

FOR IMMEDIATE RELEASE Tuesday, May 10, 2011 <u>PERMALINK</u> CONTACT: Jill Strait or Spencer Pederson or Crystal Feldman 202-226-9019

Subcommittee Chairman Lamborn: Time to Put the Gulf Back to Work and Expand American Energy Production

WASHINGTON, D.C. – House Natural Resources Energy and Minerals Subcommittee Chairman Doug Lamborn (CO-05) delivered the following statement (as prepared for delivery) on the House floor in support of <u>H.R. 1229, the Putting the Gulf Back to Work Act</u>:

"Mr. Speaker, families and businesses across the country are struggling with skyrocketing gasoline prices that in many places have already surpassed \$4 per gallon. Every day activities, such as commuting to work or taking the kids to soccer practice, have suddenly put strains on family budgets – forcing Americans to make tough choices and sacrifices.

Unfortunately, rising gasoline prices are not the only energy crisis currently impacting our country. For over a year, communities along the Gulf of Mexico have suffered through a real and then *de facto* moratorium on offshore drilling imposed by the Obama Administration.

The Administration's intentional slow-walking of drilling permits has cost 12,000 jobs according to their own estimates and according to economic Dr. Joseph Mason could cost over 36,000 jobs nationwide if businesses and their employees are not allowed to return to work soon. Over the past month, the Natural Resources Committee has heard from numerous small businesses in Louisiana that have had to lay off hundreds of people, eliminate benefits and diminish their savings just to try and stay afloat.

The bill being considered by the House today will help address all of these concerns. It will put the people and businesses along the Gulf back to work by requiring the Administration to act on new drilling permits in a timely manner. For Americans across the country who are suffering from rising gasoline prices, this bill acts now to expand American production to help lower costs.

H.R. 1229, the Putting the Gulf Back to Work Act, sets a firm timeline for the Secretary of the Interior to act on permits. Let me be very clear - action does not mean approval. Action simply means that the Secretary must make a decision either to approve or deny a permit. The bill gives the Secretary 30 days to act, and two 15 day extensions. This 30 day timeframe is consistent with the timeline for approving exploration plans – which are far more complicated.

A deadline is necessary in order to stop the endless bureaucratic delays and inaction that are currently taking place and provide companies with some certainty.

There were over 50 permitted projects in the Gulf of Mexico that were underway when the Obama Administration imposed the moratorium in May 2010. Nearly a year later, over 40

of those projects have yet to resume work. This bill would give the Secretary 30 days to restart these projects that have already been approved.

I want to stress that H.R. 1229 will have an <u>immediate</u> impact on jobs and energy production. Each drilling platform supports 800 to 1,400 jobs. Each permit that is issued translates into several hundred people returning to work. In addition, there are production wells just waiting for permits to resume work – meaning that more American energy could come online within months of a permit being issued.

Perhaps most importantly, H.R. 1229 also makes significant safety improvements. U.S. offshore drilling helps create American energy and American jobs – but it must be done in a safe, responsible manner. The bill reforms current law by requiring a drilling company to obtain a permit to drill from the Secretary. Currently, such a permit is not required by law, only by regulation.

It further reforms the law by requiring the Secretary to conduct a safety review. The bill ensures that all proposed drilling operations must "meet all critical safety system requirements, including blowout prevention, and oil spill response and containment requirements."

Finally, this bill establishes an expedited judicial review process for resolving lawsuits relating to Gulf permits. This reform ensures that ending the *de facto* moratorium imposed by the Obama Administration isn't replaced by paralyzing, frivolous lawsuits that could take years to resolve.

What we'll see today during the course of this debate are two very different approaches to America's energy future.

Republicans are pursuing an all-of-the-above energy approach to American energy production in order to create jobs, generate revenue, lower gasoline prices and strengthen our national security.

The Obama Administration and Congressional Democrats want to make American energy more expensive. Their answer is to raise taxes to make energy production more difficult and expensive. We saw proof of that last Congress when they did everything they could to push through the job-destroying Waxman-Markey nation energy tax, and now they are also trying to increase taxes on American energy producers.

While Americans are looking for solutions to lower gasoline prices, the Democrats' proposals would increase prices even higher.

It's time for Congress to take steps to end the economic pain in the Gulf by allowing people to return to work, and also ease the pain of high gasoline prices by expanding American energy production.

I urge my colleagues to support this important legislation to create jobs, lower prices, and strengthen our national security."