in front of the President, let him sign it, an energy bill that will begin to explore the resources that are available in the United States, the coal, the gas, the oil resources available to us here while simultaneously researching what is available to us in alternative resources and the use of alternative energy supplies.

That is what is desperately needed, and I hope we will begin to focus here, even for the remainder of the time we have available to us, on this issue of energy, because it is an extremely important part of this whole discussion of how we get an economy going again.

Mr. PEARCE. Mr. Speaker, in summary, I just would say that, in perspective, people in this city are saying that the tax cut is just too large, that the original figure of $726 billion over a 10-year period, that compares to $120 trillion. Mr. Speaker, we are asking for seven-tenths of 1 cent back in taxes. Economists on both sides of the aisle declare that this tax cut, this tax relief package by the President of the United States to be the boldest tax plan ever presented, that if the dividend tax is repealed, it can surge our economy upward for a 50-year period with an immediate 10 to 15 percent increase in stock prices.

□ 1800

Mr. Speaker, again, I am going to close with the comments on March 31 of this year from Democrat Governor Bill Richardson from New Mexico when he passed a tax cut in New Mexico: ''We need to stop talking about class warfare and the distribution of wealth,'' he said. ''We need to start talking about economic growth, and reducing taxes puts us on the road to economic growth.''

Mr. Speaker, I cannot say it better.

ENERGY POLICY

The SPEAKER pro tempore (Mr. MARIO DIAZ-BALART of Florida.) Under the Speaker's announced policy of January 7, 2003, the gentleman from Utah (Mr. CANNON) is recognized for the remainder of the leadership hour, which is now 20 minutes.

Mr. CANNON. Mr. Speaker, I appreciate the gentleman from New Mexico yielding his time back so that we can take a few minutes to talk about energy policy issues. I would like to immediately turn the time over to our colleague, the gentleman from Montana (Mr. REHBERG).

Mr. REHBERG. Mr. Speaker, I thank the gentleman from Utah for yielding to me on an issue that is so very important.

There is an old Chinese proverb that says, the best time to plant a tree was 20 years ago. The second best time is today. Just think back to 1979 when we were standing in line to buy gasoline, and some of us from energy-producing States said, what happened? Will this ever happen again? It happened again in the 1980s. We continually find that energy prices are going up. We find that OPEC ministers are holding us hostage, and yet this Congress and this country does not have an energy policy. Oh, it may not be the most sexy of issues, because every time the gasoline price in this country goes down, people go, whew, we solved the problem; now we do not have to deal with it.

But we do. Because there is one thing that will create a problem more than any other problem in this world in the future, and it is not the national debt that we talk about, and that is very serious; the national debt can either be solved through increasing revenue or decreasing expenditures. No, the most serious problem this Nation faces is an energy shortage. One day we will not have an opportunity to drill one more well or dig one more shovel full of coal. If we have not done the things, if we have not put in place the environment to create the next generation of energy production, then we have done more damage to the next generation, far surpassing anything else that we could have done with our financial debt.

Montana, my home State, is known as the Treasure State. Why? Because of the natural beauty, but also the natural resources that we can provide to the rest of this Nation under an energy policy. ''Oro y Plata'' is our motto: Gold and Silver. We have gold and silver, but beyond that, we have many of the things that this energy policy that we are discussing in this Congress have to offer.

A couple of the ones that are most important to my State are clean coal and clean coal technology. The energy policy talks about the opportunities. Think about the native Americans in our country. We have reservations in Montana that need economic development. Just in the Crow reservation alone, they have the potential for 1 billion tons of coal, or the Cheyenne reservation, 1 billion tons of coal.

One of the President's priorities was hydrogen fuel cell technology. We need electricity to put through the hydrogen fuel cells. How can it be created in America? Through coal. I traveled to Iceland last year. I watched them want to become the first nation to be entirely fossil-fuel free. How do they create the electricity for their hydrogen fuel cell technology? They use water, hydro, their dams. We certainly cannot do that. We need a source, whether it is natural gas or coal. Montana can fit into that, but we cannot without the incentives that are created in this energy policy. We need this bill.

