act (16 U.S.C. 824b) is amended to read as follows:

“(a)(1) No public utility shall, without first having secured an order of the Commission authorizing it to do so—

“(A) sell, lease, or otherwise dispose of the whole of its facilities subject to the jurisdiction of the Commission, or any part thereof of a value in excess of \$10,000,000,

“(B) merge or consolidate, directly or indirectly, such facilities or any part thereof with the facilities of any other person, by any means whatsoever,

“(C) purchase, acquire, or take any security of any other public utility, or

“(D) purchase, lease, or otherwise acquire existing facilities for the generation of electric energy unless such facilities will be used exclusively for the sale of electric energy at retail.

“(2) No holding company in a holding company system that includes a transmitting utility or an electric utility company shall purchase, acquire, or take any security of, or, by any means whatsoever, directly or indirectly, merge or consolidate with a transmitting utility, an electric utility company, a gas utility company, or a holding company in a holding company system that includes a transmitting utility, an electric utility company, or a gas utility company, without first having secured an order of the Commission authorizing it to do so.

“(3) Upon application for such approval the Commission shall give reasonable notice in writing to the Governor and State commission of each of the States in which the physical property affected, or any part thereof, is situated, and to such other persons as it may deem advisable.

“(4) After notice and opportunity for hearing, the Commission shall approve the proposed disposition, consolidation, acquisition, or control, if it finds that the proposed transaction—

“(A) will be consistent with the public interest;

“(B) will not adversely affect the interests of consumers of electric energy of any public utility that is a party to the transaction or is an associate company of any part to the transaction;

“(C) will not impair the ability of the Commission or any State commission having jurisdiction over any public utility that is a party to the transaction or an associate company of any part to the transaction to protect the interests of consumers or the public; and

“(D) will not lead to cross-subsidization of associate companies or encumber any utility assets for the benefit of an associate company.

“(5) The Commission shall, by rule, adopt procedures for the expeditious consideration of applications for the approval of dispositions, consolidations, or acquisitions under this section. Such rules shall identify classes

of transactions, or specify criteria for transactions, that normally meet the standards established in paragraph (4), and shall require the Commission to grant or deny an application for approval of a transaction of such type within 90 days after the conclusion of the hearing or opportunity to comment under paragraph (4). If the Commission does not act within 90 days, such application shall be deemed granted unless the Commission finds that further consideration is required to determine whether the proposed transaction meets the standards of paragraph (4) and issues one or more orders tolling the time for acting on the application for an additional 90 days.

“(6) For purposes of this subsection, the terms ‘associate company’, ‘electric utility company’, ‘gas utility company’, ‘holding company’, and ‘holding company system’ have the meaning given those terms in the Public Utility Holding Company Act of 2002.”.

**SEC. 203. MARKET-BASED RATES.**

(a) APPROVAL OF MARKET-BASED RATES.—Section 205 of the Federal Power Act (16 U.S.C. 824d) is amended by adding at the end of the following:

“(h) The Commission may determine whether a market-based rate for the sale of electric energy subject to the jurisdiction of the Commission is just and reasonable and not unduly discriminatory or preferential. In making such determination, the Commission shall consider such factors as the Commission may deem to be appropriate and in the public interest, including to the extent the Commission considers relevant to the wholesale power market—

“(1) market power;

“(2) the nature of the market and its response mechanisms; and

“(3) reserve margins.”.

(b) REVOCATION OF MARKET-BASED RATES.—Section 206 of the Federal Power Act (16 U.S.C. 824e) is amended by adding at the end of the following:

“(f) Whenever the Commission, after a hearing had upon its own motion or upon complaint, finds that a rate charged by a public utility authorized to charge a market-based rate under section 205 is unjust, unreasonable, unduly discriminatory or preferential, the Commission shall determine the just and reasonable rate and fix the same by order.”.

**SEC. 204. REFUND EFFECTIVE DATE.**

Section 206(b) of the Federal Power Act (16 U.S.C. 824e(b)) is amended by—

(1) striking “the date 60 days after the filing of such complaint nor later than 5 months after the expiration of such 60-day period” in the second sentence and inserting “the date of the filing of such complaint nor later than 5 months after the filing of such complaint”;

(2) striking “60 days after” in the third sentence and inserting “of”; and

(3) striking “expiration of such 60-day period” in the third sentence and inserting “publication date”.

**SEC. 205. OPEN ACCESS TRANSMISSION BY CERTAIN UTILITIES.**

Part II of the Federal Power Act is further amended by inserting after section 211 the following:

“OPEN ACCESS BY UNREGULATED TRANSMITTING UTILITIES

“SEC. 211A. (1) Subject to section 212(h), the Commission may, by rule or order, require an unregulated transmitting utility to provide transmission services—

“(A) at rates that are comparable to those that the unregulated transmitting utility charges itself, and

“(B) on terms and conditions (not relating to rates) that are comparable to those under

Commission rules that require public utilities to offer open access transmission services and that are not unduly discriminatory or preferential.

“(2) The Commission shall exempt from any rule or order under this subsection any unregulated transmitting utility that—

“(A) sells no more than 4,000,000 megawatt hours of electricity per year;

“(B) does not own or operate any transmission facilities that are necessary for operating an interconnected transmission system (or any portion thereof), or

“(C) meets other criteria the Commission determines to be in the public interest.

“(3) The rate changing procedures applicable to public utilities under subsections (c) and (d) of section 205 are applicable to unregulated transmitting utilities for purposes of this section.

“(4) In exercising its authority under paragraph (1), the Commission may remand transmission rates to an unregulated transmitting utility for review and revision where necessary to meet the requirements of paragraph (1).

“(5) The provision of transmission services under paragraph (1) does not preclude a request for transmission services under section 211.

“(6) The Commission may not require a State or municipality to take action under this section that constitutes a private business use for purposes of section 141 of the Internal Revenue Code of 1986 (26 U.S.C. 141).

“(7) For purposes of this subsection, the term ‘unregulated transmitting utility’ means an entity that—

“(A) owns or operates facilities used for the transmission of electric energy in interstate commerce, and

“(B) is either an entity described in section 201(f) or a rural electric cooperative.”.

**SEC. 206. ELECTRIC RELIABILITY STANDARDS.**

**SA 3001.** Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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; as follows:

On page 24, strike line 1 and all that follows through page 27, line 20 and insert the following:

**SEC. 207. MARKET TRANSPARENCY RULES.**

Part II of the Federal Power Act is further amended by adding at the end of the following:

**“SEC. 216. MARKET TRANSPARENCY RULES.**

“(a) COMMISSION RULES.—Not later than 180 days after the date of enactment of this section, the Commission shall issue rules establishing an electronic information system to provide information about the availability and price of wholesale electric energy and transmission services to the Commission, state commissions, buyers and sellers of wholesale electric energy, users of transmission services, and the public on a timely basis.

