such as first-class mail, periodicals, and library mail.

It removes the redtape and increases the efficiency of the rate-setting process by granting new authorities to the Postal Regulatory Commission and the Postal Service Board of Governors.

It introduces new safeguards against unfair competition by the Postal Service in competitive markets. It transforms the Postal Rate Commission into the Postal Regulatory Commission and grants the new body enhanced authorities to ensure appropriate oversight of postal management.

It ensures increased financial transparency by requiring the Postal Service to file certain financial disclosure forms in detailed annual reports.

It reaffirms USPS employees' right to collectively bargain by instituting changes already agreed upon by the Postal Service and the four major unions.

It brings continuation of payrolls into lines already established by every State's workers compensation program, and it increases the fairness of USPS employees' pension benefits.

This bill is comprehensive in the scope and depth of the reforms it institutes. But these changes are necessary and essential to helping the U.S. Postal Service continue its more than 225 years of reliable and efficient mail service. I once again congratulate Chairman SUSAN COLLINS, and I do thank my colleagues for joining me in supporting this very important measure.

## GULF OF MEXICO ENERGY SECURITY ACT OF 2006

Mr. FRIST. Mr. President, on another issue, one of the most significant components of the legislation we passed about 30 minutes ago is the Gulf of Mexico Energy Security Act of 2006. This measure will open more than 8 million acres in the Gulf of Mexico to domestic energy production. In doing so, it will help to make America more energy independent. It will lower oil and natural gas prices for American consumers, and it will help to preserve jobs right here in America—jobs that have been migrating overseas due to high natural gas prices. According to the National Association of Manufacturers, since the year 2006, more than 3 million highways and manufacturing jobs have been lost due to high energy prices.

The area opened up under this bill is estimated to contain a remarkable 1.26 billion barrels of oil and over 5.8 trillion cubic feet of natural gas. That is roughly the same amount of oil as the proven reserves of Wyoming and Oklahoma combined and more than six times our current imports of liquefied natural gas each year.

These estimates could be the tip of the iceberg. This fall, the Chevron discovery in a nearby area found an estimated 3 to 15 billion barrels of oil, the largest discovery in a generation. This find alone could boost U.S. domestic oil reserves by 50 percent.

Efforts have been underway to try to open this area in the Gulf of Mexico for more than a decade. In November 1996, the Clinton administration Interior Secretary Bruce Babbitt proposed opening the so-called Lease Area 181 to oil and gas production. Yet, for various reasons, the area has not been leased and America has not been benefiting from the energy resources we know it contains—until now.

In a post-9/11 world, energy security is a matter of national security. We must take steps, real steps, meaningful steps to reduce our dependence on foreign sources of energy, particularly from countries hostile to the United States. Now, more than ever, America needs America's energy. That is what this provision does: It brings more American energy to American consumers.

This has been a bipartisan effort all along the way. The Senate passed the Gulf of Mexico Energy Security Act on August 1 by a vote of 71 to 25. Chairman DOMENICI led the way on the issue in partnership with Senator LANDRIEU, Senator VITTER, and the entire gulf coast delegation. I do want to salute their efforts and also to thank the assistant majority leader, Senator MCCONNELL, for spearheading this issue on behalf of leadership.

I also thank the tremendous staff, bipartisan staff who helped shepherd this issue through both the House and the Senate. In particular, I thank on my own staff Libby Jarvis, who represented leadership at the table throughout these negotiations.

I truly believe this is one of the most significant accomplishments of the 109th Congress which will have a lasting impact on American consumers and on our economy. I am very pleased we were able to get it over the finish line as part of this important package.

Ms. LANDRIEU. Mr. President, as a member of the Senate Committee on Energy and Natural Resources, and as an original cosponsor and a principle architect of S. 3711, the Gulf of Mexico Energy Security Act, I wanted to rise today to offer my perspective on the bill. This bill is now part of a broader package that was considered today in the House H.R. 6111. The package passed by a vote of 367–45. I sincerely hope and believe that the Senate will pass this historic legislation later tonight or sometime this weekend and that if it is tonight or tomorrow, it will be a historic occasion.

The legislation will open 8.3 million acres of the U.S. Outer Continental Shelf in the central Gulf of Mexico to leasing for oil and natural gas exploration and production. This area is located more than 125 miles from the closest point in Florida on the Florida Panhandle and more than 300 miles from the southern gulf coast of Florida. The area is closest to Louisiana, Alabama, and Mississippi and most of the exploration and production activities are likely to be staged from ports along the gulf coast, and from the ports in my state located in southeast Louisiana.

