

I thank my colleagues for joining me on the floor to talk about this important issue today.

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

Mr. CRAIG. Madam President, I assume this starts this side's period of morning business, to be extended to what time?

The ACTING PRESIDENT pro tempore. The minority has 62 minutes.

### ENERGY

Mr. CRAIG. Madam President, I come to the Chamber today to speak about efforts that are now underway in the 110th Congress to deal with an issue the American people have become tremendously sensitized to over the last couple of years—the issue of energy, the availability of energy, and the cost of energy. I believe it is important, as we look at cost and America's reaction to it, to recognize that while Americans are paying a higher price for energy today, there has never yet been a question about the availability of energy and the supply itself. I think we forget that when we paid, in midsummer, \$3 at the gas pump for gas and substantially more for diesel, it was always there, it was always available, and that never became the issue.

What I believe is important for us today, in the new Congress, under new leadership in the House and the Senate, is to not only focus on the availability of energy but also move ourselves toward being a nation that becomes independent in its ability to produce its own energy—all kinds, in all ways—for the American consumer.

I find it fascinating that somehow, in the midst of all of this, we have forgotten that while the energy is still at the pump, the lights still come on when we throw the switch in our house in the morning, and America is awash in the use of energy, we have become increasingly dependent on foreign sources for a substantial portion of the very energy that moves this country. Here is a chart which I think demonstrates that. Today, arguably, we have become 60 percent dependent upon someone else producing our hydrocarbons—our oil to produce our gas and our diesel and, of course, the plastics our country uses as a derivative of that.

In this new Congress, we should focus as aggressively as we did in the last Congress in the creation of the National Energy Policy Act of 2005. We ought to now move a major step forward toward energy independence by not only encouraging the increased production of all forms of energy but looking to see if Government stands in the way of that. Is Government promoting it or are we inhibiting it and forcing those who supply our energy to progressively seek offshore sources of that supply?

The new Committee on Energy and Natural Resources that I serve on, under the guidance of JEFF BINGAMAN,

recently held a hearing on who supplies the oil for the world. Is it ExxonMobil? No. Is it Conoco? No. Is it Phillips? No, even though we think it is because that is where we get our fuel when we go to the gas pump. What we found out and what many have known is that 80 percent of the world's oil supplies are controlled by governments. And they are not our Government. They are controlled by government or government-owned companies.

I recently gave a speech to a group of oil producers. I talked about petro nationalism and a growing concern in this country that the world that supplies this portion of our oil can use their political muscle but, more importantly, the valve on the pipeline of the oil supply, to determine the kind of politics and international relations they want to have with us, knowing how we have become so dependent upon that supply.

I hope we continue to focus on supply and availability instead of doing what some are saying we are going to do. We are going to punish the oil companies because they are making too much money. We are going to tax them, and we are going to tax the consumer because somehow that will produce more oil? No, no, no. That is politics, folks. That is, plain and simply, big-time politics, to show the consumer you are macho, that somehow you will knock down the big boys who supply the oil.

Ask the questions, if you are a consumer: Will that keep oil at the pump? Will that keep gas available to me? Will that produce more gas to bring down the price? Those are the legitimate questions that ought to be answered when the leadership of the new Senate says: No, we will muscle up to the big boys and knock 'em down because somehow they may be price gouging. Yet investigation after investigation after investigation suggests that is quite the opposite. That simply is not happening.

Nowhere are they going to tell you in all of this political rhetoric that I would hope would take us toward energy independence and a greater sense of energy security in our country that the new deep wells we are drilling in the gulf that produce or new oil supply could cost upward of \$1 billion a well in actual expenses before the oil begins to flow out of that well and into the ships or into the pipelines that take it to the refineries that ultimately put it in the pipeline that get it to the consumers' pumps. And the issue goes on and on.

