

We have not had an energy policy in the United States, I am sorry to say, for the last 8 years. As a result, we did not look at what the demand was going to be, where the supply was going to be, and, indeed, have found ourselves depending almost 60 percent on imported oil, depending on foreign countries and OPEC to manage that. So we need to take a long look.

I was pleased with what the Senator from New Mexico had to say about diversity. We need not only to take a look at our need to increase domestic production in oil and gas, but we also need to look at diversity, to where we can continue to use coal. You may have noticed on his chart that coal now produces over 50 percent of our electric energy. We need to do some research with respect to air quality so coal becomes even more useful. We need also to look at coal and its enrichment, getting the Btu's out of low-sulfur coal so transportation costs will not be so high.

Nuclear, I am sure, has a role in our future as a very clean and very economical source of electric energy. However, before we do that, we are going to have to solve the question of the storage of nuclear waste, or begin to use it differently, as they do in some other countries, recycling the waste that is there.

We have great opportunities to do these things. We also need, along with this, of course, to take a look at conservation to make sure we are using all the conservation methods available to us. Certainly we are not now. We have to be careful about doing the kinds of things that were done in California, to seek to deregulate part of an industry—in this case electric energy—however keeping caps on the retail part. Obviously, you are going to have increased usage and reduced production, which is the case they have now.

It is really a test for us at this time. One of the issues is going to be the accessibility to public lands. Most of the States where gas and oil is produced in any volume are public land States, where 50 percent to 87 percent of the State belongs to the Federal Government. Much of those lands have been unavailable for exploration and production.

We need to get away from the idea that the multiple use of lands means you are going to ruin the environment or, on the other hand, that we need to do whatever we need to do and we do not care about the environment. Those are not the two choices. The choice we have is to have multiple use of our lands, to preserve the environment and to have access to those lands as well. We can do that, and we have proven that it can, indeed, be done.

That is one of the real challenges before us during this Congress, although, of course, Congress only has a portion of involvement—it is really the private sector that will do most of it.

One of the most encouraging things is Vice President CHENEY and his work-

ing group have brought in the other agencies. Too often we think about the Department of Energy being the sole source of involvement with respect to energy, and that is not the case. The Department of the Interior is certainly just as important, in many cases more important regarding where we go, as well as the EPA—all these are a real part of it.

One of the difficulties, of course, in addition to the supply, is the transportation. Whether we have an opportunity to have pipelines to move natural gas from Wyoming to California—a tough job, of course—whether we have a pipeline that economically can move gas from Alaska down to the continental United States, those are some of the things with which we are faced. In the case of California, people were not excited about having electric transmission lines and therefore it was very difficult and time consuming to get the rights-of-way to do these things.

We have to take a look at all of those issues to bring back domestic production and be able to support our economy with electric and other kinds of energy.

It is going to be one of the challenges. The Senator from Alaska, chairman of the Energy and Natural Resources Committee, has introduced a rather broad bill that deals with many parts of the energy problem. I am pleased to be a sponsor of that bill. Obviously, it will create a great deal of debate and discussion because it has all those items in it, but we need to move. We need to have a policy that will encourage production. But I say again, not only should we be looking at production but we should be looking at opportunities to, indeed, conserve and find efficient ways to use it.

THE BUDGET AND TAX RELIEF

Mr. THOMAS. We are going to debate lots of issues. We went on an issue yesterday which was passed. We are going to go to bankruptcy today. We will talk about a lot of issues. But the real issue we need to work towards and keep in mind, it seems to me, is the budget and the tax relief issue we have and that the President has promised and that we, I hope, will be able to support. We will be looking at spending, budgets, taxes, and the size of tax relief. It is going to be one of the most important things we do.

One important aspect of it is the American people are suffering under a record level of taxation, which is 20.6 percent of the gross national product. They deserve some relief. The individual tax burden has doubled from where it was. We really need to take a long look and encourage the private sector that has people who are paying excessive amounts of taxes to have those taxes returned and at the same time pay down the debt and be able to have a budget that pays for the increases we are looking for in education

and national security with the military, as well as have some reserves. The President's plan does all of those things. It puts a limit on spending, which we very badly need.

It takes care of paying down the debt. That can be paid down between now and 2011. It has a reserve for the kinds of things that come up unexpectedly and at the same time returns \$1.6 trillion in overpaid taxes to those people who in fact have paid the dollars.

We have a lot of important things to look forward to in this Congress. I am glad we are now beginning to get to where we are able to deal with these issues. I think yesterday was an example of that. I am certain we will move forward.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized.

TAX RELIEF

Mrs. HUTCHISON. Mr. President, I thank my colleague from Wyoming for talking about taxes because I don't think we can talk about tax relief enough. There is no question but that we have the chance of a lifetime to bring tax relief to every working American and also give increased benefits to earned-income tax credit recipients. It is in everyone's best interest that we do this.

I thank my colleague from Wyoming for starting this debate and starting the process of educating everyone about the importance of this tax relief.

Let me say that when we talk about the tax relief package, we really are talking about good stewardship of our tax dollars. We have a projected \$5.6 trillion surplus. We have a bright red line between the Social Security surplus and income tax withholding surplus. We are taking half of the \$5.6 trillion—roughly \$3 trillion—that is in Social Security surplus, and we are going to leave it intact in a lockbox so that Social Security will be totally within itself, solid and firm.

The other half of the \$5.6 trillion—the \$2.6 trillion or so—is the income tax withholding surplus. That is very different from people who are paying into Social Security and expect that money to go to Social Security. But people who are sending \$2.6 trillion in income taxes above and beyond what government reasonably needs to operate should have some relief. That is money coming right out of the pocket of every American and going to Washington which we know it does not need for legitimate government expenditures.

It is our responsibility to be careful how we spend taxpayer dollars. With that \$2.6 trillion surplus in income tax withholding, we have a proposal that takes \$1.6 trillion and gives it back to the people so they don't even have to send it to Washington. We have \$1 trillion remaining. That \$1 trillion is going to be for the added expenditures that we know we need in priority areas to do the right thing.