

May 4, 2006

SCHAKOWSKY SAYS OIL AND GAS PRICES ARE UP BECAUSE OUR DEPENDENCE ON FOREIGN OIL HAS INCREASED UNDER BUSH

GASOLINE AND OIL PRICES HAVE DOUBLED SINCE 2001; DEPENDENCE ON FOREIGN OIL HAS INCREASED 14%

WASHINGTON, DC -- U.S. Representative Jan Schakowsky, a member of the House Energy and Commerce Committee, today linked America's dependence on foreign oil to the rise in gasoline prices across the United States at a hearing on world crude oil prices before the Committee. The price of gasoline and the price of crude oil have doubled since 2001, while oil imports are up 14 percent. Twenty percent of those imports are from the Middle East.

Schakowsky's opening statement is below:

Mr. Chairman, record gasoline prices have sent this Committee scurrying to analyze every aspect of the domestic and world energy markets. With no disrespect at all to our witnesses, I think this is a poor substitute for action on sensible, ready-to-go proposals which have languished because of lack of interest by the Republican leadership.

For the commuter who must drive 90 minutes to work, the senior living on a fixed income, or the florist who depends on their car to make deliveries, this is not an acceptable answer. The average household with children will spend about \$3,343 on transportation fuel costs this year, a 75 percent increase over 2001 costs. Memorial Day and the summer driving season are only days away.

Let's be clear: this energy crisis was foreseeable. This Committee passed an energy bill last year which the Energy Information Administration said would raise prices. It has. Republicans voted three times against giving the FTC the authority to regulate and prosecute oil and gas companies that price gouge - once in this Committee and twice on the floor. I, and other Democrats, have written to President Bush and Vice President Cheney, both oil men, many times and asked them to bring in energy executives to develop a plan to immediately bring prices down. They have not once stood up to their big oil buddies. Gasoline prices have doubled under their watch as the oil companies have reported their highest profits ever. In fact, ever covering all of their costs last year, oil companies took profits last year amounting to

\$1,000 per household in America. The golden parachute package for the Exxon Mobil CEO cost every household \$3.

Prices at the pump in the U.S. have risen in part because the U.S. has become more dependent on foreign oil at an exponentially increasing rate. Since the Bush Administration took office, oil imports have increased over 14 percent and we now import about 20 percent of our oil from the Middle East. The President has again missed the urgency of this crisis, his budget only increases funding for renewable energy sources by 0.2% this year and cuts funding for critical efficiency programs like weatherization assistance, EnergyStar, and the Clean Cities program. Democrats have a plan to make the U.S. independent of Middle Eastern oil within the next ten years.

The Bush Administration and Congress have the power, but are not demonstrating the will, to limit escalating fuel prices. We should take action today to prevent energy companies from making windfall profits off of the backs of consumers, to provide Detroit with the resources it needs to make fuel-flexible cars, and to increase the production of renewable fuels and use of efficient technology that will wean the U.S. off of foreign oil.

Congressman Stupak has a bill that would regulate off-market trading and increase penalties for market manipulation - we should quickly pass that bill.

Consumer confidence in Congress and the President is tanking. Showing concern about the energy crisis is not enough, consumers want action and relief at the pump.