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MARKUP OF:

H.R. , NORTH AMERICAN ENERGY SECURITY AND INFRASTRUCTURE ACT OF 2015; AND

H.R. 702, TO ADAPT TO CHANGING CRUDE OIL MARKET CONDITIONS

THURSDAY, SEPTEMBER 17, 2015

House of Representatives,

Committee on Energy and Commerce,

Washington, D.C.

The committee met, pursuant to call, at 10:18 a.m., in Room 2123, Rayburn House Office Building, Hon. Fred Upton [chairman of the committee] presiding.

Present: Representatives Upton, Barton, Whitfield, Shimkus, Pitts, Walden, Murphy, Burgess, Blackburn, Scalise, Latta, Harper, Lance, Guthrie, Olson, McKinley, Pompeo, Kinzinger, Griffith, Bilirakis, Johnson, Long, Ellmers, Bucshon, Flores, Brooks, Mullin, Hudson, Collins, Cramer, Pallone, Rush, Eshoo, Engel, Green, DeGette,

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Capps, Doyle, Schakowsky, Matsui, Castor, Sarbanes, McNerney, Welch, Lujan, Tonko, Yarmuth, Clarke, Loeb sack, Schrader, Kennedy, and Cardenas.

Staff Present: Nick Abraham, Legislative Associate, E&P; Gary Andres, Staff Director; Will Batson, Legislative Clerk; Mike Bloomquist, Deputy Staff Director; Leighton Brown, Press Assistant; Allison Busbee, Policy Coordinator, Energy & Power; Karen Christian, General Counsel; Patrick Currier, Senior Counsel, Energy & Power; Tom Hassenboehler, Chief Counsel, Energy & Power; Brittany Havens, Oversight Associate, O&I; Kirby Howard, Legislative Clerk; A.T. Johnston, Senior Policy Advisor; Peter Kielty, Deputy General Counsel; Ben Lieberman, Counsel, Energy & Power; Brandon Mooney, Professional Staff Member, E&P; Tim Pataki, Professional Staff Member; Mark Ratner, Policy Advisor to the Chairman; Dan Schneider, Press Secretary; Jessica Wilkerson, Oversight Associate, O&I; Jen Berenholz, Minority Chief Clerk; Christine Brennan, Minority Press Secretary; Jeff Carroll, Minority Staff Director; Elizabeth Ertel, Minority Deputy Clerk; Michael Goo, Minority Chief Counsel, Energy and Environment; Tiffany Guarascio, Minority Deputy Staff Director and Chief Health Advisor; Caitlin Haberman, Minority Professional Staff Member; Ashley Jones, Minority Director of Communications, Member Services and Outreach; Rick Kessler, Minority Senior Advisor and Staff Director, Energy and Environment; John Marshall, Minority Policy Coordinator; Alexander Ratner, Minority Policy Analyst; Tim Robinson, Minority Chief Counsel;

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and Matt Schumacher, Minority Press Assistant.

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The Chairman. The committee will come to order. And the chair will recognize himself for an opening statement.

Today we are going to mark up H.R. 702 to adapt to changing crude oil market conditions to improve our energy policy to reflect the realities of 2015 and beyond.

With regard to H.R. 8, which was also on our schedule, the Northern American Energy Security and Infrastructure Act of 2015, our work continues. We launched this process over a year ago. And while we have made a good number of strides, we do need some more time as discussions continue, and I appreciate that dialogue with Republicans and Democrats. We are committed to ensuring that our policies reflect our incredible abundance, so stay tuned.

Today I want to particularly thank Mr. Barton for his work on H.R. 702. America wins when we support free trade and open markets, and this bill would lift the 40-year-old restrictions on oil exports that President Ford imposed, signed into law back in 1975. Much has changed since then when these restrictions were imposed, but the dynamic growth in domestic oil output over the last decade has certainly flipped the script.

Numerous studies, including those from the CBO, GAO, Energy Information Administration, all conclude that oil exports would, in fact, be a net jobs creator and would not raise and may, in fact, lower retail gas prices.

