to protect their patent application while discussing the invention with possible investors and other third parties.

Other reforms included in the bill will improve the quality of U.S. patents over the long term. The bill creates a new post-grant review of patents, which can be sought within the first 9 months after the patent is issued and used to raise any challenge to the patent. This will allow invalid patents that were mistakenly issued by the PTO to be fixed early in their life, before they disrupt an entire industry or result in expensive litigation.

The bill also allows third parties to submit prior art relevant to a patent application before the patent is issued. This will help PTO determine if the invention is already in the public domain and should not be patented. This provision will allow the public to help the PTO correct its mistakes, and ensure that no patent rights are granted for inventions already available to the public.

The bill also makes structural reforms to post-grant review that were sought by the PTO. It allows inter partes reexamination to be run as an adjudicative system, and elevates the threshold for starting post-grant proceedings. The PTO has insisted that a higher threshold is critical to its ability to administer these proceedings. By raising the threshold for starting an inter partes review to a showing of a ''reasonable likelihood'' that a patent is invalid, the bill will allow the PTO to avoid accepting challenges that were unlikely to win in any event.

The bill also includes many protections that were long sought by inventors and patent owners. It preserves estoppel against relitigating in court those issues that an inter partes challenger reasonably could have raised in his administrative challenge. It imposes time limits on starting an inter partes or post-grant review when litigation is pending. And it imposes a one-year time limit on the duration of these proceedings. All of these reforms will help to ensure that post-grant review operates fairly and is not used for purposes of harassment or delay.

I commend the members of the Judiciary Committee for the work they have put into this bill and I urge my colleagues to support passage.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to a period for the transaction of morning business, and that the 30 hours postcloture run on the patent bill, and that Senator GRASSLEY be recognized for whatever time he may use in morning business, and that following his statement, Senators be recognized for up to 10 minutes each.

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent that I may speak for some little time after 10 minutes.

Mr. REID. Mr. President, I know my friend was preoccupied. I knew he wanted to do that. The unanimous consent agreement said whatever time he may consume.

The PRESIDING OFFICER. The Senator from Iowa.

ENERGY

Mr. GRASSLEY. Mr. President, the American economy remains on an unsettled footing, as we all know. There are some real signs of economic recovery, but it shows a very fragile recovery. The consumer confidence level seems to be increasing, and that is good news. U.S. factory activity is up. That is good news. But also we are very nervous about the housing market remaining weak. The Nation's unemployment rate stands at 9 percent—maybe officially now 8.9 percent—and now our economy is facing a significant head wind due to rising energy prices.

Since the unrest began in Tunisia, our energy markets have rocked upward by the uprisings in Egypt and now in Libya. Libya produces only roughly 2 percent of the world's crude oil, with much of that going to Europe. But even with Libya producing such a small amount, it still makes a tremendous impact on the world market of oil. The uncertainty and fear about supplies, according to oil speculators, has driven crude prices to more than $100 a barrel. Prices at the pump were already high before the unrest in the Middle East. The events going on in North Africa and the Persian Gulf area just worsened the problem.

According to the Energy Information Administration, gas prices jumped 19 cents during a 1-week period at the end of February. This is the second largest 1-week jump in more than 20 years. I think over the weekend we learned that gasoline, in a 2-week period of time, is up 33 cents. So Americans are now paying, on average, $3.51 a gallon for gas. That, obviously, is about 80 cents higher than this time last year.

The average cost to fill a tank of gas is likely around $50. We all know that for a family struggling to make ends meet, these are valuable dollars spent at the pump, with most of those dollars going overseas.

I am sure the Presiding Officer probably knows that before this rapid rise in the price of oil, we were spending $730 million a day to import oil. Obviously, that is now a much higher figure, probably close to $1 billion a day right now. Our country is at risk, our economy is at risk, our Nation's security is at risk; that is, economic security, but also it is related to our national security. Our ever-increasing reliance on foreign sources for energy is undermining our Nation's economic and national security. The activities in the Middle East over the last 6 weeks should be an alarm bell going off. It should, in fact, be a wake-up call. Let me be clear. I know that for our economy to grow and for business and individuals to thrive, we need access to reliable, affordable energy. I support an energy policy that I like to say is akin to a four-legged stool or another way of saying it is all of the above—obviously, all the sources of petroleum we can get our hands on, and more domestically, obviously, than import, all sorts of alternative energy. Conservation has to be a leg of that stool and, obviously, nuclear energy.

