



# RPC BULLETIN

U.S. Senate Republican Policy Committee

July 29, 2008

## **Producing More American Energy: Allow the Senate to Vote for Action to Lower Gas Prices**

According to polling data, 77 percent of the American people now support “drilling for oil in the Gulf of Mexico.”<sup>1</sup> In addition, when it comes to addressing energy and gas prices, 59 percent of Americans believe that it is incumbent on Congress to “take the lead.”<sup>2</sup> Senate Republicans have shown that leadership by putting forward a plan that would produce more energy here at home by utilizing America’s offshore resources and oil shale, and that would encourage conservation through the use of hybrids and plug-in vehicles.<sup>3</sup> Unfortunately, Senate Democrats, who have opposed efforts to increase production in the past, are preventing the Senate from voting on this legislation.

Historically, the United States Senate has allowed significant debate and an open amendment process on issues affecting domestic energy production. That has been the case even when Democrats and Republicans held opposing views on this issue. As the charts on the following page demonstrate, the Senate has voted many times over the last 15 years on measures that would encourage or restrict U.S.-based energy production in the Outer Continental Shelf (OCS) and in the Arctic National Wildlife Refuge (ANWR).

As the first chart demonstrates, Senate Republicans have generally supported deep-sea exploration which would have increased U.S. energy production and helped reduce our nation’s dependence on foreign oil, while Democrats have generally voted against those measures.<sup>4</sup> Despite these policy differences, the Senate has voted numerous times on the issue, including in 1992 when the price for a gallon of gasoline was \$1.01 per gallon, in 2001 and 2003 when the price of gas hovered around \$1.50 per gallon, and even as recently as last year and earlier this year as gasoline prices rose from \$3.00 to \$3.72 per gallon.

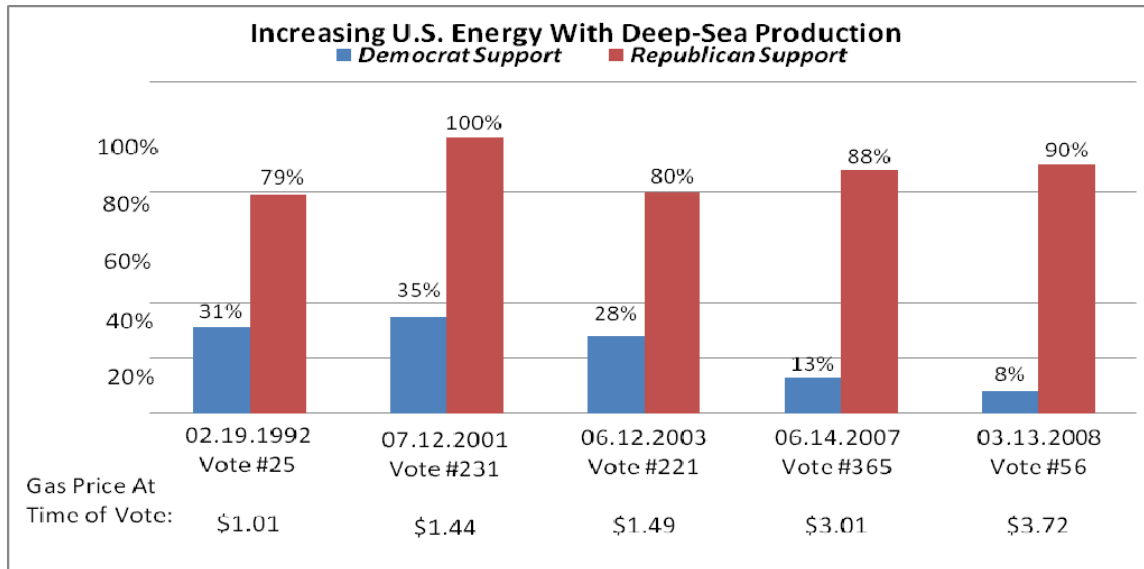
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<sup>1</sup> Fox News Opinion/Dynamics Poll, June 17-18, 2008. See: <http://www.pollingreport.com/energy.htm>

