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Chairman Hastings: Passage of H.R. 1230 Will Expand American Energy Production to Lower Prices and Create Jobs

WASHINGTON, D.C. – House Natural Resources Committee Chairman Doc Hastings delivered the following statement (as prepared for delivery) on the House floor in support of [H.R. 1230, the Restarting American Offshore Leasing Now Act](#). This bill will create thousands of jobs, generate millions in revenue and lower gasoline prices by requiring the Secretary of the Interior to move forward with offshore lease sales in the Gulf of Mexico and Virginia that were delayed or canceled by the Obama Administration.



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“Mr. Chairman, the national average price of gasoline has gone up 10 cents in just the last week and is now at \$3.985. By comparison, the price was \$1.84 when President Obama was sworn into office.

While home in my Central Washington state district, I heard from farmers, the foundation of our region’s economy, who are finding it harder and harder to pay these high energy prices. I have no doubt that my colleagues from every part of the country heard about similar economic impacts of rising gasoline prices.

The pain being felt today has been exacerbated by the actions of the Obama Administration, who for the past two years has repeatedly blocked, hindered and raised the cost to access our American energy resources.

The House Natural Resources Committee recently passed three bills (H.R. 1229, H.R. 1230 and H.R. 1231) with bipartisan support, all of which reverse specific actions taken by the

Obama Administration to block offshore energy production. These bills will increase American energy production, create jobs and lower energy prices.

These are the first of an array of bills that will be introduced by our Committee as part of the American Energy Initiative that will focus on expanding renewable energy, onshore production, hydropower, coal, critical minerals, and address offshore revenue sharing and other needed reforms.

Today we are debating H.R. 1230, the *Restarting American Offshore Leasing Act*. This bill requires the Secretary of the Interior to conduct oil and natural gas lease sales in the Gulf of Mexico and offshore Virginia that have been delayed or cancelled by the Obama Administration.

The Virginia lease sale was scheduled to happen this year. But due to Obama Administration actions, the earliest a lease sale could occur is 2017. This bill will create thousands of jobs and, according to the CBO, generate \$40 million in new revenue over the next decade.

I would note that very soon after this bill passed out of Committee with bipartisan support, the Obama Administration announced it would move forward with one Gulf lease sale. Prior to this sudden action, the Obama Administration was on course to make 2011 the first year since 1958 that the federal government would not have held an offshore lease sale.

Squeezing in one conveniently timed offshore lease sale does not undo the Obama Administration's long track record of blocking and delaying American energy production. This bill is necessary to hold their feet to the fire and ensure these lease sales move forward.

Americans across the country – Republicans, Democrats and Independents – all recognize the need to increase production of our offshore energy resources. A recent CNN poll found that 69 percent of Americans favor increased offshore drilling.

Americans understand the pain inflicted by rising gasoline prices, and yet we continue to hear the same excuses on why we shouldn't act.

- My colleagues across the aisle will say that expanding drilling will do nothing to lower gasoline prices. The truth is that this will send a strong signal to the world markets that the U.S. is serious about producing our resources and bringing more production online. Furthermore, this argument has been used by opponents to American energy production for decades. We can no longer delay and prevent access to our own American resources.
- My colleagues will also propose increasing taxes on American energy production. Yet when has raising taxes ever reduced the price of anything? The answer is never. Higher taxes equal higher prices. Whether it's taxing American energy producers, or imposing a cap-and-trade national energy tax, the Democrats' plans will only further increase the price at the pump and cost jobs.
- My colleagues are likely to reiterate the old 'use it or lose it myth,' claiming that

there are thousands of acres of non-producing leases. In reality, use it or lose it is already the law of the land. The moment a company pays for and receives a lease the clock starts clicking. Leases also have a timeline – if action doesn't occur, the lease is lost. In addition, only a third of leases even contain oil and natural gas to produce. Congress can't mandate production on land where there is no energy.

- Finally, my colleagues will undoubtedly attempt to claim that these bills ignore the need to ensure safety. No one has forgotten the tragic Deepwater Horizon accident – especially our Members from the Gulf. However, we also must not forget the economic threat of high gasoline prices and the need to move forward with offshore energy production.

The Administration has started to slowly issue deepwater permits in the Gulf of Mexico, which is direct recognition that it can be done safely and responsibly. My colleagues on the other side want to act as if nothing has changed and no safety reforms have been made. By doing so, they are completely ignoring reality and the actions of their own party's Administration. They are ignoring the facts that regulations have been enhanced and strengthened; that standards have increased; and that new technologies have been developed, tested and deployed.

Furthermore, H.R. 1229 that we'll debate next week improves safety by making two reforms to current law. 1) It requires that the Secretary issue a permit to drill and 2) requires that the Secretary conduct a safety review.

In 2008, the last time gasoline prices reached \$4 per gallon, Congress stepped up to the challenge and took bold action to end the decades-long ban on new offshore drilling. Although the Obama Administration has effectively re-imposed that ban, the American people are once again calling on Congress to act.

By passing H.R. 1230 today, Congress can show the American people that we've heard their concerns and we are taking action.

I urge my colleagues to vote in favor of this bill today to create American jobs, lower gasoline prices and strengthen our energy independence.”

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