So to be repetitive: First, we have to have access to oil and gas resources here at home. Two years ago, when gas prices were so high, the rallying cry was ''drill here, drill now.'' It seems to me that still is a legitimate rallying cry for us with gas at $3.51 a gallon. The idea that we limit our access to our own resources, which in turn leads us to go hat in hand to foreign dictators such as Hugo Chavez and oil sheiks is ludicrous. It is silly to be sending more money overseas to give people resources to train terrorists to kill Americans.

We currently import more than 60 percent of our crude oil, and it doesn't have to be that way. I know we can't get to energy independence by drilling here and drilling now all by itself, but isn't it a little foolish to have our economy held hostage by events in Libya—North Africa generally—or the Persian Gulf area and particularly with Libya only supplying 2 percent of the world's oil?

The Obama administration needs to put an end to the existing policy of a de facto moratorium through permitting; that is, for drilling onshore and offshore of our own domestic supply. We need to make sure we are doing everything we can to protect workers and the environment. But permitting delays and obstacles should not prevent our Nation from moving forward to developing resources here at home.

I also support efforts to expand the use of clean coal and nuclear energy. I also support conservation efforts. I agree that the cheapest form of energy is the energy that doesn't have to be used. That is conservation. Here in the Senate, I have supported policies aimed at reducing energy use in homes and buildings through conservation and energy-efficient technologies. I see the value in reducing overall energy consumption.

I have also been a leader in the Senate in promoting alternative and renewable energy. Why? Because the supply of fossil fuels is a finite quantity. We must look to alternative and renewable resources so we can improve our energy and our national security. This includes supporting energy from wind, biomass, hydroelectric, solar, geothermal, and biofuels.

I would like to focus now on the effort to develop homegrown biofuels. For many years, Congress has realized the need to develop an alternative to fossil fuels, particularly as a means of reducing our dependence on that fossil fuel. One of the first priorities was a tax incentive to encourage the use of

homegrown ethanol. For over 100 years, the fossil fuel industry has had a monopoly on our transportation fuel. They built the market. They own the infrastructure. They weren't about to use a product they didn't manufacture, own or profit from. So Congress created a tax incentive to encourage big oil to use the product and make it available to their consumers. It was paired with an import tariff to make sure that only domestic ethanol receives the benefit of the tax incentive.

So the tax incentive and the tariff worked together to do two things: The incentive exists to encourage the use of domestic ethanol. The tariff exists to ensure that we aren't giving a tax incentive to already subsidized foreign ethanol.

In other words, wouldn't it be silly to have a tax incentive for the production of a domestic alternative energy and then allow the import of it, which would have taxpayers subsidizing an alternative form of energy coming in from another country? Well, that wouldn't make sense.

Together, these two approaches ensure that we don't replace our dependence on foreign oil with a dependence upon foreign ethanol. The incentive was created to encourage big oil to use a domestically produced product and a renewable product. In 2005, Congress created the Renewable Fuels Standard. The standard was created to ensure a minimum amount of renewable fuels was used in the fuel supply. It was strongly opposed by big oil, but it was enacted over their opposition.

In 2007, it was greatly expanded. It mandates the use of 36 billion gallons of renewable fuel annually by 2022. But that decision, made in 2007, also limited the amount of ethanol that can be made from grain to 15 billion gallons.

One of the criticisms I hear occasionally is that the ethanol receives both an incentive and a mandate. So I think we should address that point.

First, while the mandate requires that the fuel be used, it does not mandate that the ethanol be produced domestically. The incentive acts as an encouragement to use homegrown products. It increases economic activity at home and works to reduce our dependence upon foreign oil. It doesn't do any good if you are importing a domestic renewable fuel if it can be done here locally, creating the jobs here.

Secondly, the mandate acts as a floor to ethanol use. Without the incentive, we would consume a bare minimum. The incentive encourages ethanol use beyond the mandate.

Some in the environmental community are quick to raise objections to the biofuels mandate as well as the incentive. I would like to suggest to them that this is a clear example of limitless hypocrisy and intellectual dishonesty in this town. Many of the loudest voices against these policies are the same voices who lobby me for tax incentives and also mandates for wind, solar, geothermal, and other renewable energy.

