

folded Stars and Stripes solemnly presented to his wife, Margaret.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico.

ENERGY

Mr. BINGAMAN. Mr. President, I wish to talk about the two different energy packages we are debating in the Senate this week because there are two. There is not just the one that the Senator from Tennessee, the Senator from Texas, and the Senator from Arizona were talking about earlier. There are two, and I think we need to focus on both.

First, with regard to the effort to lift the moratorium on offshore drilling, let me make one correction on the record.

It is being repeatedly said by our Republican friends that 85 percent of the Outer Continental Shelf is off-limits to drilling or off-limits to any kind of leasing. That is not true. The reality is very different. The reality is what this chart demonstrates; that is, that 67 percent of the Outer Continental Shelf today is available for leasing.

The reason they say it is only 15 percent is because they do not count Alaska, but Alaska is part of the United States. The area around Alaska has an Outer Continental Shelf, just like the rest of the country has an Outer Continental Shelf.

It is clear when we look at it that there is a lot of potential in the Outer Continental Shelf around Alaska. In fact, the Department of the Interior has two lease sales scheduled for next year in the Outer Continental Shelf in Alaska. The Department of the Interior has 16 lease sales scheduled in the next 4 years in the Outer Continental Shelf. This month, in August, they have a lease sale in the Gulf of Mexico. There is a whole series of lease sales coming up, both in Alaska and in the Gulf of Mexico, in areas that are available for leasing.

So the constant refrain that we hear that 85 percent of the Outer Continental Shelf is not available for leasing is just not true, and I wanted to correct the record in that regard. If anybody wants to dispute that, I urge them to come to the floor and tell me I am wrong. But I am not wrong. These are figures from the Minerals Management Service. They are the ones in charge of the leasing, and they confirmed these figures.

Now let me talk about the other energy-related package which is before us today. Tomorrow the majority leader has announced that we are going to vote on a motion to invoke cloture on the motion to proceed to what is called the enhanced tax extenders package. I think the better title for this would be the energy production and conservation tax package. But let me describe what is in this legislation.

This is a very important piece of legislation, and I strongly believe we need to proceed to it, then pass it, and send it back to the House.

With regard to energy, the package includes tax incentives that are essential to this country if we are going to decrease our dependence on foreign oil.

It promotes renewable alternatives to foreign oil. Among these provisions is the production tax credit. The production tax credit is available for people who put in wind farms.

We have all seen T. Boone Pickens' advertisements on television. He is talking about the production tax credit. He was before our Energy Committee 3 weeks ago, and he has testified that he favors extending the production tax credit. That is what is in this legislation.

It also contains a key 8-year extension of the solar energy and fuel cell investment tax credit. This gives companies the certainty they need to make additional capital investments in U.S. solar facilities while enabling businesses to adopt technologies that can significantly benefit our environment.

It includes a long-term extension of the residential energy efficient property credit through 2016. It allows the cap for that to go from \$2,000 up to \$4,000.

It authorizes \$2 billion in new clean renewable energy bonds to finance facilities that generate electricity from renewable sources.

In the more immediate term, it establishes a new credit for plug-in electric-drive vehicles. I have heard a lot of discussion by our Republican colleagues about how much they favor electric plug-in hybrid vehicles. This legislation actually will do something to promote the development of those vehicles. It is a new credit starting at \$3,000 and increasing for each kilowatt hour of additional battery capacity.

It incentivizes commercial vehicle owners, particularly trucks, to invest in idling-reduction units, such as auxiliary-power units and advanced insulation so as to reduce their demand for more fuel.

It extends credits for energy-efficient improvements in existing homes and in commercial buildings.

In addition to all these energy-related tax provisions, which I think are extremely important for us to enact—and let me say, essentially all of the existing provisions I am talking about that we are trying to extend are scheduled to expire at the end of this year, at the end of December. We need to extend them so people can make investments this fall knowing there is still going to be that tax provision in law come next year.

But in addition to these energy production and conservation provisions, American businesses generally have a great deal at stake in this legislation. The legislation extends the research

and development tax credit. This is extremely important to high-technology firms in our country. It accelerates appreciation for qualified leasehold restaurant and retail improvements. This is small business. Small businesses around this country need this provision extended.

