the 4 years he has been in office, domestic oil production has increased every year, and America’s dependence on foreign oil has decreased every year. Everyone should hear again what I said: During the Obama years, domestic oil has increased, and dependence on foreign oil has decreased. Last year, America used a lower percentage of foreign oil than at any time in almost two decades, thanks to President Obama’s smart energy policies. We have heard speeches in the last couple days here in effect saying: Drill, baby, drill. We are doing a good job. We cannot produce our way out of this mess we are in. America controls less than 2 percent of the oil in the world. We use more than 20 percent of it. And even though we are doing better—and that is good—we must lessen our dependence. We must become energy independent. And we can do that. There are huge discoveries of natural gas that oil companies voted against using. Can you imagine that? A bipartisan bill, Menendez-Burr, to use the natural gas. We have more natural gas reserves than any other country in the world. So we wanted to start a program here: Why don’t we use some of it? Boone Pickens—by the way, who is he? He is a Democrat—it is his idea. Joined by others: to move the big fleets we have. Millions of these 18-wheelers every day use all this fuel unnecessarily. We could convert these to natural gas less polluting than diesel on the engines. But the Republicans voted against that. I guess the oil companies would rather we use their oil.

The prices at the pump continue to rise. That is because chanting, as I said, “drill, baby, drill” is not a comprehensive solution to this Nation’s energy problems, including high gas prices. We know what is going on in the Middle East. We know there are complicated issues. We need to continue to discuss the issue of nationalization. But we cannot drill our way to energy independence, as I have said. America must also invest in clean energy technologies that will free us from our addiction to oil over the long term.

President Obama was in Nevada last week. Between a place called Railroad Pass and my home in Searchlight, there is a huge what we used to call a dry lake. On that—I know there is a mirage. It looks like a lake because there are all those solar panels instead of solar. You drive by that—it used to be, when I was a little boy, we would drive by that dry lake, and if you looked out there, it looked as though there was water. It was a mirage. Now it is not a mirage. It looks like a lake because there are all those solar panels instead of solar. That is the way it should be. We should do lots more of that.

Repealing $23 billion in lavish subsidies to oil companies would pay for those clean energy investments, with money to spare. With the savings, we can help move forward proven technologies such as solar, wind, advanced batteries, and even next-generation vehicles. We can give innovators the tools they need to bring the next electric car or advanced solar panel from the drawing board to the boardroom.

As you may know, my wife has not been well, so I have not been going to Nevada as much as I had over the 30 years I have been here. But I am going out this coming week because she is doing much better. One of the reasons is that we have a woman who is doing a great job. She is a man by the name of Byron Georgiou, who has developed a company for electric cars. I am looking forward to that. They are a manufacturer there in Nevada. It is programs like this that we need. We need to give innovators the tools they need to bring the next electric car, as we have in Nevada, or advanced solar panel from the drawing board to the boardroom, and we can pay down the deficit with the money that is left over. And we can do any of that if we continue to give taxpayer dollars to the most profitable corporations in the world—corporations that made, as I indicated, a record $137 billion in profits last year. It is easy to keep track of because there are only five of them, these multinational corporations.

This morning, when the Republicans consider whether to put oil company coffers ahead of taxpayers’ wallets, I hope they consider this fact: The five major oil companies raked in last year $260,000—it is actually more—more than $260,000 in profits every minute of every day for 1 year. They did not take Christmas off. They made $265,000 a minute during Christmas: $265,000 a minute. During Thanksgiving, New Year’s, they got the money; more than $260,000 a minute. That is a huge amount: $290,000 in profits every minute—every minute 24 hours a day, 7 days a week. It takes a typical family 5 years to earn what those oil companies took home in profits in a single minute last year.

American families are struggling. Big oil companies are not. Before my Republican colleagues vote to send another taxpayer dollar to Big Oil, I hope they will consider the $260,000 a minute, and I hope they will make the right decision as we vote at 11:30 today.

RESERVATION OF LEADER TIME

Mr. REID. Mr. President, would the Chair announce the business of the day.

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

IMPOSING A MINIMUM EFFECTIVE TAX RATE FOR HIGH-INCOME TAXPAYERS—MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 2230, which the clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to Calendar No. 339 (S. 2230) a bill to reduce the deficit by imposing a minimum effective tax rate for high-income taxpayers.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 11:30 a.m. will be equally divided and controlled between the two leaders or their designees, with the majority controlling the first 30 minutes and the Republicans controlling the second 30 minutes.

Mr. LAUTENBERG. Madam President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER (Mrs. GILLIBRAND). Without objection, it is so ordered.

BIG OIL SUBSIDIES

Mr. LAUTENBERG. Madam President, I rise today in a moment when America is in crisis, and I don’t think we are paying appropriate attention to some of the problems that we face as a society. There are still too many people out of work, too many people who can’t afford health care presently, and too many people who can’t educate their children because they don’t have the means. Those are the struggles we have. Housing foreclosures are still on the edge of foreclosure. And here we see a situation that is unacceptable under any stretch of the imagination.

I rise today to talk to the American people who are struggling every week to provide the necessities for family life. At the same time, I ask my Republican colleagues why they would insist on continuing tax subsidies—gifts, really—to multibillion-dollar oil companies at the expense of ordinary, hardworking, middle-income families. Right now, these families are forced to come up with $4 per gallon—$60 to $80 dollars, typically—to fill the tank every time they have to go to the gas station. That is a huge burden. The big five oil companies have made almost $1 trillion in profits in the last decade. Look at how much money these companies made in the last year alone. It was a record $137 billion between the big five oil companies.

Look at them: ExxonMobil—these poor guys need a subsidy. They only made $41 billion—$41 billion—in a single year. Look down the list. The last of the five must believe that trying to catch up is pretty tough. They only made $9 billion. That is Conoco, the last. In 1 year, they made $12 billion.

Given how well these companies are doing, why are we giving them billions of dollars in tax breaks? The legislation we are voting on today presents a better idea. It says we should end these tax breaks and instead invest in clean energy solutions that can break our dangerous dependence on oil.

Investing in renewable energy has helped launch industries that create jobs and clean up our air and provide homemade — homemade — American power. Clean energy is also our best chance to break through spiraling gas
prices and our reliance on foreign oil. One would think our colleagues on the other side of the aisle would want to put a stop to the punishing effects of higher and higher gas prices on middle-income working people. Why wouldn’t they want to end America’s dependence on oil? They do not need it, but they are taking it. Big Oil is doing all it can to protect their tax breaks, and the Republicans are lining up to help Big Oil.

It is time to tell the truth. Making oil companies pay their fair share in taxes is not going to raise the price of gas, contrary to what they publish. It just means Big Oil executives might have to trim their sail a little bit and share in the problems we have. A long time ago when I was a soldier, we had an excess profits tax for companies that made, in a way, unconscionable amounts of money based on the situation our country was facing. So it is just a matter of sharing some of the responsibility our country has in order to keep everybody feeling as though they are participating in the American dream, not a nightmare.

While millions of Americans are struggling every week to pay their bills, and millions of women in this country on average are struggling every week to pay their bills, everybody should take a look at how much oil companies are paying their executives. Here is a fellow who personally runs ExxonMobil, the CEO, and he was paid $230 million last year. That is what I said, $230 million. ConocoPhillips’ CEO received $18 million, and Chevron’s exec made $16 million in income in 1 single year.