“(b) INFORMATION REQUIRED.—The Commission shall require—

“(1) each regional transmission organization to provide statistical information about the available capacity and capacity of transmission facilities operated by the organization; and

“(2) each broker, exchange, or other market-making entity that matches offers to sell and offers to buy wholesale electric energy in interstate commerce to provide statistical information about the amount and

sale price of sales of electric energy at wholesale in interstate commerce it transacts.

“(c) **TIMELY BASIS.**—The Commission shall require the information required under subsection (b) to be posted on the Internet as soon as practicable and updated as frequently as practicable.

“(d) **PROTECTION OF SENSITIVE INFORMATION.**—The Commission shall exempt from disclosure commercial or financial information that the Commission, by rule or order, determines to be privileged, confidential, or otherwise sensitive.”.

**SEC. 208. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.**

Part II of the Federal Power Act is further amended by adding at the end the following:

**“SEC. 217. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.**

“(a) **FAIR TREATMENT OF INTERMITTENT GENERATORS.**—The Commission shall ensure that all transmitting utilities provide transmission service to intermittent generators in a manner that does not unduly prejudice or disadvantage such generators for characteristics that are—

“(1) inherent to intermittent energy resources; and

“(2) are beyond the control of such generators.

“(b) **POLICIES.**—The Commission shall ensure that the requirement in subsection (a) is met by adopting such policies as it deems appropriate which shall include the following:

“(1) Subject to the sole exception set forth in paragraph (2), the Commission shall ensure that the rates transmitting utilities charge intermittent generator customers for transmission services do not unduly prejudice or disadvantage intermittent generator customers for scheduling deviations.

“(2) The Commission may exempt a transmitting utility from the requirement set forth in paragraph (1) if the transmitting utility demonstrates that scheduling deviations by its intermittent generator customers are likely to have an adverse impact on the reliability of the transmitting utility’s system.

“(3) The Commission shall ensure that to the extent any transmission charges recovering the transmitting utility’s embedded costs are assessed to such intermittent generators, they are assessed to such generators on the basis of kilowatt-hours generated or some other method to ensure that they are fully recovered by the transmitting utility.

“(4) The Commission shall require transmitting utilities to offer to intermittent generators, and may require transmitting utilities to offer to all transmission customers, access to nonfirm transmission service.

“(c) **DEFINITIONS.**—As used in this section:

“(1) The term ‘intermittent generator’ means a facility that generates electricity using wind or solar energy and no other energy source.

“(2) The term ‘nonfirm transmission service’ means transmission service provided on an ‘as available’ basis.

“(3) The term ‘scheduling deviation’ means delivery of more or less energy than has previously been forecast in a schedule submitted by an intermittent generator to a control area operator or transmitting utility.”.

**SEC. 209. ENFORCEMENT.**

**SA 3002.** Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill

(S. 517) 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; as follows:

On page 44, strike line 3 and all that follows through page 45, line 12 and insert the following:

**SEC. 241. REAL-TIME PRICING AND TIME-OF-USE METERING STANDARDS.**

(a) **ADOPTION OF STANDARDS.**—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is amended by adding at the end the following:

“(11) **REAL-TIME PRICING.**—(A) Each electric utility shall, at the request of an electric consumer, provide electric service under a real-time schedule, under which the rate charged by the electric utility varies by the hour (or smaller time interval) according to changes in the electric utility’s wholesale power cost. The real-time pricing service shall enable the electric consumer to manage energy use and cost through real-time metering and communications technology.

“(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

“(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standard set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.

“(12) **TIME-OF-USE METERING.**—(A) Each electric utility shall, at the request of an electric consumer, provide electric service under a time-of-use rate schedule which enables the electric consumer to manage every use and cost through time-of-use metering and technology.

“(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

“(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standards set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.”.

(b) **SPECIAL RULES.**—Section 115 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625) is amended by adding at the end the following:

“(i) **REAL-TIME PRICING.**—In a state that permits third-party marketers to sell electric energy to retail electric consumers, the electric consumer shall be entitled to receive the same real-time metering and communication service as a direct retail electric consumer of the electric utility.

“(j) **TIME-OF-USE METERING.**—In a state that permits third-party marketers to sell electric energy to retail electric consumers, the electric consumer shall be entitled to receive the same time-of-use metering and communication service as a direct retail electric consumer of the electric utility.”.

**SA 3003.** Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the De-

partment of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 50, strike line 10 and all that follows through page 54, line 10, and insert the following:

**SEC. 245. NET METERING.**

(a) **ADOPTION OF STANDARD.**—Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) is further amended by adding at the end the following:

“(13) **NET METERING.**—(A) Each electric utility shall make available upon request net metering service to any electric consumer that the electric utility serves.

“(B) For purposes of implementing this paragraph, any reference contained in this section to the date of enactment of the Public Utility Regulatory Policies Act of 1978 shall be deemed to be a reference to the date of enactment of this paragraph.

“(C) Notwithstanding subsections (b) and (c) of section 112, each State regulatory authority shall consider and make a determination concerning whether it is appropriate to implement the standard set out in subparagraph (A) not later than one year after the date of enactment of this paragraph.

(b) **SPECIAL RULES FOR NET METERING.**—Section 115 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2625) is further amended by adding at the end the following:

“(k) **NET METERING.**—

“(1) **RATES AND CHARGES.**—An electric utility—

“(A) shall charge the owner or operator of an on-site generating facility rates and charges that are identical to those that would be charged other electric consumers of the electric utility in the same rate class; and

“(B) shall not charge the owner or operator of an on-site generating facility any additional standby, capacity, interconnection, or other rate or charge.

“(2) **MEASUREMENT.**—An electric utility that sells electric energy to the owner or operator of an on-site generating facility shall measure the quantity of electric energy produced by the on-site facility and the quantity of electric energy consumed by the owner or operator of an on-site generating facility during a billing period in accordance with normal metering practices.

“(3) **ELECTRIC ENERGY SUPPLIED EXCEEDING ELECTRIC ENERGY GENERATED.**—If the quantity of electric energy sold by the electric utility to an on-site generating facility exceeds the quantity of electric energy supplied by the on-site generating facility to the electric utility during the billing period, the electric utility may bill the owner or operator for the net quantity of electric energy sold, in accordance with normal metering practices.

“(4) **ELECTRIC ENERGY GENERATED EXCEEDING ELECTRIC ENERGY SUPPLIED.**—If the quantity of electric energy supplied by the on-site generating facility to the electric utility exceeds the quantity of electric energy sold by the electric utility to the on-site generating facility during the billing period—

“(A) the electric utility may bill the owner or operator of the on-site generating facility for the appropriate charges for the billing period in accordance with paragraph (2); and

“(B) the owner or operator of the on-site generating facility shall be credited for the excess kilowatt-hours generated during the billing period, with the kilowatt-hour credit appearing on the bill for the following billing period.