It extends an important international tax provision for businesses that engage in active financing.

Individual families have a tremendous amount at stake in this legislation. First of all, this legislation contains the so-called patch for the alternative minimum tax. What that means is that there are literally millions of Americans who will be able to avoid having to calculate and pay taxes under the alternative minimum tax if we enact this legislation. If we do not, then they have to go ahead and do that. So this is very important.

It extends the child tax credit. I have heard candidates for President talk about how much they favor the child tax credit. Well, this extends the child tax credit and provides a tax credit of up to \$1,000 per child to help working poor families.

It extends the qualified tuition deduction for higher education expenses—people who have children in university or college who want to have those tuition expenses deducted.

It enables retirees to continue making tax-free IRA rollovers to qualified charitable organizations.

Mr. President, there is another provision that has been inserted by the chairman of the Finance Committee that I think is very important, and that is the provision we call the Secure Rural Schools and Payments in Lieu of Taxes legislation. Three-quarters of the Senate voted for this legislation when it came up before.

We have schools around this country in rural areas that are laying off teachers today because we have not been able to reauthorize the Secure Rural Schools Program. This package will provide \$3.8 billion to some 2,000 county governments in 49 States to increase support for schools and roads and other critical needs.

There is a lot in this legislation that is extremely important, so the obvious question is, Well, why can't we just pass it? Who is objecting? Well, when you try to analyze that question, you get to the issue of offsets. Everyone says they favor the provisions I just described, but they say—particularly on the Republican side—well, we don't agree with the offsets. Let me take a few minutes to describe the different—the variety and flavor of the objections we have heard with regard to offsets.

First of all, let me say that this is not a new piece of legislation before the Senate. This legislation came up in June of 2007. We were not able to pass it. It came up in December of 2007. We were not able to pass it. It came up

again in 2008 and passed with a large margin because, frankly, there were no offsets in that legislation, which was the Republican preference. It came up with offsets again in June, on June 10 of this year, and again June 17 of this year, and both times it failed. So let me talk about this offset issue. I think that is the core of the problem.

The rhetoric on the Republican side has been varied. Some Senators have said it is wrong to offset temporary extensions of current law with permanent tax increases. Now, obviously, the fact that all of this is adding to the deficit—if we don't offset, it all adds to the deficit—doesn't seem to concern people. But somehow or other, there is something about permanent and temporary that is out of sync and objectionable to some people.

As I understand it, the bill that Senator BAUCUS has now filed and that we are going to vote on tomorrow addresses this concern. It sunsets the extender offsets at the end of the budget window and thereby makes sure they are not permanent offsets.

A second argument on offsets we have heard from some Republican Members is that they will not accept paying for new tax provisions with offsets, but they will not agree to pay for extensions of current law with offsets. To me, this is something of a peculiar argument. Offsets of existing tax law would be acceptable provided that the offsets were in the nature of a non-defense discretionary spending cut. But if you are trying to offset with additional revenue, it is not acceptable.

I know this is getting obtuse, but frankly it is getting difficult to sort through all the rationale that has been put forward for opposing the legislation.

A third argument is that some Members say they are opposed to any and all offsets. To include offsets, they say, is tantamount to raising taxes on someone in exchange for cutting taxes on someone else, so that nothing should be offset.

I would hope Members paid attention to the news from yesterday. The news from yesterday was that we are, in fiscal year 2009, going to have a budget deficit, estimated by this administration—this is not a Democratic estimate, this is the Bush administration saying that the new administration will come into office with a deficit of \$482 billion, the highest on record. Our debt will climb by over \$800 billion this 1 year to more than \$10 trillion when this President leaves office. I would think that information would concentrate people's minds on whether we ought to offset some of these tax provisions, and clearly, it seems to me, we should.

I think the truth is that the concern on the Republican side about offsets is really driven by a different factor, and let me just describe that because I

don't think we have had enough discussion of it here on the floor as yet.