By the way, that is from money earned for an essential product. When we look at gasoline, it almost compares to being able to buy dirty medicines available because when we look at the cost of gasoline, we might ask: What would it take to educate all the children who can learn? Way less than we see demonstrated on these charts and their balance sheets. Working men and women in this country on average make just over $27,000 a year—to $27,000 a year.

I don’t begrudge high profits. I really don’t. I ran a big company, a company I helped start, which has 45 thousand employees. It is a huge business company. It is a company that calculates the employment records every month. The company is called ADT. So I don’t mind big profits.

The question is, Who are you taking them from and how critical is the product they are being forced to buy? Right now, people are paying an average of $3.91 per gallon of gas.

What about the people who live in other places? We picked at random a county in Mississippi. The county is called Issaquena County. Last year, the entire income for all the people in that county who were working was just over $16 million. All the people in a single county made $16 million. This poor guy at Chevron made $16 million by himself, and the others would leave all of those in that county way behind. A single oil company CEO made more in 1 year than all the people in that county put together. These hard-working people are being forced to pay the income of oil executives whenever they fill up their gas tanks. Is it fair to ask them to chip in with their tax dollars to pay even more toward these record-setting salaries? Over the last 10 years, CEO pay at Exxon and Chevron has more than tripled. Over the same period, gas prices have nearly tripled. The picture is clear: Working people are struggling to fill up their tanks while oil executives are struggling to carry their big fat paychecks to the bank. It is almost beyond belief that Senators are lining up to protect tax breaks for oil companies—some Senators, I say—beyond belief.

I say to them: Mind your responsibilities. You were elected not just by oil company executives or even oil company employees. Let’s focus on the hard-working Americans who are paying more and more at the gas pump, the teachers who might lose their jobs, and our men and women in uniform who put their lives on the line to protect oil supplies. The American people know these subsidies are unnecessary, that they are not vital to the war effort, considering the conditions that exist in our society. Continuing to subsidize oil companies only increases our dependence on dirty fuels. It keeps us on a dead-end road to sky-high energy bills, more oilspills, and dangerous pollution levels.

So I call on my colleagues to kick Big Oil off of the welfare rolls and invest in clean energy jobs. Let’s end the industry’s tax breaks and break our country of our oil dependence. Let’s invest in clean energy and smart transportation, not windfalls for oil industry executives and lobbyists. Let’s make certain our children and our grandchildren inherit a country that is fiscally sound, morally responsible, and free from its dependence on oil.

Let’s not worry about the oil companies. They can take care of themselves. Let’s stop this drain on our society, this drain on our citizens. Let’s pay attention to the millions and millions of people in America who say: Just give us a chance, give us a chance to make a decent living; give us a chance to educate our children; give us a chance to keep our jobs; give us a chance to maintain our homes; get us off the possible foreclosure line. That is what we are looking for.

That is the purpose of this legislation—to say to the American people: Look in this Chamber; Mr. and Mrs. America, Look in this Chamber and see the people who are supporting Big Oil profit fattening. Look at those who are supporting these profits.

Again, I don’t mind companies making profits, but when the profits come in almost blood money, when you think of the effect gasoline has on family life, it is unfair, it is indecent, and it is improper.

With that, I yield the floor.
The President said it would lower costs. It is, in fact, raising costs. Proponents said it would create jobs. Now we know it means fewer jobs. The President said families would save on their premiums. They are, in fact, going up. He said people could be able to keep the ones they have and like. They will not. CBO’s most likely prediction finds 3 to 5 million Americans will lose their current plan every single year. The President said he would protect Medicare, but, instead, he said Medicare would cost $500 billion, cutting billions from hospitals, nursing homes, hospices, and Medicare Advantage.

The President promised the American people their taxes wouldn’t go up one penny. Two years later, the American people found out their taxes will be going up by more than $550 billion. The Joint Committee on Taxation found no fewer than 11 separate taxes and penalties that fall squarely on the middle class.

Remember the CLASS Act? The administration said it would be fiscally stable and would reduce the deficit. A couple months ago, it was determined to be unsustainable and was shut down before it ever saw the light of day.

The President told the American people, “Federal conscience laws will remain in place.” Two years later, he turned around and gave his approval to HHS to mandate that religious-affiliated schools, universities, hospitals, and charities would have to violate their religious tenets or pay a hefty fine.

Finally, the health care law will increase Medicaid rolls by nearly 25 million people, costing already cash-strapped States another $118 billion—money many Governors, including Kentucky’s, don’t know where to get.

This law is bad for Kentucky, it is bad for the country, and it is bad for health care. The American people don’t want it. Regardless of what the court decides this summer, it should be repealed and it should be replaced. It should be replaced with commonsense reforms that lower costs and that Americans actually want—reforms that protect jobs and State budgets, reduce the deficit, reform entitlements, and strengthen Medicare.

One broken promise is one too many. This law is full of broken promises from top to bottom.

Two years ago, then-Speaker Pelosi said we would have to pass this bill to find out what was in it. Now we know. The American people have had a chance to decide for themselves. They don’t like it. They want it repealed, and that is what we plan to do.
This is just one story of how many Kentuckians have joined together to help the least fortunate in my State. Hawk Creek Baptist Church in Laurel County, First Baptist Church of East Bernstadt, and Trinity Freewill Baptist Church in Martin County also opened their doors to provide shelter and relief to displaced Kentuckians and the volunteers working to help them in the days after the disaster struck.

Jim Paul, director of the organization called Ken-Tenn Relief Team, was in East Bernstadt the morning after the storms with food supplies. He trucked in a tractor-trailer load of donated food and other items and personally volunteered dozens of hours in at least three counties to aid storm victims.

In Morgan County, the local Appalachian Regional Healthcare hospital suffered serious damage. Every second-floor window of the hospital was literally blown out, doors were torn off their hinges, and half of the roof was ripped off. Dozens of people were injured and the patients had to be evacuated to nearby hospitals.

Luckily, Martie and Teresa Johnson, owners of a nearby Wendy’s restaurant, stepped in to help. They served 450 meals to the cleanup crew who came in to repair the Morgan County ARH hospital and also traveled to Salyersville and gave away food there.

One television station in Hazard, WYMT, held a telethon to raise money for victims across the State. I was pleased to play a small part in that effort myself, as the television station asked me to record a greeting describing the devastating effects of the tornadoes. The people of the region raised tens of thousands of dollars’ worth of products such as chain saws, gloves, respirators, tarps, water, and trash bags to organizations such as the Henryville Fire Department and local United Way, and store employees volunteered to assist those organizations in the recovery.

Lowes stores in Kentucky have also pitched in, providing gloves, tarps, shovels, bleach, and other supplies to communities all across the State. In addition to over $300,000 donated by the company to relief efforts after the storms, the Lowe’s district manager for Kentucky, Stephen West, dispatched “Lowe’s Heroes,” store employees who are volunteering their time and expertise to help.

Local Walmart stores in Kentucky as well as the company’s foundation have provided tens of thousands of dollars’ worth of water, cleaning supplies, baby food, diapers, and more to help the area recover. Bob Johnson, the market human resources manager for Walmart locations in eastern Kentucky, has taken the lead in coordinating these efforts. And local store employees are making bag lunches and handing them out in the hardest-hit Kentucky communities.