The U.S. Department of the Interior estimates that the area contains at least 1.3 billion barrels of oil and 5.8 trillion cubic feet of natural gas. To put this in perspective, that is enough natural gas to heat and cool nearly 6 million homes for 15 years.

In addition to opening up 8.3 million acres in the Gulf of Mexico to new oil and natural gas leasing, this legislation will prohibit leasing within 125 miles of the State of Florida in the new eastern Gulf of Mexico planning area until June 30, 2022. Additionally, it prohibits leasing within 100 miles of the State of Florida in the new central Gulf of Mexico planning area, and east of the western boundary of the 181 area until June 30, 2022. Similarly, under the provisions of S. 3711, no oil and natural gas leasing, preleasing and other activities east of the military mission line may occur until June 30, 2022. This was done to accommodate the military training missions that occur from military installations located in Florida. After 2022, the Department of Defense may veto leasing plans if such would interfere with these exercises.

Under the Gulf of Mexico Energy Security Act, 50 percent of the receipts resulting from the collection of bonuses, rents, and royalties from leases in the new areas will be deposited in the general fund of the U.S. Treasury. The other 50 percent will be spent, without further appropriation action, for payments to States and to provide financial assistance to States in accordance with section 6 of the Land and Water Conservation Fund Act of 1965—16 U.S.C. 4601–8. Of this amount, 25 percent will provide financial assistance to States in accordance with section 6 of the Land and Water Conservation Fund Act of 1965—16 U.S.C. 4601–8—the ''state-side'' of the Land and Water Conservation Fund. The other 75 percent of this amount will be disbursed by the Secretary of the Interior, without the need for appropriation, to the four Gulf producing states of Texas, Louisiana, Alabama, and Mississippi. These amounts are not subject to appropriation or further authorization.

It is the intent of this legislation that the State of Louisiana and all of the recipient States shall have the immediate capacity to bond anticipated future revenues they expect to receive from that portion of the Outer Continental Shelf Federal revenues to which they will be entitled to under this act and to allow the States, if they so decide, to get immediately underway hurricane and coastal protection projects within the scope of this act pursuant to such financing. There is nothing in this act that is intended to prohibit or impede the right of the four recipient States to bond anticipated future revenues they shall receive from this act.

The receipts that derive from the leasing in areas newly opened by the

Gulf of Mexico Energy Security Act will be allocated among the four gulf producing States of Texas, Louisiana, Alabama, and Mississippi to each state in amounts based on a formula established by the Secretary by regulation—that are inversely proportional to the respective distances between the point on the coastline of each gulf producing State that is closest to the geographic center of the applicable leased tract and the geographic center of the leased tract. Thus, for each lease, the Department of the Interior will determine the distance from the center of that lease to the nearest point on the coast of each of the four producing states and allocate the qualified revenues derived from that lease according their respective distances with the farthest getting the least and the closest getting the most, but with none receiving less than 10 percent.

A detailed example will help to illustrate how this will work in practice. Imagine that OCS lease A that is producing $10,000 in qualified—shared—revenues each year. The distance from lease A to the nearest points in the four gulf producing States is: 260 miles to Texas, 80 miles to Louisiana, 100 miles to Mississippi, and 90 miles to Alabama. The sum of these distances is 530 miles. The inverse proportion of the distance from the lease to each State's shore is: for Texas 530/260, for Louisiana 530/80, for Mississippi 530/90. Therefore, the States revenues from that lease would be allocated as follows: 10 percent or $1,000 for Texas, 33 percent or $3,300 for Louisiana, 27 percent or $2,700 for Mississippi, and 30 percent or $3,000 for Alabama. In this example Texas is precisely far enough away to receive 10 percent of the total under the formula. However, if Texas were somewhat farther away, it would still receive 10 percent of the total because of the provision in S. 3711 that guarantees a minimum share to each gulf producing State.

This process is repeated for every new lease located in the areas opened for leasing by this legislation. The totals for each state are added up. 20 percent of each state's allocable share and is disbursed directly to coastal counties, parishes or political subdivisions in the manner outlined under section 384 of the Energy Policy Act of 2006, Public Law 109–58.

Under the legislation, the Gulf energy producing States of Texas, Louisiana, Alabama, and Mississippi will 37.5 percent of the receipts that derive from new leasing in areas of the Gulf of Mexico where oil and gas production occurred prior to enactment. Those receipts will be allocated among the states based on the amount of leasing and oil and natural gas production that has taken place over historically off each State's coast. The more leasing and production of oil and gas that has occurred off your coast, the greater your share of these receipts will be.