And as long as -- a bonus, foreign policy experts across the

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political spectrum agree that oil exports would help support our foreign policies objectives. The administration now supports lifting Iran's ban on oil exports, and we should all be able to agree that it is time, then, to lift the ban on American exports as well.

The majority leader, Mr. McCarthy, has also signalled H.R. 702 would be on the House floor in the coming weeks.

Creating jobs, keeping energy affordable, boosting energy production, and improving our energy security: These are all important to folks in Michigan and across the country, and the bill that accomplishes all four is certainly worthy of our support. Overall, the news on American energy could hardly be any better, but we need to update our policies to reflect where we are today and put us on steady ground well into the 21st century.

So, with that, I would now yield to my friend from New Jersey, Mr. Pallone, for an opening statement.

Mr. Pallone. Thank you, Chairman Upton.

It has been a challenging few days, but before I speak to the bill before us, I want to commend your decision to postpone consideration of the larger energy bill. I think it was the right call, and the extra time will provide us with the ability to continue our discussions and to explore avenues of progress on that bill.

By setting aside the energy package for today, we have also created an opportunity to have a focused discussion of our policy differences with regard to the H.R. 702, and we do have important policy

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differences.

H.R. 702 is a blunt object which broadly undermines 40 years of protections for our national security, our economy, consumers, and the environment. This bill looks backwards rather than even considering the possibility of developing new energy solutions for our Nation's future. And H.R. 702 does not just undermine current protective authorities related to crude oil; the legislation also prohibits any Federal official from taking any action at any time if it might restrict or enforce a restriction on the export of oil. And that is very troubling to me.

What is more, the term "restriction" is so vague that it would presumably prohibit a host of other restrictions, such as required use of U.S. flag ships under the Jones Act or the closure of a port for national security reasons. So let's be clear, the President has already stated that he opposes this bill. Further, any legislation of this nature is completely unnecessary, since the President already has the authority to ease or even remove restrictions on crude oil exports, and the administration has recently taken major steps to exercise that authority by approving crude oil swaps with Mexico. And this comes after the Department of Commerce began approving applications for the export of condensate last year.

The bottom line is that it is imperative for Congress to consider a host of factors before we lift the current restrictions and certainly if we are to completely dismantle our Nation's ability to restrict oil

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exports, as proposed by H.R. 702.

So, first, there are consumer impacts, especially related to the price of crude oil and gasoline. A recent study found the changes to U.S. oil export policy will have little or no impact on the future price of oil. But what we do know is that changes in our crude oil policy would lead to a significant payday for oil producers with increases in annual profits approaching \$30 billion by 2025.

Next, there are the impacts on our refinery capacity and associated jobs, well-paying middle class jobs that have grown over the past few years due to increased production. Unrestricted exports of crude oil puts those jobs in jeopardy and could mean exporting those jobs and losing out on critical investments in future refining capacity.

And, finally, there are, of course, the environmental and climate impacts of lifting the export ban, an issue, policy, is fundamentally linked to environmental policy, each as a facet of the other. Increasing crude oil exports means increasing domestic production and its impact on climate change, public health, worker safety, property owners, and protection of our drinking water supplies.

As I have said before, Mr. Chairman, this legislation eagerly embraces short-term profits and benefits without understanding or even considering the costs of such a major action. And that is a mistake I caution us all not to make.

We should take the long view to make sure we fully understand and

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consider the enduring consequences of our actions and choose the cleanest and most sustainable path forward.

I don't believe that potential impacts of H.R. 702 on national security, on the economy, on consumers, and on the environment can be considered acceptable. Increased crude exports certainly help oil companies but without any guaranteed benefits for consumers. I, frankly, don't see what is in this for the average American. And so I urge my colleagues to join me and the President in saying no to this legislation.

I yield back.

The Chairman. The gentleman yields back.

The chair would remind members that pursuant to committee rules, all members' opening statements would be made part of the record.

Are there further opening statements the members would like to deliver?