There are many on the Republican side who are concerned that if they agree to offsets for this package we are voting on tomorrow, this would set a dangerous precedent when the 2001 and 2003 tax cuts, the so-called Bush tax cuts, are scheduled to expire at the end of 2010. So they say: If we agree to offsets here, then someone is going to say we ought to have offsets there, and clearly that is not going to be a good position to be in. I would just say that offsetting the current package will cost up to \$55 billion. In contrast, the Congressional Budget Office says that extending the 2001 and 2003 tax cuts—the Bush tax cuts—and adding an AMT patch is going to cost a little over \$4 trillion. So we need to focus on the challenges before us, not think hypothetically about how a future tax cut may be handled.

Some of our Republican colleagues have pointed to other provisions in the legislation that they find objectionable. I know some of them have said there was a provision in here that allowed trial lawyers to deduct certain expenses. That has been stripped out. Some have said there is a provision to require the Davis-Bacon Act. But the last extenders bill, as well as the one before us today, includes no such provision.

I also wish to reiterate my sincere disappointment with the administration. President Bush has previously committed to the energy tax incentives in this bill, which were enacted by the Energy Policy Act of 2005. When he visited my home State of New Mexico to sign the act, the President praised that bill for recognizing "that America is the world's leader in technology and that we've got to use technology to be the world's leader in energy conservation." But while some of us in Congress have been working to ensure that America maintains this leadership role, the administration has been absent. I must question the sincerity of the President's commitment to energy security when he sits by idly and allows these provisions to lapse.

It is time for Republicans to stop moving the goal posts. It is time to address America's pressing challenges and it is time to acknowledge the dire fiscal budgetary situation in which we find ourselves, and not to dig the hole even deeper. It is time to pass the extenders package before we leave this week.

The ACTING PRESIDENT pro tempore. The Senator has used his 15 minutes.

Mr. BINGAMAN. Mr. President, let me conclude by saying that I believe it is extremely important for us to go ahead and proceed to and pass this tax extender package, and I hope colleagues will support that.

The ACTING PRESIDENT pro tempore. The Senator from New York.

Mr. SCHUMER. Mr. President I rise in support of the comments of my colleague from New Mexico, who has done an excellent job, along with the Senator from Montana, in putting this together.

We have heard a lot of talk on the floor about drilling. That has gotten a lot of the heat, but the light is right here with the extenders. I say to my colleagues, these tax extenders, which are focused on energy alternatives, are far more important to reducing gas prices than drilling. Whether you are for drilling or against it, we all know you cannot drill your way out of this problem; that just by drilling, by focusing on drilling, we are telling both Saudi Arabia and ExxonMobil that they are going to continue to control our destiny for decades to come. And look what that has brought us to now—\$4-a-gallon gasoline.

The only solution is to wean ourselves from oil and, to a lesser extent, natural gas and to move to alternatives such as wind and solar for electricity, and battery-powered cars, electric cars, and gas-powered cars to deal with automobiles, and other kinds of efficiency-enhancing measures. If we ever want to be free of big oil, this is the place to go.

So for all the speeches we are hearing from the other side about drilling, which won't bring any more oil for 7 to 10 years—and, of course, we are for a plan of increasing our domestic production and drilling that is more efficient and quicker, but no amount of drilling is going to solve our problem.

We know why they want drilling. Big oil wants drilling. Well, I say that the American people don't want ExxonMobil or OPEC or Saudi Arabia controlling our destiny any longer because that brought us \$4-a-gallon gasoline. We want alternatives. We want a car that can run by electricity—just as powerful, just as long a ride, just as smooth, if not a smoother ride, than gasoline-driven cars and a heck of a lot cheaper. We want our homes powered—heated and cooled—by wind power and solar power and biomass and so many of the other alternatives—cellulosic ethanol—and this bill takes the first large step to doing that. The tax extender bill will increase focus on solar.

Talk to the people who do these alternatives. They say that unless we extend the tax cuts, particularly for a longer period of time, they cannot make an investment. Germany is way ahead of us in this area, as is France, and China is leaping ahead of us in this area, and all because my colleagues don't want to close some tax loopholes primarily dealing with people who put their money overseas and defer their taxes, which no American should have the right to do.