“(5) **SAFETY AND PERFORMANCE STANDARDS.**—An eligible on-site generating facility

and net metering system used by an electric consumer shall meet all applicable safety, performance, reliability, and interconnection standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.

“(6) ADDITIONAL CONTROL AND TESTING REQUIREMENTS.—The Commission, after consultation with State regulatory authorities and nonregulated electric utilities and after notice and opportunity for comment, may adopt, by rule, additional control and testing requirements for on-site generating facilities and net metering systems that the Commission determines are necessary to protect public safety and system reliability.

“(7) DEFINITIONS.—For purposes of this subsection:

“(1) The term ‘eligible on-site generating facility’ means—

“(A) a facility on the site of a residential electric consumer with a maximum generating capacity of 500 kilowatts or less that is fueled solely by a renewable energy resource, landfill gas, or a high efficiency system.

“(B) a facility on the site of a commercial electric consumer with a maximum generating capacity of 500 kilowatts or less that is fueled solely by a renewable energy resource, landfill gas, or a high efficiency system.

“(2) The term ‘renewable energy resource’ means solar, wind, biomass, or geothermal energy.

“(3) The term ‘high efficiency system’ means fuel cells or combined heat and power.

“(4) The term ‘net metering service’ means service to an electric consumer under which electric energy generated by that electric consumer from an eligible on-site generating facility and delivered to the local distribution facilities may be used to offset electric energy provided by the electric utility to the electric consumer during the applicable billing period.”.

**SA 3004.** Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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; as follows:

On page 58, strike line 16 and all that follows through line 23 and insert the following:

**SEC. 256. STATE AUTHORITY.**

Nothing in this subtitle shall be construed to preclude a State or State regulatory authority from prescribing and enforcing laws, rules, or procedures regarding the practices which are the subject of this section.

**SA 3005.** Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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; as follows:

On page 64, strike line 8 and all that follows through page 65, line 17, and insert the following:

**SEC. 263. FEDERAL PURCHASE REQUIREMENT.**

(a) REQUIREMENT.—the President shall seek to ensure that, to the extent economically feasible and technically practicable, of the

total amount of electric energy the federal government consumes during any fiscal year—

(1) not less than 3 percent in fiscal years 2003 through 2004,

(2) not less than 5 percent in fiscal years 2005 through 2009, and

(3) not less than 7.5 percent in fiscal year 2010 and each fiscal year thereafter—shall be renewable energy. The President shall encourage the use of innovative purchasing practices by federal agencies.

(2) DEFINITION.—For purposes of this section, the term “renewable energy” means electric energy generated from solar, wind, biomass, geothermal, fuel cells, municipal solid waste, or additional hydroelectric generation capacity achieved from increased efficiency or additions of new capacity.

(c) TRIBAL POWER GENERATION.—The President shall seek to ensure that, to the extent economically feasible and technically practicable, not less than one-tenth of the amount specified in subsection (a) shall be renewable energy that is generated by an Indian tribe or by a corporation, partnership, or business association which is wholly or majority owned, directly or indirectly, by an Indian tribe. For purposes of this subsection, the term “Indian tribe” means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(d) BIENNIAL REPORT.—In 2004 and every 2 years thereafter, the Secretary of Energy shall report to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives on the progress of the federal government in meeting the goals established by this section.

**SA 3006.** Mr. THOMAS (for himself, Mr. BINGAMAN, and Mr. MURKOWSKI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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; as follows:

On page 2, strike the items relating to sections 205 through 210 and insert the following:

Sec. 205. Open access transmission by certain utilities.

Sec. 206. Electric reliability standards.

Sec. 207. Market transparency rules.

Sec. 208. Access to transmission by intermittent generators.

Sec. 209. Enforcement.

**SA 3007.** Mr. CAMPBELL (for himself, Mr. BROWNBACK, Mr. GRAMM, Mr. ENZI, and Mr. SMITH of New Hampshire) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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; as follows:

Strike section 822.

**SA 3008.** Mr. DAYTON (for himself and Mr. GRASSLEY) submitted an

amendment intended to be proposed to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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; which was ordered to lie on the table; as follows:

At the end of subtitle B of title VIII, add 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, 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—

“(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.”.

**SA 3009.** Mr. DOMENICI proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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; as follows:

On page 123, after line 17, insert the following:

**SEC. 514. OFFICE OF SPENT NUCLEAR FUEL RESEARCH.**

(a) FINDINGS.—Congress finds that—

(1) before the Federal Government takes any irreversible action relating to the disposal of spent nuclear fuel, Congress must determine whether the spent fuel in the repository should be treated as waste subject to permanent burial or should be considered an energy resource that is needed to meet future energy requirements; and

(2) national policy on spent nuclear fuel may evolve with time as improved technologies for spent fuel are developed or as national energy needs evolve.

(b) DEFINITIONS.—In this section:

(1) Associate Director.—The term “Associate Director” means the Associate Director of that Office.

(2) OFFICE.—The term “Office” means the Office of Spent Nuclear Fuel Research within the Office of Nuclear Energy Science and Technology of the Department of Energy.

(c) **ESTABLISHMENT.**—There is established an Office of Spent Nuclear Fuel Research within the Office of Nuclear Science and Technology of the Department of Energy.

(d) **HEAD OF OFFICE.**—The Office shall be headed by the Associate Director, who shall be a member of the Senior Executive Service appointed by the Director of the Office of Nuclear Energy Science and Technology, and compensated at a rate determined by applicable law.

(e) **DUTIES OF THE ASSOCIATE DIRECTOR.**—

(1) **IN GENERAL.**—The Associate Director shall be responsible for carrying out an integrated research, development, and demonstration program on technologies for treatment recycling, and disposal of high-level nuclear radioactive waste and spent nuclear fuel, subject to the general supervision of the Secretary.

(2) **PARTICIPATION.**—The Associate Director shall coordinate the participation of national laboratories, universities, the commercial nuclear industry, and other organizations in the investigation of technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste.

(3) **ACTIVITIES.**—The Associate Director shall—

(A) develop a research plan to provide recommendations by 2015;

(B) identify promising technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste;

(C) conduct research and development activities for promising technologies;

(D) ensure that all activities include as key objectives minimization of proliferation concerns and risk to the health of the general public or site workers, as well as development of cost-effective technologies;

(E) require research on both reactor- and accelerator-based transmission systems;

(F) require research on advanced processing and separations;

(G) include participation of international collaborators in research efforts, and provide funding to a collaborator that brings unique capabilities not available in the United States if the country in which the collaborator is located is unable to provide for their support; and

(H) ensure that research efforts are coordinated with research on advanced fuel cycles and reactors conducted by the Office of Nuclear Energy Science and Technology.

