

October 7, 2005

**THE MANAGER'S AMENDMENT DOESN'T TAKE CARE OF
MOST PROBLEMS IN THE ENERGY BILL**

**MOST OF THE PROVISIONS OPPOSED BY STATE AND LOCAL
GROUPS ARE STILL IN THE BILL**

VOTE NO TODAY ON H.R. 3893

Dear Colleague:

Just before midnight Thursday night, the text of the manager's amendment to H.R. 3893 was released. (There will not be a separate vote on the manager's amendment; it will be deemed to have passed if the House approves the rule on H.R. 3893.) No doubt the proponents of H.R. 3893 will tout the provisions of the manager's amendment, most especially the provision that strikes the New Source Review provisions from the underlying bill. And that certainly is an improvement.

But the important thing to know is that the bill still includes virtually all the provisions that will burden taxpayers, weaken environmental laws, interfere with states' prerogatives, and give undue aid to oil companies. The bill still includes virtually all the provisions that were objected to in letters from the National Conference of State Legislatures, the National League of Cities, National Association of Counties, and the association of state environmental commissioners (ECOS) and the association of state air officials (STAPPA/ALAPCO). And the bill still is likely to have little or no effect on the price of gasoline.

The bill still lines the pockets of the oil companies by:

- Reducing royalty payments to the government (now through rebates paid by the government to the oil companies).
- Creating a fund that will pay oil companies if they are sued – even if they lose in court.
- Not requiring oil companies to pay the government's legal fees if they sue the government and lose – even though losers suing oil companies have to pay their massive legal fees.

The bill still weakens environmental laws by:

- Limiting the kinds of cleaner fuels states can require to meet their clean air targets.
- Limiting the kinds of diesel fuel that can be required, interfering with the low sulfur diesel rule trumpeted by the Bush Administration.
- Rewriting the permitting process for refineries to limit environmental reviews without any evidence that current processes are a problem.

- Enabling cities with dirty air to delay meeting Clean Air Act requirements.

The bill still undermines states' prerogatives by:

- Federalizing many siting and permitting decisions relating to refineries.
- Limiting the kinds of cleaner fuels states can require to meet their clean air targets.
- "Changing long-standing legal tradition [by] exposing local governments to federal sanctions and lawsuits." (The quote is from the National League of Cities, but expresses a concern shared by many groups.)

And perhaps worst of all, the bill still does virtually nothing to limit the nation's growing demand for oil – the core cause of price spikes. The nation's refining capacity has been increasing for a decade (despite the reduced number of refineries), but demand has increased even more. The marketplace is providing all the incentives needed to build new refineries using the tremendous profits of the oil companies. But the marketplace cannot control demand effectively.

Please join me in voting **NO** on H.R. 3893, which will increase the deficit, harm the environment, undermine the states, and give charity to the oil companies while doing virtually nothing to help consumers.

Sincerely,

Sherwood Boehlert

Member of Congress