So I say to my colleagues, you want to bring down gasoline prices? You want to bring down the cost of home

heating oil? The best thing to do is move this extender package. It is far better than drilling—whatever your view on drilling. Let's see what happens when we vote on these proposals this afternoon and tomorrow. All the talk about \$4-a-gallon gasoline—less important than defending those who hide their money overseas and won't pay taxes. That is what the votes are going to show here.

This bill is a vital bill. This bill has so many good provisions in it that will wean us from oil.

I say to my colleagues once again, we know we cannot drill our way out of the problem. We have twiddled our thumbs for 7 years. It is about time we started giving the tax incentives to alternative energy and freeing our country of OPEC, of Saudi Arabia, of ExxonMobil, and of \$4 gasoline.

I yield the floor.

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

Ms. MURKOWSKI. Mr. President, again, I express the concern that we as Republicans are labeled as the party that only chooses to drill, drill, drill our way out of high energy prices. Our colleagues on the other side of the aisle are viewed as the party that is saying no to any domestic production, no to providing for more energy independence when it comes to what we can do for ourselves, and whose answer is only: Stop the speculation; the answer is only renewables.

I come from a producing State. Alaska has been doing a fine job over the past 30 years, providing oil to the rest of the country and providing it in quantities that truly make a difference. We want to be able to continue to provide it. But we recognize that drilling is not the only answer. It is not the only thing that is going to get this country to a position where we are not going to be held hostage by the geopolitical events in Nigeria, in Venezuela, in Iran.

We have to be doing more. The answer is a little bit of everything. It is to find more and use less. When we are talking about finding more, we have to be realistic about where we can find more and it should not be in Saudi Arabia's backyard. It should not be in Venezuela. What we can do here we should be doing here.

When we say we need to have an energy policy in this country that encourages production and encourages investment for production and discourages consumption, that is what we need to be working toward, Republicans and Democrats alike, not just this finger pointing, saying all you want to do is drill and us, on this other side, saying all you want to do is nothing. We are not answering the problems our constituents are facing back home right now. We are not delivering to them what they need, which is answers.

I want to talk a little bit about the situation in my State. The chairman of the Energy Committee, for whom I have such respect, has indicated that in the proposal he is advancing he is looking to do more when it comes to offshore exploration and development in Alaska. As I said, we are a State that supports production. We support development in the northern country. But we also recognize that oftentimes things are out of our control when it comes to the ability to produce.

I requested from the Department of Interior, the Minerals Management Offices, MMS, the summary status of what is happening with the litigation that is blocking us from doing any meaningful production when it comes to offshore Alaska, Alaska OCS. There is a total of six litigation cases that are filed against MMS affecting the Alaska OCS. I can provide the details, certainly, but I think what I would like to highlight is—whether it is the 5-year leasing program lawsuit that has been filed by the Center for Biologic Diversity, the Chukchi Sea sale 193 lawsuit, the Beaufort Sea sale 202 lawsuit; the Shell exploration plan lawsuit—Shell's operations have been held up for two seasons now because the ninth circuit has not moved on a decision there—we have a Beaufort and Chukchi Sea seismic survey lawsuit. Other MMS litigation is an FOIA lawsuit related to the Chukchi Sea sale, the Fish and Wildlife Service incidental take regulations, Beaufort Sea as well as Chukchi Sea notices of intent to sue for violations of endangered species as they relate to polar bear, fin and humpback whales, and eiders—my point is we do have opportunities up north. We do have a resource that is incredible. We recognize it. Again, we would like the ability to be producers for the Nation. It is not just the challenges we face dealing with an Arctic environment. So much of what happens that causes delays so that we do not see increased production domestically in this country is due to the litigation.

I want to speak a little bit about not necessarily the challenges but the opportunities that we have in the northern environment specifically to produce, and the opportunities that are brought to us because of the technology. Some in this body have suggested that drilling is not the way out and drilling indicates we are guilty of an old way of thinking about energy issues. I think it is probably more accurate to say those who oppose the production of conventional oil and gas in this country as part of a balanced energy policy that includes renewables and includes conservation are the ones who are guilty of old, outdated thinking. It is clear that those who oppose increased domestic production are utterly resistant to the technological changes that have occurred both onshore and offshore in gas production in the past 40 years in this country.