Marginal well tax credit. Mr. Speaker, in Montana alone, we have 2,700 shut-in marginal wells. Why? Because they cannot afford to open them because the price of oil is so unstable that they do not know that if they open it, they will have to shut it down immediately or they will lose them. We are not talking about the major oil companies here. We are talking about independents; we are talking about Montanans, individuals who pay their income taxes that need the help. Within the energy policy there is a tax credit for marginally producing wells. It could replace as many as 140,000 barrels of oil a day, oil that we will not have to bring in from places like Iraq.

Energy debt. That is what we are looking at in this country. I brought along a picture that I want to show my colleagues real quickly. This is my home State of Montana in the year 2000. These were the fires that burned a million acres of properties, a lot on Federal ground. Unfortunately, along with that, animals burned, pastures burned. We created an unhealthy environment and rather than doing that, we ought to do what other countries and, in some cases, States that are so far ahead of this Nation are doing.

I took a delegation over to Sweden last year to look at biomass. They have cogeneration facilities where they put wood products through those generation facilities to create energy for schools and hospitals. It can be done in America. It is not being done to the extent that it could be, because we do not have an energy policy.

When is America going to wake up? When are we going to say we are not going to let the opponents stop this plan because of one issue or another? And energy policy has a never-ending, expansive environment of creating an opportunity to become energy independent to fuel the economy and to fuel ourselves into the 21st century and beyond. Without it, we are creating an energy debt, and that is not fair to the next generation; and shame on us if we do not solve the problem.

I thank the gentleman from Utah for his leadership in the Western Caucus and for giving me an opportunity to speak today.

Mr. CANNON. Mr. Speaker, I thank the gentleman from Montana for his interest, intensity, and clarity on this issue that is so important to the American people right now.

I could not help but think as he spoke that, in fact, in America, the cost of energy is as regressive as any tax could be. That is that poor people drive cars and rich people drive cars. Sometimes the cars that are driven by the rich, though the car may cost more, uses the same kind of gas or even less gas than an old beater uses. The fact is, the cost of energy is significant to the people, even in a regressive way, to all segments of our society.

We are speaking today as the Western Caucus. I want to thank the gentleman from Colorado (Mr. TANCREDO), a member of the caucus who spoke earlier, and the gentleman from New Mexico (Mr. PEARCE). I hope we can get back to him. We also are joined by the gentleman from Pennsylvania (Mr. PETERSON), who is the communications Chair for the Western Caucus and also by the gentleman from Utah (Mr. BISHOP), who is the secretary of the Western Caucus. I would like to yield to the gentleman from Pennsylvania (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. Mr. Speaker, it is great to join my friends from the West. I come from western Pennsylvania where the energy crisis started. I live 5 miles from Drake's Well, the first oil well ever drilled.

The question is, do we need an energy policy? In my view, it is the number one need of this country. There is no issue that makes this country more fragile economically or in our defense than availability of energy.

Why do we need to have a policy? We need a policy that will provide us with ample sources of all types of energy. There is no silver bullet in the energy issue. Every time we have an energy spike in this country, we then have a downturn in the economy because of the cost that takes out of our economy.

I want to share with my colleagues some numbers that are a little surprising. These are world numbers. We all think that we are just days away from new energy sources that are going to replace fossil fuels. Currently in the world, we consume 39 percent, which is oil, 23 percent of energy that is natural gas, and 23 percent that is coal. Now, when we add those three together, that is 85 percent of our energy is fossil fuel.

We have 8 percent nuclear and 7 percent renewable. Now, renewables are the ones we all hope and support and hope will be the supply of the future. But let us look at those numbers. Hydro is almost half of that 7 percent, or 3.22 percent. Wood is .0266 percent, or just under 3 percent. Wood waste is about a half a percent. When we add wind and solar together, we have just over a half a percent of the energy consumed in this country. Yet, we have a lot of people who keep talking like if we would just stop holding back wind and solar. Folks, nobody is holding back wind and solar. When the wind does not blow, we have to have a redundant source. When the sun does not shine, we have to have a redundant source. And it only blows about 38 percent of the time in the areas where wind power works. So those are not as quick a solution as many people would like to think.