I hope that in this Congress, while some will want to play politics, a good many will focus on the reality not only of what we have done, which has been very successful in the last few years—and that is the Energy Policy Act of 2005—but go on with the business of setting goals and driving incentives that move us to energy independence. It is phenomenally important we do that as a country. Long-term investment, new technologies, clean sources of energy are going to become increasingly important.

But more important is that we can stand as a Nation and say we are independent of the political pressures of the Middle East or the political pressures of Venezuela or the political pressures of Central Europe and Russia, that now control the world's supply of oil. That is what Americans ought to be asking our Congress at this time. Are you going to ensure an increased supply? Are you going to ensure a greater sense of independence by the reality of where our oil comes from?

This is not just an issue of oil. We know it is an issue of new technology. It is an issue of cleanness. It is an issue of nonemitting greenhouse gas sources of energy because today we are all about clean energy. And we ought to be. Yet we understand the agenda for climate change is going to be a punitive one, one that would obviously distort a market's growth toward cleaner supplies. It is called cap and trade or command and control instead of saying, yes, that is the old technology. Now let's invest in new technologies. Instead of penalizing, let's create the incentives that move toward new technologies and let us then lay down the old. That is how we cause America to become increasingly energy independent. I am talking climate change.

The Speaker of the House yesterday did something very fascinating. She couldn't get the climate change she wanted out of her own committee so she has created a new select committee on climate change to be headed up by Representative ED MARKEY. I remember Representative MARKEY over the years: All antinuclear, day after day, year after year. He lost that battle. Americans said: You are not going to go there anymore. You are going to start producing energy because it is clean. Now he has been assigned a select committee on climate change.

Congressman DINGELL, who chairs the appropriate committee, said select committees are about as useful as feathers on a fish. Congressman DINGELL gets it right.

What is useful, what is important in the argument of climate change, is new technology, it is incentives, it is producing energy in today's market that is, by any dimension, cleaner than what we produced in the past. You do not penalize the producer, you incentivize the producer to make sure that they move in the direction of clean energy. When you do that, you also say, as we said in the Energy Policy Act of 2005, and as we sought to say again and again and again to the consumer, we are going to provide you with the tools to conserve, to become more efficient in your use of energy.

All of those things, in combination over the next 10 to 15 years, clearly ought to allow this country to stand up and say we have narrowed this gap; we are more independent as a Nation today in our supply of energy than we were in 2007, and we are more independent because our Government stood up, got out of the way, incentivized,

created those kinds of tools that the private sector could effectively use for an ever-increasing supply of clean energy and that we, as consumers, were given the tools to become more efficient in the use of those clean supplies of energy.

I hope that ought to be and will become the mission of this new Congress, not to play games with the politics they thought brought them to power but to realize that the American consumer still is going to ask that the gas pump be full of energy, that the light switch supplies electricity in the morning and that, hopefully, it will come in a cleaner form and it won't cost any more than it has cost in the past in relation to cost of living and inflation.

Those are the realities of a marketplace that we ought to help, not penalize. Is that politically wise to do? In the long run, it is very politically wise to do because then America can stand on its own two feet. It will not have to bow to the suppliers, such as Russia and the Middle East, and to let a dictator in Venezuela jerk us around because he has a major supply of oil. We can say: No, we supply our own. We are independent. We have been responsible in doing so, and we did it in a clean and diverse way.

It is a phenomenal challenge for us but a challenge that is important to meet.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). The Senator from Georgia.

(The remarks of Mr. ISAKSON and Mr. ALEXANDER pertaining to the introduction of S. 330 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. OBAMA). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I rise to talk about energy, and I start by reminding people, as well as my fellow Senators, that in August 2005, the President signed an energy bill that was very comprehensive—probably tilted toward renewable fuels, such as ethanol, and toward conservation, such as fuel cell cars, but also a small part of it was some incentives for domestic fuel, petroleum production, for refining and for distribution and for things of that nature.

It was a very comprehensive bill because we were concerned about the price of gasoline. We were concerned about what working men and women of America were having to pay. We were concerned about national security. There were a lot of reasons for passing that bill.