Some people say we are mired in the past. I think that is because they refuse to either learn about or to accept the changes in technology that allow for oil and gas to be produced without harm to the environment, wildlife, or to the land. We recognize there can be accidents. We know that firsthand in Alaska. We live daily with that. In fact, I spoke with a fisherman in Cordova—that whole community is still living daily with a terrible accident that happened in our State some 20 years ago. We know an oil barge can hit an oil tanker, as we have seen in Mississippi. But so can pollutants be accidentally released while companies make photovoltaic cells; or chemicals used to make batteries for hybrid and electric cars can accidentally spill and harm the environment. An offshore wind turbine foundation might harm fisheries habitats. A windmill on shore might kill birds. Methane gas might explode. An accident can happen. But why not look at the real impacts of modern technology and the real risks that modern technology involve?

I will use my example of what is happening up north with oil exploration. During the past 31 years, the Prudhoe Bay oil field has produced 15 billion barrels of oil. This is about one-fifth of all the oil that this country has produced over the last three decades. During that 31-year time period I can tell you the technology has vastly improved. When Prudhoe opened, wells were drilled over the top of the oil deposits themselves. The wells were about every several hundred yards. Today, hundreds of wells can be drilled from a single well pad and they do this through the technique of directional drilling. That allows the companies to drive wells from one tiny gravel pad that can reach oil deposits under the surface up to an area 8 miles in diameter. That leaves more than a 100-square-mile area of habitat undisturbed between these well pads. These well pads have decreased in size by 88 percent during the life of the Prudhoe Bay field.

In addition to directional drilling, we have the 3-D and even 4-D seismic testing. This pinpoints the location of the wells, technology that doesn't harm any animals in the process.

Once the companies find the areas they want to explore, they build ice roads to move drilling equipment to the site, roads that melt in the spring leaving no trace, no sign of human activities come summer. I stood on this floor. I told you how it works. It is like a Zamboni going across the tundra. In addition, we place mats—they call them duramats—on the ground to protect the fragile tundra to make sure the wheel tracks are nowhere to be seen when the spring arrives in the Arctic.

The new technology goes on. New detection systems on pipelines can sniff

out the hydrocarbon molecules and actually shut down a pipeline before drops of oil can reach the environment. It includes requirements that all equipment when they are stopped—up north in Prudhoe, all those areas there—all equipment, whether it is the truck or the rig, when they are stopped they actually place what are called diapers, absorbent pads, under the engine to catch any drops of oil before they touch the ground. More oil probably leaks on the driveways here in Washington, DC than ever reaches the environment of Alaska's North Slope.

The ACTING PRESIDENT pro tempore. The Senator has used 10 minutes.

Ms. MURKOWSKI. I want to sum up very briefly. I am talking about onshore, but I can tell you, as it relates to OCS development, we are seeing those same levels of technology. Well valves are dependable. We have not had a well blow out since the Santa Barbara accident in 1969. We recognize that our technology allows us to do more than 30 years we could ever have dreamed about. Let's allow us to use our ingenuity to produce so we have the resource we need as a country. Let us use our ingenuity to take this resource and to develop the renewables and the alternatives that are the future of this country. Let's use our ingenuity to be more creative when it comes to conservation and efficiencies. The ingenuity we use with our production of oil and gas is something that should not be disputed but should be encouraged.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

ORDER OF PROCEDURE

Mr. DORGAN. Mr. President, I ask unanimous consent the time in morning business until 12:30 be divided equally between the two leaders or their designees and the time consumed by Senator MURKOWSKI count toward the time in this agreement. I ask the following Senators on the Democratic side be recognized: DORGAN, 15 minutes; DURBIN, 10 minutes; BAUCUS, 12 minutes.

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

ENERGY

Mr. DORGAN. Mr. President, this has been an interesting morning to watch the Senate debate. It reminds me a bit that the strongest muscle in the body is the tongue. Debate that I have heard this morning is quite extraordinary. We have people come to the floor of the Senate, and they say that something like 85 percent of the Outer Continental Shelf is not open and available for leasing and drilling. That is not

true. Two-thirds is open and available for the Minerals Management Service to lease.

