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Senator

The General Assembly of Virginia

Testimony on American-Made Energy and Infrastructure Jobs Act

November 18, 2011

Mr. Chairman and Members of the Sub Committee on Energy and Mineral Resources,

I want to thank you for the opportunity to testify before your committee. Specifically I would like to talk to you about Lease Sale 220, the proposed lease for oil and gas off the Eastern coast of Virginia.

Virginia has long been concerned about the energy crisis that faces this nation and Virginia. We also recognize what a tremendous opportunity for our state and nation that a comprehensive energy policy would mean to our future.

At a time of record budget deficits, unacceptable levels of unemployment, and a totally out of balance trade deficit, it is inexcusable that this nation has not developed a comprehensive energy policy that maximizes utilization of this nation's vast supply of natural resources.

This nation imports in excess of 300 billion dollars a year in energy resources from outside the borders, while at the same time we put off-limits our own energy resources and this nation has no plans to fix this large deficit.

I am struck that this number of 300 billion is nearly half the economic stimulus package passed by Congress in 2009.

What if this 300 billion was spent recovering our own natural resources? That is 300 billion employing Americans to produce energy for American homeowners and American industry.

I am told that the second largest source of revenues next to income taxes to the Federal government is Rents and Royalties collected from those companies recovering resources from Federal property both on and off shore.

To a major extent our foreign policy and military deployments are driven by our need to secure our imported energy needs. Yet at the same time, we put off-limits this nation's natural resources.

Mr. Chairman, this brings us to Lease Sale 220.

As you may be aware, during the 2005 Session of The Virginia General Assembly, I submitted legislation that passed both the House and Senate and requested Congress to lift the moratorium. This legislation was vetoed by then Governor Mark Warner. In his veto message he stated, in part, that he wanted to further study the issue. It is interesting to note that now Senator Warner and Senator Webb have introduced legislation in the Senate to move Lease Sale 220 forward including revenue sharing. In a similar manner the issue of off-shore drilling has bi-partisan support in the General Assembly.

Our current Governor, Bob McDonnell, has stated a goal of turning Virginia into the Energy Capital of the East Coast. He has worked tirelessly to achieve this goal; including getting Lease Sale 220 back on track.

Because of the legislative actions during both the 2005 and 2006 sessions of the General Assembly, the Department of Interior included Lease Sale 220 in their 5-year plan.

Lease Sale 220 went through an exhaustive series of agency input, public hearings and written comments. Through their actions the 220 block was paired back to accommodate concerns from the State of Virginia, Department of Defense, and other agencies. The Department of Interior was ready to precede with the final environmental impact studies when the sale was suspended by the current

administration. Recently, the current Administration announced an outright cancellation of this sale and did not include any off-shore areas on the Atlantic coast.

It is interesting to note that our neighbor to the north, Canada, is actively recovering resources in the Atlantic basin recovering both oil and natural gas.

It is my sincere hope that this Congress will reinstate Lease Sale 220 off of Virginia and respect the desire of our Democrat Senators, the majority of our members of the House of Representatives, our Governor and the Virginia General Assembly.

I would also hope that you not only look favorably on Lease Sale 220, but indeed look carefully at all the restrictions and prohibitions placed on this Nation's energy and natural resources. The keys to making the United States energy self sufficient lie inside these halls of Congress and down Pennsylvania Avenue.