But then you get into an election year, 2006, and the impression you get from the election rhetoric is that we never had an energy policy, never passed a bill, or what we did pass was only for the big oil companies, and that there was no concern whatsoever about national security, there was no concern on the part of the Senate, when we passed that Energy Policy Act in 2005, about what many working men and

women were paying for gasoline and things of that nature.

And all of this rhetoric against it—or what was said about it, if anybody wanted to admit we had an energy policy passed by Congress—was that it was all for big oil. I wish to remind people that bill was overwhelmingly bipartisan. But yet during the last campaign, one political party talked all about giveaways to big oil, never talked about ethanol, never talked about conservation, that it was an energy bill that was just for big oil and for big corporations, making the other political party out to be nothing but for big corporations, as opposed to what our incentive was: to drive down the price of gasoline and to have an adequate supply of gasoline and not be dependent so much upon foreign sources of oil, which was our motivation.

So I am here, now that the House of Representatives is working on a bill that deals with energy policy, and particularly to repeal what was referred to in the last election as "sweetheart tax deals for big oil" that were included in that Energy Policy Act of 2005, to say this bill that we passed was very well balanced for ethanol, alternative energy, conservation, with a small part of it for domestic oil production, and how intellectually dishonest it is to refer to this bill as a giveaway to big oil.

I will use some statistics to back up what I am referring to. At the time we considered the Energy Policy Act of 2005, I was chairman of the Senate Finance Committee because my party was in the majority. So I played a central role in developing the tax title, along with my colleague, Senator BAUCUS. So, in fact, it was a very bipartisan bill. In fact, Senator BAUCUS and I produced, on a bipartisan basis, this comprehensive tax package that included provisions to increase domestic energy production, increase energy efficiency, and increase the development of alternative and renewable energies.

On the whole, I think the effort was a success. All you have to do to know it was a success is to look at the explosion in the building of ethanol plants throughout the country—most of them in the Midwest but throughout the country—as people are going to alternative energies, renewable fuels now because ethanol is made from crops that are growing from year to year. So I think the effort was very much a success, and that is one small part of it being a success.

The Senate tax title was supported unanimously—I wish to emphasize unanimously—because there, at that time, were 11 Republicans and 9 Democrats on the committee. It came out of our committee unanimously. This bill, which during the last election was talked about as a giveaway to big oil, came out of our committee unanimously and eventually passed the Senate 85 to 15. And the conference agreement, ironing out the differences between the House and the Senate, passed by a margin of 74 to 26.

So throughout the whole process it was bipartisan, that this was the answer to the energy problems facing the Nation—not that it was the end-all and be-all, but it was a very comprehensive effort and a successful effort to solve the energy problems of our Nation.

The entire tax package that was in this bill, the Energy Policy Act of 2005, had a budget score of \$11.1 billion over 10 years.

According to the nonpartisan Congressional Research Service, \$2.6 billion or 18 percent of the package was for oil and gas production, refining, and distribution. Distribution isn't always by the big oil companies. So 18 percent—that is why I said our bill, passed in 2005, signed by the President, was overwhelmingly tilted toward renewable fuels and toward conservation, not toward domestic petroleum production. According to the Joint Committee on Taxation, the tax title of the Energy Policy Act actually raised taxes on oil and gas companies by at least \$224 million.

Understand, this was described in the last election as a giveaway to big oil. Yet nonpartisan staff said that oil and gas companies ended up paying \$224 million in new taxes. In the last election, the tax title was characterized as tax giveaways to big oil, anywhere from \$9 billion to \$14 billion. How do you get \$14 billion, if you want to say it was 100 percent for big oil instead of 18 percent? How can you say a bill that was scored at \$11.1 billion could end up being a giveaway of \$14 billion? It doesn't add up. And figures don't lie.