Now, transportation is where we use our oil. Thirty-nine percent of our energy is oil, and the vast majority of that is an oil-based economy: our transportation system. We have a little bit of ethanol which is growing, and we have a little bit of natural gas in there. Sixty percent of the oil we purchase will soon come from foreign countries, unstable parts of the world.

Hydrogen fuel cells, I applaud the President. I have been supporting hydrogen for all of my 6 years in Congress. Hybrid cars is another one that has hope. But they are a long ways from solving the energy problems in this country.

If we quickly look at natural gas, which is 23 percent of our energy, that is home heating, commercial, industrial, and mass transit. Eighty-five percent of that is produced in this country and creates wealth from the ground to the source of use. Many of our best fields, though, in this country, and we were really putting a lot of horses on natural gas because we have added it to electric generation, are locked up. Most of the west coast shoreline is locked up, most of the east coast shoreline is locked up. Under the Great Lakes where we drilled down, do not even drill down through the lakes is locked up. Canada drills under the lakes and sells gas to us, and many of our best fields in the Midwest and all around Florida are locked up.

Electric generation is today 52 percent coal, 20 percent nuclear, 60 percent natural gas, 7 percent hydro, and 3 percent oil. So the electric that we supply in this country has basically, in recent years, all the new electric plants have been natural gas. Now, I have never been a fan of that, because we have always kind of held natural gas back for home heating, for commercial and for industrial. And we found this winter what has happened. Now that we are hooking up these big generating plants, we had natural gas prices just a month or two ago that reached $9 and $10 a thousand, which is devastating to those who depend on it for home heating.

We should be using natural gas for mass transit and short-term transportation, in my view, not for future electric generation.

I will conclude my comments with the following: every downturn in our economy has been preceded by high energy prices. Home heating and transportation, when those two costs spike, it comes right out of the family budget. Seventy percent of our economy is from commerce, and that is the same family budget. When we have energy spikes for driving our cars and for heating our homes, it will hurt our economy every time. We must have an energy policy so that we have ample energy supply in this country.

Mr. CANNON. Mr. Speaker, I thank the gentleman. I could not help but think today about some of the things that the gentleman from Pennsylvania just pointed out. When one of my staffers came in and told me that gas prices today are up to $5.70 per therm, this is an amazing amount and an amazing jump in the springtime when energy demand is down for households, but forced up by this steady demand from large production, energy production facilities.

Mr. PETERSON of Pennsylvania. Mr. Speaker, there is not ample wells being drilled in this country to continue to hook up power plants to be produced by natural gas, from all of the experts I have talked to.

Mr. CANNON. Mr. Speaker, that appears to me to be the fact of our life today, that we do not have the gas coming out of the ground.

Now, the fact is, we have lots of gas. I mean, we could probably drill 50,000 gas wells in Wyoming alone today on where we know those reserves are; and between Wyoming, Colorado, and Utah, in known reserves, we could probably drill a total of 100,000 wells that would make gas available to everybody and reduce that cost so we are not at $5.70, but back to $2 or so per therm that has been typical of the last 10 years.

Mr. PETERSON of Pennsylvania. But so much of those best gas fields are locked up.

Mr. CANNON. Yes. They are locked up by policy. I might just point out that the Constitution gives this body the control of policy. Anything the administration does is based on delegation from this body to the administration; and that is what we need to look at, and that is what this bill does. It takes great strides in turning that around so that we get that locked-up gas flowing to the homes of people who only should be paying $2 per therm instead of $5.70 per therm.

Mr. PETERSON of Pennsylvania. Mr. Speaker, we only can import gas from Mexico and Canada. We can import it from ships, but we only have two ports that can take liquefied natural gas, so we are really limited. We are dependent on what we can drill.

