



*"There is simply no reason that we should be talking about job-destroying tax increases when we can create jobs, increase revenue to the government and make America more energy independent by developing our own resources."*

**[Joint Committee Should Look to Job-Creating American Energy, Not Tax Increases for Revenue](#)**

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By: Chairman Doc Hastings

This fall, Washington D.C. will once again attempt to tackle our Nation's \$14 trillion debt that is threatening our economic competitiveness, costing jobs and putting our children's future at risk. While the Budget Control Act passed by Congress and signed by the President cut an initial \$910 billion in federal spending, a Joint Congressional Committee has been tasked with finding an additional \$1.5 trillion in savings. If the Joint Committee is serious about addressing America's long-term budget issues, it must recognize the substantial economic potential of developing America's energy resources.

Reducing our debt will require creative thinking and new approaches that include both spending cuts and raising new revenue. However, new revenue should not come from punitive tax increases that would destroy jobs. Unlocking our country's energy resources and expanding energy production in new areas can generate billions in government revenue, strengthen the economy, create new jobs and make America more secure.

Continuing to omit American energy production from the solution to our financial insolvency only increases the debt burden on future generations by sending more American tax-dollars overseas to unfriendly countries for energy we have the ability to produce at home.

According to a recent Congressional Research Service report, the United States is the most energy rich country in the world, with over 1 trillion barrels of oil equivalent in natural gas, oil and coal. Incredibly, that estimate does not even include America's 1.5 trillion barrels of oil found in western oil shale.

America's energy resources are tremendous contributors to our economy, yet we're not even close to maximizing their full economic potential. U.S. oil and natural gas production currently supports over 9 million American jobs and contributes more than \$1 trillion or 7.7 percent to America's gross domestic product (GDP). Yet these job and revenue numbers could be even higher if it weren't for the regulations and red tape imposed by the Obama Administration that keep a large portion of our energy resources locked away.

A recent study by economists at Wood-Mackenzie explored the economic effects of allowing access to five of the key energy regions in the U.S. currently closed to development. The areas looked at were the Eastern Gulf of Mexico, portions of the Intermountain West, ANWR in Alaska, and the Atlantic and Pacific Outer Continental Shelf. The results found that energy production in those five currently off-limit areas would create \$64 billion by 2020 and \$207 billion by 2025 in total government revenue including royalties, leases, and state, local and federal tax receipts. Further, lifting government roadblocks to energy development in these areas would create 530,000 direct and indirect jobs and increase American energy production by 4 million barrels of oil per day.

It's significant to note that all of the energy resources highlighted in the Wood-Mackenzie study are located on federal lands or waters, which underscores the importance of making our public lands available for multiple-use purposes to provide maximum benefit to the American taxpayer.

North Dakota's recent oil and natural gas boom is an excellent example of private enterprise putting America's energy resources to work, contributing to local and state government coffers, while creating jobs and aiding national energy interests.

Over the last decade oil and natural gas production on private land in North Dakota, where the Obama Administration has not been able to obstruct energy production, has vastly expanded the state's economy and kept unemployment the lowest in the country. It's proof that both jobs and government revenue can be created when the free market is allowed to operate unencumbered, absent burdensome regulations.

As seen in North Dakota, if the government simply provides a pro-growth business environment that expands the overall tax base, government revenues increase without disproportionately punishing American families through job destroying tax increases. Unfortunately, the Obama Administration and Congressional Democrats have gone out of their way to create an unpredictable business climate, by repeatedly blocking increased American energy production and punishing current energy job providers.

This month the Natural Resources Committee will hold two Full Committee hearings to further examine how American energy can create new American jobs. We'll look at opportunities for new energy production on federal lands and also the economic costs of the Obama Administration's energy policies.

There is simply no reason that we should be talking about job-destroying tax increases when we can create jobs, increase revenue to the government and make America more energy independent by developing our own resources. I strongly urge the Joint Committee to consider ways to increase both onshore and offshore energy production as a way to pay

down the debt, put Americans back to work and jump start our economy.

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