I happen to be a strong supporter of electricity generated from wind and other renewable sources. I first authored the production tax credit for wind in 1992. Over the years, it has been expanded to include other types of resources. Since as far back as 2003, environmental advocacy groups have been pushing for a renewable portfolio standard, which is a mandate that utilities around the country use a certain amount of wind or other types of alternative energy instead of coal in the production of electricity.

So now what do we hear? They want the production tax credit for wind and other renewable electricity and a mandate that it be produced. Yet they oppose these same policies for biofuels. That is an inconsistency. That seems to be an intellectually dishonest approach; that they would like to have this Senator support mandates for wind as well as a tax incentive for wind but lobbying against this Senator's approach to having a tax incentive for other alternative energies as well as a mandate.

I have been a champion of ethanol and biofuels for a long time. I am well aware of the positive role ethanol is playing to create a cleaner environment. It is improving our economic and national security and it is creating jobs and economic activity in rural America. In 2010, nearly 90 percent of all gasoline sold in the United States contained some ethanol. The 13 billion gallons of ethanol produced in the United States reduced our oil imports by 445 million barrels of oil.

After domestic oil production and imports from Canada, U.S. ethanol production is the third largest source of transportation fuel—what we use in internal combustion engines. U.S. ethanol production is larger than what we import from Saudi Arabia or even from Hugo Chavez's Venezuela. Without domestic biofuels, we would be on bended knees even more than we are today, begging others for oil.

Just think what has developed in the 2 weeks of Libya. We have OPEC having to go to Saudi Arabia to make up the difference, just because of 2 percent of the oil production being affected. Why would we want to be more dependent upon foreign sources of energy, particularly for our national security?

Without domestic biofuels it seems to me that we would be on bended knees even more than we are today, begging others for oil. Ethanol is the only reliable, legitimate alternative to crude oil. Domestic ethanol currently accounts for nearly 10 percent of our transportation fuel. There is no other renewable fuel that comes close to achieving the economic, environmental, and national security benefits currently delivered by this biofuel that we call ethanol.

There are other well-funded misinformation campaigns underway to undermine the only alternative to crude oil. Big oil has been joined in recent years by opportunistic grocery manufacturers who hope to find a scapegoat in their desire to increase profits and raise food prices. They did this just 2 years ago, when corn was $7. They scapegoated ethanol. They needed a cover to raise the price of food and then, within 7 months, when the price of corn was down to half that price, $3.50 per bushel, did you see the price of food come down? No. You are going to find the same thing now.

These people continue to perpetuate the same tired, baseless arguments to try to undermine our efforts toward energy independence. They are more interested in protecting market share and profits than national economic security.

Over the next few weeks I am going to do everything I can to talk about this issue, to educate the public on the benefits of domestic biofuels. I am not going to sit quietly while the energy, environmental, and national security benefits of ethanol are scoffed at. I intend to beat back every false attack. The American public deserves an honest, fact-based discussion about the benefits of reducing our dependence on people such as Hugo Chavez and Muammar Qadhafi. They deserve to hear the benefits of reducing our dependence on dirty fossil fuel.

I look forward to continuing this effort and invite dialog from any of my colleagues.

BIENNIAL BUDGETING

Ms. SNOWE. Mr. President, I rise today to express my support for instituting biennial budgeting within the U.S. Government. We should reform the Federal budget process by converting it from an annual spending process to a 2-year cycle, with 1 year for appropriating Federal dollars and the following year devoted to oversight of Federal programs.

Under the current budget process, Congress almost never finishes the appropriations bills by October 1 and is forced to consider omnibus legislation composed of individual appropriations bills that were never considered on the Senate floor. Worse still is that we are often unable to amend an omnibus appropriations bill and are forced to accept provisions that may be objectionable. Because we are constantly racing against the clock to finish appropriations, authorizing committees are hampered in their ability to conduct effective oversight. This means that we have trouble learning about what spending programs work and which must be modified or eliminated. Budget reforms are much needed and long overdue.

The amendment that I filed today would require the President to submit a 2-year budget at the beginning of the first session of a Congress. Members of Congress would then need to adopt a 2-year budget resolution, a reconciliation bill if necessary and 2-year appropriations bills during that first session. The legislation ensures the enactment