S. Res. 13. A resolution congratulating the University of Florida football team for winning the 2008 Bowl Championship Series (BCS) national championship; to the Committee on the Judiciary.

## ADDITIONAL COSPONSORS

S. 64

At the request of Mr. INHOFE, the names of the Senator from Kansas (Mr. BROWNBACK) and the Senator from Oklahoma (Mr. COBURN) were added as cosponsors of S. 64, a bill to amend the Emergency Economic Stabilization Act to require approval by the Congress for certain expenditures for the Troubled Asset Relief Program.

S. 85

At the request of Mr. VITTER, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 85, a bill to amend title X of the Public Health Service Act to prohibit family planning grants from being awarded to any entity that performs abortions.

S. 96

At the request of Mr. VITTER, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 96, a bill to prohibit certain abortion-related discrimination in governmental activities.

S. 174

At the request of Mr. INOUYE, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 174, a bill to establish a coordinated and comprehensive Federal ocean and coastal mapping program.

S. 211

At the request of Mrs. CLINTON, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 211, a bill to facilitate nationwide availability of 2-1-1 telephone service for information and referral on human services and volunteer services, and for other purposes.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NELSON, of Florida:

S. 221. A bill to amend the Commodity Exchange Act to require energy commodities to be traded only on regulated markets, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. NELSON of Florida. Mr. President, over the past half year, as the price of a barrel of oil has rocketed into the sky—all the way to $147 a barrel and in 1 day the price escalating $25—there have been a number of Senators on this floor and in committee meetings and in private discussions saying: Why won't people wake up and realize it is not the economic marketplace of supply and demand that is determining the price of oil? Who wants us to believe that? The oil companies, of course. In fact, the price of oil has escalated not because there is a tightness on the world marketplace of demand for oil. Indeed, at the very time of a 6-month period from the last quarter of last year until the first quarter of 2008—that 6-month period when the demand for oil was going down and the supply was going up, which would indicate the price should be going down if supply is greater than demand—exactly the reverse was true. The price kept rocketing to the Moon.

It defied the laws of supply and demand. Yet we had everybody running out saying, ''Oh, it is the tight world marketplace,'' and it was difficult to get people to listen to a group of Senators who said it was because the commodities futures exchanges had been deregulated and, therefore, unregulated oil futures contracts speculation was running wild.

Then, once it got up to $147 a barrel, what happened? The liquidity crisis hit, the economic crisis of confidence hit—not only in America but across the world. A lot of this was precipitated by the faulty mortgages, the subprime mortgages we are now not paying off in the revenue stream because people weren't paying their mortgages. Those mortgages had been bundled into securities and then bought and sold, and a lot of financial institutions, hedge funds, mutual funds and, indeed, big investments for pension funds started dumping those because they needed cash, and they started dumping their positions on oil futures commodities that they had purchased in this speculative frenzy that ran the price up to $147 a barrel. What happened? The exact reverse. The price of oil starts coming down. So what should we do about this? Well, we ought to do what a number of us have been saying: We ought to go back and reregulate what we have jurisdiction over, which is the Commodities Futures Trading Commission.

Now, why was it deregulated? It was deregulated in the dead of night before Christmas in the year 2000, and it was deregulated at the behest of the Enron Corporation. And once they deregulated that commodities futures trading market on energy, it allowed them to go out and speculate on energy contracts. What was the first result? In the early part of this decade we saw it happen in California. We saw the electricity contracts start a runup in speculative bidding, to which it went up—the cost of electricity—by as high as 300 percent in California. Once that started to unravel, then we know what happened: Enron started to unravel with all the shenanigans that had gone on there.

But here we are 7 and 8 years later, after the law was changed, and we haven't been able to get it changed back because people come out here and say: Oh, it is supply and demand in the world market for oil, and they come up with a simple slogan, as if that was going to handle the price of oil when it was hitting $147 and translated into about $4-gallon-gasoline. Their simple little slogan was ''drill baby, drill,'' as if that were going to solve the problem of the price of gasoline and the price of oil.

But now we hear—and people are starting to pay attention—we ought to reregulate this futures commodities trading. Now, what do we mean by regulate? I am talking about simple little things, such as you would have to use the oil that you are bidding on, such as an airline does. It locks in a future price for fuel by bidding on these future oil contracts. An airline, in fact, does use oil. By taking away the regulation, they have removed that ability. Or to give another example of regulation: A Commodities Futures Trading Commission could say you have to put a certain amount of money down if you are going to buy a future oil contract. Instead of getting it with nothing down, you have to put some skin in the game. But if you completely deregulate it, what you leave it to is the speculator to go in and bid that price up and up and up.

Now, this is what we have been saying on the floor of this Senate for the last 6 or 8 months, a number of us—Senator DORGAN, Senator CANTWELL, this Senator, and several other Senators—but it has been hard to get an audience that would listen. Well, no less a respected institution than CBS News ''60 Minutes'' last Sunday night broke it open and put it about as clearly as I have ever heard in posing this question: Did speculation fuel oil price swings?

And what they concluded was that 6 months ago, when oil hit its alltime high of $147, and gas was up around $4 a gallon, it created a frenzy that fed into irrational and false claims that the problem was just supply and demand and that the solution was to drill for more oil.

Well, it looks a lot different now. That frenzy that got mixed up in Presidential politics as well, with those simplified mantras of ''drill baby, drill,'' fueled by a slick public relations campaign, that was funded by deep-pocket oil companies. Yet those same oil companies testified in the spring of 2008 that if supply and demand were the sole driver of oil prices, that oil should cost no more than $55 a barrel. We had executives of two of the big major oil companies say the normal laws of supply and demand would say that oil ought to be in the range of $55 to $65 a barrel, and they testified, this Senator thinks, correctly.

So ask yourself: Could supply and demand justify the wild swings in prices? And in that one instance where oil jumped $25 in 1 day for a barrel of oil, ask yourself: Could the new oil demands by China and India, that have needs for new oil products, could that have suddenly caused that price to jump so much in a single day? And the answer, clearly, is: No. It was speculation that caused that bubble to grow. Wall Street investors shifted billions of dollars out of the stock market and into the commodities futures market