I have seen firsthand in my recent visits to the Bluegrass State both how severe the destruction is, and how hard the people of Kentucky are working to rebuild and lift their neighbors out of the dire circumstances that the cruel forces of nature have put so many of them in.

I thank all the zien Druck and generous Kentuckians like Pastor Steve Smith, among many others, that I am confident that the Kentuckians hurt by these storms will recover. I am and my staff throughout the State have heard so many heart-warming stories like the one I have just shared that it would not be possible for me to recite them all on this Senate floor.

But I hope that the few stories I have shared are more than enough to reassure my colleagues, the people of Kentucky, and the world that we Kentuckyans are stout of heart and firm in our resolve.

Mr. President, I know I have one more rather brief comment. I would like to say a few words about Laura Dove, who is leaving us this week, sitting right here at the table on the Republican side of the Chamber in the well.

For C-SPAN2 watchers out there, Laura is the assistant secretary for the minority. We wish her well as she leaves us. As you know, Laura has been a trusted friend and confidante to all of us.

And she’s done a fabulous job. Senate work is in Laura’s DNA. Her dad’s a past Senate parliamentarian. And she’s been an invaluable member of the floor team for as long as I can remember—counseling members on the floor, working with committees to clear legislation, and doing countless other essential work.

And we wish her all the best as she moves on.

And we wish her all the best as she moves on.
I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. Madam President, I would note that it is never an inconvenience to be deferred by a beautiful lady, and again I take all the remarks made by the leader about Ms. Dove, and I would add one thing about the best and greatest institution in America, the U.S. Senate, and that is that a young mother of two has become an institution to herself. Laura, we appreciate all you have done.

MISSILE DEFENSE

Mr. ISAKSON. Madam President, I rise to talk about two specific subjects, one of them a very troubling comment picked up by a microphone that was not believed to be live, made by President Obama to President Medvedev of Russia. It is a troubling comment to me because I spent most of the previous year in the Senate as a member of the Foreign Relations Committee working on the new START treaty, which the Senate adopted with 71 favorable votes a year ago, a treaty that is a treaty on offensive missiles, not defensive missiles nor strategic missiles.

This is a treaty that began under Ronald Reagan, was ratified by George H.W. Bush shortly after the fall of the Berlin Wall, was extended under George W. Bush and terminated a couple of years ago and needed to be renewed. It is a treaty that did three things. First of all, it reduced offensive weapons held by the Russians and the Americans; second, gave us unilateral access to Russia and the Russians unilateral access to us to trust but verify the warheads that existed; and third, new identification systems and holographs that made it almost impossible to hide or mimic nuclear warheads. It is a comprehensive treaty that is important to America, important to the free world, and, quite frankly, smart for Russia.

I would like to quote from the Washington Post exactly what the President was picked up as having said when he was talking to Mr. Medvedev after their official conversation.

I quote from the Washington Post:

"On all these issues, but particularly missile defense, this, this can be solved—"

I underline, nobody knows what "this" means—

"but it's important for him to give me space.

The President said the following: that he pledged in his message to the Senate on the new START treaty "to continue development and deployment of all stages of the Phased Adaptive Approach to missile defense in Russia, including qualitative and quantitative improvements to such system." That is a unilateral statement.

I met with Vice President Joe Biden in his office outside this Chamber during the debate. Vice President Biden committed the administration in terms of continuing on missile defense. I met with Secretary of State Clinton. I met with Ellen Tauscher, who was one of the chief negotiators and chief operatives, a former Member of the House and now at the State Department. There was never any wiggle room nor need for flexibility. The United States was committed to missile defense in Europe, we remain committed to this day, and it is important that the President and the Russians, and it not be in any way confused or blurred by the comments picked up by that microphone. It is too important to the country, it is too important to this body, and it is too important to me for us to be able to work with each other, not to find out sometime later that they want flexibility to possibly move from those words. Nuclear defense clearly is very sensitive with the Russians, and I understand that. If there are negotiations on that, that ought to be in the open, not after we have time for flexibility. It ought to be forthright.

I also would like to add that there is another missile defense issue that I think that we have to pay attention to. Israel is surrounded by missiles with warheads to injure the people of that country and take the country down. A missile defense system for Israel would be equally as important as missile defense deployment would be for the Eastern European countries.

So missile defense was a vision of Ronald Reagan’s, continued under every President of the United States since Ronald Reagan. It is important that we remain committed to it. I believe it is particularly important to understand what the President said, particularly on missile defense, what “this” meant when he asked for flexibility, particularly because there should be no wiggle room in our desire to protect and defend democracy not only in the United States but around the world.

Madam President real quickly, we talked all week about gas prices, and there has been a lot of demonization of both sides. I think it is a pretty simple guy. I was a businessman for 33 years, went and got a degree in college in business, studied economics in high school, and learned one principle of free enterprise and competition: prices are determined by supply and demand. If your supply goes down and your demand goes up, your prices go up. On the contrary, if the supply is plentiful and demand goes down, your prices go down. You can blame gas companies, presidents’ salaries, anything you want to blame; the fact is, we are talking out of the side of our mouth—and particularly in the administration—when it comes to exploration for natural resources in the United States and America, and only can we become energy independent when we develop all of our resources. I support that. I drive a hybrid car. I am not just somebody who talks about it; I believe it is important. It reduces my consumption, it extends my miles per gallon, and it is better for the environment.

We have proven through the Solyndra and other cases that some of the alternative energy source were either not perfected or frankly just don’t work. So while we are developing ones that do, we should be robustly exploring the gulf, in Alaska, in the Midwest, in the Northwest, and offshore, such as my State of Georgia, the resources we know exist to raise the supply of petroleum in the United States and lower the price to the American taxpayer.

All four sources of energy that are safe and reliable should be promoted. That includes nuclear energy. I am very proud and I am thankful to the President that he gave a guarantee on the first reactors licensed in this country since 1978. They are in Plant Vogtle in Augusta or Burke County, GA. But his Chairman of the Nuclear Regulatory Commission voted no on that final approval. He was outvoted 4 to 1, but he voted no. That sends a signal that we may talk on one hand about having robust development of all resources, but when it comes to playing our hand on the actual vote, he picked a fight that he has no guarantee on the first reactors licensed in this country since 1978. It is too important to the American taxpayer.

We can blame whomever we want to blame, but the fact is facts are stubborn, and supply and demand is what dictates price. We should robustly be exploring the natural resources of the United States for America to have less dependence on foreign dependence on our own oil where we know we have resources. We should pay attention to our environment and recognize that no country in the world has done a better job in the modern era since the industrial revolution of cleaning up its environment than the United States of America. No one looks after their environment harder than the United States of America. We owe it to our people to look equally hard at our own natural resources here at home for less dependency overseas.
I yield the floor and defer to the Senator from Louisiana, who has a lot of offshore resources of his own.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. VITTER. Madam President, I rise to talk about one of the most pressing challenges Louisianians families—indeed, most American families—face, and that is the price at the pump and the enormous hit that is to their family budgets, their pocketbooks, their wallets. It is really making life very difficult in the midst of a very weak economy.

