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U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

Opening Statement of
Chairman Doc Hastings
Committee on Natural Resources
On Thursday, March 31, 2011, at 10:00 a.m.
1324 Longworth House Office Building
Before the Full Natural Resources Committee
Oversight Hearing on:

***"Harnessing American Resources to Create Jobs and Address Rising Gasoline Prices:
Impacts on Businesses and Families"***

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Similar to the summer of 2008, today's escalating gasoline prices are affecting the way American families' budget and the way small businesses operate across the country. The Energy Information Administration (EIA) - an agency within the Department of Energy - already projects that the national average price of gasoline will be \$3.56 per gallon in 2011. This is over a 90 percent increase from \$1.85 per gallon gasoline in January 2009.

Any increase in gasoline prices impacts our economy. According to a study by Cameron Hanover, every penny the price of gasoline increases, it costs consumers a cumulative \$4 million per day. This means that the 60 cent increase in gas prices since the beginning of the year has cost American families a total of approximately \$7.3 billion.

Higher gasoline prices also have a ripple effect on our economy. For example, when high gasoline prices cause family vacations to get canceled, that impacts the tourism, restaurant and hospitality industries that are vital to local economies. These businesses in turn reduce their hiring and purchases.

Our government should take steps to address rising gasoline prices by developing our own American energy resources. Unfortunately, since taking office, President Obama and his Administration have done exactly the opposite and have repeatedly blocked access to American energy.

I wish the President would show the same enthusiasm for U.S. energy production as he has shown for foreign energy production in countries such as Brazil. While speaking in Brazil about their recent oil discoveries, President Obama said, *"When you're ready to start selling, we want to be one of your best customers."*

The President should instead focus on creating American energy and American jobs.

Republicans meanwhile are actively moving forward with solutions to expand American energy production.

As part of House Republican's American Energy Initiative, I recently introduced three bills aimed at increasing offshore energy production.

The *Reversing President Obama's Offshore Moratorium Act* requires the Administration to lease in areas containing the most oil and natural gas and sets a goal of producing 3 million barrels of oil per day by 2027. This would reduce foreign imports by nearly one-third.

Yesterday, the President also announced a goal of cutting imports by one-third. We share this goal, but we clearly have very different ways of getting there. President Obama has a drill nowhere new plan. Republicans have a drill smart plan.

My second bill, the *Putting the Gulf Back to Work Act*, would end the *de facto* moratorium in the Gulf of Mexico by setting a firm timeline for the Secretary to act on permits.

My third bill, the *Restarting American Offshore Leasing Now Act* would require that lease sales be held in offshore Virginia and the Gulf of Mexico that were canceled or delayed by the Obama Administration. Because of the Administration's actions, 2011 will be the first year without an offshore lease sale since 1958.

As we learned at a recent hearing in this Committee, the Congressional Research Service calculates that the U.S. has the most potential natural gas, oil and coal resources in the world.

It's imperative that America starts developing more of these energy resources to create jobs, help jump start the struggling economy and strengthen our national security.

Ultimately, America has a choice to either develop our own energy resources or allow our economy to be subject to the whims of unfriendly foreign sources of energy. It is unfortunate that the threat of \$4 or \$5 gasoline has to be the impetus for this conversation but if nothing is done, eventually \$5 gasoline won't be a threat--it will be the reality.