

FOR IMMEDIATE RELEASE Thursday, May 05, 2011 <u>PERMALINK</u> CONTACT: <u>Jill Strait</u>, <u>Spencer Pederson</u> or <u>Crystal Feldman</u> 202-226-9019

## House Passes Bipartisan Bill to Address Rising Gasoline Prices, Increase American Energy Production

Restarts Offshore Lease Sales in Gulf of Mexico and Offshore Virginia

**WASHINGTON, D.C.** – Today, the House of Representatives passed H.R. 1230, the Restarting American Offshore Leasing Now Act, with a bipartisan vote of 266 to 149. Introduced by Natural Resources Committee Chairman Doc Hastings, H.R. 1230 requires the Secretary of the Interior to conduct oil and natural gas lease sales in the Gulf of Mexico and offshore Virginia that have been delayed or cancelled by the Obama Administration.

"Gasoline prices are pennies away from \$4 per gallon nationally and Gulf oil production is scheduled to significantly decline over the next two years due to Obama Administration's antienergy actions. The bill that passed today reverses President Obama's decision to arbitrarily cancel lease sales that will result in increased American energy production and job creation," **said Chairman Hastings.** "Continued tensions in the Middle East serve as a reminder that increased American energy production is as much of a national security issue as it is about jobs and lowering gasoline prices. The United States has the most energy resources in the world and the American people are demanding that we utilize them to lower energy prices, create jobs and make American less dependent on unstable foreign energy. This bill is a good first step and we'll continue this effort in the coming weeks with additional <u>American Energy Initiative</u> bills."

## Next week, the House will vote on H.R. 1229, the Putting the Gulf Back to Work Act, and H.R. 1231 the Reversing President Obama's Offshore Moratorium Act.

## H.R. 1230, the Restarting American Offshore Leasing Now Act

- The Federal Government develops five-year plans to determine where and when offshore leasing and energy production will occur. The current five-year plan (2007-2012), established by the Bush Administration, included a lease sale (#220) off the Virginia Coast in 2011, two Gulf of Mexico lease sales (#216 and #218) in 2011, and another Gulf of Mexico lease sale (#222) to take place in 2012.
- By delaying and cancelling lease sales, the Obama Administration is blocking American energy production, preventing American job creation and forfeiting much-needed revenue that could be used to pay down the national debt. <u>This bill</u> <u>will reverse the Obama Administration's actions and proceed now with the</u>

scheduled lease sales in a prompt, timely and safe manner.

- After this bill passed out of Committee, the Obama Administration's announced it would move forward with lease sale #218 this year. Prior to this sudden action, the Obama Administration was on course to make 2011 <u>the first year since 1958 that the federal government will not have held an offshore lease sale.</u> However, squeezing in one conveniently timed offshore lease before the end of the year is not enough to undo the Obama Administration's long track record of blocking and delaying American energy production.
- In 2008, in response to record-high gasoline prices, both Congress and the President lifted the decades-long ban on offshore drilling. This opened the entire Pacific and Atlantic Coast to new offshore drilling. Lifting this ban allowed the scheduled Virginia lease sale in 2011 to proceed. However, the Obama Administration first delayed the Virginia lease sale until 2012 and then later announced that no areas off the Atlantic Coast would be available for energy development in the next five-year plan (2012-2017). This means that the <u>earliest</u> a lease sale could even occur off Virginia is 2017.
- There is bipartisan support for energy production offshore of Virginia. According to a <u>study</u> by the Southeast Energy Alliance, offshore energy development in Virginia could create nearly 2,000 jobs and produce 750 million barrels of oil and 6.65 trillion cubic feet of natural gas.
- The *Restarting American Offshore Leasing Now Act* would require all four lease sales to occur before June 1, 2012 or within one year after enactment of the bill

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