

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

October 7, 2005 (House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 3893 - Gasoline for America's Security Act of 2005

(Rep. Barton (R) TX)

The Administration supports House passage of H.R. 3893, the Gasoline for America's Security Act of 2005, as amended by the Manager's Amendment, and commends the House for proposing steps to address the Nation's critical need for additional refining capacity and fuel supply. The bill includes measures to simplify the refinery permitting process while maintaining environmental standards, to encourage refinery siting on former military sites, and to provide needed flexibility in the Nation's fuel supply by limiting the proliferation of fuel blends used to satisfy Clean Air Act requirements. Although the Administration has concerns about certain provisions of the bill, including Constitutional concerns, we look forward to working with Congress to improve the bill further as it moves forward in the legislative process.

Budget Estimates and Enforcement

This bill would affect direct spending and receipts. To sustain the economy's expansion, it is critical to exercise responsible restraint over Federal spending. The Budget Enforcement Act's pay-as-you-go requirements and discretionary-spending caps expired on September 30, 2002. The President's FY 2006 Budget includes a proposal to extend the discretionary caps through 2010; a pay-as-you-go requirement for direct spending; and a new mechanism to control the expansion of long-term unfunded obligations. OMB's cost estimate of this bill is currently under development.