environmental review. What we cannot dispute is that the impact on jobs and the Nation's economy has been quite severe, nor can we deny that the White House has effectively continued the ban even after its time was up and the review was complete. It was only after the courts got involved and months of political pressure from both Democrats and Republicans that the administration reluctantly began issuing new permits months after the ban was supposedly lifted. And even as gas prices hover around $4 a gallon, permitting is still well below prespill levels and energy production in the gulf is expected to slow.

Senator VITTER tells us that the administration's anemic permitting in the gulf for domestic energy production threatens nearly 100,000 jobs every year in addition to the many thousands of jobs that could be lost every year in industries that are related to or are dependent on energy. Senator VITTER has also told us about one estimate suggesting that 23 wells per month are needed just to maintain current production levels in the shallow waters of the gulf and that even after the moratorium was supposedly lifted, the administration has averaged fewer than 2 per month.

As for deepwater drilling, the administration has issued a grand total of two new deepwater permits—just two. The other 13 have been for work that was already permitted prior to the moratorium.

The administration's lack of support for energy production in deep water has led to five rigs simply pulling up stakes over the past year and moving their tax dollars and their workers elsewhere in the world. This is just one of the ways the administration is holding back job creation in the energy industry. This is to say nothing of the administration's actions with respect to Alaska's Outer Continental Shelf, which, according to one estimate, could create an average of 54,700 new jobs annually for decades, adding billions in pay and tax revenue.

Let's not forget that the administration's impact would be even worse if it had its way and raised taxes on energy producers, which would have only served to strengthen foreign competitors, raise gas prices even more, put energy independence further out of reach, and kill more American jobs. By one estimate, the energy tax Democrats still want to impose on energy producers could cost 154,000 jobs and $68 billion in lost wages.

For 2½ years, Democrats in Washington have paid lipservice to the idea of job creation even as they have pursued an agenda that is radically opposed to it. We can see this when it comes to trade, as I indicated yesterday, and we can see it when it comes to energy, as I have discussed this morning. Unless Democrats change their priorities and their policies, the threats of a downgrade will not go away. The debt will not get any smaller and businesses will not create the kinds of jobs Americans need. The President can talk all he wants about the economy, but it is time he starts looking at the impact of his own policies on the economy.

We need to change course, and a good place to start is with trade and with energy. American businesses want to expand and want to hire. Here are two areas where we can help them do it right now.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. JOHANNS. Madam President, I ask unanimous consent to speak for 15 minutes.

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

THE EPA

Mr. JOHANNS. Madam President, I rise today to talk about something that is on the minds of our agricultural producers. In meetings in my home State, across Nebraska, it seems the first question is always going to be or the second question is always going to be something related to the EPA. Most of the time, the question goes like this: What is going on at the EPA? Why are they trying to put me out of business?

In response to this growing concern, which I am confident the EPA has heard, they have taken to the road with a good old-fashioned charm offensive. The problem is, what the EPA is selling publicly to farmers and ranchers—what they are trying to sell—just doesn't match up with reality. They say one thing on the road while the regulatory train just continues to barrel forward, right here in Washington. In fact, the EPA Administrator is touring the country, community after community, saying not to worry; there is no need for ''. . . fear in rural areas that EPA is coming after you.'' Yet the regulations continue to come after our Nation's farmers, ranchers, and small businesses, and those regulations are coming fast and furious. Even the Regional Administrator with responsibility for Nebraska and Iowa and Kansas and Missouri has joined the charm offensive. In a recent speech to the Agricultural Business Council of Kansas City, he has said that he does not ''see where this administration is doing anything new.''

But, quite simply, the EPA's charming rhetoric does not match up with its rule-by-rule intent. If I might, let me illustrate what I mean. Let's talk about dust—not the stuff you find on your bookshelf but the stuff a truck kicks up or a tractor kicks up when it is going down a field or farm lane. Earlier this year a bipartisan group of 33 Senators wrote to the EPA. We were worried. We were worried that the EPA had plans to regulate farm dust. Don't get me wrong. Clean air is a good thing. We need clean air, but dust is also unavoidable in farm country. Farming without kicking up dust is like asking a carpenter to cut and frame a house without creating sawdust. Well, it just doesn't happen. The two things do not go together. Not to worry, says the EPA, message No. 1 in the charm offensive; the EPA does not have any plans to do anything as silly as regulating farm dust. In fact, on March 10, Administrator Jackson noted that EPA has, and I am quoting, ''no plans to do so.'' He went on to explain:

> EPA staff is conducting meetings to engage with and listen to farmers and ranchers well before we propose any rule.