The chair would recognize the vice chair of the committee, Mrs. Blackburn, for 3 minutes.

Mrs. Blackburn. Thank you, Mr. Chairman.

And I want to thank you and Chairman Emeritus Barton for the wonderful work that has been done on this legislation. I also thank you for the approach that we are looking at an architecture of abundance, not a policy that is built on rationing or scarcity, but looking at a policy that is built on abundance and on utilization of our resources.

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I have found it so interesting how closely intertwined the national security and energy security issues are with economic security.

And often we hear from our allies they would like to be our customers. They would like that. They would much prefer to do business with us than to be doing business with Russia or with OPEC. So this is the right step. It is the right step for American jobs. It is the right step for American energy, and I commend those that have brought it forward.

And I yield back.

The Chairman. The gentlelady yields back.

Other members wishing to make an opening statement?

The chair would recognize Mr. Rush, ranking member of the Energy and Power subcommittee.

Mr. Rush. I want to thank you, Mr. Chairman, for this important markup today on H.R. 702, to adapt to changing crude oil market conditions. Mr. Chairman, as I have stated publicly in two hearings and the subcommittee markup preceding today's committee action, I am openly entertaining the idea of supporting this bill. Mr. Chairman, however, since making those statements, my office, which has met with a great number of stakeholders representing both sides of the debate, I can't do so at this point in time. I have heard arguments of merit, both for and against lifting this bill. Mr. Chairman, I continue to keep an open mind on this issue, and I would continue to work with my

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friend and my colleague Mr. Barton to see if we can find an appropriate, dedicated, strategic proposal that would warrant my support for this bill.

Of all the issues, and there are many, that have been brought to my attention regarding this bill, the single most important one to me, the one that matters to me, high and above all the other issues, is how would lifting this ban impact communities such as the one that I represent in this Nation?

Mr. Chairman, jobs is the central reason for this season, in my estimation, in my opinion. Jobs now, jobs today, and good-paying jobs tomorrow.

Specifically, Mr. Chairman, I met last week, and I had an opportunity to, again, talk with various individuals across this -- the whole issue, area of this bill. And, Mr. Chairman, I said before and I say it again, I would like to see an opportunity for women venturing in minority-owned businesses to directly benefit from vendor and contracting opportunities that would result from lifting this ban.

The architecture of abundance should also be an architecture of shared abundance. And, Mr. Chairman, I am looking for my district and districts like mine their fair share of whatever abundance this bill would bring, this action would bring.

Mr. Chairman, I have had some good talks with these stakeholders, who have signaled their support for a program that would accomplish this goal of shared abundance. My vote in support of this bill hinges

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on those specifics that have yet to be ironed out.

So, Mr. Chairman, I look forward to meeting with industry executives over the weeks ahead to discuss specific proposals that will address this single and central concern of mine. I would like to hear from the decisionmakers in these entities, these organizations, regarding their commitment, their commitment, to make diversity, hiring and diversification and contracting a priority both within their corporations and for the companies they work for.

And until I have this assurance, I want to withhold my support for lifting this ban. But, again, I look forward to working with my friend and my occasional partner Mr. Barton to get to a point where my concerns not only placated but that we have some substantial programs in place for those who have suffered decades-long chronic unemployment in districts like mine and in my own district.

With that, I yield back the balance of my time.

The Chairman. The gentleman yields back.

Other members wishing to make an opening statement?

The chair recognizes the chairman emeritus, Mr. Barton, sponsor of the bill for 3 minutes.

Mr. Barton. I am glad that I am always Mr. Rush's friend, whether I am his partner or not. Always friends; occasionally partners.

I would like the committee to look at the broader picture. We have right now in the world a demand for approximately a little less than 100 million barrels of oil a day. I think it is 95, 96 million

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barrels a day.

The United States was the largest producer. It has fallen to second place in the last 6 months. But we are still producing about 10 million barrels a day, which is approximately 10 percent of the world's demand. We are the only Nation in the world -- the only Nation in the world -- that has the capability to substantially increase our production. Under best-case scenario, we could probably double it in the next 10 years. Russia can't do that. Saudi Arabia can't do that. Venezuela can't do that. Mexico can't do that. Canada can't. Only the United States.