A few years ago the price was $1.84. That was the day Barack Obama was sworn in as President of the United States. Now it has more than doubled; it is $3.80-plus. It seems to be rising every day, and that is a real crisis to a lot of American families. We should be committed here in the Senate, here in Washington, to connecting with the real world and focusing on real problems and real crises. For millions of Louisiana and American families, that is absolutely it. Unfortunately, I don’t see real solutions and a real policy of address that coming out of the President or some of my colleagues on the Senate floor. Right now, to the minute, as we speak on the Senate floor, the President is speaking at the White House, and he is laying out his proposal to raise taxes on domestic energy companies and domestic oil and gas production. That is not a policy that is going to help Louisiana or American families with the price at the pump. In fact, it is a policy that is going to make it worse and not better.

Folks get it in the real world. They certainly do in Louisiana. When we increase taxes on something, those are costs that almost every business, if they possibly can, is going to pass on to consumers. That is pushing prices up, not down.

It is also the first rule of economics, as my colleague from Georgia said, supply and demand. If we take something more, we get less of it. If we increase taxes on domestic energy producers, on domestic oil and gas, we will get less of it. Less supply means the price goes up. So those are two compelling reasons this proposal is not going to help Louisiana families and American families with their struggles with the price at the pump. It is going to make it even worse, when it has been getting worse on its own for a lot of related reasons, very dramatically. So that is not a policy. That is not a commonsense or a real-world solution.

Likewise, one of the few other things I have heard from the President in terms of this matter is essentially begging oil producers, begging for more production. I don’t think that is a policy worthy of America either. I think the perfect symbol for that approach is the President bowing to the princes of Saudi Arabia. It is a symbol of his approach to deal with the price at the pump, and it is not good enough and it is not worthy of the American people.

Other folks have also adopted this approach. Senator SCHUMER, our colleague in this Chamber, recently wrote Secretary of State Clinton on February 28, 2012, just a few weeks ago:

To address this situation—

Meaning the price at the pump—

I urge the State Department to work with the government of Saudi Arabia to increase its oil production, as they are currently producing well under their capacity.

Begging Saudi Arabia is not an adequate solution, and it is not a policy worthy of America.

President Obama’s own Energy Secretary Secretary Chu said even more recently, on March 20 of this year:

We’re very grateful that Saudi Arabia has extra capacity and it feels confident that it can fulfill any potential deficits, at least the way the current markets are now, the current demand I should say, are now.

Again, begging Saudi Arabia, begging the Middle East, begging other countries, that is not an adequate policy and it is not a policy worthy of America.

President Obama has done a world tour doing some of this in other countries. Notably, on March 20, 2011, when my part of the country was still struggling with the de facto moratorium in the Gulf of Mexico, a permit logjam blocking us from producing good, reliable American energy, putting Americans, Louisianians to work, the President went to Brazil to beg them to produce their resources and to promise them that the United States would be a great customer.

We want to help you with the technology and support to develop these oil reserves safely. And when you’re ready to start selling, we want to be one of your best customers.

At a time when we’ve been reminded how easily instability in other parts of the world can affect the price of oil, the United States could not be happier with the potential for a new energy.

He means drilling in Brazil. I have to say this was like rubbing salt in the wound to most Louisianans. As I said, this was March 2011, a year ago, and we were still suffering from a continuing moratorium in the Gulf of Mexico, a permit logjam blocking us from producing good, reliable American energy, putting Americans, Louisianians to work, the President went to Brazil to beg them to produce their resources and to promise them that the United States would be a great customer.

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There’s a lot of anxiety in China about the energy question,” says energy historian Dan Yergin. “It’s just growing so fast.”

PetroChina’s rise highlights a fundamental difference in how the largest petroleum companies plan to supply the world as new deposits become tougher to find and more expensive to produce.

Every major oil company has aggressively pursued new fields to replace their current wells. But analysts say Western oil firms like Exxon have been more conservative than the Chinese, mindful of their bottom line and investor returns. With oil prices up 19 percent in 2011, they still made money without increasing production.

PetroChina Co. Ltd. has a different mission. The Chinese government owns 86 percent of its stock and the nation uses nearly every drop of oil PetroChina pumps. Its appetite for gasoline and other petroleum products is projected to double between 2010 and 2025.

“Theresa’s a lot of anxiety in China about the energy question,” says energy historian Dan Yergin. “It’s just growing so fast.”

PetroChina has grown by pumping everything it can from reserves in China, estimated to contain more than 6.5 billion barrels of oil.5 But analysts say Western oil firms like Exxon must acquire more reserves in places like Canada, Iraq and Qatar. It’s motivated by a need to lock up as much oil as possible.

PetroChina’s output increased 3.3 percent in 2011 while Exxon’s fell 5 percent. Exxon’s oil production also fell behind Rosneft, the Russian energy company.

PetroChina’s rise highlights a fundamental difference in how the largest petroleum companies plan to supply the world as new deposits become tougher to find and more expensive to produce.

PetroChina is looking to build on its momentum in 2012.

We must push ahead,” PetroChina chairman Jiang Jiemin said in January.

PetroChina has grown by pumping everything it can from reserves in China, estimated to contain more than 6.5 billion barrels of oil.5 But analysts say Western oil firms like Exxon must acquire more reserves in places like Canada, Iraq and Qatar. It’s motivated by a need to lock up as much oil as possible.

PetroChina’s output increased 3.3 percent in 2011 while Exxon’s fell 5 percent. Exxon’s oil production also fell behind Rosneft, the Russian energy company.

PetroChina is looking to build on its momentum in 2012.
twice as much as Exxon, according to data provider Dealogic. Several other Chinese companies have become deal makers around the globe as well. Total Chinese energy deals jumped from less than $2 billion between 2002 and 2003 to nearly $18 billion in 2009 and 2010, according to the International Energy Agency. Meanwhile, the Chinese companies are paying above the industry average to get those deals done.

It’s making some in the West nervous. In 2009, Statoil, CNOCO Ltd., a company mostly owned by the Chinese government tried to buy American oil producer Unocal. The latters worked to block the deal. China’s President Bush to investigate the role the Chinese central government played in the process. Chevron Corp. eventually bought Unocal for $17.3 billion.

“There is a resistance to Chinese investment in (U.S.) oil and gas,” Morningstar analyst Robert Bellinski says. “It’s like how Japan was to us in the 1980s. People think they’re going to take us over. They’re going to buy all of our resources.”

That’s unlikely to happen. It doesn’t make economic sense to export oil away from the world’s largest oil consumer. But the Chinese could make it tougher for Big Oil to generate returns for their shareholders. China’s oil companies have been willing to outspend everyone and that drives up the price of fields and makes it more expensive for everyone to expand.

“Your not outbid them,” says Argus Research analyst Phil Weiss. “If you can’t, you’re going to have access to fewer assets.”

Longer term, Chinese expansion globally will bring benefits to the U.S. and other economies. By developing as many oil wells as possible—especially in Africa, Iraq and other politically unstable regions—China will help expand supply.

“Frankly, the more risk-hungry producers there are, the more oil will be on the market, and the cheaper prices are,” says Michael Levi, an energy policy expert at the Council on Foreign Relations.

Despite its swift expansion, PetroChina and other Chinese companies still have much to prove to investors, analysts say.