Mr. CANNON. Mr. Speaker, I think we are in fact dependent for heating our homes with gas on the gas we produce here incrementally in America.

Mr. Speaker, I yield to the gentleman from Utah (Mr. BISHOP).

□ 1815

Mr. BISHOP of Utah. Mr. Speaker, I thank my senior colleague from my home State of Utah for yielding to me.

Mr. Speaker, the gentleman and I have been here 3 months. In that time, I have found nothing more exciting than what I wish to speak about today, the potential of an Energy Security Act of 2003.

This country has been for far too long without a comprehensive energy program. With energy prices rising and our dependence on foreign oil, we need to find a domestic source of our potential future energy. What this Congress needs to do to solve this problem and also to eliminate a future crisis is to look to the lands that are already controlled by the Federal Government.

In the coming days, Congress will have the opportunity to debate the Energy Security Act of 2003. Within this critical bill is the authorization allowing drilling in Section 1002 of the Alaska National Wildlife Refuge.

Now, contrary to popular belief, this is not the pristine cathedral of the wilderness or the last great unexplored frontier; it is thousands of acres of frozen tundra, uninhabitable, with its greatest summer crop being mosquitoes.

More importantly, when Congress created this ANWR, we realized that within that there was the great potential for oil. We specifically put a portion of it, the portion in green on this map, aside for future oil exploration for the needs of this particular country.

This section, known as 1002, it is noted, is not all to be used for oil development, only 2,000 acres within it. Let me try and explain what that means.

ANWR is approximately the size of the State of South Carolina, yet, within the northern portion of that, the area in red is the only portion we are talking about, a grand total of 2,000 acres, about the size of the footprint left by the airport in this city.

If we did another analogy, if we can consider a large conference table, we are talking about drilling in an area the size of a postage stamp. That is not, that is not an area that is going to despoil the future. Its disturbance is negligible.

This area does not have, as some critics have said, only 6 months' worth of oil. We are looking at an area that has between 5.7 billion and 16 billion, B, with a B, billion barrels of recoverable oil within ANWR. If Members consider that within every day we import 10 million barrels, we can recognize that clearly this would go a long way as we compare the potential of ANWR to our other sources of foreign oil in providing the kind of natural domestic security that we desperately need.

This cannot be minimized, it cannot be brushed aside. This is a crucial element of the puzzle. It is a crucial element for the long-term viability of our Nation and our energy.

One last point, very quickly. In addition to oil for the future energy needs of this country, we are producing spin-off jobs in almost every State of this Nation. These statistics are somewhat old, I have seen them elevated by as much as 20 percent, but we could produce between 500,000 and 700,000 jobs in this country. Can Members imagine what 500,000 to 700,000 jobs would do to spur this economy, well-paying jobs, in addition to the energy independence?

There are two elements we need, stability and predictability of our source of energy. That is what will spur the future. That is what will give us our independence, our independence from foreign oil and our security at home.

Mr. CANNON. Mr. Speaker, I thank my friend, the gentleman from Utah, and I would like to thank all my colleagues from the Western Caucus for the relatively short time we have taken on the floor today. I can assure my colleagues we will be back in future special orders, trying to flesh out for the people of America these issues and how important they are to the future of America, to the future of jobs, half a million jobs based on a decision made by this body whether or not we will open up a small area in Alaska for drilling. I think that is an important issue.

The gentleman from Utah did a little magic trick with the chart and made it disappear for a moment. There is no magic, there is no magic for solving this problem of energy in America. We need to deal with the realities of these policy issues. We need to get away from demagoguery and toward the very important issue of the price of gasoline for our cars, the price of gas for heating our homes, the price of energy for running our factories and creating jobs for the American people.

VETERANS AFFAIRS

The SPEAKER pro tempore (Mr. MARIO DIAZ-BALART). Under the Speaker's announced policy of January 7, 2003, the gentlewoman from California (Ms. WATERS) is recognized for 60 minutes as the designee of the minority leader.