(f) **GRANT AND CONTRACT AUTHORITY.**—The Secretary may make grants, or enter into contracts, for the purposes of the research projects and activities described in this section.

(g) **REPORT.**—The Associate Director shall annually submit to Congress a report on the activities and expenditures of the Office that describes the progress being made in achieving the objectives of this section.

**SA 3010.** Mr. BINGAMAN (for Ms. LANDRIEU) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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; as follows:

On page 405, strike line 16 and all that follows through line 23, and insert the following:

(6) **BIOFUELS.**—The goal of the biofuels program shall be to develop, in partnership with industry—

(A) advanced biochemical and thermochemical conversion technologies ca-

pable of making liquid and gaseous fuels from cellulosic feedstocks that are price-competitive with gasoline or diesel in either internal combustion engines or fuel cell vehicles by 2010; and

(B) advanced biotechnology processes capable of making biofuels, biobased polymers, and chemicals, with particular emphasis on the development of biorefineries that use enzyme based processing systems.

For purposes of this paragraph, the term “cellulosic feedstock” means any portion of a food crop not normally used in food production or any non-food crop grown for the purpose of producing biomass feedstock.

**SA 3011.** Mr. BINGAMAN (for Ms. LANDRIEU) (for himself and Mr. DOMENICI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) 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; as follows:

On page 443, strike lines 21 through page 444, line 2 and insert the following:

(2) examine—

(A) advanced proliferation-resistant and passively safe reactor designs;

(B) new reactor designs with higher efficiency, lower cost, and improved safety;

(C) in coordination with activities carried out under the amendments made by section 1223, designs for a high temperature reactor capable of producing large-scale quantities of hydrogen using thermo-chemical processes;

(D) proliferation-resistant and high-burn-up nuclear fuels;

(E) minimization of generation of radioactive materials;

(F) improved nuclear waste management technologies; and

(G) improved instrumentation science;

#### AUTHORITY FOR COMMITTEES TO MEET

##### COMMITTEE ON ARMED SERVICES

Mr. REID. Mr. President, I ask unanimous consent that the committee on armed services be authorized to meet during the session of the senate on Wednesday, March 13, 2002, at 9:30 A.M., in open session to receive testimony on the Defense Health Program in Review of the Defense Authorization request for Fiscal year 2003.

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

##### COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Banking Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, March 13, 2002, at 10 A.M., to conduct an oversight hearing on “Transit in the 21st Century: Successes and Challenges.”

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

##### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on the

nominations of Robert Watson Cobb to be Inspector General and MG Charles Bolden, Jr., to be Deputy Administrator of NASA, at 2:30 P.M., on March 13, 2002.

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

##### COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Wednesday, March 13, 2002, at 9:30 a.m., to hold a hearing to receive testimony on the economic and environmental risks associated with increasing greenhouse gas emissions. The hearing will be held in SD-406.

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

##### COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, March 13, 2002, at 5 p.m., to hold a nomination hearing.

#### Agenda

Nominee: The Honorable Robert Finn, of New York, to be Ambassador to Afghanistan.

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

##### COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Wednesday, March 13, 2002, at 9:30 a.m., to hold a hearing entitled “Public Health and Natural Resources: A Review of the Implementation of Our Environmental Laws, Part II.”

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

##### SUBCOMMITTEE ON STRATEGIC

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Strategic of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 13, 2002, at 2:30 p.m., in open session to receive testimony on ballistic missile defense acquisition policy and oversight, in review of the Defense authorization request for fiscal year 2003.

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

##### SUBCOMMITTEE ON TECHNOLOGY, TERRORISM AND GOVERNMENT INFORMATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Technology, Terrorism and Government Information be authorized to meet to conduct a hearing on “Narco-Terror: The Worldwide Connection Between Drugs and Terrorism” on Wednesday, March 13, 2002, at 10 a.m., in Dirksen 226.

#### Witness List

Panel I: Asa Hutchinson, Administrator, Drug Enforcement Administration; R. Rand Beers, Assistant Secretary, Bureau for International Narcotics and Law Enforcement Affairs,



Department of State; and Richard Newcomb, Director, Office of Foreign Assets Control, Department of Treasury.

Panel II: Curtis Kamman, Former United States Ambassador to Colombia, Department of State, Washington, DC; Michael Shifter, Adjunct Professor and Program Director, Inter-American Dialogue, Center for Latin American Studies, School of Foreign Service, Georgetown University, Washington, DC; R. Grant Smith, Former United States Ambassador to Tajikistan, United States Department of State, Washington, DC; and Martha Brill Olcott, Senior Associate, Carnegie Endowment for International Peace, Washington, DC.

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

#### PRIVILEGE OF THE FLOOR

Mr. NELSON of Nebraska. Madam President, I ask unanimous consent that a member of my staff, Bill Holmberg, be given floor privileges by the Chair.

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

Mr. INHOFE. Madam President, I ask unanimous consent that Phil Ward be granted the privilege of the floor for the remainder of the day.

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

#### MEASURE READ THE FIRST TIME—H.R. 2175

Mr. REID. Madam President, it is my understanding that H.R. 2175, which has been received from the House, is now at the desk. Therefore, I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the title of the bill for the first time.

The assistant legislative clerk read as follows:

A bill (H.R. 2175) to protect infants who are born alive.

Mr. REID. Madam President, I ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard. The bill will receive its second reading on the next legislative day.

#### ORDERS FOR THURSDAY, MARCH 14, 2002

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m., Thursday, March 14; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the energy reform bill under the previous order entered.

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

#### ORDER FOR ADJOURNMENT

Mr. REID. Madam President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment following the statement of the Senator from Delaware, Mr. BIDEN.

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

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Delaware.

#### DEPARTMENT OF TRANSPORTATION NOMINATIONS

Mr. BIDEN. Madam President, as my colleagues know and the staff knows, it must be important to me to come to the floor after there are no votes and miss a train home to Delaware. As I think I can verify, there probably has not been 10 times in my career that I have spoken after there are no votes, so I apologize for keeping the staff here and keeping folks in, but this is of consequence to me and my State.

My good friend—and we all say that; we use that phrase, and he really is a good friend not only politically but personally—JOHN MCCAIN came to the Chamber and asked the rhetorical question of who has a hold on two nominees for the Department of Transportation. He does not like secret holds.

He was being very polite because he did not want to point out what he already knew: That I have a hold on those two nominees.

I have been a Senator for 29 years. I have never, not one single time but this, in my entire career ever put a hold on any nomination, legislation, or anything on the Senate floor. I know Senator MCCAIN understands holds. He has put holds on Department of Transportation nominees before, but I agree with him, the holds should be made public.

I wish to publicly acknowledge what I thought everyone knew. I am the guy who has put the hold on those two nominees. Madam President, let me explain to you why, very briefly.

After September 11, Congress moved very quickly and effectively to provide necessary funds for aviation security improvements and ultimately for port security improvements. I supported those bills wholeheartedly, as did almost all of my colleagues.

