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Opening Statement by
The Honorable Doug Lamborn
Chairman, Subcommittee on Energy and Mineral Resources
At the Oversight Hearing on

“America’s Offshore Energy Resources: Creating Jobs, Securing America, and Lowering Prices”

Tuesday, March 5, 2013

I’d like to thank everyone for attending our hearing today – where our Subcommittee is meeting to discuss the economic driver that is the offshore energy industry. This subcommittee has long explored the many facts and figures included in several studies that point to the far-reaching job creation potential of an aggressive offshore energy program in the United States. It’s no secret that the Obama Administration finalized an offshore leasing plan last year that closes a vast majority of our nation’s Outer Continental Shelf to oil and gas development – including areas that have long awaited such development - like offshore Virginia.

Most recently, a study conducted by the Institute for Energy Research concluded developing oil and gas in both offshore and onshore areas that are currently under lock and key by this Administration could result in:

- 552,000 jobs over the next seven years, with almost 2 million jobs annually for the next thirty years;
- A cumulative 37-year increase in GDP of \$14.4 trillion; AND
- \$2.7 trillion more in tax revenues into the federal government over the next 37 years, while state and local tax revenues equal \$1.1 trillion in the same time period.

These are figures that cannot and should not be ignored. And I would point out that the jobs created by this new production are not just in areas in and around the Gulf – which is the only area the Obama Administration allows development. For instance, GE “Bently Nevada” sensors – which are used in many offshore energy development applications – are manufactured by some 700 employees in Minden, Nevada – which is in my colleague, Mr. Amodei’s district. Two of our witnesses this morning will speak to the array of jobs that result from offshore oil and natural gas development.

Our other two witnesses will speak to the vast jobs potential that can derive from offshore wind energy development. We are now over four years into the Obama

and marine construction industries, as well as many other areas. These same industries have found offshore oil and gas development equally beneficial.

Aside from the jobs aspect, there is also the very real impact that resource generation has on world prices. In today's global market, American energy production does not occur in a vacuum. When we forecast to the world that we will be aggressively developing our nation's energy resources – the markets respond accordingly. And this is important, because according to the Energy Information Administration (EIA), American families are spending the highest percentage of household income on gasoline in nearly three decades – the sole exception being 2008 at the height of the economic downturn. While my colleagues on the other side of the aisle would like to argue that producing more American energy will have no impact on prices, I will happily point to the impact that oil production, largely on private lands of Bakken, is having breaking the domestic price from the world price of oil.

I would also point out the final, undeniable fact that while the Administration loves to take credit for our nation's surging production of oil and natural gas – the truth remains that production on FEDERAL lands, the only areas where the President and this Congress have jurisdiction, **is down**.

We simply cannot stand by as energy production on state and private lands carries the day while production on federal lands withers – this is especially true of our nation's Outer Continental Shelf – where the Administration has left 85% closed for the next half decade. It is my hope that the testimony from our witnesses today will shed greater light on the positive economic story that offshore energy development has to offer. Thank you.