

is a cartel of oil-producing countries that meets and decides how much oil to produce and thereby control prices. They make no pretense of having a free market system. They don't obey the laws of supply and demand. They gather together and set production, which determines prices.

As a former prosecutor, I call that kind of behavior "collusion." It is illegal in our country. But the members of OPEC are foreign governments and so far they have gotten away with it.

As oil exporting nations, the members of OPEC could provide us with some relief. They have the spare capacity to increase production of oil and ease the pain being felt by American consumers and businesses. But OPEC recently met, as you know, and decided not to increase production, at least until the fall, after the summer driving season.

Not only that, Saudi Arabia has actually decreased production since 2005. So I have joined with my colleagues, Senators SCHUMER, DORGAN, and you, Mr. President, in calling on the President to demand that OPEC nations increase their oil production to provide American consumers and businesses with much needed relief.

Think about it: This country spends \$600,000 every minute on imported oil. That is money leaving the pockets of American drivers going into the coffers of foreign countries. By refusing to step up production, OPEC nations are saying we don't think prices are too high yet; we want them to go even higher.

I don't think that is right. It is time this administration stepped up and did something about it. If we are going to be doing business with Saudi Arabia and some of these countries, this administration should have the leverage to push for more oil from OPEC.

Another short-term solution: Current prices are simply not justified by supply and demand. The administration likes to tell us nothing can be done, that it is a case of supply and demand. But that answer does not hold true any longer. Listen to what the oil company executives themselves have to say about this matter.

On October 30, 2007, the CEO of Marathon Oil said:

\$100 oil isn't justified by the physical demand in the market.

That is exactly what he said:

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Let's look at what another CEO said. Here we have the CEO of Royal Dutch Shell. The CEO of Royal Dutch Shell said:

The oil fundamentals are no problem. They are the same as they were when oil was selling for \$60 a barrel.

On April 1, a senior vice president of ExxonMobil testified before the House that the price of oil should be about \$50 to \$55 per barrel. He said:

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That was April 1, 2008. I note that is April Fool's Day, but he did say the price of oil should be about \$50 to \$55 per barrel. Why is it trading at \$118? If supply and demand doesn't explain the high price, what does?

According to the experts, there is a frenzy of unregulated market speculation in the oil futures market that is driving prices up to record highs. I would like to share a quote from an energy market analyst with Oppenheimer who was recently named by Bloomberg as the top-ranked energy analyst in the country. He said:

I'm absolutely convinced that oil prices shouldn't be a dime above \$55 a barrel . . . Oil speculators include the largest financial institutions in the world. I call it the world's largest gambling hall . . . It's open 24/7 . . . It's totally unregulated. . . . This is like a highway with no cops and no speed limit, and everybody's going 120 miles per hour.

That makes you feel good. It makes the people filling up their gas tanks paying that nearly 4 bucks a gallon feel good, like a gambling hall.

Why are these trades in a commodity as vital as oil unregulated? Back in 2000, a provision was inserted into the Commodity Futures Modernization Act that exempted electronic energy trades from Federal regulation. In the absence of oversight, what was once a small niche market became a booming industry, attracting rampant speculation from hedge funds and investment banks. Oil and natural gas prices became volatile. The provision has become known as the Enron loophole because it made possible the many abuses that triggered the Western energy crisis and cost the economy \$35 billion and nearly 600,000 jobs.

The Federal Government has a critical role to play in conducting aggressive oversight of changing energy markets. History has shown us that when enforcement is lax, consumers ultimately pay the price.

Simply put, we need to close the Enron loophole and strengthen Federal oversight of energy trading. I am pleased to say my colleagues, Senators FEINSTEIN and LEVIN, have succeeded in including this provision in the farm bill. It is another reason we need to get the farm bill done.

I commend my colleagues, Representative COLLIN PETERSON, from Minnesota, and Senator HARKIN and Senator CONRAD for getting this provision done.

A final short-term solution. After the collapse of Enron, the President formed a Corporate Fraud Task Force at the Department of Justice. The task force has since produced more than 1,000 convictions by aggressively pursuing corporate fraud under existing law. What this shows us is good laws in and of themselves are not enough. We need enforcement. We need a cop on the beat. Any prosecutor can tell you that. That is why I joined my colleague, Senator CANTWELL, in calling on the President to establish a new division of the Corporate Fraud Task Force specifi-

cally to apply to energy markets. This new Oil and Gas Market Fraud Task Force would allow us to focus combined efforts of the Department of Justice, FTC, SEC, and the Federal Energy Regulatory Commission.

In conclusion, the cost of energy is hurting Americans from all walks of life and businesses. I don't think we need one silver bullet. As we say in my State, we need a silver buckshot. We need a bold energy policy, first of all, in the short term, that focuses on temporarily suspending deliveries of oil into the Strategic Petroleum Reserve, that pressures OPEC nations to increase oil production, that closes the Enron loophole to eliminate that speculation, and to establish the DOJ Oil and Gas Market Fraud Task Force.

Then we need for the long term—Mr. President, you know this well we need to increase vehicle fuel efficiency, make a national commitment to generate electricity from renewables and invest in research in cutting-edge technologies for alternative fuel vehicles and renewable energy sources. This is what we need to do.

The time is now for Congress to take strong steps toward creating that bold energy policy. Americans are depending on us.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I thank Senator KLOBUCHAR for her comments. I agree with so much of what she had to say. When you go out and talk to real people and see the impact on their lives of these huge prices, you begin to analyze where we are.

Ms. KLOBUCHAR. Mr. President, I ask the Senator if he will withhold. I think the plan is that I am to end the session and he is to speak.

Mr. SESSIONS. That sounds fine to me. I did not hear that. I yield the floor, before I complete bragging on the Senator's comments.

Ms. KLOBUCHAR. Mr. President, I thank my colleague for his kind words.

MORNING BUSINESS

Ms. KLOBUCHAR. Mr. President, I ask unanimous consent that the Senate proceed to a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

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

50TH ANNIVERSARY OF THE UNIVERSITY OF NEVADA, LAS VEGAS

Mr. REID. Mr. President, this year marks the 50th anniversary of the University of Nevada, Las Vegas, UNLV. In 1957, UNLV was born as an extension of the University of Nevada, Reno, to accommodate the rapidly growing population of Las Vegas.

The first classes were held in the dressing rooms of Las Vegas High