We have refinery capacity in the United States of approximately 16 to 17 million barrels per day. We have a demand for gasoline in the United States somewhere between 10 and 12 million barrels equivalent per day.

If we don't lift the restrictions on crude oil exports, we cannot utilize our strategic advantage in oil production. Our producers are limited in how much oil they can sell in the domestic market to domestic refiners. That is a fact. That is a fact. That is not rhetoric.

If we lift this restriction on crude oil exports, two good things are going to happen: We are going to put pressure in the world oil markets on prices to come down, because, again, we are the only Nation that can substantially increase our oil production. The only one.

The two other the big producers, Saudi Arabia and Russia, can't do it. So if we produce more oil and put some of that in the world

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market, the world price is going to stabilize or come down.

Conversely, if we don't and drive U.S. producers out of production, then eventually Saudi and OPEC and Russia are going to jack the price back up. If you want to prevent gasoline prices from going back up, vote for this bill. It is the only thing out there that gives the capability to stabilize and, over time, lower gasoline prices.

We have the best resource base in the world. We have the best technology in the world. We have the best human capital in the world. Yet we are the only Nation in the world who is an oil producer who can't export into the world market.

Now, forget all the political rhetoric. Look at the strategic facts. That is what this bill is about, unleashing the American ability to compete and strategically make the world a better place. You know, I am glad that Mr. Rush and I are still talking. I am glad that -- I think we have three Democrat sponsors on the committee. I want this to be an American bill, not a Republican bill. We pass this. The President signs it. I guarantee you, I guarantee you, we are going to increase economic activity, jobs, and put America first back in the world market. Vote for the bill.

The Chairman. The gentleman yields back.

Other members wish to speak?

Gentlelady from California.

Ms. Eshoo. Thank you, Mr. Chairman, for convening this markup on H.R. 702. This is a bill that would drastically change our Nation's

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energy policies. Now, different members have said different things about the legislation and what they think is the most important factor. I think the top factor is national security. I spent almost a decade on the House Intelligence Committee, and every single Member's top responsibility is the security of our country. So national security, I believe, is at the top of the list here.

I can't support bill 702 because it repeals our country's longstanding limits on crude oil exports. Now, after decades of bipartisan commitment to energy independence, we are now considering legislation that will not allow any limits on oil exports regardless -- regardless -- of global price spikes, oil embargoes, or other threats to our national security. I think that is pretty serious.

Even during our current prolonged boom in domestic oil production, the U.S. still imports 26 percent of our oil. Now, in addition to the national security implications, it is also unclear whether lifting the ban on crude exports would even benefit consumers. A recent report from the Energy Information Administration found that lifting the ban would, in the best-case scenario -- not worse, but the best-case scenario -- reduce gas prices at the pump by an average of 2 cents per gallon in the 2025 period.

So who wins? Who wins and who loses? The clearest impacts of the bill, obviously, would be the oil companies. And the downside, obviously, where they really take a hit would be the environment. Now,

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the same EIA report found that repealing the crude export ban would increase oil producers' revenues by \$30 billion in 2025.

So I think that there is an imbalance here. And, again, what is the most troubling to me are the national security aspects because the language of the bill, again, does not allow any limits on oil exports regardless, as I said previously, global price spikes, oil embargoes, or other threats to our national security.

I would also like to bring to the attention of members, Mr. Chairman, a letter that Congressman John Garamendi sent to both you and Mr. Pallone and all members of the Committee. And while the Jones Act is not within the jurisdiction of our committee, he, I think, makes very, very important points in his letter relative to doing much more for our national security by requiring that oil and LNG exports be on ships built in American shipyards and sailed under American flags by highly experienced officers and crews, and that that requirement would keep our shipyards, which are critical to the production of naval vessels, vibrant and technologically advanced, and a merchant fleet that would be of sufficient size to meet any national emergency.

