

furniture-makers in Pennsylvania whose jobs were eliminated and shipped to China. As their plant shut down, each one of those craftsmen signed the bottom of the last piece of furniture their company would make in America. As we import wage pressures onto our own shores, we will be hearing hundreds of similar stories in the years to come. The guest worker provision threatens to eat away at our middle class.

It has the potential to harm guest workers and American workers alike. Who, then, does it benefit? I don't think I need to tell my colleagues the answer. But unless we reform our standards for guest workers, we will be putting the demand for cheap labor above the dignity of immigrants and Americans alike.

I voted to strip the guest worker provision from last year's immigration bill; and I supported stripping it this year. And while the amendment offered by Senators DORGAN and BOXER did not pass, I am heartened that we adopted Senator BINGAMAN's amendment to limit the program to 200,000 guest workers per year. And as we move forward in this debate, I hope that we will also have chance to strengthen protections for guest workers and reduce wage pressure on Americans.

MORNING BUSINESS

Mr. KENNEDY. Mr. President, I ask unanimous consent that we have a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to speak longer than 10 minutes. I don't intend to speak for more than 25 minutes and maybe not that long. I would at least like to have the freedom of going beyond 10 minutes.

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

ENERGY

Mr. GRASSLEY. Mr. President, I am going to talk about an energy issue. I am sure people listening, and my colleagues, might think I am talking about an energy issue because gasoline is at the highest price it has ever been in the history of the country. I assure you I would be giving these remarks even if the price of gasoline was only \$1 a barrel, because it involves, in an overview, testimony that was given by oil company executives before the Judiciary Committee some time ago. What is being reported are policies of oil companies. I have become aware of an article in the Wall Street Journal. So I am going to be referring, during my remarks, to evidence I got from the Wall Street Journal, letters that I have sent to the CEOs of major oil companies, and testimony that was given be-

fore the Judiciary Committee of the Senate—I might say that it was sworn testimony—and what I consider to be some inconsistencies. I will be referring to that testimony from the record.

I will be referring to the letters I have sent to the CEOs. As an overview, I am going to be pointing out inconsistencies between sworn testimony and what oil company executives say are their company policies regarding ethanol, and particularly the 85-percent ethanol that we call E85; and then, of course, letters I sent to the oil companies, raising questions that were raised because of this article, to have the oil companies give me their story, in case this article was wrong.

Across the country, American families and businesses are suffering from the economic impact of rising gasoline prices. As many families begin to plan their summer vacations, they are being forced to dig deeper into their pockets to fill up the family car.

The rising cost of gasoline is a result of many factors. Global demand for crude oil and refined products is way up constantly, as a result, driving up the price. The Organization of Petroleum Exporting Companies—what the people of this country know as OPEC—has curtailed some production. Refineries are offline for maintenance or have experienced outages. As a result, these refineries are operating at 5 to 10 percent below normal.

Once again, refinery outages have, coincidentally, occurred just as the summer driving demand kicks into gear, and this has led to an average price of over \$3.15 a gallon as a national average. In my State of Iowa, I think it is \$3.33 today.

The impact of these increased prices is being felt across the country by working families, farmers, businesses, and industry. The increased cost for energy has the potential to jeopardize our economic security, our economic vitality.

Because we are dependent upon foreign countries for over 60 percent of our crude oil, our dependence on them is a threat to our national security.

In recent years, many Members of the Senate have touted the value of increasing our domestic energy resources. I have been one of those—particularly for ethanol and particularly for biodiesel. In Iowa, I am the father of the wind energy tax credit. Iowa is the third leading State in the production of electricity from wind energy.

Increasing domestic resources, whether it is ethanol, biodiesel, wind, biomass, you name it—all of these are from alternative sources that are good for our economy and particularly good for our national security. Diversity of supply can go a long way toward reducing the impact of price spikes and volatility. That is why I have been such an ardent supporter of the development of these domestic renewable fuels. Each gallon of homegrown, renewable ethanol or biodiesel is 1 gallon of fuel that we are not importing from countries

such as Iran, or Venezuela, which are very unpredictable—or Nigeria, where we get 10 percent of our oil, which might be unpredictable because of revolutionaries there kidnapping American workers, such as they did 2 weeks ago, or German workers over the period of the last year. It is a very nervous environment we are in.

The supply from the Saudi oil wells to our gas tank is maybe a 17-day inventory. So any little thing happening, according to the business pages of the newspaper, causes the price to spike. So I have been an ardent supporter of these domestic renewable fuels.

In the past few years, domestic ethanol production has grown tremendously. Right now, we are consuming about 5 billion gallons of ethanol annually. With all of the new ethanol bio-refineries under construction, we will be producing as much as 11 billion gallons annually by 2009.

Ethanol's contribution is a significant net increase to our Nation's fuel supply. But as the industry grows, it is imperative that higher ethanol blends be available to consumers. When I say higher ethanol blends, I mean beyond the 10 percent mixture that we have right now. We even have cars right now that can burn up to 85 percent ethanol. That is why we refer to it as E85. That is what we are talking about, increasing the 10 percent as cars are manufactured, to be able to consume it without hurting the engine. That is where the automobile companies are headed. That is where the ethanol industry is headed to back it up. But the point I will make in a minute is that the distribution for E85 is a problem, and it looks to me like big oil is a major part of that problem. That is what I am going to point out.

We are quickly approaching a time when ethanol will be produced in a quantity greater than that needed for the blend market as we continue down the road that has been pioneered by Brazil—and that is the best example—to use cars that will, in fact, burn 100 percent ethanol. For sure, we must continue on this path of reducing foreign oil dependence and greater renewable fuel use.

To do that, then, it is critical that we develop the infrastructure and the demand for E85, an alternative fuel comprised of 85 percent ethanol, 15 percent gasoline.

Our domestic auto manufacturers are leading the effort to expand what we call the flex-fuel—meaning flexible fuel—market. Our domestic manufacturers of automobiles are doing this. Our domestic automakers have produced approximately 6 million flex-fuel vehicles over the past decade. In fact, you might be driving a flex-fuel vehicle and don't even know it, burning 100 percent gasoline, or the 90/10 percent mixture of gasoline and ethanol. Look at your book. If you can burn E85, do it—if you can buy it. I am going to point out how that is a problem—the distribution—and the oil companies' involvement in it.