

Mr. JONES of North Carolina. Mr. Speaker, on October 23, the Knight-Rider newspaper had a headline that said, "Pentagon Program Costing Taxpayers Millions in Inflated Prices." I want to give a few examples, because, as we talk about budget resolution, budget cuts, or tax increases or whatever, if we just look at what is happening, and I am going to relay this to the House in just one moment, we ought to start looking at the inflated prices and what is going on at the Department of Defense. I am going to give examples.

The Pentagon is paying \$20 apiece for ice cube trays that cost 85 cents. In other words, you can go to a retail store and you get a plastic ice tray and pay 85 to 90 cents, yet the Department of Defense is paying \$20.

In addition, the Pentagon is now paying \$81 apiece for coffee makers that were bought for years at just \$29 from the manufacturer. So \$81 now, and they were paying \$29 for coffee makers.

A commercial 7-foot refrigerator that the general public can buy for a little more than \$17,000, the Pentagon is paying nearly \$33,000 for the same refrigerator, for a markup of 89 percent.

Mr. Speaker, I think about the tough decisions we are going to have to make here over the next few weeks, yet we are not even doing the oversight that should be done with the Department of Defense. Why, instead of using competitive bid contracting or buying directly from the manufacturers, is the Pentagon using middlemen who set their own prices and take the American taxpayers for millions of dollars?

Again, this is an investigative new report. The high prices are a result of a Defense Department purchasing program called "prime vendor," started by the Defense Logistics Agency, known as DLA. This program, which eliminates competition, is used to speed up deliveries.

Defenders of the prime vendor program highlight the program's speed. Deliveries are fast, they say. However, critics indicate the advantages offered by prime vendors are overstated. Since competition is reduced, these prime vendors charge enormous prices for their services. More so, there are other government agents who have been eliminated that claim their services were just as fast and cheaper.

There needs to be an investigation into the prime vendor program to ensure that taxpayers are not being taken advantage of. And I say that, Mr. Speaker, for this reason. I have written the Speaker of the House, the Chairman of the Armed Services Committee, the gentleman from California (Mr. HUNTER), and I also wrote the gentleman from Virginia (Mr. DAVIS) of the oversight committee. We need to look into this.

We need to do what is right for the taxpayers. I will tell you, Mr. Speaker, when we have so much in the way of a debt and deficit in this Nation, the easiest thing we can do is look at the

Department of Defense, and if they are paying \$20 for an 89 cent ice tray, if they are paying \$81 for a coffee maker you can buy for \$29, we have a real serious problem.

I think in a bipartisan way we, as a House of Representatives, need to get together and ask those committee chairmen and the Speaker of the House to please look into this on behalf of the taxpayers of America.

As I close, Mr. Speaker, always on the floor of this House I ask God to please bless our men and women in uniform, to please bless their families and hold in his loving arms the families who have given a child to die for freedom, and I ask God to please continue to bless America.

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

(Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ENERGY

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

Mr. EMANUEL. Mr. Speaker, middle-class families across this Nation are struggling to make ends meet. While housing and education prices are skyrocketing, wages have been held stagnant for the last 3 years. Now families can add energy to the list of out-of-control costs to their family budget.

Gas is around 3 bucks a gallon. Utilities are now predicting families could pay as much as 70 percent more to heat their homes this winter. Natural gas prices are so high the Energy Department is predicting the average family will pay \$350 more this winter than last winter. Home heating oil, used by many in the Northeast and Midwest, is skyrocketing.

But while American families struggle with sky-high energy bills, oil and gas companies face a totally different problem: too much cash. For example, Exxon Mobil recently reported their profits increased by 75 percent. Their revenues: \$100 billion. Shell Oil, earnings 68 percent up. Phillips, 89 percent up. B.P. Amoco, 34 percent rise in quarterly earnings.

American families are struggling with massive energy bills that cut into their living expenses, their college costs, and their health care costs, while energy companies are reaping huge, huge profits.

Henry Hubble, a senior vice president at Exxon Mobil said, "You have got to let the marketplace work." I agree with the executive from Exxon Mobil. Let the marketplace work.

But here is where we disagree. When they had an energy bill down on this floor, the oil companies got a \$14 billion taxpayer-funded corporate welfare

giveaway to do oil and gas drilling around this country. They got \$14 billion for companies making record profits.

That is what we call corporate welfare. If they want the marketplace to work, give the taxpayers back their \$14 billion. We should be not be subsidizing their business plans. Taxpayers are not in the business of helping companies making revenue runs at \$100 billion a quarter where profits are up 89 percent.

The Congress, not Democrats but the Republicans in Congress, are cutting college loans by \$14 billion, they are cutting nutritional programs for 40,000 kids, and they are cutting kids health care. Yet what have they held sacrosanct? \$14 billion to Exxon Mobil. My view is what corporate America needs in the energy business is a little free market medicine.

We have seen nothing but corporate welfare around here in subsidizing the energy industry, and it is high time they get off the dole and started running their own business plan and stop asking the taxpayers to fund them. The only reason they do that around here is because, since 1980, the big oil companies have contributed \$220 million to the Republican candidates for Congress, Senate, the Presidency, and their party. They have gotten a \$14 billion return. You cannot get an investment return like that on Wall Street. It is 200 percent on their investment that they have gotten.

This Congress has given big oil \$14 billion in tax subsidies. If that is not bad enough, there is a refinery bill where we ended up giving them another \$2 billion that they did not even ask for. So with oil running at basically \$3 a gallon at the gas pump, not only do consumers have to pay inflated prices to big oil at the gas pump, but on April 15 they get a bill because they have given them \$14 billion in taxpayer-funded corporate welfare so they can do one thing: execute their business plans.

Well, I am suggesting they start doing a little more free enterprise in executing their business plans and stop relying on the taxpayers of America, who are struggling with sky-high energy prices, sky-high health care costs, and sky-high college tuition costs, just trying to struggle to make ends meet.

What Congress would actually cut home heating assistance to our most needy citizens yet give Exxon Mobil and the other big energy companies \$16 million? A Republican Congress, but, of course, this should make sense to all of us who have seen what goes on around here.

When the Speaker's gavel comes down, that gavel is intended to open the people's House, not the auction house. What has happened around here lately when it comes to big oil companies is we auction off the American people and their future. When it comes to the pharmaceutical companies, who gave \$132 million, they ended up with \$135 billion in additional profit when