At the time, however, it was my understanding, given to me in the Chamber of this body and, I believe—and I am not suggesting she is any part of this—but I believe the Presiding Officer will recall, as every other Senator

will, there was a commitment that there would also be a move to quickly address a similar and equally vexing problem of railroad security.

Passenger rail is a critical component of our national transportation infrastructure as, I might add, September 11 so vividly has shown. Imagine what would have happened if we had no passenger rail system September 11 when the skies shut down. And yet all of those passengers continue to travel at their risk. They continue to ride in poorly lit, poorly ventilated, and poorly maintained tunnels, some of which were built as long ago as 1879.

They remain serious targets for acts of terrorism. There is no ventilation. There is no lighting. There is no escape. There are more people, right now as we speak, in tunnels on railcars underneath New York City than in seven 747s completely filled. We have done nothing to improve the security and safety of the people who are riding these rails right now.

Imagine what happens if a bomb, a chemical weapon, or a biological weapon is dispersed in that confined area? I might point out to my friends, they may remember a little over a year ago there was a fire in the Baltimore Tunnel. It shut down Baltimore. It not only shut down the rail, it shut down the south end of Baltimore for a long time.

My frustration is reaching the boiling point. Because of these security threats, immediately following the attacks of September 11, I attempted to authorize funds for rail security improvements as part of the aviation bill. Because of the objections raised, however, I then went to Senators HOLLINGS and MCCAIN, and instead, based on their commitment, which they kept, they offered to pass a separate bill in the Commerce Committee authorizing rail security monies. True to their words, on October 17, they did just that. S. 1550 authorized \$1.8 billion for passenger rail security improvements, even though Amtrak had originally requested \$3.2 billion; \$1.8 billion was a barebones minimum the committee believed it would provide for essential security upgrades in safety improvements, mainly a billion of that to improving the tunnels and the safety in the tunnels against threatened attacks.

The other \$800 million went to having dogs on trains sniffing bombs, and additional police. Yet here we stand 6 months later, and we still do not have the money for rail security. I still do not even have a vote on rail security.

This completely defies logic. The reason is because a number of my colleagues have objected secretly, not publicly, to S. 1550, and they have put holds on the bill. This despite all it will do to safeguard our passenger rail system and despite the backing of the Commerce Committee.

Remember, this other stuff we did immediately did not even go through

any committee originally. That is why for the first time in my 29-plus years in the Senate I have placed holds on two Department of Transportation nominees, both fine, decent, and competent people. The issue is not their nomination. The issue is rail security. I know of no other way to get the attention of anybody. I do not know what else I have to do—stand on my head in the middle of the well to get the attention of people around here?

Granted, not everybody has Amtrak go through their areas. I understand that. Granted, Amtrak is not as important to passenger rail service for them as it is to the Northeast and to me. This is my farm bill. This is my bill relating to airport security. This is my bill relating to the poultry industry. This is my bill relating to the most critical need that exists relating to security in my region.

This bill is not controversial. It is completely bipartisan and it has completely been vetted by the committee of jurisdiction. It is important to passenger rail travelers.

There is absolutely no reason for the Senate not to go on record today, right now in fact, and support this bill, to give Amtrak the resources it needs to upgrade the system and make all the safety improvements possible with this limited amount of money.

In 2 hours or 3 hours of debate we came up with \$15 billion or \$14 billion to bail out the airlines that were already in trouble, by the way. Had there never been 9-11, half of them would have gone out of business anyway—if not half, a significant number. So I do not know why my asking for this for my region, based upon a legitimate need, is so difficult for people to understand.

In fact, I want to hear someone stand up and tell me how it is that my friends across the aisle have taken the liberty of blocking this bill after both Senators HOLLINGS and MCCAIN saw fit to pass it out of the Commerce Committee without any amendments. It is time for my colleagues to put aside their political goals and join me and many of my colleagues who support what the Commerce Committee has done and at least allow us to have a vote. We cannot afford to wait much longer. We do not have that luxury.

Let me conclude by saying that I have great respect for Secretary of Transportation Norm Mineta; I worked with him when he was in the House when he was a Congressman. I worked with him in the last administration. I have worked with him in this administration. He came to see me. He made a personal plea that I free up these two nominees.

I said to him: I understand.

He said: It is unrelated. Why? We are for you. We agree.

I said: Well, then make the case. Somebody in the administration has to stand up and holler with me. They say they are for it. When they were for the airport security bill that got tied up, they stood up and hollered.

All I am asking is my colleagues who have a secret hold, unlike my very public and uncharacteristic hold, come forward and debate the subject. Let me have a vote. I should not say "me." It is my colleague, TOM CARPER; it is my two colleagues from Pennsylvania; my colleagues from Maryland; my colleagues from New Jersey; my colleagues from Connecticut; my colleagues from New York; my colleagues from Massachusetts; my colleagues from Rhode Island; my colleagues from Maine.

I really find it offensive that something of such exceptional importance, as the young kids say, is "dissed" as this is. We would not do this to the Midwestern Senators. We would not do this to the Southern Senators if this was something regional to them. We would not block the chance to vote on water projects for Western Senators. I think this is unfair.

I have been around the Senate long enough to know one takes their lumps. You win and you lose, and I usually do not make the argument "unfair", but I think it is uncharacteristic that something so important regionally to me, and to my colleagues, is not even able to get a single opportunity for a vote.

Only because the hour is so late I am not going to move, by voice vote, to accept the amendment that I was about to send to the desk. But I can tell the Democratic leader, Senator REID, the first opportunity I have, I am going to move the legislation, and I want to find out who objects. My guess is the majority leader will object on behalf of some unknown person.

So in conclusion, I understand the frustration of my friend, JOHN MCCAIN, because he very much wants to free up these two nominees. I agree they should be freed up, but I have no other way.

Mr. REID. Will the Senator yield?

Mr. BIDEN. I am happy to yield.

Mr. REID. I say to the Senator from Delaware that this Amtrak matter is not a matter that relates only to the Northeast corridor. I want everyone to know this is important for other parts of the country, and the Senator is doing a service to the country. The Northeast is going to survive. The trains that run there pay for themselves. It is the trains that are around the rest of the country that do not pay for themselves. That is where we need help and the Senator from Delaware is helping us.

I say to my friend from Delaware, we badly need a train, and if Amtrak hangs on—it is already in the planning—we should within the next few months have an Amtrak train running between Los Angeles and Las Vegas. I say to my friend, is it not a sad commentary of this country that we give airlines—and I am happy to help. We bailed them out. We do all kinds of things to help airlines and airports. And think of the things that we do for highways, for passengers traveling on highways. We build bridges. We do ev-

everything. But we do not do anything to help rail travel. It is a shame. We waste so much time, effort, and energy hauling people on airplanes for distances less than 250 miles. We should have trains. We should have high-speed rail. We should have magnetic levitation. We should have methods to move people who are not on highways and are not in our crowded airports.