So I think that he makes excellent points. I don't know how many members have read the letter. You all received it, but I think it is worth your either rereading or asking your staff to give to you because in this whole debate, I think that the points that he makes relative to H.R. 702, the issue before us, are very important.

Thank you, and I yield back.

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The Chairman. The gentlelady's time has expired.

Other members?

Chairman of the Energy and Power Subcommittee, Mr. Whitfield, is recognized.

Mr. Whitfield. Mr. Chairman, it is time for the U.S. Congress to pass legislation to remove the impediments of the export of crude oil in America.

Opponents of this bill frequently say the President has the authority to do it, but the President has been in office now for 7 years and has never given any indication. In fact, it is said that he is opposed to this.

So the mere fact that the President has the authority and is not doing it, and the Congress has the responsibility and believes that it is in the best interest of the American people to do it, that is why we are here today.

And I believe that many people who are opposed to it frequently talk about climate change; they talk about damage to the environment. But I think if you talk to refugees around the world, you talk to people in Africa, you talk to many people in any country, they don't view the climate change is the number one issue facing man kind, which is what the President believes. Most people in America today are more interested in a good job, reliable electricity.

Around the world, people are looking for clean water. They are worried about living tomorrow and today. They are not all that

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concerned about climate change.

And let me just say this, America doesn't have to take a back seat to anyone on climate change. We have done more as a country to address this issue than others. We recognize that the climate changes, but that is not an excuse to prevent the export of oil.

Now, the President has entered into an agreement allowing the Iranians to export their oil, but he is not willing to allow Americans to export their oil.

And so I think all of us believe in the free market system, so I urge my colleagues, respectfully, to support 702, to help increase energy jobs, affordability. We have countries from around the world coming, asking for our products, and America should not be the only country in the world that is not allowed to export their resources.

And I yield back the balance of my time.

The Chairman. Other members?

Gentleman from Texas, Mr. Green.

Mr. Green. Thank you, Mr. Chairman, and the ranking member, for holding the markup today. Today we are going to continue work on an important piece of legislation. I would like to acknowledge my good friend and colleague, Representative Joe Barton, the sponsor of the legislation. Joe and I have worked for many years together on energy legislation and other bills. The policy we are discussing today has more than 40 years of legislative history. So I think the decisions we make should be prepared to stand the test of time.

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Originally, I had two serious issues with H.R. 702, as drafted, but after many talks with Congressman Barton, I hope to resolve these issues today. First, the bill doesn't provide the Federal Government with an opportunity to partner with industry in the exportation of a natural resource. I have an amendment that will restore the President's power under emergency situations that both President Obama and President Bush have used to dealing with exporting crude oil like any other authority.

Second, the bill defines that no provision of law or Federal official may restrict the export of crude oil. When I read that, I read it as impacting the Jones Act, which requires coastwide trade to be on U.S. flag vessels.

We have an amendment. My colleague, Congressman Flores and I, we have an amendment that will have a study of the Jones Act in the bill and H.R. 702 and will not impact U.S. flag shippings -- and I have an email from the Seafarers International Union -- that says that when the amendment is adopted.

I am concerned that our government has no ability to protect our national security, trade sanctions, or defend against potential adversaries by halting exports during times of emergency unless we adopt the amendment. Many advocates equate crude oil to LNG or refined products and exporting. They are all different. I do not. The difference is that the processing of the raw material allows capital investment while adding value and creating jobs. That is what

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refineries do, and that is what chemical plants do with natural gas. Over the last decade, companies in Bakken in North Dakota, Eagle Ford in south Texas, and the Permian Basin in west Texas have increased U.S. output from 4 million to more than 9 million barrels a day. Also, in that time, our downstream refiners has invested significantly in major capital projects to refine more product.

According to the research I have seen, by 2017, the U.S. refining industry will invest in 20 projects that will add more than 700 million barrels of capacity. In Houston, just one expansion project will cost approximately \$400 million on refinery expansion. That means construction and operations jobs, not just in our district but in districts all over, with that capability. No doubt, our producers are facing a difficult situation if they do the low-price crude oil.