PetroChina’s parent, China National Petroleum Corporation, has spent billions of dollars in Sudan to provide highways, medical facilities and shuttle buses for the elderly. Oil companies typically don’t do that. But officers “unusually” increase the cost of business and minimizes the returns for shareholders.

In 2009 and 2010, PetroChina’s profit margins for its exploration and production business were only about two-thirds that of Exxon Mobil’s. Its stock price has climbed less than 1 percent, in the past year, compared with a 7 percent rise in the stock of Exxon Mobil Corp.

“You have to ask yourself: What is the purpose of PetroChina?” Bellinski says. “It’s to keep China’s companies in the top five,” he adds. “As many of these companies grow in size, they will have a stake in the commercial and political decisions that governments make.”

Mr. VITTER. The Chinese are not going to just take the world begging. The Chinese are developing. The Chinese are trying to control their own destiny, and PetroChina is now the leading company in terms of producing oil.

Petrobras in Brazil is another example. Brazil is developing its resources very fast. Petrobras is the company that is referred to when the President went there a year ago and applauded them and encouraged them with giving them U.S. resources to do it in terms of loan guarantees, and the President absolutely promised we would be a great customer.

The Brazilians are not traveling the world begging. The Brazilians are controlling their own resources. Brazil is one of the few countries that are developing their own resources, and our President even applauds that while refusing to do the same in this country.

Madam President, I ask unanimous consent to have the press report printed in the RECORD.

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

There being no objection, the material was ordered to be printed in the RECORD, as follows:

(From the Washington Times, Jan. 19, 2012)

CHINA GETS JUMP ON U.S. FOR BRAZIL’S OIL—TWO EXPORT FACTS A COUP FOR BEIJING

(By Kelly Hearn)

BURNING AIRS—Off the coast of Rio de Janeiro—below a mile of water and two miles of shifting sand—is an ultra deep sea of oil that could turn Brazil into the world’s fourth-largest oil producer, behind China, Russia, Saudi Arabia and the United States.

The country’s state-controlled oil company, Petrobras, expects to pump 4.9 million barrels a day by 2020, and 7.6 million barrels a day by 2025. Estimates of Brazil’s reserves range from 2.3 billion to 6.4 billion barrels, with 40 percent of that coming from the seabed. One and a half million barrels will be bound for export markets.

The United States wants it, but China is getting it.

Less than a month after President Obama visited Brazil in March to make a pitch for a new oil-secure alliance, China has signed a deal with Petrobras, Brazil’s national oil company, for $5.2 billion cash-in we will get from Sinopec is paramount for our strategy in Brazil,” GALP CEO Manuel Ferreira de Oliveira told Bloomberg News.

“You have to ask yourself: What is the purpose of PetroChina?” Bellinski says. “It’s to keep China’s companies in the top five,” he adds. “As many of these companies grow in size, they will have a stake in the commercial and political decisions that governments make.”

James Williams, an energy economist with the U.S. consulting group WTRG Economics, said the Chinese are taking on big risks with ultra-deep-water investments.

“For them, the benefits are greater, as they get to benefit from an oil field that has the vantage of that resource. We should learn a thing or two from other folks that have better technology and expertise,” he said.

Mr. VITTER. According to recent press reports, there is a budding and building relationship between Brazil and China, and China is taking advantage of that resource. We should learn a thing or two from other folks around the world, and we should not just beg; we should build and develop. We should take our future in our own hands, and we have an enormous opportunity to do that.

The United States is actually the single most energy-rich country in the world, bar none. When we look at total energy sources, we lead the world. Russia is second, and other countries follow way behind. Saudi Arabia is third but cannot compare in terms of total resources. No Middle Eastern country can compare, and China is below that. We have the resources. We have no single incredible country in the world, and this map shows it.

We have enormous reserves, particularly shale in the West, natural gas in
finds on land, and offshore enormous potential of reserves of oil. Literally, there are hundreds of years’ worth. So what is the problem? The problem is we are the only country in the world that puts well over 90 percent of those resources off limits and doesn’t develop them, but we can do better.

We can reasonably, responsibly, and safely open that access. We can do what Brazil is doing; we can do what China is doing. We do not have to beg. We can have a policy worthy of America and American. We can take control of our own destiny.

What will that mean? It will mean great U.S. jobs, which by definition cannot be outsourced. We cannot have a domestic energy job producing good, reliable energy in the United States and outsource it to China or India. We will build more energy independence, not having to beg Saudi Arabia or go to Brazil as a customer or anything else. We will even increase revenue to lower deficit and debt. We will do that. Of course, we can help lower the price at the pump. We can increase supply, which lowers the price.

So I urge us to do what the American people want us to do: to adopt common sense, to adopt a real policy, and to take control of our own destiny. Begging is not a policy, at least not one worthy of Americans. This tax proposal to increase taxes on U.S. oil companies and domestic oil production is not a policy that will do anything but increase the price at the pump, decrease supply, and that is the opposite of what we need. Let’s do what will make a difference: increase supply, control our own destiny, and do more right here at home.

I yield back the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

RISING TO THE OCCASION

Mr. BOOZMAN. Madam President, in a moment I am going to speak about energy. But, first of all—as I was waiting to have the opportunity to do this—I want to thank Senator MCCONNELL for giving us an update on what is going on in Kentucky. We do a lot of very good things there. One of the things I am going to talk about, energy, is one of the most important, and yet it is good to hear the stories of ordinary Americans doing extraordinary things. This truly is what our country is all about, and my thoughts and prayers are with the people of Kentucky. But it is so refreshing—we talk a lot about our problems, but the strength of America is people like the folks in Kentucky and all throughout America who rise to the occasion as they need to.

The increasing price of gas is a costly reminder of how dependent our country is on foreign oil. This is one of the most pressing issues we face today because the price at the pump directly impacts our everyday lives, and Arkansans are telling me they are worried about what it is doing to their bottom line.

Americans are frustrated with the increase in the cost of gas, and rightfully so. In my home State of Arkansas, the cost for a regular gallon of gas is up 22 cents from a month ago according to AAA. The letters, calls, e-mails and Facebook posts I receive from Arkansans are evidence of that. It is not worth it to fill their tanks while making ends meet.

Arkansas families are faced with tough choices because the rising prices are dipping into their family’s disposable income. The increase in the price of gas puts a strain on family budgets. Earlier this week I hosted a townhall with Arkansans throughout the State. While I expected the major discussion to be about this issue, I was surprised it was the first topic of the conversation. During the event we took an informal poll asking participants if the increase of gas has forced significant changes in their daily habits. Seventy-eight percent of those who answered said yes, and that is the impact.

Sarah, from Mountain Home, AK, said on her Facebook page that the increase in gas prices has forced her family to allocate more money for fuel expenses, which leaves less money for food and other needs. The other Arkansans should not have to choose between getting gas to get to work and the necessities they need in the household.

Chris from Mena, AK, wrote that he notices an increase in the price of groceries. He said:

People should be aware of how fuel costs affect everything we buy and do.

I agree with Chris because the increased price for gas adds to the transportation costs that are passed along to consumers.