I hope the Senator from Delaware will understand, even though sometimes you may feel alone on this issue, there are a lot of people who will help privately. I will do that; I will help publicly—anything I can do to help. This is not an issue that helps the State of Delaware. It helps the country.

Mr. BIDEN. I thank my colleague. I take his observation and acknowledge it is absolutely true that it helps the whole country.

I would like to bifurcate two points: One, the emergency, immediate need for security. The security will help Amtrak in Los Angeles as well as help Amtrak in Florida. The place with the biggest, clearest targets where the most people could be devastated is in those tunnels, primarily. They happen to be mostly in the Northeast.

There is a second issue. I have not addressed the second issue. We have not kept our promises at all to Amtrak in terms of Amtrak's operational capability and capital needs. We cannot get votes on that either. I am trying to deal with the littlest piece. I cannot fathom how anyone could disagree. I have not heard one substantive argument why we would not provide for dogs and police to see that people are not carrying onto the trains dynamite or explosives or weapons in New Orleans, LA, as well as in Philadelphia, PA.

The real point is, this is an urgent need. Ask any of the folks in the intelligence community: If you were a terrorist and decided you had one last opportunity, what would you hit? People will say you are giving ideas; these terrorists already have these ideas, I assure you.

What did we do during the Olympics? We knew that would be a likely target because there were a lot of people and it would be a big statement. To the great credit of the State of Utah and the Federal Government, we had no incident. But you are sitting around, and where will you look to use the chemical weapon if you have it? The dirty bomb, if you possess it? That biological weapon, if you want to use it? Where will you use it?

I am chairman of the Foreign Relations Committee. I was on the terrorism subcommittee and the Judiciary Committee and in the Intelligence Committee for 10 years. Unfortunately, it seems as if I have been going to school for my whole life to prepare for the issue of terrorism. Prioritize where the likely targets are. There are millions of container ships that come into ports each year. We had to deal with that, and we dealt with it. Everybody

knew that was a likely target. We were not telling the terrorists anything they didn't know. We knew it was a problem.

I hope to God I am never in a position where, by even implication, I have to say, I told you so. There is no way out of the tunnels. There is no lighting. There is no ventilation. There is no way out.

I apologize, I am getting angry about it. Again, I can understand my friend from Arizona and others objecting to Amtrak. They do not think Amtrak is efficacious. I got it. I understand. They are wrong. I am willing to debate that. I would love a chance to debate it. However, this is drop dead common sense. I close to resent not being able to have a chance for the Senator from Pennsylvania, the Senator from Delaware, the Senators from New York, in addition to the Senators where Amtrak goes—these are gigantic targets.

They once asked Willie Sutton: Why rob banks? And his answer was: That is where the money is.

What do terrorists do? Why do they pick the two largest buildings in the United States, instead of coming to Delaware and hitting a 12-story building in Delaware? Why? Because that is where the most people are. That is where the biggest targets remain.

I thank my friend from Nevada. He has been a staunch supporter and tried like the devil to help.

The concluding point I make: My hold is not secret. I would like to know who is holding up the ability of the Senate to pass a bill that we were promised on October 15 would get action; that we passed out of the Commerce Committee unanimously, without amendment; that, in fact, nobody has made a substantive argument why any of this is not needed. I want to know why. I want to know why and who. Who is saying we cannot vote on it? And why do they think we should not have this?

I am a big boy. We have a vote. I win; I lose. But I want a vote.

I yield the floor.

Mr. SPECTER. If the Senator from Delaware would respond to a question, the holds which are placed anonymously on legislation preclude a Senator such as the Senator from Delaware from finding out who has taken that action, and therefore there is no opportunity to talk to that colleague, reason with that colleague, perhaps find a way to resolve the issue.

The simple question: Is it time the rules of the Senate were modified to stop secret holds which preclude sensible action on a matter such as rail safety?

Mr. BIDEN. The Senator is preaching to the choir. I fully agree with the Senator.

As the Senator knows, that is above my pay grade. There are only six Senators who have been here longer than I, but a lot have more institutional power than I do. I think it is a reasonable proposal, and I have shared that view of the Senator for a long time.

Mr. SPECTER. I don't disagree with the Senator from Delaware very often, but I disagree when he says it is above his pay grade.

I compliment the Senator from Delaware for his impassioned presentation. I concur with him. I thank the Senator from Nevada for articulating the view of the leadership.

It is true the Northeast has special considerations: When you pass through the tunnels in Baltimore, you pass through the Philadelphia train stations, the tunnels going into New York City. It is time we considered the matter.

I hope the passion the Senator from Delaware has articulated will move some Senator who has a secret hold on the legislation.

I yield the floor.

Mr. BIDEN. Madam President, I will just take 10 seconds. I conclude by saying, I say to my friend, Senator MCCAIN, I will lift the hold on these two nominees the moment we get a vote on the security bill.

I yield the floor.

## EXECUTIVE SESSION

### EXECUTIVE CALENDAR

Mr. REID. Madam President, I ask unanimous consent the Senate proceed to executive session to consider Calendar No. 724 and Calendar No. 725.

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

Mr. REID. I ask unanimous consent that the nominations be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, any statements thereon appear at the appropriate place in the RECORD as though read, and the Senate return to legislative session.

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

The nominations were considered and confirmed, as follows:

#### THE JUDICIARY

Jeanette J. Clark, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

#### DEPARTMENT OF COMMERCE

Louis Kincannon, of Virginia, to be Director of the Census.

## LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will return to legislative session.

### ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned.

Thereupon, the Senate, at 5:48 p.m., adjourned until Thursday, March 14, 2002, at 9:30 a.m.

## NOMINATIONS

Executive nominations received by the Senate March 13, 2002:

#### CONSUMER PRODUCT SAFETY COMMISSION

HAROLD D. STRATTON, OF NEW MEXICO, TO BE CHAIRMAN OF THE CONSUMER PRODUCT SAFETY COMMISSION, VICE ANN BROWN.

HAROLD D. STRATTON, OF NEW MEXICO, TO BE A COMMISSIONER OF THE CONSUMER PRODUCT SAFETY COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING OCTOBER 26, 2006, VICE ANN BROWN.

#### DEPARTMENT OF STATE

DAVID A. GROSS, OF MARYLAND, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS DEPUTY ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL COMMUNICATIONS AND INFORMATION POLICY IN THE BUREAU OF ECONOMIC AND BUSINESS AFFAIRS AND U.S. COORDINATOR FOR INTERNATIONAL COMMUNICATIONS AND INFORMATION POLICY.

#### NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

MICHAEL PACK, OF MARYLAND, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2004, VICE DARRYL J. GLESS, TERM EXPIRED.

