

H.R. 702: Lifting the Crude Oil Ban

On February 4, 2015 Congressman Joe Barton (R-TX) introduced a bill to lift the 40-year old ban on crude oil exports and direct the Department of Energy to conduct a study on the Strategic Petroleum Reserve. This bill was referred to the Committees on Foreign Affairs and Energy & Commerce.

Current Cosponsors: Reps. Blackburn, Bridenstine, Carter (TX), Chabot, Conaway, Cramer, Flores, Franks, Hensarling, Marchant, Neugebauer, Pearce, Pittenger, Poe, Salmon, and Wilson (SC).

Why do we have a ban on crude oil exports?

In response to US support for Israel in the 1973 Yom Kippur War, the Organization of Petroleum Exporting Countries (OPEC) declared an oil embargo against the United States. Prior to the embargo, approximately [65% of US crude oil](#) imports were sourced from OPEC countries. In response to the sudden shock of the embargo and rapidly rising gasoline prices, Congress established a pricing system to moderate consumption and in 1975 the Energy Policy and Conservation Act (EPCA) codified a ban on domestically produced crude oil in an attempt to limit reliance on foreign oil imports. We are the only member of the Organization for Economic Cooperation and Development (OECD) and the International Energy Agency (IEA) with an outright ban on exporting domestically produced crude oil.

What would lifting the ban do?

Lifting the crude oil ban would [lower prices](#) at the pump, [increase](#) domestic crude oil production in Canada and the US, and support up to [964,000 new jobs](#). Maintaining the ban, however, would cost America [1.5 million jobs](#) and \$220 billion of lost annual economic output by 2018. Such an economic burden cannot be sustained.

The US has a long tradition of promoting open trade, combating resource nationalism, and encouraging free markets. The ban on crude oil exports stands ideologically opposed to these policies. It is time to bring our policies in line with our rhetoric and support free market ideals at home. A recent [report](#) from the Council on Foreign Relations recommends lifting the ban on all energy exports, predicting an uptick in US energy investment and production as a result.

US production and proven reserves have never been stronger. According to the Energy Information Administration (EIA), US energy production has risen to 9 million barrels a day, beating out Saudi Arabia as the world's largest producer of petroleum liquids. Allowing domestic oil exports would have international repercussions—granting our allies abroad an alternative energy source to traditional bad actors such as Russia and Iran.

Sign on as a cosponsor: Email AT.Johnston@mail.house.gov or Amy.Murphy@mail.house.gov in Congressman Barton's office for more information.