Donnie Smith, the CEO of the Springfield-based Tysons Food, told the Arkansas Business Journal that with Springfield as a price point, there has been an increase of more than 55 percent in the cost of diesel in the past 5 years. This is significant because the company uses fuel to transport feed to family farmers, chickens to and from the farms, and the finished products to customers around the world. American families and businesses deserve a plan that will help bring down the prices at the pump. The legislation before this Chamber proposed to raise taxes on American energy producers. This will not change supply and demand, as Senator INHOFFEN mentioned a few minutes ago. These are basic truths. Supply and demand does control costs. This will do nothing to that. Again, hard-working Americans will be left with the bill as a result if this bill were passed. I believe the better way begins with adopting an energy strategy that increases production of American energy in a clean, efficient way through developing wind, solar, and hydrogen technologies as well as tapping into the vast majority of natural resources our country is blessed with.

The reality of our country’s non-energy sector is that we must be left with the bill as a result if this bill were passed. I believe the better way begins with adopting an energy strategy that increases production of American energy in a clean, efficient way through developing wind, solar, and hydrogen technologies as well as tapping into the vast majority of natural resources our country is blessed with.

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average wage does not equal $260,000 a year, yet $260,000 a minute in profits for the oil companies, and we as consumers, have the great privilege of on the one hand paying whatever they want to charge at the pump because there are no alternatives and on the other hand paying the same time out of the other pocket we get to subsidize them.

One hundred years ago those subsidies probably made a lot of sense. I am sure we would not have voted for them if we were starting the new industrial economy and incentivizing the production of oil certainly made sense. I still support the efforts for small businesses and local efforts, but the top five companies do not need taxpayer subsidies right now when they have the highest profits of any business in the world.

So what are we talking about? We are talking about—in tough times and budget deficits and when we need to be focused on jobs and getting us off of foreign oil to once again have choices that make sense for the future and not the past. That means closing down these special subsidies for the top five companies that, again, are earning profits of about $260,000 every single minute, and turning those dollars over to new clean energy alternatives such as biofuels, wind, solar, electric batteries, and all of the things that need to happen—including natural gas, which my colleague from New Jersey has been a champion of—so that we actually have real competition and we can actually go look at the price at the pump and say, you know what, it is too much; I am going to do something else.

We are beginning that process with new electric vehicles and I am proud that those are being made in Michigan. We have advanced biofuels right now. If we didn’t have advanced biofuels at the pump in the few places we do, we would actually see prices a dollar higher on average are right now. So there is a little bit of competition, but we have a long way to go.

This bill takes dollars from subsidies that are no longer needed, that don’t make sense from the American taxpayers’ standpoint or an energy standpoint, and turns them over to continue 19 different tax cuts for entrepreneurs, small businesses, and those who are creating the new clean energy alternatives in the future.

Some of my colleagues on the other side have said that taking away government subsidies will increase prices. It is amazing to me that somehow Friday seems to increase prices; Memorial Day seems to increase prices, I think whatever the market will bear increases prices. But when the CEOs of the big five companies came to the Finance Committee I actually asked them—because folks are saying taking away government subsidies for them will increase prices. I said: How much do you want to charge? What do we have to pay you to bring down the price? Give me a number. How much do we have to pay you to bring down the price?

Finally, one of the CEOs actually said: Well, I did not say we would be raising gas prices at the pump. I did not hear anyone else say that, either. So that is what they said. They were not willing to go on record as saying they would raise the prices at the pump.

Instead of throwing huge government handouts at some of the most profitable companies ever, we should be paying down the debt and we should be pushing tax cuts for the jobs and the new alternatives for the future, and I urge my colleagues to support this very important bill.

Thank you, Mr. President.

Mr. ENZI. Today I wish to discuss high gasoline prices and to express my concern that the legislator we are debating will only cause the price at the pump to increase. We need to have a serious debate about energy policy in the Senate. We have not passed substantial energy legislation since 2007, and without a serious debate about energy policy, we will continue to see price instability.

Unfortunately, the legislation we are debating is not that sound energy policy. Instead, it is an effort at political theater, designed to force a vote on a proposal that the majority finds politically popular.

Republicans understand that the problem we face today will not be solved by taxing the five largest oil companies. Unlike the majority, we understand that we cannot expect to lower energy prices when you increase taxes. Increasing taxes will lead to higher prices.

I want to see lower prices, and so I oppose S. 2294. Instead of passing this legislation, the Senate should take up any one of the ideas my colleagues and I have proposed.

The Senate should pass legislation to approve the Keystone XL Pipeline so we can obtain more of our energy from Canada and countries like Saudi Arabia. The Senate should pass legislation to prohibit the EPA from implementing its greenhouse gas policy—which will make it more difficult to use our most abundant, domestic energy source—coal—to power our homes, businesses, and daily lives.

The Senate should pass legislation to open up more areas of the Outer Continental Shelf to exploration and production, and should require the administration to allow responsible energy development. We should also pass legislation to open up a small area of the Arctic National Wildlife Refuge, ANWR, to energy development.

Any one of those actions would have a much more positive impact on our Nation’s energy situation than the legislation we are debating today. S. 2294 is an effort to punish the Nation’s five largest energy companies because oil prices are high.

Republicans stand ready to have a serious debate on energy because we know our policies are the best solution for achieving energy security. We recognize that the problems we are facing are an undersupply of oil as well as an instability in some countries where a substantial amount of oil is produced.

To address these issues, I want to produce more American oil on American soil. I want to see more oil produced in regions like the ANWR. I want to determine what technology is needed to recover the nearly 800 billion barrels of oil shale that the Rand Corporation has suggested are recoverable. I want to see permits to drill near Wyoming so we can develop our State’s coal bed methane. We also want to see more wind turbines and solar energy panels in places where they make sense.

Republicans truly support an “all of the above” approach. We support traditional sources like coal, oil, and natural gas. We support alternative sources like wind and solar. And our record shows that to be the case.

President Obama claims to support an “all of the above” approach. However, his record shows something different. Earlier this week, his administration released a rule that will make it more difficult to develop coal-fired power plants in the future. That action follows his administration’s decision in 2010 to put a moratorium on leasing in the Gulf of Mexico and their decision to put in place policies that make it more difficult to develop our natural resources on our Federal lands. President Obama claims to support natural gas—at the same time his administration seeks to stop hydraulic fracturing, the tool that has allowed us to access our abundant natural gas reserves.

President Obama also claims that there isn’t a silver bullet to bring prices down. That may be true, but if you add up all of his administration’s efforts to hold up American energy production, there are a number of measures we could undertake to make our situation better. Unfortunately, the legislation we are debating today is not one of those measures.

What’s further unfortunate about S. 2294 is that it is an attempt to punish a sector of our economy that is doing well. The oil and gas sector has created more than 9 million American workers. It is a sector that employs a lot of people in my State. In 2010, more than 21,000 workers were employed in the oil and gas industry in Wyoming. Instead of punishing these companies for their success, we should be finding ways to work with them so they can put more Americans back to work.

It is valuable to have a discussion about energy like we have had this week. It allows us to point out the differences between those who want more production and more jobs versus the vision of our colleagues on the other side, which is essentially higher taxes and higher energy prices. When we have finished voting on S. 2294, which everyone acknowledges will fail, we should sit down and have a full debate about our energy future. I am confident that our vision is the right one if
we want an America that has a secure energy future. I urge my colleagues to oppose S. 2204.