At a time of record high gas prices last year, the other side accused the Republican majority of failure of leadership. They said it was time to rewrite the Energy bill and stop the billion dollar tax giveaways for big oil, the same kind of misleading insinuations I have been referring to on another issue they had in the last campaign, about the fact that we ought to negotiate with drug companies to get prescription drug prices down, when we are already doing that, as I pointed out in some speeches last week. For the 24 most-used drugs by seniors, the plans that are negotiating with the drug companies have negotiated prices down an average of 35 percent.

Getting back to energy, during the same campaign cycle, Members on the other side sold the taxpayers a bill of goods. They committed to repealing all the tax giveaways to big oil that the Republican Congress included in the Energy Policy Act of 2005, which ended up with \$224 million more coming in from oil and gas. With the results of the November election, I presume they believe they were given a mandate from the voters to take away all of those "tax giveaways"—the words they used—in that bill. We heard the arguments over and over, both here on the Senate floor and across the country on the campaign trail. But now that the debt has come due, it is time for the new Democratic majority to deliver on

their promises to the American people. So what have they come up with to repeal? How much money are they going to take back from big oil to alleviate consumer pain at the pump? Just one provision—that is right, one provision.

After all the demagoguery against our party and the Energy bill that passed by an overwhelming bipartisan majority, supposedly because of ties to big oil, are they accusing the Democrats who voted for it of ties to big oil as well? And they are going to repeal what? One single tax provision enacted in the Energy Policy Act signed by the President in August of 2005. Of course, that is only half the story. It turns out this outrageous “tax giveaway” to big oil is scored by the Congressional Budget Office to save the U.S. Treasury \$104 million over 10 years, not the \$14 billion that was the outside figure used during the campaign, not \$1.4 billion but \$104 million.

I am a family farmer from New Hartford, IA. I know \$104 million is still a lot of money. But it turns out to be less than 1 percent of the entire package of the energy tax incentives included in that Energy Policy Act that came out of my committee on a unanimous vote, all Republicans and all Democrats, and passed the Senate in an overwhelmingly bipartisan manner. So in a desperate attempt to increase the size of the tax penalty on domestic oil and gas producers, they have also included the repeal of the oil and gas industry’s eligibility for the manufacturing income tax deduction. That is not just for oil and gas; that is for all manufacturing in America. This was another bill, in 2004, that passed overwhelmingly with a bipartisan majority. The American JOBS Creation Act of 2004 was a new law supported by 69 Senators—that is bipartisan—that contained far-reaching measures to revive the manufacturing base in America because of outsourcing.

We did that by cutting taxes so that the cost of capital is competitive with the cost of capital overseas, so we don’t lose jobs overseas. We also created incentives for people to invest in the United States instead of investing overseas. It devoted tax benefits to American manufacturers in the form of a 3-percentage-point rate cut subject to the payment of wages to their employees. If they didn’t hire more people, they didn’t get the benefit. Remember, it was called the Americans JOBS Creation Act. This manufacturing tax cut goes to large and small corporations, family-held S corporations, partnerships, sole proprietors, family farmers, and cooperatives. If you manufacture here, you get the tax cut here. If you manufacture overseas, you don’t get the tax cut. It was only for manufacturing in the United States, and it was only for U.S. manufacturers that paid employees’ wages. It was not for manufacturing offshore and it was not for folks who only manufacture and hire overseas.

In defining U.S. domestic manufacturing, Congress included in the defini-

tion all things that are extracted or grown, including what the family farmers grow. That means that all domestic minerals and the people who produce domestic minerals receive benefits. And that would include extraction of domestic—meaning here in America—oil and gas and the production of products made out of our own oil and gas.

It seems very strange to me that if you want to become less dependent upon foreign oil, the first thing you would do, in your first 100 days being in the majority for the first time in 12 years, is to increase the taxes by 3 percentage points on domestic production of oil and gas, which was part of the American JOBS Creation Act of 2004, which passed in a bipartisan majority in the Senate.