Ms. WATERS. Mr. Speaker, I rise today to address an issue that some of us started to talk about last week. Mr. Speaker, last week 11 Members came to the floor to speak about the deep cuts in the President's budget. After we made our presentations on the floor, we were inundated with calls by veterans from all over America. They called us, they wrote us, and they are asking Members to join us. They want us to make a special appeal to our Republican friends, to the President, not to cut veterans services.

We are back here tonight. I have more Democratic Members who have joined me. They have come to the floor this evening to appeal to our Republican colleagues and to the President not to cut the veterans budget.

The budget is supposed to outline the Federal Government's priorities for the next year. Apparently, some of our colleagues have decided that their priorities are massive deficits, huge tax cuts that benefit only the most privileged, and drastic cuts to government programs that millions of people depend on. While the Republican budget did not include a dime in funding for the war in Iraq, it did cut the Department of Veterans Affairs by $25 billion.

Mr. Speaker, on the same day that the President of the United States sent our soldiers into war, the Republicans in Congress pushed through a budget that slashed the very programs that our soldiers will count on when they return from their mission. This is unacceptable. I believe that we must live up to our duty and support the men and women who fought throughout our Nation's history to protect our freedom.

However, it seems that many of our colleagues have forgotten the promises we made to our veterans when we sent them to war. This budget, the President's budget, has slashed government spending so that veterans are being impacted in the most unusual and negative way.

The cuts that the veterans are being forced to take are simply unkind and unfair. For example, in January of 2003, Mr. Bush cut off access to the VA health care system for approximately 174,000 veterans. Specifically, the President announced that new VA care would no longer be available to so-called ''Priority 8'' veterans who are not already enrolled in the VA system; that simply means veterans who earn about $24,000.

It is ironic that the President announced this cut on the same day he did a photo op at the Walter Reed Army Medical Center, touting veterans care for vets of the Afghanistan conflict.

It is also ironic that the President was touting care for the veterans of the Afghanistan conflict when we are still, in our districts on a daily basis, responding to the cries of veterans who served in the Vietnam-era War and who served in the Persian Gulf War, veterans who still are not able to access their benefits. We are still dealing with veterans who have been inflicted with all of the diseases that come from the exposure to Agent Orange and other kinds of exposures.

In July of 2002, the President had the Veterans Affairs Department direct all VA regional directors to stop, stop, all marketing activities to enroll new vets in the VA system. This was an effort to curb VA expenditures by not letting the public know about available services. According to several major veterans groups, the President's budget last year fell $1.5 billion short of the inadequate funding that was exhibited in that budget.

THIS YEAR'S BUDGET

So it should not come as a surprise when our President or his party short-changes our veterans, yet again. History has shown that they will.

But Republicans decided that what they have done over the past couple of years was not enough. So when they drew up the Fiscal Year 2004 budget they called for even greater cuts to the Department of Veterans' Affairs. The budget will cut $844 million from health programs next year.

In addition, the budget called for increased co-payments for pharmaceutical drugs and primary care that veterans need—something that used to be provided for free.

And mandatory spending would be cut by 463 million—this year alone. This means that the Montgomery GI Bill education benefits, vocational rehabilitation, and subsidies for VA home loans will be cut.

The Republicans even cut funding for headstones, markers and flag for deceased veterans.

Nor does the Republican's budget provide additional funding for the Homeless Veterans Comprehensive Assistance Act which is a comprehensive effort to eliminate chronic homelessness among veterans within a decade.

I would like to share with you two quotes that I think highlight the anger that many veterans felt after they saw the Republican Veterans' budget.

The first is from John Keaveney of New Directions, Inc, a veterans group located in Los Angeles. He says: ''To propose cuts in VA nurses, doctors, hospitals and other important services to veterans at a time of war feels to many veterans like an act of treason. . . . It seems inexcusable at a time like this to virtually tear up the agreement America has had with veterans for more than 100 years which is to care for those who have borne the brunt of battle.''