

are dedicated to new forms of energy want to see that.

So the President stands before the green and the blue posters and promises while, at the same time, his people are here on Capitol Hill making sure that not one penny will be provided to meet the President's promises.

Mr. Speaker, there is something else subliminal about those blue posters, and that is, and I hesitate to say this, Californians will be very blue when they review, will be singing the blues when they see their electric bill.

□ 2030

But what Californians have to understand is if their electric bill is double, that does not mean that these wholesale gougers are only getting double a fair price. Sixty percent of the energy we use in California is regulated, so 60 percent of our bill is made up of electrons sold to us at a fair price. Forty percent is what we are getting from these gougers. Yet, our bill is double. That is because 60 percent of the energy we are buying at a fair price and 40 percent we are buying not at double but at triple or quadruple the fair price.

Now, we might think that means triple or quadruple profits. No, profits is what is left over when we pay our expenses. If we are able to jack up the price by a factor of three or four while the expenses are not affected by the gouging activity, then the profits might be going up by 800 percent, 1,200 percent.

That is indeed what is happening for a few huge corporations based in Texas who are, with such a powerful friend in the White House, able to avoid commonsense rate regulation on the electricity they are selling in California.

Mr. PALLONE. Mr. Speaker, I know we only have a couple more minutes, so I am going to try to wrap up. If the gentleman from California would like to add to this, please do not hesitate.

I just wanted to point out, I started out this evening by saying that actions speak louder than words. Really, I think that describes what we are seeing from this administration and from the President. We are seeing a lot of rhetoric about conservation and no action.

The gentleman talked about the budget. Two things I wanted to mention. We know that renewable energy programs were slashed by 50 percent in the President's budget proposal. But what he did in his energy plan that he came out with last week, and I think it is really hypocritical and really outrageous, he recommended the creation of a royalties conservation fund. This fund would provide money in royalties from new oil and gas production in the Arctic National Wildlife Refuge to fund land conservation efforts, and it would also pay for the maintenance backlog at national parks.

So what we are basically being told is that we have to destroy the wilderness, the Arctic wilderness, in order to protect the national parks, or to provide money for other land conservation efforts. I just think it is a slap in the face to any conservation or environmental efforts to suggest that that is the way we are going to fund these things, and then just go ahead and cut all things in the Federal budget.

I think the only thing we can do is to continue to speak out, as the gentleman has so well done. I know the gentleman is probably going to be back again tomorrow night or another night this week, and I plan on doing the same thing, because we have to get across to the public that as much as the President has a lot of rhetoric about conservation, his energy policy really is a disaster for the environment, and is not going to do anything, either long-term or short-term, to deal with the problems that we face now with gas prices or blackouts. Does the gentleman wish to add anything else?

Mr. SHERMAN. I thank the gentleman for his leadership on this issue, especially because his State is not facing quite the disaster we are facing in California.

I think it is simply outrageous that we in California are prevented from having the kind of rate regulation at the wholesale level that we all want, that we so desperately need, and that we are precluded from having by Federal preemption.

Mr. PALLONE. Mr. Speaker, we will continue until we get that opportunity. I want to thank the gentleman again.

CORRECTING RECENT MISSTATEMENTS MADE ON THE FLOOR REGARDING PRESIDENT BUSH AND THE ENERGY CRISIS IN CALIFORNIA

The SPEAKER pro tempore (Mr. GRUCCI). Under a previous order of the House, the gentleman from California (Mr. ISSA) is recognized for 5 minutes.

Mr. ISSA. Mr. Speaker, I rise not just in opposition but in absolute dismay that for the last hour my colleagues have spoken so many disingenuous statements that I absolutely had to come to the well. I did not plan on speaking today. It was only watching this from my office that made me realize how important it was that somebody come here without a prepared speech but with a few of the facts that can set the record straight.

First of all, I think the most important one is when Members start to talk about dollars given to the President, they should be very careful not to say they came from companies. In fact, President Bush accepted no soft dollars. He did not receive a single penny from the utility companies, as was alleged, or from any other companies.

