

Amended Energy Bill a Better Deal for Taxpayer

LAT puts into concise language how this legislation, once signed into law, will affect the lives of everyday Americans . . .

Soon, you won't find those old-fashioned 100-watt incandescent light bulbs in stores. You will be able to buy more energy-efficient appliances. And you will see labels on TVs and computers that tell you how much energy they consume.

You will see stickers on new cars that specify not only how many miles they get per gallon but how much greenhouse gas emissions they produce. And when you pull up to the pump, you will fill your car with a mixture of gasoline and made-in-the-USA biofuel.

Gus remains committed to raising CAFE standards, but he did not believe that such an increase should be done on the backs of the American taxpayer. Although he had previously opposed the Democrat amendment to H.R. 6 on December 6, he approved this version of the legislation because it was much friendlier to the consumer and does not have contain the massive tax increases previously contained in the legislation. Congress agreed and both environmentalists and industry joined in praising the final approved version of this legislation. It will be signed into law by the President today.

Here is what was voted on yesterday:

The legislation that passed the House on December 18, 2007, amends a Democrat amendment to H.R. 6, which passed on December 6, 2007. The self enacted Democrat amendment in the House would have increased Corporate Average Fuel Economy Standards (CAFE), established a new Renewable Fuel Standard (RFS), established a controversial Renewable Portfolio Standard (RPS), provided for new energy efficiency and conservation standards, and increased revenues by over \$21 billion.

The legislation would have raised the revenues mostly through tax increases, such as a repeal of the manufacturing tax deduction for large oil companies and freezing the rate for all others, while extending several tax credits, such as the fuel cells tax credit and renewable electricity tax credit. The President issued a veto threat against this legislation.

The Senate, however, amended the House bill and removed the Renewable Portfolio Standard as well as almost all of the revenue title, including the tax increase on energy producers.

Under the new legislation, the CAFE standard will increase to 35 miles per gallon by 2020. Additionally, the legislation includes an RFS, which mandates the use of 36 billion gallons of renewable fuel by 2022.