

Friday, March 2, 2012

Washington, D.C. – Congressman Ben Ray Luján spoke during a House Science, Space, and Technology Committee hearing yesterday on the importance of cracking down on speculators in an effort to address rising gas prices. Below are his remarks.

“Mr. Chairman, I want to quickly turn to all of this conversation and attacks on President Obama with increasing gas prices. You know, report after report shows that production [of oil] is up under this administration. Under President Barack Obama production is up.

“Republicans in this Congress voted against an amendment that I offered on the floor of the House and in committee, in the Natural Resources Committee, when there was a provision in front of us to increase production in the gulf. My amendment was really simple. It said during tough economic times let’s make a commitment – because I know how to count, my dad tough me how to count very young, and we knew the bill was going to pass – but what we asked our colleagues on the other side of the aisle was, if we’re going to pass this bill, let’s at least commit to keep any new production in the United States for American consumption and to be refined in the United States.

“I couldn’t get one of my colleagues on the other side of the aisle to support that amendment.* Ranking Member Markey offered something similar as well, which was defeated overwhelmingly.

“Last year, there were many individuals that provided testimony in the Senate talking about the problems with speculation. Mr. Tillerson, ‘the boss of ExxonMobile admitted last week that the price,’ this was back in early 2011, in May, ‘the price of oil – based purely on supply and demand – should be in the \$60 to \$70 a barrel range. The reason it’s above \$100 a barrel, Tillerson explained, is due to the oil majors using futures contracts to lock in current high prices.’ And we see article after article – the Commodity Futures Trading Commission plans to

issue a report next month talking about those problems.

“If we are serious about doing something now, we should tap the reserves we have and crack down on speculation, Mr. Chairman. And I think enough is enough with the rhetoric. Let’s do something real. We can get this done together, and there’s support from both sides.”

* Correction: One Republican voted for Luján’s amendment.

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