My colleagues simply looked at the employers of individual contributors,

or the sources of employees, individual employees from PACs who gave to President Bush. If we went to the other side, any of the other candidates, we would find the same. It is wrong to talk about money as being tainted when it comes from individual Americans, as every penny President Bush received did.

Additionally, my friends forget to note that Governor Gray Davis showed an absence of leadership for 2 full years on this subject, and President Clinton showed an absence of any regard for California as our prices skyrocketed. It was only when President Bush was sworn in that the FERC, under his leadership, began ordering price rollbacks and refunds for excess charges.

More importantly, I am here to speak for the President, not because I have his permission, but because he will not speak for himself. He will not defend himself. He has led both sides of this aisle, and refused to disparage those who disparage him.

President Bush has made an unprecedented reaching out to the other side to ask for what they want done, and he has tried to grant every single request he could. In the President's first 100 days, he invited Republicans and Democrats to the White House on more than ten occasions. Once, the entire House was invited.

One of the most heinous of all lies that was told here tonight, maybe unintended but certainly untrue, was that these prices have skyrocketed. When they quote the prices that are available on the spot market, they quote the last kilowatt, the last megawatt, that was purchased on a daily basis.

I think it is only fair that the people of California and of Oregon and of Washington recognize that these companies that deliver power now have the power to lock in long-term rates again. Those companies in California, such as the city of Los Angeles and other municipal authorities, enjoy much lower prices because they have long-term commitments and buy very little on the spot market.

Even today, most of the private power under the Governor's control in the State of California is bought on the spot market. Once the Governor shows the leadership to get those long-term contracts in place, those contracts are at dramatically lower prices, nearly where they should be.

There was a claim here tonight of criminal collusion, of conspiracy. I challenge my colleagues here tonight to find any evidence of that, and if they do, I will challenge the administration and the Attorney General to prosecute. But to simply sit on the floor and claim that unlawful behavior is going on is intolerable.

The President in his first 100 days has taken on conservation, and in a big

way. The President has announced that, unlike the previous administration that for 8 years did not improve CAFE standards a bit, that he will improve vehicle economy, fuel economy, and environmental standards, if for no other reason than that it is the right thing to do.

He has announced that SUVs in the near future will no longer be exempted, as they once were. They will not be treated as light trucks, they will soon be treated as automobiles, thus bringing an end to one of the most illogical growths in gas guzzlers ever to face America.

I have little time here tonight, and so much that I could rebuff. I wish I could go on longer, because the people of California need to know and need to hear that lower prices will come from leadership, which has not been shown in California and has been shown in Washington.

THE TRUTH ABOUT CALIFORNIA'S ENERGY CRISIS AND THE DEATH TAX

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes.

Mr. MCINNIS. Mr. Speaker, I appreciate the comments just made by the gentleman from California.

I cannot believe the comments that I heard in the last 30 minutes from the gentleman from New Jersey (Mr. PALLONE) and the gentleman from California (Mr. SHERMAN). I have great respect for the gentleman from New Jersey (Mr. PALLONE). He and I have shared this floor many nights on special orders. I have never heard the kind of comments that I heard this evening from my colleague, the gentleman from New Jersey. Let me quote exactly what he said.

Referring to the President of the United States, the gentleman from New Jersey (Mr. PALLONE) said, "The only reason that the crisis exists is because," referring to the President, "he is getting special-interest money."

If the gentleman from New Jersey is suggesting, and I am not sure, I do not think he is, I think this is way below the gentleman from New Jersey; the gentleman from New Jersey is, in my opinion, a man of great integrity; but if he is suggesting that the President of the United States has accepted bribes from an oil company, he has an inherent responsibility, in fact, he has a fiduciary responsibility, to tomorrow morning go immediately to the Federal Bureau of Investigation and to the U.S. Attorney's Office and present the evidence that he has against the President of the United States for bribery.

Short of that, he should never, ever make those kind of remarks on this House floor, at least in my presence.