My goodness, that sounds reasonable. Well, except that the response letter that the 33 Senators received from the EPA contained an entirely different story. That letter, written by Assistant Administrator Gina McCarthy, simply said that the source of the dust does not matter and that EPA cannot consider costs when it sets the standard.

Here is how she put it: National air quality standards ''are not focused on any specific category of sources or any activity including activities related to agriculture or rural roads.''

McCarthy further noted that ''the Agency is prohibited from considering costs.'' The letter leaves my Nebraska producers and producers all across this great Nation wondering, what happened? What happened to the EPA Administrator saying she wasn't going to regulate farm dust? This letter sends the exact opposite message. The answer is there is a public relations effort, and then there is a whole separate effort called the charm offensive effort, and then there is regulatory reality.

Here are some more examples. On water quality, on April 20, the Des Moines Register headline blared message No. 2 of EPA's charm offensive: ''EPA chief has no plans to regulate farm runoff.''

Well, EPA was addressing another worry in the farm community that EPA would shift from the current State-based approach to a more heavy-handed ''Federal Government knows best'' approach. It will be our-way-or-the-highway Federal Government type approach.

So, again, after reading the headline, farmers and ranchers hoped that maybe the EPA was taking a turn for the more reasonable. But a March 16 letter from EPA to their regional offices once again tells a very different story. The letter lays out a very specific framework how EPA wants States to regulate runoff. While the headline says the EPA will not initiate regulation of farm runoff, in reality they are aggressively prodding States to do it for them.

If that weren't enough, the agency is also trying to expand their authority literally to every irrigation ditch, every low-lying area, and they even want to regulate your farm pond. The law is very clear that EPA does not have authority over these waters. After

Congress refused to enact this expansion of their authority, the EPA decided, well, let's plow ahead anyway regardless of congressional intent. Does that sound familiar with this administration?

To make matters worse, they are not doing this through a full rulemaking process with those pesky public comments and such. Instead, the EPA sat down with the Corps of Engineers, the Department of Interior, and the U.S. Department of Agriculture, and issued a so-called guidance document. That happened in May. EPA claims this approach includes exemptions for agriculture, but the whole story is not told.

Instead, it says irrigated areas, stock tanks, and low-lying areas are ''generally not waters of the U.S.'' Generally? What do you mean by generally? Well, that word ''generally'' produces a tremendous amount of uncertainty. It creates fear. It creates confusion and gives farmers and ranchers zero peace of mind. You see, they do not trust the EPA.

Further, the guidance shifts the burden of proving exemption from regulation to our producers. Instead of EPA or State regulators being forced to explain why on Earth agricultural producers should be subjected to such regulations, producers will now have to explain why it is ridiculous to regulate their stock tanks in irrigated areas under runoff regulations. This will result, of course, in increased permitting costs, paperwork, and other redtape, and it is far from farmer friendly.

Yet the FDA exemptions for agriculture do not end there. Let us not forget EPA's backdoor energy tax where EPA is promising farms and ranches an exemption. EPA is once again lulling farmers to complacency by sending this message: do not worry; we are not going to force you to buy permits. To quote the EPA Administrator, ''EPA is proposing reducing greenhouse gas emissions in a responsible, careful manner and we have even exempted agricultural sources from regulation.''

Producers, quite justifiably, heard the words ''exempted agriculture'' and may have thought: we are going to be OK here. The reality is far different and very definitely a course has been set that should concern every single farmer, rancher, small business person in this great Nation.

The American Farm Bureau put it best in testimony to the House Energy and Commerce Committee. I am quoting:

> Any costs incurred by utilities, refiners, manufacturers to comply with the greenhouse gas regulatory requirements will be passed on to the consumers of these products including farmers and ranchers. As a result, our Nation's farmers and ranchers will have higher input costs—namely fuel and energy costs—to grow food and fiber and fuel for our Nation and the world.

So picture this: A Nebraska farmer gets the electric bill, calls up the power company and says, whoa, wait a minute here. EPA told me its climate change efforts were not going to target me. In fact, they said I was exempted. So why am I paying so much more?