Mrs. FEINSTEIN. Mr. President, I rise to speak in support of the Repeal Big Oil Tax Subsidies Act, which I have cosponsored.

This legislation would repeal five specific tax subsidies and a royalty relief provision to the largest oil companies, which do not need them and which our Federal Government definitely cannot afford. And this bill would invest the savings from repealing these subsidies to extend vital clean energy incentives that have recently expired. It would also save billions of dollars in order to reduce the deficit.

This is a simple vote, really. If you are for subsidizing profitable and polluting industries and raising taxes on clean, innovative and renewable energy companies, you should not support this bill. But if you are for fiscal responsibility, balancing the Federal budget, and investing in a cleaner energy industry that is less dependent on international oil markets and suppliers, you should vote yes.

If you are against increasing taxes on clean energy sources such as wind, solar, and energy efficiency, you should vote yes. And if you believe that we cannot afford to spend Federal dollars subsidizing an industry that needs no help, you should vote yes.

Oil prices have risen to well above $100 per barrel, and according to AAA, California currently has the highest gasoline prices of any State in the continental United States, currently at $4.30 per gallon of regular unleaded.

But these higher prices are not the result of a change in the cost of production. According to a Finance Committee analysis of the SEC filings of the three largest oil companies in the United States that filed, it costs them an average of $11 to produce one barrel of oil. At today’s price that is nearly $100 in pure profit for each barrel.

The result is massive oil company profits on the backs of American consumers. Last year, the top five oil companies made more than $135 billion in profits, and which our Federal Government has no impact on world oil prices, and which our Federal Government needs to invest in drilling, the big five oil companies are buying back stock, issuing dividends, and lobbying governments to eliminate royalty relief that results in massive oil company profits to the tune of over $2 billion dollars per year, year after year.

Some Members of Congress still believe these subsidies lead to lower gas prices, despite all evidence to the contrary.

As Severin Borenstein, the codirector of University of California Center for the Study of Energy Markets, recently said, "the incremental change in production that might result from changing oil subsidies will have no impact on world oil prices, and therefore no impact on gasoline prices."

According to an analysis by the Congressional Research Service, repealing tax subsidies for Big Oil would not result in higher gasoline prices.

Yet these subsidies continue. This week, the National Academy of Sciences found that plumes of such oil are often found thousands of feet below the surface. The ocean pressure increases dramatically at depth, and the pressure in a well can exceed 10,000 pounds per square inch.

The volume of drilling mud and fluids is greater, and many technical procedures can only be accomplished with the use of remotely controlled robots thousands of feet below the surface. Methane hydrate crystals form when methane gas mixes with pressurized cold ocean waters, and the likelihood of these crystals forming increases dramatically at a depth of about 400 meters.

This crystallization repeatedly impeded efforts to stop the gushing oil and gas flow from BP’s Deepwater Horizon spill.

Bottom line: the risks of drilling for oil in thousands of feet of water are far higher than other oil exploration methods and spills are both ecologically devastating and hard to stop.

American taxpayers should not forego revenue in order to incentivize this most dangerous form of offshore drilling. It is not good environmental policy, and it is not good energy policy either.

I believe that global warming is the biggest environmental crisis we face, and the biggest culprit of global warming is the burning of coal and gasoline, and the biggest environmental crisis we face, and the biggest culprit of global warming is the burning of coal and gasoline.

Senator BILL NELSON and I introduced the Big Oil Tax Subsidies Act, which I have cosponsored.

Bottom line: the risks of drilling for oil in thousands of feet of water are far higher than other oil exploration methods and spills are both ecologically devastating and hard to stop.

American taxpayers should not forego revenue in order to incentivize this most dangerous form of offshore drilling. It is not good environmental policy, and it is not good energy policy either.

I believe that global warming is the biggest environmental crisis we face, and the biggest culprit of global warming is the burning of coal and gasoline.

One of our biggest victories has been an aggressive fuel economy law, called the Ten in Ten Fuel Economy Act, which was enacted in 2007.

In order to implement this law, the Obama administration has raised fuel economy standards to 35.5 mpg in 2016—a 49-percent increase from today’s standard. The fleetwide average will rise to 54.5 mpg by 2025.

This is important because these standards will dramatically reduce the economic burden of massive swings in the price of oil and gasoline on American families.

By 2025, the average new car will reduce what an American family spends on gasoline by $5,200 to $6,600 during the life of vehicle, and that is assuming relatively affordable gas prices in the $2 per gallon range.

If prices were to stay at today’s levels, this law will save American families even more money.
Mr. INHOFE. Will the Senator yield at the end of my remarks.

I don’t believe oil companies need taxpayer dollars to help them out. They are already reaping record profits.

Over the last decade, the five largest oil companies have enjoyed nearly $1 trillion in profits and tens of billions of dollars in tax subsidies. Yet we continue to use taxpayer dollars to add to their bottom line. This is unacceptable.

Oil reserves are a public resource. When a company profits from those public resources, American taxpayers should receive a royalty as compensation. And when oil companies profit by charging $4 per gallon of gas, they should pay income taxes like the rest of us do instead of relying on billions of dollars of tax subsidies to avoid their obligations.

In these critical economic times, every cent of the people’s money should be spent wisely.

I urge my colleagues to support this legislation.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. MENENDEZ. Mr. President, I have been monitoring the debate on my Repeal Big Oil Tax Subsidies Act and I keep hearing over and over from our friends on the other side of the aisle that if we keep giving the oil companies tax money, they will do the right thing. The problem is we already know that is not true.

First of all, the United States has only 2 percent of the world’s oil reserves, so we cannot drill our way out of this problem even if we wanted to.

But, more importantly, we cannot trust the big five oil companies to simply do the right thing. Let’s look at the record. Last year, the big five oil companies took $2 billion of your money and saw their profits shoot up to $137 billion—an impressive 75-percent increase in profits. Did they use that extra money we gave them in our subsidies to produce more oil? No, they didn’t. They took your money and they didn’t produce a drop more of oil. Despite the fact that overall U.S. oil production is higher now than it has been in the last 8 years, last year these five companies actually produced 4 percent less oil.

So here is another way to look at it. As each of these companies pocketed our subsidies to pad those profits, they did not use the money to produce more oil. If we take the word of our friends on the other side of the aisle, we have a contract, in essence, with these five companies. We pay them $2 billion and they give us more oil. Last year, they broke that contract and produced less. It appears that these poor oil companies took the taxpayers’ $2 billion and instead of having to suffer with only $135 billion in profits, they made $137 billion in profits last year.

Mr. INHOFE. Will the Senator yield for a question?

Mr. MENENDEZ. I would be happy to at the end of my remarks.

What a heartwarming story of Robin Hood in reverse—taking from the American taxpayer to give to the rich. So congratulations, Big Oil, you got $2 billion extra in profits and we got 4 percent less oil.

Of course, we are not just seeing less oil, we are also seeing the American driver gouged with higher gasoline prices. What happens when taxpayers are forking over $2 billion in subsidies a year to highly profitable oil companies that, in turn, produce less? We get a double whammy with $4+ a gallon at the pump and a bigger burden on taxpayers. How is that a fair return on our taxpayer dollars? It is pretty generous to Big Oil, which stands to profit $1 trillion over the next decade while getting $24 billion in subsidies, but it is a bad deal for consumers struggling to make ends meet.