In addition, the House proposal also increases the taxes on all refinery products. That means your home heating oil and your farmer’s diesel used to run the machines that harvest the crops. In addition, fertilizer is a primary product of natural gas, so mid-western family farmers are going to be hurt and not helped by any of this proposal. That is what is coming out of the other body to this body to consider. Maybe because it is represented by so many people from the big cities of America, they don’t realize food grows on farms. It doesn’t grow in a supermarket. Maybe they don’t realize what they are doing to the American farmer. But we don’t need the cost of our anhydrous ammonia, which last summer was \$550 a ton compared to about \$250 a ton 2 years ago—so we have fertilizer to grow our crops—to be driven up still more.

In the 100 days of the new majority, this is what they are doing to the American consumer, the American farmer. All of this in the new House majority so they can rewrite and adopt a campaign promise to cut tax benefits to big oil. It is an example of a problem they made up that now they have to deliver on. In the process, they are going to hurt the family farmers, hurt the consumers, and cut out one of the things this body adopted in the JOBS Creation Act of 2004, to create manufacturing jobs in America, incentives to invest in America so that we don’t have outsourcing.

If they wanted to get back at Exxon—that is big oil, if there ever was big oil—they missed the mark. The people who produce here in the United States are the same people you go to church with and your kids see in school. If you want to become more dependent upon foreign oil, then you should be happy with this proposal coming out of the first 100 days of the new majority in the new House of Representatives. If you want to create incentives for the production of U.S. lower 48 domestic oil and gas, then this quite obviously is the wrong policy, all for a campaign gimmick, all for campaign pandering. That is not right, to teach the family farmers and the consumers of America, who are already

paying enough for their prices and are suffering from high energy costs, to do more by taking away this 3-percent point tax incentive we gave for investment in America to create jobs in America. If it is made in America, you get the benefit of it. If it is made overseas, you don’t get the benefit.

Granted, there were also three provisions relating to royalty relief that were included in their bill. Two were included in the bipartisan Energy Policy Act, and one seeks to remedy an error caused by the Clinton administration bureaucrats in the Interior Department of 10 years ago. I will leave those discussions to the people who are best prepared to answer those, my colleagues on the Energy and Natural Resources Committee, who have jurisdiction and expertise in this area.

I also point out to my colleagues and constituents that I am not beholden to big oil or the energy industry. In the years I have been in the Senate, I have battled big oil, because they hate renewable fuels that we call ethanol. They don’t want you burning anything in your gas tank that doesn’t come out of their oil wells. They don’t want you burning in your gas tank those things that come off the farmers’ fields in the way of corn from which we make ethanol, also for all of the sorts of things that they don’t like, what we call energy conservation and forcing electric utilities to use renewable portfolio standards within the industry. I have supported biodiesel. I have supported ethanol. I have supported renewable portfolio standards—all things that big corporations in America don’t like. But we have been successful in doing it.

I have relentlessly chased the bad players in the petroleum industry at all levels, both legal and illegal. As chairman of the Senate Finance Committee, we closed over \$10 billion in tax provisions that the President signed into law, shutting down fuel fraud and folks stealing fuel excise taxes from the Highway Trust Fund. These are real provisions, collecting \$10 billion of taxes that were evaded that will no longer be evaded.

So what are the facts concerning the track record of the previous Congress and the President of the United States on energy policy and promoting renewable and alternative energy, and what is wrong with the rhetoric of the last campaign that led people to believe it was something different than we ended up passing? We extended and expanded the production tax credit for electricity produced from renewable sources such as wind, biomass, geothermal, and landfill gas. We enacted tax credits for the purchase of hybrid fuel cells and advanced lean burn diesel vehicles. We enacted incentives for the production and use of ethanol and biodiesel and the infrastructure to disperse that fuel.

The distinguished Presiding Officer contributed the idea behind doing that, so we would set up more biodiesel pumps at stations through the 30-percent tax credit that the Senator from

Illinois thought of. I thank him for that idea. I was very happy to work with him on that. That is the distinguished Presiding Officer. We enacted the first ever renewable fuel standard for ethanol and biodiesel that has led to fantastic growth in the industry.