#### DEPARTMENT OF JUSTICE

DAVID PHILLIP GONZALES, OF ARIZONA, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF ARIZONA FOR THE TERM OF FOUR YEARS, VICE ALFRED E. MADRID, TERM EXPIRED.

EDWARD ZAHREN, OF COLORADO, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF COLORADO FOR THE TERM OF FOUR YEARS, VICE ERNESTINE ROWE, TERM EXPIRED.

CHARLES M. SHEER, OF MISSOURI, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF MISSOURI FOR THE TERM OF FOUR YEARS, VICE ROBERT BRADFORD ENGLISH, TERM EXPIRED.

GORDEN EDWARD EDEN, JR., OF NEW MEXICO, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF NEW MEXICO FOR THE TERM OF FOUR YEARS, VICE JOHN STEVEN SANCHEZ, TERM EXPIRED.

JOHN LEE MOORE, OF TEXAS, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF TEXAS FOR THE TERM OF FOUR YEARS, VICE NORRIS BATISTE, JR., TERM EXPIRED.

WILLIAM P. KRUIZIKI, OF WISCONSIN, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF WISCONSIN FOR THE TERM OF FOUR YEARS, VICE NANNETTE HOLLY HEGERTY, TERM EXPIRED.

#### IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

#### To be lieutenant general

L.T. GEN. LESLIE F. KENNE, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

#### To be lieutenant general

MAJ. GEN. WILLIAM R. LOONEY III, 0000

#### IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

#### To be brigadier general

COL. DOUGLAS M. STONE, 0000

#### IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

#### To be colonel

JOSEPH WYSOCKI, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND AS PERMANENT PROFESSORS, UNITED STATES AIR FORCE ACADEMY, UNDER TITLE 10, U.S.C., SECTIONS 9333 (B) AND 9336 (A).

#### To be colonel

RICHARD L. FULLERTON, 0000

DAVID S. GIBSON, 0000

WILLIAM P. WALKER, 0000

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

#### To be colonel

WILLIAM P. ALBRO, 0000

THOMAS E. ALLEN, 0000

THORNE S. AMBROSE, 0000

RANDALL R. BALL, 0000

DAVID H. BARNHART, 0000

EARL S. BELL, 0000

KATHLEEN F. BERG, 0000

JAMES T. BOLING, 0000

PETER A. BONANNI, 0000

JEANETTE B. BOOTH, 0000

JOHN H. BRAMHALL, 0000  
DAVID T. BUCKALEW, 0000  
JOHN R. BUCKINGHAM, 0000  
GREGG A. BURDEN, 0000  
BREWSTER S. BUTTERS, 0000  
MICHAEL F. CANDERS, 0000  
FRANKLIN E. CHALK SR., 0000  
GREGORY S. CHAMPAGNE, 0000  
JOHN R. CHATBURN, 0000  
ROBERT A. CHIN, 0000  
MARK E. CLEM, 0000  
ROGER F. CLEMENTS, 0000  
JOHN D. COMPTON, 0000  
JAMES E. DANIEL JR., 0000  
JAMES T. DAUGHERTY, 0000  
JAMES F. DAWSON JR., 0000  
JAMES D. DEMERITT, 0000  
ROBERT R. DOLAN, 0000  
MATTHEW J. DZIALO, 0000  
BARBARA A. EAGER, 0000  
KATHLEEN L. EASTBURN, 0000  
ROBERT C. EDWARDS JR., 0000  
JAMES A. FIRTH, 0000  
KEVIN J. FISCHER, 0000  
GARY A. FITZGERALD, 0000  
TONY O. FLORES JR., 0000  
TIMOTHY L. FRYE, 0000  
LAWRENCE P. GALLOGLY, 0000  
ROBERT GERMANI JR., 0000  
ROBERT S. GISSENDANNER, 0000  
BRIAN D. GOMULA, 0000  
JEROME M. GOUIN, 0000  
JOHN O. GRIFFIN, 0000  
DENNIS D. GRUNSTAD II, 0000  
PAUL D. GRUVER, 0000  
JAMES H. GWIN, 0000  
STEVEN B. HANSON, 0000  
CURTIS T. HARRIS, 0000  
SCOTT B. HARRISON, 0000  
MARTIN K. HOLLAND, 0000  
SHEILA F. HOOTEN, 0000  
RODNEY K. HUNTER, 0000  
JEFFREY R. JOHNSON, 0000  
THOMAS M. JOHNSON, 0000  
RANDALL K. JONES, 0000  
THOMAS C. JORDAN, 0000  
JON K. KELK, 0000  
THOMAS J. KEOUGH, 0000  
WILLIAM L. KITTLE, 0000  
ROBERT S. LANDSIEDEL, 0000  
MARK R. LANGLEY, 0000  
ROBERT K. LEWIS, 0000  
ROBERT W. LOVELL, 0000  
DAVID J. MACMILLAN, 0000  
BRUCE R. MACOMBER, 0000  
JAMES L. MALENKE, 0000  
RUSSELL W. MALESKY, 0000  
RONALD E. MALOUSEK, 0000  
THOMAS J. MARKS JR., 0000  
LANNY B. MCNEELY, 0000  
THOMAS R. MOORE, 0000  
THOMAS G. MURGATROYD, 0000  
GUNTHER H. NEUMANN, 0000  
GARY J. NOLAN, 0000  
RICHARD J. NYALKA, 0000  
ROGER L. NYE, 0000  
STANLEY J. OSSERMAN JR., 0000  
ALAN W. PALMER, 0000  
JAMES A. PATTERSON, 0000  
JAY M. PEARSALE, 0000  
LEON RAY, 0000  
ROBERT F. REINHARDT JR., 0000  
MARILYN A. RIOS, 0000  
DEBORAH S. ROSE, 0000  
ALAN K. RUTHERFORD, 0000  
REED D. SCHOTANUS, 0000  
ROBERT J. SLUSSER, 0000  
DAVID M. SMITH, 0000  
KENNETH L. SMITH, 0000  
MARK W. STEPHENS, 0000  
ROBERT M. STONESTREET, 0000  
TERRENCE L. THILMONY, 0000  
RUSSELL K. THOMAS, 0000  
BRUCE THOMPSON, 0000  
JOHN R. TUTTLE, 0000  
WILLIS L. WALDRON JR., 0000  
STEPHEN J. WALKER, 0000  
SANDRA WARDE, 0000  
KEVIN L. WEAR, 0000

LARRY W. WEIGLER, 0000  
JAMES R. WHITE, 0000  
ALBERT M. WOOLLEY JR., 0000  
PAUL G. WORCESTER, 0000  
DELILAH R. WORKS, 0000

#### IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY CHAPLAIN CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

