

some \$5 billion in subsidies for nearly every stage of wind production.

The "1603 grant program" pays up to 30% of the construction costs for renewable energy plants (a subsidy that ended last year but which President Obama calls for reviving in his budget). Billions in Department of Energy grants and loan guarantees also finance the operating costs of these facilities. Wind producers then get the 2.2% tax credit for every kilowatt of electricity generated.

Because wind-powered electricity is so expensive, more than half of the 50 states have passed renewable energy mandates that require utilities to purchase wind and solar power—a de facto tax on utility bills. And don't forget subsidies to build transmission lines to deliver wind power to the electric grid.

What have taxpayers received for this multibillion-dollar "investment"? The latest Department of Energy figures indicate that wind and solar power accounted for a mere 1.5% of U.S. energy production in 2010. DOE estimates that by 2035 wind will provide a still trivial 3.9% of U.S. electricity.

Even that may be too optimistic because of the natural gas boom that has produced a happy supply shock and cut prices by more than half. Most economic models forecasting that renewable energy will become price competitive are based on predictions of natural gas prices at well above \$6 per million cubic feet, more than twice the current cost.

The most dishonest claim is that wind and solar deserve to be wards of the state because the oil and gas industry has also received federal support. That's the \$4 billion a year in tax breaks for oil and gas (which all manufacturers receive), but the oil and gas industry still pays tens of billions in federal taxes every year.

Wind and solar companies are net tax beneficiaries. Taxpayers would save billions of dollars if wind and solar produced no energy at all. A July 2011 Energy Department study found that oil, natural gas and coal received an average of 64 cents of subsidy per megawatt hour in 2010. Wind power received nearly 100 times more, or \$56.29 per megawatt hour.

Most Congressional Democrats will back anything with the green label. But Republican support for big wind is a pure corporate welfare play that violates free-market principles. Last week six Republican Senators—John Boozman of Arkansas, Scott Brown of Massachusetts, Charles Grassley of Iowa, John Hoeven of North Dakota, Jerry Moran of Kansas and John Thune of South Dakota—signed a letter urging their colleagues to extend the production tax credit.

"It is clear that the wind industry currently requires tax incentives" and that continuing that federal aid can help the industry "move towards a market-based system," said the letter. What's the "market-based" timetable—100 years? In the House 18 Republicans have joined the 70-Member wind pork caucus. Someone should remind them that in 2008 and 2010 the wind lobby gave 71% of its PAC money to Democrats.

Here's a better idea. Kill all energy subsidies—renewable and nonrenewable, starting with the wind tax credit, and use the savings to shave two or three percentage points off America's corporate income tax. Kansas Congressman Mike Pompeo has a bill to do so. This would do more to create jobs than attempting to pick energy winners and losers. Mandating that American families and businesses use expensive electricity doesn't create jobs. It destroys them.

Mr. ALEXANDER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

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

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

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 6:30 p.m.

Thereupon, the Senate, at 5:03 p.m., recessed until 6:30 p.m. and reassembled when called to order by the Presiding Officer (Mr. BENNET).

Mr. REID. 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.

The PRESIDING OFFICER (Mr. MERKLEY). The Senator from Pennsylvania.

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

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

MOVING AHEAD FOR PROGRESS IN THE 21ST CENTURY ACT—Continued

Mr. TOOMEY. Mr. President, I ask unanimous consent to speak as in morning business.

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

CAPITAL FORMATION

Mr. TOOMEY. Mr. President, it is probably clear to all of us that the American people have a very high level of frustration with the lack of productivity of this Congress. The fact is, when we go home to our respective States, I am sure we are all hearing what I heard last week as I traveled across Pennsylvania. People ask me: Why can't you guys work together? Why can't you get something done? Why does it seem there is so much partisan bickering that you can't come together even on simple things that could help grow this economy, help make progress in these very difficult times?

Well, on this front I think we have some good news, and I am delighted to talk about this tonight. I hope this early sign of good news reaches fruition and we actually have a meaningful accomplishment soon in this body as well as the other body.

Specifically, I am referring to the work that has been coming together of late on a series of capital formation bills that will help small and growing companies raise the capital they need to expand, to hire new workers, to help improve our economy and give us a healthier economy with the job growth we badly need.

In particular, I want to thank House majority leader ERIC CANTOR. Congressman CANTOR took the step of pull-

ing together a series of separate bills and putting them together in a package—a capital formation package. There is very broad support for this package in the House. I think under his leadership it is very likely to pass the House and will present a tremendous opportunity for us because there is broad bipartisan support for these commonsense reforms that will help companies raise capital and grow.

The bipartisan support includes the President of the United States. Much to his credit, the President—I believe just yesterday—issued a formal Statement of Administrative Policy indicating his full support for the passage of the measure that Leader CANTOR is proposing in the House. Many of these proposals come from the work that the President initiated. Some of them are included in the startup America jobs plan that the President proposed. Some of them were recommended by commissions that the President assembled. The President spoke about the need for enhancing small- and medium-sized companies' access to capital in his State of the Union Address. So I think the President has been very clear and very strong in his support as the House Republican leadership has been.

In this body I think the leadership on both sides of the aisle has indicated support. The majority leader and the minority leader have both indicated their support for moving in this direction. The chairman and the ranking member of the Banking Committee have expressed a desire to move forward with the capital formation package, and there is wide support among outside groups. In fact, there is very broad support and very little opposition. The support includes support of entrepreneurs, whether they be from convenience stores, financial services firms, or high-tech firms.

In Pennsylvania, the life science companies feel very strongly about this because for them access to capital is a huge challenge. It is the absolutely essential precondition for their growth, and they are not alone. Manufacturers generally, supermarkets, all kinds of trade associations, the support for these kinds of capital foundation bills is very broad.

I want to touch specifically on three of the bills that I have been working on for quite some time now, and I am very hopeful and optimistic. First of all, these three bills are among six bills. The House companion version of these bills is in the package that Leader CANTOR has proposed, and I believe there is broad support in this body for these bills as well.

The first I want to refer to is a bill that I have introduced with Senator TESTER. It is S. 1544, and it is called the Small Company Capital Formation Act. It is more commonly known as the reg A bill. What it does is lift the current ceiling on the amount of money that a business can raise under the regulation provision of the securities law. That is a provision that allows a small