With regard to energy efficiency, we enacted incentives for efficiency improvement for new and existing homes and commercial buildings and for energy-efficient home appliances.

According to the clock in the other body, we are still somewhere within the first 100 days of the new Democratic majority, and again we see another example of legislative action not living up to campaign rhetoric. A word of caution to voters across America: Beware of the goods that you might be sold during an election. That applies to both Republicans and Democrats as far as I am concerned. In the case of repealing the "big oil tax giveaways"—those are words used in the last election—from the Energy Policy Act, it turns out in fact to be a pig in a poke.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. ENSIGN. Mr. President, we are debating an important piece of legislation. The American people are rightly frustrated with the process Congress uses to consider. That is to say, it is not done in the light of day and with full transparency. They believe lobbyists have too much influence on this institution. Last year, we tried to pass a lobbying reform bill to help clean up some of the ways that we do legislation around here. We were not able to come to an agreement between the House and Senate, so there is another effort underway this year.

I think this legislation is very important. Republicans support reform. We have been offering relative amendments to make Congress more accountable to the American people. More transparent. These amendments will address the problems that have existed for some time. The majority, however, is trying to end the debate on this bill. They are not willing to let the Senate consider some very important amendments that will improve how Congress handles the people's business. I will mention a couple of my own amendments to this legislation in just a moment. I would say that the majority would be right to cut off debate, if Republicans were strictly trying to obstruct passage of this bill. Then their parliamentary move would, I agree, be appropriate. But the minority is not being obstructionist. We have legitimate amendments that deserve to be debated and voted on. Senators deserve to be heard. It is not right for the majority to try to railroad this piece of legislation through this body without giving Members their right to have amendments debated. Particularly when those amendments are not being used as a delaying tactic. I simply do not believe that is the way this institution should be run. That is why, last

night, 45 Senators voted against what is called cloture. That would have brought debate to a close and would have brought any attempt to improve this legislation to a close.

Let me give you two examples of legitimate amendments that have been offered and why they are important to be debated and voted on.

The first amendment I want to talk about addresses provisions where this bill falls short, particularly with respect to transparency and to allow the American people to observe how this Congress operates. Section 102 of this bill is an example of where the bill falls short. I commend the authors of the legislation for including this section. The intent is to stop the conferees from putting unrelated pieces of legislation in a conference report. Too often in the past conferees have inserted provisions in the conference that were completely unrelated to the bill. This simply is not the way the Congress should be legislating. The Senate should not bypass the regular legislative process. When we do, it means we are passing legislation, in some cases, without even holding a hearing. This process also denies Senators the opportunity to debate and offer amendments to improve unrelated provisions. But the most offensive part of this is that it is done outside of the public's view.

In a democracy such as ours, Congress should do its business in the full light of day. The entire Senate should consider, debate, and amend legislation in full view of the American public. I often hear from constituents who have concerns about legislation we are debating on the Senate floor. That feedback has always been important to me. I have always appreciated Nevadans who have taken the time to participate in the legislative process. So when we insert unrelated matters into a conference report, we deny the American people the chance to observe what we are doing, to participate in that process, and to be heard. That is why I fully support the intent of section 102 of the bill because the intent is to fix that which is broken.

In my review of this section, and after consulting with the Senate Parliamentarian's Office, I don't believe that the current language in this bill will work. This section will not change what we are saying needs to be changed. What do I mean? First and foremost, section 102 states that a Senator may object to a conference report that contains provisions that were not considered by the House or the Senate. That sounds good. As written, this sentence reads how rule XXVIII actually operates; that is to say that the point of order is raised against the entire conference report and not the offending provision or objectionable item in a conference report.