#### *To be colonel*

MICHAEL T. BRADFIELD, 0000  
WILLIAM B. BROOME III, 0000  
JOEL W. COCKLIN, 0000  
RICHARD B. GARRISON, 0000  
FREDERICK L. HUDSON, 0000  
RONALD R. HUGGLER, 0000  
LAWRENCE C. KRAUSE, 0000  
RICHARD A. KUHLBARS, 0000  
JAMES E. MAY, 0000  
ALVIN M. MOORE III, 0000  
SHERILL F. MUNN, 0000  
JACK J. VANDYKEN, 0000  
RICHARD R. YOUNG, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY NURSE CORPS AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK(\*)) UNDER TITLE 10, U.S.C., SECTIONS 624, 531, AND 3064:

#### *To be major*

SHARON M. \*AARON, 0000  
LILA M. \*AGUTO, 0000  
WILLIAM A. \*AIKEN II, 0000  
SUSAN J. \*ARGUETA, 0000  
CHRISTOPHER D. BAYSA, 0000  
SANDRA J. BEGLEY, 0000  
RICHARD A. BEHR, 0000  
DONALD E. \*BENNETT JR., 0000  
ARNESHUIA P. \*BILAL, 0000  
LYNN \*BLANKE, 0000  
TAMMIE S. \*BOEGER, 0000  
VINCENT B. BOGAN, 0000  
LISA M. \*BOWER, 0000  
MICHAEL T. \*BOZZO, 0000  
CARLTON G. BROWN, 0000  
CARLA R. \*BUCKLES, 0000  
TERRIE D. \*BURGAN, 0000  
MIRTA B. \*BURGOS, 0000  
JOSEPH M. \*CANDELARIO, 0000  
CHERYL Y. \*CAPERS, 0000  
LILLIAN \*CARDONA, 0000  
AMBROSE M. CARROLL, 0000  
JESUS M. \*CASTRO, 0000  
COLEEN P. \*CHANG, 0000  
MARY T. \*CHRISTAL, 0000  
RICHARD W. \*CICHY, 0000  
MARGARET A. \*COLLIER, 0000  
ALBERT S. \*COSTA, 0000  
TAMARA L. \*CRAWFORD, 0000  
LISA E. CROSBY, 0000  
CARLA J. \*CROUCH, 0000  
DANETTE F. \*CRUTHIRDS, 0000  
KATRYNA B. \*DEARY, 0000  
FRANCISCO A. \*DELAHOZ, 0000  
RONALD D. DESALLES, 0000  
DIANA J. DESCHAMPS, 0000  
SUSAN M. \*DIAZ, 0000  
SPENCER D. DICKENS JR., 0000  
TONYA F. \*DICKERSON, 0000  
DARRELL C. \*DODGE, 0000  
STEPHANIA L. DOVER, 0000  
TERESA A. \*DUQUETTE, 0000  
JEAN \*ERICKSON, 0000  
RICHARD R. ESSICK, 0000  
MARK S. \*EVANS, 0000  
GLENN R. \*FERNANDES, 0000  
SHELIA F. \*FRANCIS, 0000  
SHERRI D. FRANKLIN, 0000  
STEPHEN D. \*FREDERICK, 0000  
LORI A. \*FRITZ, 0000  
PABLITO R. \*GAHOL, 0000  
ANITA R. \*GANZ, 0000  
DAVID W. \*GARCIA, 0000  
MICHAEL A. GLADU, 0000  
BLONDELL S. GLENN, 0000

TINA M. \*GOSLING, 0000  
MICHAEL W. GREENLY, 0000  
DOLA D. \*HANDLEY, 0000  
PATRICIA S. \*HARM, 0000  
SHAROYN L. \*HARRIS, 0000  
MICHAEL A. \*HAWKINS, 0000  
CARLOTTA S. \*HEAD, 0000  
TRACI M. HESE, 0000  
CHARLES D. \*HENKEL, 0000  
PAUL D. \*HESS, 0000  
MELISSA J. \*HOFFMAN, 0000  
CHARLOTTE M. \*HOOD, 0000  
ESTERLITTA L. \*JACKSON, 0000  
TRINI L. \*JEANICE, 0000  
EDGAR JIMENEZ, 0000  
LINDA E. \*JONES, 0000  
JOHNNIE M. \*KOCH, 0000  
CHRISTINE M. \*KRAMER, 0000  
WILLIAM L. KUHN, 0000  
FRANK LEE, 0000  
VIKI J. \*LEEFEERS, 0000  
DENISE M. \*LYONS, 0000  
JAMES A. \*MADSON, 0000  
PAUL J. \*MAHOLTZ III, 0000  
DAVID P. \*MARANA, 0000  
SANDRA I. \*MARTIN, 0000  
ANA L. \*MASON, 0000  
SUE A. \*MCCANN, 0000  
DEBORAH \*MCMULLAN, 0000  
LINDA K. \*MOORE, 0000  
BEVERLY J. MORGAN, 0000  
SHERRY D. \*MOSLEY, 0000  
PETER J. MOTT, 0000  
MICHELLE L. \*MUNROE, 0000  
KATHY M. \*NEAL, 0000  
JOHN E. \*NEUMANN, 0000  
THERESA A. PECHATTY, 0000  
WESLEY H. \*PIERCE, 0000  
BRIAN M. \*PITCHER, 0000  
LINDA A. \*POIRIER, 0000  
MELONIE G. QUANDER, 0000  
KATHERINE T. \*RALPH, 0000  
JOY E. \*REXFORD, 0000  
PHYLLIS A. \*RHODES, 0000  
CAROLYN M. RICHARDSON, 0000  
JOHN D. \*RODGERS, 0000  
LETICIA \*SANDROCK, 0000  
REBEKAH J. \*SARFIELD, 0000  
DEBORAH M. \*SAUNDERS, 0000  
SHARON U. \*SCOTT, 0000  
MARY J. \*SHAW, 0000  
DEIDRE M. SINGLETON, 0000  
ALLEN D. \*SMITH, 0000  
JUDY A. \*SMITH, 0000  
STEPHANIE C. \*STELTER, 0000  
JAMES E. \*STEVENS, 0000  
EVELYN TOWNSEND, 0000  
BARBARA F. \*WALL, 0000  
BRADLEY C. \*WEST, 0000  
MARY A. \*WEST, 0000  
DAVID O. \*WHITE, 0000  
WILLIAM G. \*WHITE, 0000  
MICHELLE M. \*WILLIAMS, 0000  
SELINA G. \*WILLIAMS, 0000  
GAYLA W. \*WILSON, 0000  
JOELLEN E. WINDSOR, 0000

## CONFIRMATIONS

Executive nominations confirmed by the Senate March 13, 2002:

#### DEPARTMENT OF COMMERCE

LOUIS KINCANNON, OF VIRGINIA, TO BE DIRECTOR OF THE CENSUS.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

#### THE JUDICIARY

JEANETTE J. CLARK, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FIFTEEN YEARS.