I have no objection to taking a long look at the pricing of gasoline as well. It is interesting that there is such a great disparity in prices in different parts of the country. Perhaps there is a good, logical reason for that. If so, we should know about it.

I hope our energy policy does not become totally political. The fact is, we have not had an energy policy in this administration. We have held hearings in our committee, not only with this Secretary of Energy, but the previous two Secretaries of Energy. One says: Yes, we are going to have a policy. The fact is, we do not. The fact is, we have not been able to fully utilize coal. We have not been able to take advantage of nuclear power by stalling in getting our nuclear waste stored. There are a lot of things we need to do and, indeed, should do. It is unfortunate we have not had the cooperation from this administration.

SOCIAL SECURITY

Mr. THOMAS. Mr. President, I wish to talk about a conversation I heard yesterday on the Sunday talk shows. It is too bad that on the Sunday talk shows the issues are not more clearly defined.

This talk show was on Social Security and options, which are clearly legitimate options. The options separate the points of view of the parties and the candidates. I am talking about taking a portion of the Social Security program, as it now exists for an individual, and putting it into his or her private account and investing it in the private sector in equities or in bonds or a combination of the two. The return stays with this person because it is their account.

Out of the 12.5 percent that each of us pay—and each of these young people will pay in the first job they have, and if something does not happen by the time they are ready for benefits, there will be none. We have to make some changes.

One of the changes we can make, of course, is to increase taxes. There is not a lot of enthusiasm for that. For many people, Social Security is the highest tax: 12.5 percent right off the top.

The second change is we could reduce benefits. Not many people are interested in reducing benefits.

The third change is to take those dollars that are put into the so-called trust fund and invest them for a higher return. Under the law, those dollars can only be invested in Government securities which, in this case, is a very low return.

We are talking about taking those same dollars that belong to you and to me and putting them in individual accounts. They can be invested, and the earnings would be part of that person's Social Security payment.

Yesterday, the implication was that would be a part of it, and then we have to fix up Social Security and replace all the money that is put in these private accounts. That is not the fact. The fact is, they are still part of Social Security, but they are yours. You make a decision how they are invested, and then you get your 10 percent, as it always is, plus the return to the 2 percent on top of that, and that represents your benefits.

The lady yesterday representing the Clinton administration indicated we would have to replace all those dollars and go ahead with Social Security as it is. That is just not the fact.

This is an opportunity for us to increase the return, to ensure those dollars and those benefits will be there when the time comes for someone to receive them, and to do that without increasing taxes, without reducing benefits, but by simply taking advantage of the opportunity of a better return on the investment.

A couple of Senators are going to be here shortly. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

GAS PRICE CRISIS

Mrs. HUTCHISON. Mr. President, I rise today to talk about an issue that has been discussed by Senator THOMAS, and others, just before I came to the floor. It is also an issue that every American who drives a car has on his or her mind.

No one could fail to see the impact the high price of gasoline at the pump is having on hard-working Americans and American families at the end of June who are looking to take their family vacations. They hope to do it by car. I hope they can, too. But we have a situation with regard to gas prices that has occurred for a number of reasons. And because Congress and this administration have not acted, we have a worse situation than ever.

I will talk a little bit about some of the causes of this. But I do not think we have to dwell on the causes all day because I think we can do something proactive that will begin to be a solution—both a short-term solution and a long-term solution.

First, the causes. Clearly, we have an incredible dependence on foreign oil today. Seven years ago, we had about a 46-percent dependence on foreign oil; today, it is 56 percent; and it is projected to be 65 percent of our oil needs by 2020. So I think it is incumbent on all of us in public office to try to take short-term steps to solve the immediate crisis, particularly in the Midwest, but not without taking long-term action as well.

We have a bill that is pending at the desk today. It is the National Energy Security Act. It would take some steps, putting some things on the table that would make a difference for our country and for the working people of our country who depend on gasoline.

Let's look at some of the causes for the gas price crisis now being seen in the Midwest and elsewhere. The Congressional Research Service has attribute 25 cents of every gallon of gasoline at the pump in certain parts of the Midwest to the reformulated gas phase 2 requirement that the EPA is insisting on imposing beginning June first of this year. These additional costs are the result of the added expense of adjusting the refining process for the new gasoline requirement, particularly when the gasoline is required to be blended with ethanol, as is the case in the Midwest. In addition, there are added costs of transporting the ethanol, which cannot be moved via pipeline, to the sites where the gasoline is blended and distributed. Other additives, such as MTBE, are readily available at the refineries and so you have reduced transportation costs. You can put the MTBE—which was the requirement in the past—in at the refinery and send it to places such as Illinois, Wisconsin, and Michigan—the places that are suffering right now—but the ethanol has to be carried from the agricultural areas, where it is grown, put into a new system in the refineries, and then shipped back to the Midwest. So you are talking about time, shortages, and costs that have added 25 cents per gallon. CRS estimates that an additional 25 cents of the increase in Midwest gas prices is attributable to recent problems with oil and gas pipelines that feed the upper Midwest, which have come at a time when gasoline stocks nationwide are particularly low and when the demand for gasoline is on the rise.

With regard to the EPA requirements, we had hoped the EPA would say, OK, we are facing a crisis right now, so maybe for this summer we can relax those new EPA regulations and go with what has been the regulation of the past.

Secondly, it is very important to realize that each State and many local governments impose additional taxes on gasoline at the pump. It just so happens that many of the midwestern States and cities within those States have higher taxes than the average in the country. The average combined federal and state gasoline excise tax is about 40 cents per gallon. In Chicago, Illinois, however, it is 61.3 cents per gallon. In Milwaukee, Wisconsin, it is 47.2 cents per gallon. So we can see that there are wide differences across the country in taxes of gasoline.

I commend the Governors of these States who are seeing the crisis and responding immediately. The Governor of Indiana has put a moratorium on the State sales tax on gasoline. The Governor of Illinois is calling a special session of the legislature to review taking similar action.