

Congress of the United States
House of Representatives
Washington, DC 20515

PRESS RELEASE

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**CONGRESSWOMAN HIRONO VOTES TO SUPPORT
FEDERAL PRICE GOUGING PREVENTION ACT**

Washington, D.C.—Rep. Mazie Hirono says Congress will no longer allow oil companies to raise gas prices to an excessive level while reaping windfall profits. She co-sponsored a bill passed by Congress today by a vote of 284 to 141 that will make it illegal for any person or company to sell gas at a price that is “unconscionably excessive” or take advantage of market conditions to increase prices unreasonably.

“Hawaii gas prices have been among the highest in the nation and that has hurt all consumers and the economy,” said Hirono. She reminded her colleagues that Hawaii’s gas price-fixing lawsuit in 1998 against the major oil companies operating in Hawaii revealed a startling statistic. “An oil industry expert calculated that Hawaii gas dealers made up 22% of one oil company’s nationwide dealer profits from a state that was only 3.1% of the market,” she said.

The Federal Price Gouging Prevent Act also makes it illegal to provide false price information to the regulators. It empowers the Federal Trade Commission and state

attorneys general to enforce the act. Fines and penalties collected are to be deposited into a Consumer Relief Trust Fund. The money would be used for the Low Income Home Energy Assistance Program.

Today's action follows the passage of a House bill yesterday, H.R. 2264, by a bipartisan 345-72 vote, which authorizes the Justice Department to take legal action against OPEC state-controlled entities that participate in conspiracies to limit the supply or fix the price of oil. The bill allows OPEC and other governments while acting in a commercial capacity and engaged in price-fixing and other anti-competitive activities to be sued by the Justice Department.

The House action followed a recent request by 22 governors to investigate oil industry practices that may have resulted in manipulation of gasoline prices. The six largest oil companies recently announced \$30 billion in profits for the first quarter of 2007, on top of record profits of \$125 billion in 2006.

Hirono noted that the windfall profits of the oil companies were made while gasoline prices more than doubled during since President Bush took office and the previous Republican congresses failed to protect the consumers from inexplicable price increases. Said Rep. Hirono, "For the first time in many years, Congress has begun exercising its oversight responsibilities and will investigate the practices of the oil industry that may have resulted in unconscionable price increases."

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