U.S. HOUSE OF REPRESENTATIVES NATURAL RESOURCES COMMITTEE CHAIRMAN DOC HASTINGS

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Witnesses Urge Increased American Energy Production to Combat Effects of High Gasoline Prices on Seniors, Working Families, Memorial Day Travel

WASHINGTON, D.C. – Today, the House Natural Resources Committee held the third hearing in a series examining how to harness American resources to create jobs and address rising gasoline prices. Memorial Day unofficially marks the start of summer vacation season. However, witnesses at the hearing testified to the fact that high gasoline prices are disproportionately affecting seniors, working families and minorities and are discouraging Americans from vacation travel. According to AAA, 40 percent of Americans say gasoline prices will impact their vacation plans. The effects of high gasoline prices are reverberating throughout the economy distressing individuals, families, small businesses, retailers, and the tourism industry alike.

"The national average price of gasoline continues to hover near \$4 per gallon, causing even greater financial pain as the summer driving season begins," said Subcommittee on Energy and Mineral Resources Subcommittee Chairman Doug Lamborn (CO-05). "We've heard from expert witnesses about America's vast energy supplies and it frankly makes no sense that there are policies in place, enforced by the Obama Administration, that keep them under lockand-key ... We need a long-term plan to significantly increase our domestic oil and natural gas supplies. I'm pleased that the House has already passed three bipartisan bills to do just that. It's time for the President and the Senate to step up to the plate and do likewise ... Regardless of whether gasoline prices are up or down, it does not change the fundamental need to develop our own American energy resources. It's been put off for far too long - jeopardizing both our economic and national security." Click here to read Chairman Lamborn's full opening statement.

At the hearing, **Deneen Borelli, a Project 21 Fellow at the National Center for Public Policy Research,** discussed how minorities and low income families are disproportionately affected by increased energy costs. "Energy costs represent a much larger fraction of disposable income for households earning less than \$50,000 than for wealthier families. Due to these income inequalities, the burdens of energy price increases are imposed disproportionately on black and Hispanic households."

James Martin, Chairman of The 60 Plus Association, outlined the adverse impacts of increased energy costs on senior citizens. "With gas prices being at an all-time high, it is hurting those who can least afford it. Seniors on fixed incomes are, in many cases, unable to keep up with the runaway cost increases that are making a devastating impact on their standard of living ... The crippling burden of these high prices can mean not being able to buy medications, get around, or stay warm in winter or cool in summer. For seniors this is about more than economic security, it's about survival."

Pamela Anderson, Operations Manager of Capt. Anderson's Marina in Panama City,

Florida, spoke of the hardships the tourism industry undergoes due to high gasoline prices. Inflated gasoline prices cause an increase in operations costs, reductions in customer expenditures and increased service fees by third party suppliers. "When families cannot vacation it affects everything from gas stations and restaurants along the way to the beach, as well as the venues at their would-be destination."

Background

To address rising gasoline prices and expand American energy production, House Republicans launched the <u>American Energy Initiative</u>, an ongoing effort to lower energy costs, grow our economy and create jobs. This hearing is the third in a series on harnessing American resources to address rising gasoline prices.

Other Hearings in the Series:

- <u>Hearing</u> Full Committee Oversight Hearing on "Harnessing American Resources to Create Jobs and Address Rising Gasoline Prices: Domestic Resources and Economic Impacts" held on Thursday, March 17, 2011.
- <u>Hearing</u> Full Committee Oversight Hearing on "Harnessing American Resources to Create Jobs and Address Rising Gasoline Prices: Impacts on Businesses and Families" held on Thursday, March 31, 2011.

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