

Committee on Resources

Witness Statement

April 12, 2000
Statement
by
The Honorable Tom DeLay
before
The Committee on Resources
Clinton/Gore Energy Crisis

Thank you, Mr. Chairman, for inviting me to testify today. I will focus on the restrictions in exploration and development of our oil and gas resources and the important role that our federal land policies play in framing our domestic energy picture.

As I speak, our energy policy is in shambles. Over recent years, the multiple-use component of federal lands has been sacrificed on the altar of environmental extremism because some don't think these lands should be used at all.

The recent fluctuations in gas and oil prices have served to intensify this debate---And the stakes have never been higher. Our growing dependence on foreign imports, which have now exceeded 56 percent of our nation's energy needs, is a direct threat to our national security.

But the real tragedy here is that all could have been avoided were it not for the Clinton/Gore Administration's federal lands policies of lock-'em-up now and ask questions later.

The four federal land management agencies own nearly one-third of the land in the United States. And with proposals being considered to further increase federal and state land acquisition, that percentage is likely to grow each and every year.

By abandoning an important mission of the multi-use federal lands system---responsible resource extraction and energy production---we have increased our reliance on foreign nations.

We have seen the consequences of this "*anti-energy*" energy policy at the gas pump and in the oil patch. In a little over a year, oil prices have fluctuated from some of the lowest levels on record to some of the highest. In the process, more than 136,000 domestic oil wells and 57,000 gas wells have closed-up since 1997---and we are left at the mercy of OPEC to make up the difference.

But that is only the half of it. Layer upon layer of new government red tape and bureaucracy---advanced unilaterally by this Administration--has undermined the vibrancy of the domestic oil and gas industry.

Some of these include:

- Moratoriums on road construction;

- Abuse of the Antiquities Act;
- Restrictions on new pipeline and dam construction;
- Obscure interpretations of our mining laws;
- Increased fees for offshore oil production in the Gulf of Mexico;
- And expansive interpretations of the Endangered Species and Clean Water Acts that have---in many cases---unnecessarily denied permits on public and private lands.

And these are but a handful of the harmful policies pushed forth by the Administration.

Now under fire, the President has said we should pass tax incentives for small producers. Now the President must have a short memory because just last year Congress passed incentives for increased domestic oil and gas production as part of the Taxpayer Refund and Relief Act.

The President vetoed this measure just months before prices began to rise. In response, even Energy Secretary Bill Richardson admitted that the Administration was caught napping while the price of gasoline jumped to nearly two dollars a gallon.

So where can the President act to help the situation?

First, to the North, he can look towards Alaska. In 1995, he vetoed legislation that would have allowed oil exploration and development on a tiny portion of the Alaska National Wildlife Refuge. He claimed it would undermine the environment, but only 3 square miles would have been affected. The rest of the area---which would have been untouched---is the size of Rhode Island.

In the South, the President should repeal the increased royalty fees that this Administration unilaterally imposed. The Rigs to Reef program in the Gulf of Mexico has proven that we can drill for oil in the Outer Continental Shelf using new technologies to the benefit of both the industry and marine life.

Such capability is possible across-the-board. After all, a sound environment and a prosperous economy are not either/or propositions. They go hand in hand.

Mr. Chairman, it is possible to conserve the environment while meeting our domestic energy needs with a minimal dependence on foreign sources of energy. But the President must take common sense action to do it.

Thank you.

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