While the intent of section 102 is to allow a Senator to object to a single provision that is added into the bill, the bill is not written to allow that. My amendment makes it clear that the

point of order is to be raised against an individual item that is in the conference report and not the conference report itself. In other words, this small, simple change is absolutely critical to the process because if you want to strip something out of the bill, without my amendment you cannot strip a single provision out of the bill. You raise a point of order and it brings the entire conference report down. Why is that important? Well, let me tell you why it is important.

For instance, we had a port security bill last year. There was an unrelated item put into the port security bill. There may have been objections to that item, but if one had raised the point of order, it would have brought the whole port security bill down. Nobody wanted to do that. It was an important piece of legislation. Without my amendment, that is the way we would continue to operate.

But that is not what section 102 in this bill states. Its intent is to be able to surgically go in and cut out a piece that is added in the dead of night, behind closed doors, in a conference report—the types of things that, frankly, most Americans find objectionable. So this is one of the reasons that we should not be passing this legislation until the Senate has carefully considered each provision of this bill. We should allow for amendments to go forward, to be debated. We should make sure that we get things in this bill right before it leaves the Senate, so that when it is joined with the House's bill, we have done the best possible job to ensure that we cleaned up the way we do our business.

I have another amendment that I want to talk about. This illustrates the other important point of why it is important to allow Senators to have their time with amendments.

The minority—the Republicans in the Senate—want legitimate amendments to improve this legislation. I believe we should have the right to offer those amendments.

The second amendment I want to talk about is to ensure that our men and women in the military, those serving in harm's way, remain our top budget priority. I want to speak about protecting defense spending from being raided and used for nondefense purposes.

Over the past several years, there have been several congressional scandals that have undermined public confidence in government. It is my sincere hope that this legislation before us will be the first of many steps to restore that confidence. The message to both parties last November was that Congress has to change the way we operate. The American people will no longer accept some of the practices of the past, nor should they. It is up to this body to change our practices, to reform how Congress does the people's business. We should ensure that our dealings are transparent, that we are accountable, and that we are honest with the American people.

The tradition of America is that we rise to the occasion. Americans have a history of meeting the challenges that we face together. Each generation has met obstacles and overcome them. For Congress's part, we must be honest and straightforward with the American people about the nature of the challenges facing our Nation.

Unfortunately, in some respects, Congress has not lived up to its end of the bargain. We have been using sleight of hand and budget gimmicks to mask our out-of-control spending habits. Over the past 5 years, Congress has been underfunding defense in the regular appropriations process in order to shift some of those funds into what are called other discretionary programs that are nondefense items.

The game being played, with a wink and a nod, is that if we underfund defense in the regular appropriations process, we will then make defense whole with what are called emergency supplemental bills. In some instances, Congress has shifted as much as \$11.5 billion from defense to nondefense spending in just 1 single year. We know that emergency spending has increased substantially in each of the last 5 years.

I have a chart to illustrate this. In the years 1990 to 1993, under the first President Bush, we had a total of \$115 billion in emergency supplementals. During the Clinton administration, the total was just about the same, \$115 billion. Since President Bush has been in office, there have been a total of \$585 billion in emergency supplementals. Now, we have had 9/11, Katrina, and we have had the war against Islamic extremists around the world, including the wars in Afghanistan and Iraq, that account for most of that spending but not for all of it.

This increased reliance on supplementals coincides exactly with the same time period in which defense has been underfunded. The effects of this gimmick are not felt just in 1 year either. Because of the way we do budgeting, called baseline budgeting, money that is shifted from defense in 1 year is really a permanent shift in funding. And, as a result, a \$1 billion shift represents not only a shift of \$1 billion this year, but that is put in the baseline next year and adds up cumulatively in perpetuity.