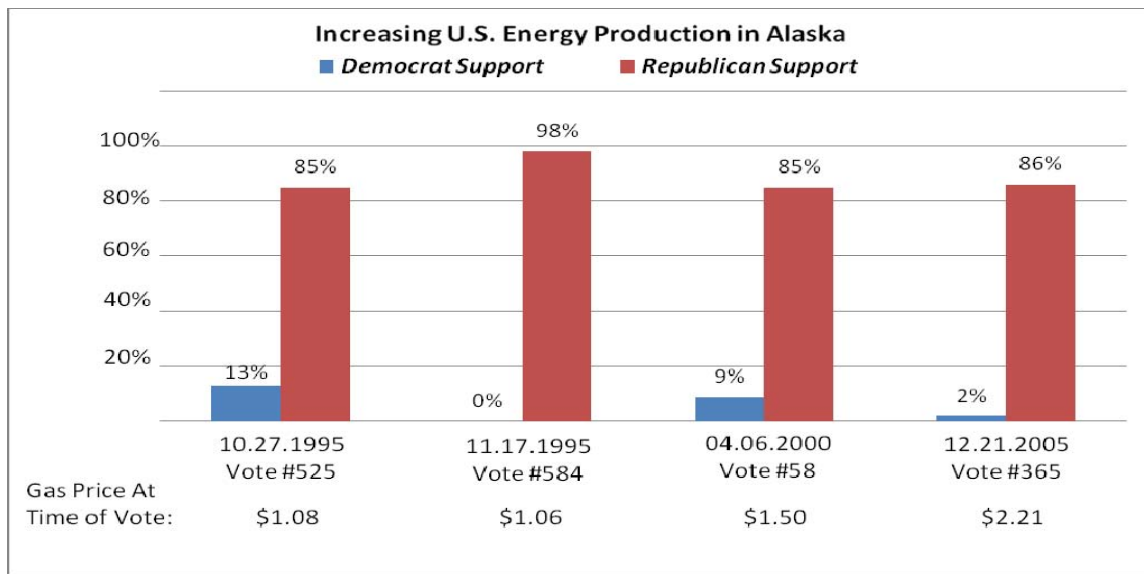
<sup>2</sup> NBC News/*Wall Street Journal* Poll, June 6-9, 2008.

<sup>3</sup> S. 3202, The Gas Price Reduction Act of 2008.

<sup>4</sup> Additional information regarding these votes, and other energy production votes that have occurred between 1992 and 2008, are available from the Republican Policy Committee.



The second chart demonstrates that Republicans have also generally supported increasing domestic energy production in ANWR while Democrats have generally opposed those efforts to increase domestic energy production. This chart reveals that from 1995 to 2005, when the cost of gas ranged from \$1.08 to \$2.21, the Senate voted numerous times on measures affecting domestic energy production.<sup>5</sup>



These two charts demonstrate that Senators have historically been able to offer and obtain votes on amendments affecting energy production. But today, when the American people are suffering as a result of near record gas prices and the American public supports more exploration, the Senate is being prevented from voting on Republican amendments to increase U.S. energy production.

<sup>5</sup> Additional information regarding these votes, and other energy production votes that have occurred between 1992 and 2008, are available from the Republican Policy Committee.

## ***With Near Record High Gas Prices, Republicans Say “Yes, We Can” to U.S. Energy***

### What Democrats Have Said:

Democratic leaders have spoken out against not only increasing domestic energy production but also against oil and gas as a whole. For example:

- Senate Majority Leader Harry Reid has said: “Coal makes us sick. Oil makes us sick.... We’ve got to stop using fossil fuel.”<sup>6</sup>
- Senator Richard Durbin said in a colloquy with Senator Patty Murray that drilling “makes the problem worse,”<sup>7</sup> to which Senator Murray replied: “I would say to my colleague that drilling for oil is a false promise....”<sup>8</sup>
- When asked by CNN’s Wolf Blitzer during a television interview if she would allow “offshore drilling to come up for a vote on the House floor,” House Speaker Nancy Pelosi responded by saying, “I have no plans to do so.”<sup>9</sup>
- Senator Robert Byrd said the following after cancelling an appropriations markup after Republican Senators indicated an amendment would be offered to end the congressional production moratorium: “Given the uncertainty in how the oil and gas drilling issue is currently playing out on the Senate floor, I have decided to postpone the July 24<sup>th</sup> appropriations markups at this time.”<sup>10</sup>
- Senator Barack Obama said earlier this month that lifting the federal offshore drilling ban was “another example of short-term political posturing from Washington, not the long term leadership *we need to solve our dependence on oil.*”<sup>11</sup>
- The *Washington Post* recently reported that: “[Senator] Schumer suggested that... Congress will not move on a larger energy plan until after the election.”<sup>12</sup>