The task of determining each State's share is not an easy one. The MMS will examine every lease tract in the central and western Gulf of Mexico, determine the revenues derived from its leasing and any ensuring production and add up the totals for each tract. Then, the MMS will determine the distance from the center of every lease tract that has been let since October 1, 1982, to the nearest point on the coast of each of the four producing States.

Then the MMS will divide the total revenues generated by each lease by the proportional according to their respective distances, allotting the least to the farthest, and the most to the closest, but with none allotted less than 10 percent.

After completing this exercise, the MMS will total up the amount allotted to each State. Each State's total will determine the proportional share of the new revenues from the gulf leases from areas where leasing has been allowed.

Again, an example may help to clarify what is an admittedly complex formula: Imagine that 500 leases in this area had cumulatively produced $100 million since 1982. Then imagine MMS going through the process outlined above with each of these leases. When all is settled, Louisiana would be allotted $50 million, Texas $25 million, Mississippi and Alabama would both be allotted $12.5 million. Those allotments then become each State's proportionate share—Louisiana's allotment was 50 percent of the total, so Louisiana would receive 50 percent of the shared revenues from every new lease located in the already-opened areas after the date of S. 3711's enactment. Texas would receive 25 percent, Alabama 12.5 percent, and so on. Each year, each gulf State's allocation will be adjusted by the amount of leasing and production that took place near its shore in the preceding calendar year.

And, as with the revenues shared from newly opened areas, at the end of each year, the totals for each State are tallied and 20 percent of each State's allocable share is disbursed directly to coastal counties, parishes or political subdivisions in the manner outlined under section 384 of the Energy Policy Act of 2006, Public Law 109–58.

Starting in 2017, this legislation would provide additional direct spending authority encompassing 50 percent of the receipts derived from new OCS oil and gas leases, purchased after the date of enactment, in the areas of the Central and Western Gulf of Mexico that were made available by the 2002–2007 Proposed Final Outer Continental Shelf Oil and Gas Leasing Program. Beginning in 2016, the bill would limit total direct spending under the bill in any year to no more than the sum of the receipts from the new areas plus $500 million.

Additionally, the Gulf of Mexico Energy Security Act will offer monetary credits to firms that hold OCS leases located in areas that will be subject to the temporary moratorium on new leasing activity near Florida. These credits may be used for the purchase of a new lease in the Gulf of Mexico. The credits will be equal to the sum of the original bonus bid paid for the held lease and the rentals paid for the lease as of the date that the lessee notifies the Secretary of the Interior of the decision to exchange the lease or leases. Based on information from the Department of the Interior, the Congressional Budget Office has estimated that those credits would be worth $84 million and would be redeemed soon after they were made available.

In general, revenues shared with the coastal energy producing States under the Gulf of Mexico Energy Security Act should be treated in exactly the same ways as are revenues shared with States under the Mineral Lands Leasing Act 30 U.S.C. Sec. 181–287. These funds are not grants by any definition. Rather, they constitute income for the State—simply the State's fair share of revenues generated seaward of its coast. States have, in at least two occasions; used funds provided under the Mineral Lands Leasing Act as cost-share for other Federal programs. At this time in Louisiana's recovery, I envision this as a very much needed avenue for the State of Louisiana, as its citizens regain their feet following the destruction of Hurricanes Katrina and Rita.

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.

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

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

## TRIBUTE TO SUSAN BUTCHER

Mr. STEVENS. Mr. President, this past August, Alaska lost a great hero and the Stevens family lost a cherished friend. Susan Butcher was the four-time Iditarod Trail Sled Dog Race Champion and the first and only woman to mush her team to the summit of Mt. McKinley—with her friend and Iditarod race founder, Joe Redington, Sr. She is the reason we say "Alaska—where men are men and women win the Iditarod." Susan left behind her husband David Monson and daughters Tekla and Chisana, and friends and admirers everywhere.

In the solitude of the unforgiving Arctic terrain, this tough, focused, intelligent woman traveled and ran many thousands of miles with her dog teams over the years—a distance greater than a trip around the world. In David's words, she was the most driven woman on the face of this earth.

Susan's skill as a musher was matched only by her great and abiding love for her dogs. If her dogs were happy, Susan was happy.

Whether on the trail or at home, Susan always took care of her huskies before tending to her own needs. With