Let me point out exactly how this works and illustrate it. In 2002, \$1.9 billion in new spending was shifted from the Department of Defense. That new spending is built into the baseline in the next year. The green part of the graph is from the previous year. The red part on top of that is the amount that defense was underfunded and shifted into other programs that year. Take that and shift it into the next year, and on and on, where we have a total of 4 years later built into the baseline the \$29 billion that we have shifted from defense into other programs. That is one of the reasons spending is out of control in Wash-

ington, DC. What was labeled as defense spending is not spent on defense and is then being made up in supplemental appropriations bills. Which is a clever way to disguise increased spending in other places. People in Washington have talked about spending around here. They say we have held the line on spending, except for defense-related items. That is not true. We have actually been playing a smoke and mirrors game, and this chart illustrates that.

I believe what we are doing is not honest with the American people, and we have the annual budget deficits as a result of that. I mentioned before that it is important for us to be able to offer amendments. I would not be able to offer an amendment if cloture is invoked on this bill, and we should not cut off debate. This would be considered a nongermane amendment. It would not survive cloture, even though the point of this bill is to require legislative transparency. We are trying to make Congress' actions transparent and to clean up the budget process, however, the majority is trying to cut off debate on these critical reforms.

I am going to have one last chart to demonstrate the effect of this budget gimmick. The total effect of underfunding defense and playing this game has cost the American people. This last chart, when one totals the cost of this gimmick up, is \$84 billion. We have shifted \$84 billion by using these budget gimmicks. \$84 billion that was shifted from defense to nondefense programs. Then we backfill the defense accounts with supplemental appropriations.

We need to have honest budgeting around this place. We need to be honest with the American people. If we are going to appropriate money for defense, let's do it for defense. If it has to be for some other program, let's be honest with the American people and stop playing these budget gimmick games.

If we are going to have transparency in Government, we should have transparency in Government. Accountability in government. That is what this bill is supposed to be about. It is what we are telling the American people that we intend to do. This amendment, along with the one I discussed earlier, are very important to ensure that we end the games and that we end the gimmicks. This amendment ensures that we tell the truth to the American people.

Mr. President, I yield the floor.

Mr. PRYOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The Senator from Maine.

#### OFFICE OF PUBLIC INTEGRITY

Ms. COLLINS. Mr. President, last night the Senate voted not to invoke cloture on the ethics and lobbying reform legislation we have been considering for the past couple of weeks. I come to the floor this morning to explain why I voted to continue debate on this bill to which, as the Presiding Officer knows, I am very committed and have worked very hard on in the past Congress.

First, then, let me emphasize that I remain committed to passing a strong lobbying reform and ethics bill. I have said before and I will repeat that before we can conduct the business of the people of this country, it is important that we reform our practices.

We need to strengthen the lobbying rules and the ethics rules to increase disclosure and to ban practices that might call into question the integrity of the decisions we make.

We need to assure the American people that the decisions we make are in their interests, that they are not tainted by undue influence or influence by special interests.

The underlying bill, S. 1, is the same bill that last year was the bipartisan product of the Senate Committee on Homeland Security and Governmental Affairs, which I was privileged to chair. It is a good bill and it remains a good bill.

Over the past week and a half, we have debated and voted on amendments that have further improved the legislation before us, and the Senate is making good progress. However, as much progress as we have made, this bill has not reached the point where we should invoke cloture and cut off debate.

Some observers of the Senate may not understand that invoking cloture means that all amendments to this bill that are not germane can no longer be considered. The term and test for germaneness severely limits the types of amendments that can be considered, and many of these amendments—although they are not technically germane to the bill—are nevertheless very relevant to the bill. And perhaps the most important of these amendments is the Collins-Lieberman amendment that would create an Office of Public Integrity.

I know the Presiding Officer has been a strong supporter of an Office of Public Integrity as well, as has the Senator from Arizona, Mr. MCCAIN. The four of us have worked very hard on that concept.

I strongly believe we will have failed our test of producing a truly strong and complete ethics bill if we leave out the enforcement angle, if we do not create an Office of Public Integrity to conduct impartial, independent investigations of allegations against Members of Congress.

The other provisions of this bill are very important and very good, but we cannot ignore the enforcement piece. We need an Office of Public Integrity.

I realize that leaders on both sides of the aisle disagree with me on this