

Federation of America, Delta Airlines, the International Monetary Fund, the St. Louis Federal Reserve. What do they all have in common? They have all indicated that excessive oil speculation significantly increases oil and gasoline prices. In fact, according to a recent article in *Forbes*—that is based on a report from Goldman Sachs—excessive oil speculation “translates out into a premium for gasoline at the pump of \$.56 a gallon.”

The Chairman of the Commodities Futures Trading Commission has stated publicly that Wall Street speculators now control more than 80 percent—in fact, as much as 85 percent—of the energy futures market, a figure that has more than doubled over the last decade. In short, people are buying contracts for future delivery of oil or gasoline they have no intention of ever taking delivery of.

Something is not working in the markets. Demand has dropped; consumption has been reduced; supply is at least at the level it was last year; yet prices are rising. The excessive oil and gasoline speculation is clearly causing market disturbances that prevent the market from accurately reflecting the forces of supply and demand. It is vital that the government use every available resource to protect Americans from markets that are not working, from price-gouging or price-fixing or illegal manipulation. The causes of the market disruption must be confronted.

Last April, the Attorney General announced the formation of a Financial Fraud Enforcement Task Force working group—I will repeat that—Financial Fraud Enforcement Task Force working group—that was specifically empowered to combat illegality in these markets.

I wrote to the Attorney General last May in the wake of the appointment of that task force, telling him respectfully that “announcing investigations and beginning to issue subpoenas could curb some of the worst speculative activity that may well be underway at this very moment.” I believe now that this task force has the authority, it has the mandate, it has the responsibility, and it has the obligation to be effective.

We have heard virtually nothing about it over this last year. We have heard of no investigation, no action, and certainly no prosecution. Now is the time it should be active. That is the reason I have again written to the Attorney General, and I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARCH 18, 2011.

Hon. ERIC H. HOLDER, Jr.,  
*Attorney General of the United States, U.S. Department of Justice, Pennsylvania Avenue, NW., Washington, DC.*

DEAR ATTORNEY GENERAL HOLDER: Just yesterday, the average price of a gallon of gas in my home state of Connecticut topped

\$4 a gallon, the fifth-highest average price in the country. The rising price of oil is putting a significant financial strain on millions of Americans. Oil prices are at their highest levels since 2008; gas prices are up an average of 12 percent in 2012, and the national average price of gasoline is now over \$3.74 a gallon.

Given this situation, it is vital that the government make use of every resource available to protect Americans from price-gouging. For many consumers, the dramatic increase in price for a commodity upon which they rely is more than an inconvenience: It limits their ability to get to work, drives up prices for goods of all kinds, and threatens to hinder our nascent economic recovery.

While many factors contribute to the price of a gallon of gasoline, there is a growing consensus among energy analysts, independent observers, and businesses that operate in the oil futures market that excessive speculation is contributing significantly to these spikes in oil prices. I am very troubled by this prospect.

We must make every effort to ensure that Americans pay fair prices for gasoline and heating oil, and that the markets for these commodities operate without manipulation or fraud.

Last April, you announced the formation of a Financial Fraud Enforcement Task Force Working Group, charged with focusing on fraud in the energy markets. I believe that the recent run-up in prices in the oil futures market requires more aggressive, muscular investigation and prosecutorial action to crack down on possible widespread wrongdoing that distorts the markets and drives prices higher. By making vigorous and judicious use of your Task Force's investigative and regulatory authorities, you can send a signal to speculators that excessive manipulation and fraud in the oil futures market will not be tolerated.

In May of last year, I wrote to you following the creation of this Task Force. Citing the Department of Justice's wide-ranging criminal and civil authority to investigate and prosecute fraud and price manipulation, I maintained that “announcing such investigations and beginning to issue subpoenas could curb some of the worst speculative activity that may well be underway at this very moment.” I continue to believe that is the case, and I am hopeful that a renewed focus by the Task Force will help restore some stability to a market upon which millions of Americans rely.

Thank you for your attention to this important matter. I look forward to your reply.

Sincerely,

RICHARD BLUMENTHAL,  
*U.S. Senate.*

Mr. BLUMENTHAL. I am seeking from the Attorney General that this task force be proactive and effective by beginning investigations and taking whatever action is necessary to combat illegality in these markets.

I believe if the Attorney General of the United States makes vigorous and effective use of his task force's broad investigatory and regulatory authorities, he can send the signal to speculators that manipulation and fraud in the oil futures market will not be tolerated.

These gasoline prices are on the minds of Americans across the country. They have economic effects, but they also have effects on consumer confidence and on the lifeblood of economic recovery. Even more than the

share of dollars that go to pay for gasoline at the pump, there is an effect on consumer confidence.

This obligation on the part of our law enforcers is one that goes to the core of their credibility—not just popularity. Credibility of law enforcement demands that the Attorney General of the United States take this action to reenergize and revive the task force. I am hopeful, knowing of his reputation, that he will act accordingly to assure all of us that illegality, whether it is price-fixing or price-gouging or cornering the market, will not be tolerated and that effective action will be taken against it.

Thank you, Mr. President. I yield the floor and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. BLUMENTHAL). Without objection, it is so ordered.

#### ORDER OF PROCEDURE

Ms. COLLINS. Mr. President, I ask unanimous consent to proceed for up to 20 minutes in morning business.

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

#### POSTAL SERVICE

Ms. COLLINS. Mr. President, the majority leader has indicated that the Senate may soon turn to legislation to reform a much needed, much beloved American institution—the U.S. Postal Service.

The Postal Service is nearly as old as our Nation itself. Our Founding Fathers recognized the importance of having a Postal Service. Article I, section 8 of the Constitution gives Congress the power to establish post offices. This is the same section that allows Congress to declare war, to coin money, to borrow money on the credit of the United States, to collect taxes, et cetera. So, clearly, the Post Office was viewed from the very beginning of our Nation as being essential to our economic well-being and to bringing together our country.

The Postal Service is also required by law to provide as nearly as practicable the entire population of the United States with adequate and efficient postal services at fair and reasonable rates. This is what is known as the universal mandate and it ensures that the Postal Service cannot leave behind our rural States or our small towns. Yet, the Postal Service, which has delivered mail to generation after generation of Americans, will not be able to meet its expenses sometime this fall, according to the Postmaster General.

In the past 2 years alone, the Postal Service has lost an astonishing \$13.6