There was no justification whatsoever, and I second the gentleman's remarks.

This floor is an exercise of freedom of speech. This floor, Mr. Speaker, is for us to debate among each other. I know that tempers get short once in a while. I know we all believe intensely in our positions. But before Members allege what is considered to be a high crime, to me almost equal to crime of treason, and that is acceptance of a bribe, Members darned well better have their evidence before they do that to a colleague or to a President of the United States. That evidence, in my opinion, is not in existence.

Let me conclude those comments by telling Members once again, I do not think that is what the gentleman from New Jersey intended. It is what he said. I do not think that is what he intended, because, as I said earlier, in my opinion, the gentleman from New Jersey, while I rarely agree with him, I consider him a gentleman. I consider him professionally to be a man of integrity. But his comments this evening were out of order.

Now let us talk about the gentleman from California (Mr. SHERMAN). Of course, the gentleman makes these remarks because he is un rebutted for an hour. The gentleman from California (Mr. SHERMAN), all of us, we know on my side of the party we have some very partisan politicians. On the Democratic side of the party, the gentleman from California (Mr. SHERMAN) is among the most partisan politicians in these Chambers.

Now, there is nothing wrong with that. But I ask Members not to come to these Chamber floors and pretend, or we should be very clear so we do not pretend exactly where a person's position is politically. The key here is to plan for the future of California. The key is not to spend one's entire time up here trying to insinuate that the President, and let me give a few quotes from the gentleman, that they want to eliminate conservation.

I defy the gentleman from California to show me one Congressman, Republican or Democrat, show me one Congressman who wants to eliminate conservation. Just show me one, I say to the gentleman from California (Mr. SHERMAN). There is not anybody on this House floor, there has never been anybody on this House floor, and I doubt that there is ever going to be anybody on this House floor that wants to eliminate conservation.

That is the kind of exaggeration that creates the partisan battles, or certainly does not move us forward in a positive direction to plan for California's future.

Now let us talk about the accusations that somehow President Bush is responsible, because after all, he has been in office 120 days or something, a little over 100 days, that somehow he is responsible for the problem in California.

I say to the gentleman from California (Mr. SHERMAN), he sounded like a defense attorney this evening: Blame everybody; make sure the gentleman's client is protected and without blame, but blame everybody else. We are not going to get anywhere around here doing that.

Let me point out, there are 50 States in this union. There is one State suffering rolling blackouts, one State. It is California. There is one State in the last 10 years that has refused to allow electrical generation plants to be built in their State. That is California. There is one State in the Union out of those 50 States that has refused to have natural gas transmission lines. It is California. There is one State that allowed deregulation, allowed the price caps to come off electrical generation companies. It is California. Now they are beginning to reap some of what they sowed.

I heard comments, and let me find it here, that we have been told, apparently by the administration, we have been told to do everything possible to make California suffer. I say to the gentleman from California, I do not know one person on this floor, Democrat or Republican, that really, truly wants California to suffer.

I know a lot of Congressmen like myself that would like the leadership, the Governor of California, to quit blaming everybody else and to help pull himself up by his bootstraps. But I do not think anybody in here has said California ought to suffer. We want California to learn from its lessons, and frankly, we are all learning from the mistakes California made with deregulation. We are all learning from that. There would have been other States that would have deregulated, but they did first, and there are some problems with it.

□ 2045

What we wanted to do with California is help, but you cannot help shift all the blame to Washington, D.C., California, should not be the solution for your problems. In California, you need to lift yourself up. You need a governor who is willing to say, all right, we will put in generation facilities. All right, we are going to have to pay the price, even though it is expensive. We are going to have to pay the price to allow electrical generation plants to go in there.

Let me tell my colleagues I have been to California. I think it is a beautiful State, by the way. I like California, but I have been to your airport and I have been to your hotels. You do not hesitate to raise the price for tourists to pay for your stadiums down there and for your recreational facilities.

I have gone to your airport and they add some kind of tax. I feel like I am getting gouged. Let us take a look at