First, the Repeal Big Oil Tax Subsidies Act takes back $24 billion in taxpayer subsidies to Big Oil and stops this insanity. The next step the bill takes is investing in alternatives to oil—biofuels, natural gas, propane, and a refueling infrastructure for these fuels as well. By investing in these alternatives we finally give Big Oil some competition in the marketplace so that if we keep hearing over and over from our friends that oil will give consumers the choice to use cheaper fuels as well as drive down gas prices.

For those reasons, I urge my colleagues to join me in getting back to reality and stop subsidizing the very industries that need it the least and start investing in the 21st century industries that will help us compete with China, that will create jobs, that will improve our environment and make us more energy secure. It is time we stopped trusting Big Oil to do the right thing with our money and use it on things that actually make sense.

With that, I yield the floor.

The PRESIDING OFFICER. The President pro tempore.

Mr. MCCONNELL. Mr. President, I have one question before this morning’s vote—one simple question: Is this the best we can do? Is this the best we have to offer folks who are staring at $4-a-gallon gasoline, a bill that even Democrats admit won’t do anything at all to lower the price of gas, and a process that blocks any other idea from even coming to the floor for a vote? Is this the best we can do? No other idea has been allowed other than a proposal that will raise the price of gasoline at the pump. Does anybody think the Senate has done its job on this issue?

Well, if you don’t, if you think we should do more for the American people at a time when they are paying $4 a gallon for gas than raise taxes on energy manufacturers and block a pipeline from Canada, then you ought to vote against cloture. You should stand with Republicans and insist we do more to lower gas prices in this congress.

I see the President made a statement a little while ago in support of this proposed tax hike. My question is: Where
was the White House when the Democrats voted to actually get off of this proposal? Maybe they were too busy lining up votes against the Keystone Pipeline. Maybe the President was too busy telling the Russians about how he is hoping for more flexibility.

My point is Democrats don’t have to take orders from the White House. They don’t need to serve the President’s political strategy. They can do what their constituents want them to do on this issue. They can vote to stay on the sidelines and fight for real solutions to the problems of high gas prices and any other number of issues the Democrats refuse to face, for that matter. We can use this institution to actually make a difference. I hope at some point that is what my colleagues on the other side decide to do.

Mr. President, I yield the floor.

The PRESIDING OFFICER. All time has expired.

REPEAL BIG OIL TAX SUBSIDIES ACT—RESUMED

Pending:
Reid amendment No. 1968, to change the enactment date.
Reid amendment No. 1969 (to Amendment No. 1968), of a perfecting nature.
Reid motion to commit the bill to the Committee on Finance with instructions, Reid amendment No. 1970, to change the enactment date.
Reid amendment No. 1971 (to the instructions) amendment No. 1970, of a perfecting nature.
Reid amendment No. 1972 (to amendment No. 1971), of a perfecting nature.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order and pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The assistant legislative clerk read as follows:
CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on S. 2204, a bill to eliminate unnecessary tax subsidies and promote renewable energy and energy conservation.


The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on S. 2204, a bill to eliminate unnecessary tax subsidies and promote renewable energy and energy conservation, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KYL. The following Senators are necessarily absent: the Senator from Utah (Mr. HATCH) and the Senator from Illinois (Mr. KIRK).

Further, if present and voting, the Senator from Utah (Mr. HATCH) would have voted: 

THE PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 51, nays 47, as follows:

[Role of Vote No. 63 Leg.]

YEAS—51

Abakos
Baucus
Bennet
Bingaman
Blumenthal
Boxer
Brown (OH)
Cantwell
Cardin
Carpenter
Casey
Collins
Conrad
Coons
Durbin
Feinstein
Franken

NAYS—47

Alexander
Ayotte
Barrasso
Beigun
Blumenthal
Baucus
Bennet
Brown (MA)
Brown (NH)
Baucus
Bingaman
Blumenthal
Boxer
Brown (OH)
Cantor
Carper
Cardin
Brown (MA)
Baucus
Bingaman
Blumenthal
Boxer
Brown (OH)
Cantwell
Casey
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Cardin
Brown (MA)
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Blumenthal
Boxer
Brown (OH)
Cantwell
Carper
Cardin
Brown (MA)
Baucus
Bingaman
Blumenthal
Boxer
Brown (OH)

The PRESIDING OFFICER. On this vote, the yeas are 51, the nays are 47.

Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is rejected.

The senior Senator from Missouri.

Mrs. McCASKILL. Mr. President, I ask unanimous consent to speak as in morning business.

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

Mrs. McCASKILL. Mr. President, we just had a vote. Imagine for a minute we had a government that was spending too much money, and imagine for a minute that we needed to spend less money; that we needed to change our Tax Code to a Tax Code that was fair, simpler, and didn’t pick winners and losers. Imagine for a minute this was a crisis, and imagine for a minute this crisis was being wielded like a political club by the majority of the Republicans who serve in the Senate—the debt crisis.

Then imagine for a minute that we had the most profitable corporations in the history of the planet and they were booking $30 billion in profit every quarter; over $100 billion profit this year after year, didn’t matter whether the economy was bad, good or indifferent—amazing profits.

Then imagine for a minute this government—that doesn’t have enough money, where the debt is the political talking point of my friends across the aisle—tries to do something simple by saying maybe we shouldn’t be spending money on the most profitable corporations in the world. That is what this vote just was.

How seriously can we take anybody who talks about debt reduction if they are not willing to pluck the low-hanging fruit of subsidies to a group of folks who, frankly, in Missouri, I guarantee you most people I represent would say are the least deserving of extra help from the Federal Government right now.

If we think about it, what we are doing is we are borrowing money to prop up, to the tune of billions of dollars a year, already wildly profitable corporations that don’t have to pay us royalties because they get to deduct the royalties they pay other countries. Seriously, if this was a fairytale I was reading this fairytale to Ian or Levy or Isaac—they would say: Well, this obviously is fiction because this couldn’t be true. But it is, and that is what I call the definition of a special interest: that oil is so special around here, yields so much power and so much money that it turns all the talk about debt reduction into empty rhetoric.

Last year, the five largest companies spent $38 billion boosting their share prices just through stock buybacks alone what they are claiming they need in taxpayer-funded subsidies over the next 10 years. According to ExxonMobil’s quarterly filings, every time the price of oil goes up by $1, they bring in $350 million in annual profit. These companies don’t need these subsidies.

I hear people say: Well, if you don’t give them the subsidies—which, by the way, is chickenfeed to them. What, $6 billion, $8 billion a year is nothing if you are banking $30 billion in profits a quarter. I have heard people say, If we don’t give them this extra help, then they are going to quit exploring for oil and the price of gas will go up. That is so dumb. They have these subsidies for 30, 40, 50 years. I think most of Americans realize the price of oil has gone up just fine done up. We are paying plenty at the gas pump right now, and they have got these subsidies. How is that working out for us? Those subsidies are really keeping down the price of gasoline, aren’t they? The former Shell CEO—Mr. Hofmeister, is on record as saying:

In the face of sustained high oil prices it is not an issue—for large companies—of needing the subsidies to entice us into looking for and producing more oil . . . my point of view is that with high oil prices such subsidies are unnecessary.

This is the CEO of Shell. He is admitting on the record that these subsidies