

108TH CONGRESS
2D SESSION

H. RES. 611

Expressing the sense of the House of Representatives that the President should immediately communicate to the members of the Organization of Petroleum Exporting Countries (OPEC) cartel and non-OPEC countries that participate in the cartel of crude oil producing countries the position of the United States that urgent action must be taken to increase world crude oil supplies so as to achieve stable crude oil prices, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 28, 2004

Mr. BISHOP of New York (for himself, Ms. SCHAKOWSKY, and Mr. BROWN of Ohio) submitted the following resolution; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

RESOLUTION

Expressing the sense of the House of Representatives that the President should immediately communicate to the members of the Organization of Petroleum Exporting Countries (OPEC) cartel and non-OPEC countries that participate in the cartel of crude oil producing countries the position of the United States that urgent action must be taken to increase world crude oil supplies so as to achieve stable crude oil prices, and for other purposes.

Whereas the United States currently imports the majority of its crude oil;

Whereas ensuring access to and stable prices for imported crude oil for the United States and major allies and trading partners of the United States is a continuing critical objective of United States foreign and economic policy for the foreseeable future;

Whereas the 11 countries that make up the Organization of Petroleum Exporting Countries (OPEC) produce 40 percent of the world's crude oil and control three-quarters of proven reserves, including much of the spare production capacity;

Whereas in February 2004, OPEC instituted cuts in excess crude oil production and lowered its output quotas for a combined cut of 2.5 million barrels a day, which has resulted in dramatic increases in crude oil prices;

Whereas in February 2004, crude oil prices were \$28 per barrel and have steadily risen since then, exceeding \$38 per barrel in March 2004, the highest prices in 13 years;

Whereas crude oil prices remain at \$37 per barrel, well above the \$22 to \$28 per barrel range that OPEC has identified as an objective to maintain price stability;

Whereas the increase in crude oil prices has translated into higher prices for gasoline and other refined petroleum products; in the case of gasoline, the increases in crude oil prices already have resulted in a pass-through of cost increases at the pump to an average national price of \$1.80 per gallon as of the end of April 2004;

Whereas the Energy Information Administration of the Department of Energy has determined that the President's energy bill will not reduce energy prices or reduce Amer-

ica's dependence on imported oil, finding that "the impact of the CEB [Conference Energy Bill] provisions analyzed in this report on total primary energy consumption is small" and that "On a fuel specific basis, changes to production, consumption, imports, and prices are negligible.";

Whereas the Administration has not acted in a transparent manner with regard to energy policy and instead has met privately with energy industry lobbyists in crafting Administration energy proposals and resisted efforts by Congress and the public to obtain information about what went on in these closed meetings;

Whereas the Administration has met with a top Saudi official who, according to the report of a prominent journalist, indicated the Saudi Government could increase production during the period before the election so that the prices would decrease significantly;

Whereas increases in the price of crude oil result in increases in prices paid by United States consumers for refined petroleum products, including home heating oil, gasoline, and diesel fuel; and

Whereas increases in the costs of refined petroleum products have a negative effect on many Americans, including the elderly and individuals of low income (whose home heating oil costs have doubled in the last year), families who must pay higher prices at the gas station, farmers (already hurt by low commodity prices, trying to factor increased costs into their budgets in preparation for the growing season), truckers (who face an almost 13-year high in diesel fuel prices), and manufacturers and retailers (who must factor in increased production and trans-

portation costs into the final price of their goods): Now, therefore, be it

1 *Resolved*, That it is the sense of the House of Rep-
2 resentatives that—

3 (1) the President and Congress should take
4 both a short-term and a long-term approach to re-
5 ducing and stabilizing crude oil prices as well as re-
6 ducing dependence on foreign sources of energy;

7 (2) to address the problem in the short-term,
8 the President should communicate immediately to
9 the members of the Organization of Petroleum Ex-
10 porting Countries (OPEC) cartel and non-OPEC
11 countries that participate in the cartel of crude oil
12 producing countries that—

13 (A) the United States seeks to maintain
14 strong relations with crude oil producers around
15 the world while promoting international efforts
16 to remove barriers to energy trade and invest-
17 ment and increased access for United States
18 energy firms around the world;

19 (B) the United States believes that re-
20 stricting supply in a market that is in demand
21 for additional crude oil does serious damage to
22 the efforts that OPEC members have made to
23 demonstrate that they represent a reliable
24 source of crude oil supply;

1 (C) the United States believes that stable
2 crude oil prices and supplies are essential for
3 strong economic growth throughout the world;

4 (D) the United States seeks an immediate
5 increase in the OPEC crude oil production
6 quotas; and

7 (E) the United States will temporarily sus-
8 pend further purchases of crude oil for the
9 Strategic Petroleum Reserve, thereby freeing up
10 additional supply for the marketplace;

23 (A) further review all administrative poli-
24 cies, programs, and regulations that put an

1 undue burden on domestic energy producers;
2 and

3 (B) consider new legislative policies aimed
4 at increasing the ability of the domestic energy
5 industries of the United States to supply a
6 greater percentage of the energy needs of the
7 United States and to better exploit emerging
8 technologies to increase energy efficiency and
9 reduce overall energy consumption; and

10 (5) in order to ameliorate the long-term prob-
11 lem of United States dependence on foreign oil
12 sources, the House of Representatives should appro-
13 priate sufficient funds for the development of domes-
14 tic energy sources, including measures to increase
15 the use of renewable energy resources and emerging
16 technologies that could increase energy efficiency
17 and reduce overall energy consumption.

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