I want to talk a little about where we are with respect to this issue of production. I have seen the big old sign that my Republican colleagues have been using. It says: Produce more and use less.

We will have a chance again today to decide whether members actually want to produce more. Some people believe the only way you produce energy is drill a hole someplace and search for oil and gas. I support that. But another way to produce energy is to produce homegrown energy from solar, wind, biomass or geothermal sources—another homegrown energy plan.

We have had a chance for at least six separate times to vote to extend the tax credits to support renewable forms of energy to produce more energy. Six times we have been stymied. I will talk about that a bit in a moment.

The first car I got as a very young man was a 1924 Model-T Ford I bought for \$25 and lovingly restored it for 2 years. I have described this often.

I discovered as a young boy that you couldn't date very well in a 1924 Ford. So I sold my model T. But it was interesting restoring an old Model T Ford. I understood that you put gasoline in a 1924 vehicle the same way you put gasoline in a 2008 vehicle. Nothing has fundamentally changed. You to go a gas pump someplace, stick a nozzle in your tank, start pumping and then pay the price. It is drive and drill approach. It has been that strategy forever. Some of my colleagues come to the floor of the Senate dragging a wagon of the same old drive-and-drill policies. Keep driving and drilling, and things will be fine. The problem is the hole gets deeper every single year. They come here once a decade and say: Our strategy is to drill more.

I support drilling for oil, but I also think we ought to do a lot more than that. We ought to have a game-changing plan, some sort of a moonshot plan that says: Ten years from now we need to have a different approach to energy. John F. Kennedy didn't say: I think we will try to go to the Moon. I would like to send a person to the Moon. I hope we can go to the Moon. He said: By the end of this decade, we will send a person to the Moon. We will have a person walking on the Moon.

That is what this debate ought to be about. In the next 10 years, here is the way we are going to change America's energy plan. That ought to be the debate.

There are a lot of things we can and should do together. There are far too few things we are engaging in together on the floor of the Senate. We had a energy future speculation bill defeated, or at least the minority that puts up the sign that says produce more and use less voted in unison to stop move-

ment of it. We had a bill on the floor that said: Let's get rid of excessive speculation in the futures market that is driving up prices. We had people who testified before our various committees who said as much as 30 to 40 percent of the current price of gas and oil is due to excess speculation. In 2000, 37 percent of the oil market was speculators. Now it is 71 percent. It is unbelievable how rampant speculation has become in the oil futures market. But the oil speculators have a lot of friends here, enough friends so they could stop that kind of legislation that would put the brakes on some of this speculation and put some downward pressure on prices. The oil speculators have a lot of friends here.

Big oil companies have a lot of friends here. With record profits, the largest oil company, ExxonMobil, spent twice as much money last year buying back their stock as they did in investing in infrastructure for producing more oil. Let me say that again. The biggest oil company in the world spent twice as much money buying back its stock as it did exploring for more oil. We are paying at the pump enormous prices so one would hope at least a substantial portion of that money would go back into the ground to find more energy resources. But sadly it is not.

Again, these Big Oil companies have plenty of friends in this Chamber. They view their role as a set of human brake pads to stop whatever is going on. They don't support anything. Just make sure you stop things.

Let me describe one of the things that makes so much sense to me that has been stopped dead in its tracks. It was stopped last year on June 21, 2007. It was stopped December 7, 2007. It was stopped December 13, 2007. They stopped it on February 7, 2008. What is it? It is our ability, as a country, to change the game and say: We want to encourage production by taking energy from the wind, solar, wave, and other forms of renewable energy. We had a vote on all those occasions to provide tax credits and stimulus to say: Here is the kind of energy we want to produce in the future. This is a new energy future. On each and every occasion, the minority that comes to parade with a big, old sign calling for producing more, on each occasion those who hold up that sign today voted against producing more. Isn't that interesting? They voted against producing more.

Let me tell you what we did in this country with respect to energy. In 1916, we put in place long-term, permanent, robust tax incentives to say to people: If you want to explore for oil and gas, God bless you because we need it. We want to provide big incentives for you to do it. Almost a century ago we put in place those tax incentives. That is how much we wanted to encourage people to find oil and gas. Contrast that with what we did to encourage people