### What Democrats Have Proposed:

Despite stating that they support increasing domestic energy production, Senate Democrats have introduced an energy bill that contains no new production. Instead, the majority has brought a “speculation only” bill to the floor with the promise that regulating energy trading would help lower gas prices.<sup>13</sup> Unfortunately, the Democrats’ legislation fails to include any provisions to increase domestic energy supplies or which would reduce demand with conservation. In addition, this approach fundamentally fails to treat the real cause of high energy

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<sup>6</sup> *Investor’s Business Daily*, “Fossil Fool,” July 1, 2008 (quoting Senator Reid in Fox News interview). Available here: <http://www.ibdeditorials.com/IBDArticles.aspx?id=299804021452063>. See also, *The Wall Street Journal*, “Democrats Against Drilling,” July 24, 2008.

<sup>7</sup> Senator Richard Durbin, *Congressional Record*, July 24, 2008, S7212.

<sup>8</sup> Senator Patty Murray, *Congressional Record*, July 24, 2008, S7212.

<sup>9</sup> House Speaker Nancy Pelosi with Wolf Blitzer, CNN’s The Situation Room, July 17, 2008.

<sup>10</sup> Senator Robert Byrd, Press Release following cancellation of markup.

<sup>11</sup> *Associated Press*, “Obama Criticizes McCain on Offshore Drilling,” June 20, 2008 and *The Hill’s Blog Briefing Room*, “Obama & McCain Battle over Offshore Drilling,” June 17, 2008.

<sup>12</sup> *Washington Post*, “Oil May Become GOP’s 2008 Issue,” July 27, 2008.

<sup>13</sup> S. 3268, Stop Excessive Energy Speculation Act of 2008.

prices. As Warren Buffett has stated: “But it's not speculation, it is supply and demand.... We don't have excess capacity in the world anymore, and that's what you're seeing in oil prices.”<sup>14</sup>

#### What Democrats Have Enacted So Far:

The American people should also keep in mind that not only has this Congress failed to enact policies to encourage domestic energy production, which would result in a corresponding reduction in America’s dependence on foreign oil, this Congress has also taken several steps to actively discourage America’s ability to produce more energy here at home, namely:

- Enacting a ban on offshore drilling in last year’s omnibus appropriations bill;
- Enacting a ban on the publication of final regulations to allow for the production of energy from oil shale in last year’s omnibus bill; and
- Enacting a prohibition against federal agencies utilizing fuel derived from synthetic sources, such that the Air Force would be unable to purchase and use fuel derived from coal-to-liquids technology.<sup>15</sup>

#### ***Conclusion***

At a time when the American economy is suffering and American families are feeling the pinch, Congress is paralyzed by inaction. Senate Republicans have a plan that would ensure the U.S. can “Find More Supply, Use Less Energy.” This comprehensive plan, which addresses both supply and demand, has the support of the American people and the support of a majority of Congress. In the past, Congress would have been permitted to vote on amendments that would increase U.S. energy production. Today, unfortunately, congressional efforts to pass this plan so the President can sign it into law have stalled.

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<sup>14</sup>Warren Buffett, Chairman & CEO of Berkshire Hathaway, interview with Becky Quick, CNBC’s Power Lunch, June 25, 2008.

<sup>15</sup> Public Law 110-161, Consolidated Appropriations Act of 2008 (H.R. 1234) (see sections 104, 105 and 433) and Public Law 110-140, Energy Independence and Security Act of 2007 (H.R. 6).