Unfortunately, they are going to have the same conversation with the diesel supplier, their fertilizer retailer, and the local gas station where they fill up the pickup and truck.

The EPA promise of exemption will, unfortunately, meet the reality of dramatic increases in input costs. EPA's reassuring words about an exemption will turn out to be absolutely empty, misleading, and absolutely 100 percent unhelpful when the electricity and diesel bill come due. But the public relations effort and charm offensive marches on. It even includes an Executive order titled ''Improving Regulation and Regulatory Review,'' issued by the President in January. Isn't that enticing?

The directive instructs each Federal agency to consider ''how best to promote retrospective analysis of rules that may be outmoded, ineffective, insufficient or excessively burdensome.''

According to the order, ''our regulatory system must protect public health, welfare, safety and our environment while promoting economic growth, innovation, competitiveness and job creation.''

My goodness, that is all of the right words. Once again, it sounded as though we are headed in the right direction. But then, in April, an EPA official stated that the Agency—this is remarkable—the Agency was unaffected by the President's Executive order because they do not propose rules where costs exceed the benefits. However, the same official admitted that the Agency does not consider direct job impacts in its economic analysis. Can anybody figure that out?

These two statements obviously conflict. EPA's actions in drafting several of these costly, excessive burdensome regulations fail to meet the goals of the Executive order issued by the President of the United States, but their public relations campaign speeds forward.

Back home in Nebraska, as in other States in this great country, we make agreements on a handshake, because we believe if you shake somebody's hand, you can trust them. That is the way it works. Unfortunately, within the bureaucratic walls of the EPA, that is not the case. Instead of spouting charming verbiage about the benefits of increased regulation, EPA should be looking for ways to work with farmers and ranchers and small businesses to find solutions to environmental challenges while creating jobs for Americans who are out of work.

After all, the men and women who depend on the land to feed their own families and to feed us are responsible stewards of the environment. Unfortunately, based on what we have seen over the past couple of years, EPA used agricultural producers as offenders, not partners. EPA's shift into campaign mode to appear farmer friendly is disingenuous. They rolled out this charm offensive to make it sound as though they were farmer friendly.

Let me wrap up by saying, why not just do it? Be job friendly, farmer friendly, agriculture friendly.

Thank you, Madam President. I yield the floor.

The ACTING PRESIDENT PRO TEMPORE. The Senator from Alabama.

THE ECONOMY

Mr. SESSIONS. Madam President, I appreciate my colleague's remarks about the agricultural community. I am certainly hearing that, and one of the very real factors in our inability to create jobs in America is the surging regulations that burden the private sector including the agricultural community. Mr. Bernanke, the Chairman of the Federal Reserve, was asked about that yesterday. He said no study had been done about it, talking about the banking regulation primarily. We need to do more about that and face the reality that that is so. Last week's economic numbers were not good. They were very troubling. We saw an increase in unemployment. We saw a decline in consumer confidence. We saw a decline in manufacturing in the Midwest—a key area of our country for manufacturing. A number of factors were noted during that period which were not good. I guess it is part of an accelerated decline in the stock market, which is down 5 percent, maybe 6 percent, after 5 consecutive weeks of decline, and the Senate has gone 770 days without passing a budget. It is a fundamental responsibility of this body, required by statute, that we pass a budget. The date is April 15—and April 1 to commence hearings in the Senate—and we have not met that responsibility. In fact, we haven't even had a markup in the Budget Committee to commence considering a budget. Our Democratic leader, Senator REID, the majority leader in the Senate, has stated it would be foolish to pass a budget. By that he means politically foolish for the Democrats because they are enjoying trying to attack the House Members who passed a responsible, long-term budget that changes the debt trajectory of America. Instead of trying to do the same thing, they just attack the House budget and produce nothing of their own.

The American people are rightly worried about our debt. They are worried about our economy. They are worried about overregulation. They are worried about the lack of jobs.

This week, Austan Goolsbee, the senior economic adviser to the President, announced he would be resigning his post this summer. His departure is just the latest in a trend of top economic advisers abandoning the administration over the course of the 2-plus years since the passage of the failed $820 billion stimulus package, every penny of which was borrowed. The idea was to send out money and somehow artificially create a stronger economy. It