

Press Release

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SCHAKOWSKY SAYS AMERICA SHOULD CURB, NOT FEED ITS OIL ADDICTION

Opposes budget-busting bill that subsidizes oil industry, opens up coasts to drilling

WASHINGTON, DC -- U.S. Representative Jan Schakowsky, a member of the Energy and Commerce, today delivered the following statement in the House of Representatives in opposition to legislation that would provide billions of dollars in giveaways to the oil and gas industry and open sensitive coastal areas to drilling.

Schakowsky's statement is below:

Mr. Speaker, I rise today in opposition to H.R. 4761, the Domestic Energy Production through Offshore Exploration Act. This shortsighted initiative would feed America's oil addiction while threatening our coasts and eliminating one of our few remaining sources of fossil fuels.

Since President Bush declared that the nation is addicted to oil in his State of the Union speech, the President and the Republican Congress have continued to advance the agenda of their big oil buddies. This legislation would ensure that the nation's increasing energy demand is fed with oil instead of investing in alternative energy sources and promoting efficiency. The United States holds only 2% of the world's remaining oil reserves, while the Persian Gulf states have 60 percent of that oil. Feeding the nation's oil addiction is a threat to the nation's security.

This legislation limits states' abilities to protect their environment and their coastal residents. The energy companies already have access to 80% of our offshore oil and gas reserves. This legislation eliminates a 25-year, bi-partisan moratorium against offshore drilling that protects beaches and sensitive coastal areas. This bill makes it more difficult for states to prevent drilling

off their coasts than to allow it, and limits their power to prevent new pipeline construction. It gives the Secretary of the Interior the authority to threaten states with a loss of funding if they pass any law that restricts drilling. In order to reward the oil and gas industry, the Bush Administration and the Republican Congress will make coastal states and their residents pay the price if we pass this legislation.

This bill will not bring down gasoline prices in the near term or ever. Given the average time it takes to produce oil and gas from new wells offshore, no oil and gas would be brought to the market from these new projects until 2013. We have the renewable energy capability and the efficient technology to radically reduce our demand for oil and gas today. By increasing fuel economy standards for passenger cars and light trucks to 33 miles per gallon by 2015, we could eliminate our imports of oil from the Persian Gulf. By spreading alternative fuels and biofuels across the country, we could radically reduce the largest source of our carbon emissions. And renewable energy sources like wind farms could be brought online and produce electricity in as little time as one year.

This bill will add tens of billions of dollars to our record deficit by subsidizing the same oil and gas companies that are reporting record profits. Already, every man, woman and child in this country bares the burden of \$30,000 of our current deficit. Now, this bill would allow oil and gas companies to pay billions of dollars less in royalty relief, compensates oil companies for any delays in their drilling projects with taxpayer money, and allows the Congress to divert revenue for new drilling projects. Oil companies should drill at their own expense, not taxpayer expense, and the federal government should vigilantly regulate all drilling projects.

I urge all members to oppose this budget-busting, polluting legislation and encourage Congress to fight America's oil addiction rather than feed it.