I have seen, literally, our service companies lay off thousands of jobs in the oil patch. And under current law, we can't export condensate and resend crude oil to Mexico and Canada. The Commerce Department has done a job on processing these applications for crude oil. The bureau has a mandate to help U.S. businesses participate in the global marketplace. Under that mandate, Commerce has approved 99 percent of the export applications, but only after some consideration.

Mr. Chairman, I know I am almost out of time, and I would like to have the full statement entered into the record. But once these two amendments are adopted, I think the bill takes care of the concerns I have about the President's authority and also with the Jones Act.

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And I hope our committee will adopt those amendments.

And I yield back my time.

[The prepared statement of Mr. Green follows:]

***** COMMITTEE INSERT *****

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The Chairman. The gentleman yields back.

I will remind all members their statements can be made part of the record without going through them.

[The information follows:]

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The Chairman. Are there other members wishing to make an oral opening statement?

The gentleman from Texas, Mr. Olson.

Mr. Olson. I thank the chair. Today, we are marking up H.R. 702 from my good friend, Joe Barton, to lift the outdated ban on most crude exports.

This ban became law in December of 1975. American energy production is very different today than in 1975. Technology has led us on a shale energy boom in places like Eagle Ford, Bakken, Marcellus and the reborn Permian Basin. We are awash in light oil.

America has, again, become an energy super power. American crude should be on the global market; 1975 ban stops this.

My support for exporting American crude did not happen overnight. I don't want to hurt our refineries. And I sure as heck don't want to hurt families at the pump. But my evidence says that exporting crude will not hurt consumers at the pump, but it also says there will be some pain for some oil refineries. This is serious.

Oil refineries are a cornerstone of our American energy economy and play a vital role in the economy of Houston and all of Texas. But this is ultimately a question of free markets. It is a question of whether we will continue to fight with both hands tied behind our backs in world markets, or do we bring jobs, trade, and influence back home?

And while our actions today are an important step to bring back competition, we have much more work to do.

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In the next few months, I hope we can revisit broken mandates, like the RFS, that distort energy markets. I thank the chairman, the ranking members, and all the committee staff for their hard work, and I ask my colleagues to vote for H.R. 702.

I yield back the time.

The Chairman. The gentleman yields back.

Other members wish to make a statement?

The gentlelady from Colorado.

Ms. DeGette. Thank you very much, Mr. Chairman.

I really appreciate the efforts of the chairman emeritus to raise this bill. The oil market is, in fact, an international market, and I think that the U.S. should participate in that market.

But I am concerned because there are a lot of other issues that are involved here. I think we can stipulate that if we pass this bill, U.S. oil production would increase. So if oil production increases, that is good in a way for oil producers, but what would that mean for climate change? What would that mean for the environment? These are issues that are, unfortunately, not really addressed in the bill before us today.

Just one example of an issue that I have been working on, if we increase production, then I think we can probably stipulate that there will be greater impacts to water quality. We know that Federal regulations currently are not sufficient. Our environmental laws are riddled with loopholes and exemptions for oil and gas development.

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Since 2008, for example, I have introduced the FRAC Act, which is a bipartisan bill that would close the Halliburton loophole that puts our drinking water at risk and would require disclosure of ingredients of fracking fluids. The FRAC Act would make the Safe Drinking Water Act whole again and make sure that if domestic drilling goes up, we will have the tools to protect our most precious resource, our drinking water.

So, at the minimum, I think we should pass the FRAC Act, allowing us to regulate the chemicals going into the aquifers before we increase production by exporting crude oil. And I had mentioned to some people that I would like to have us look at that if we are going to look at this bill.

Another major impact of ending the crude oil export ban would, obviously, be an increase in domestic carbon emissions. Climate change is now a crisis, and it would be irresponsible for Congress to send us over the tipping point by increasing emissions. So I think that before we pass this bill, we also need to consider how we can mitigate those emissions and even offset them. We could do this. We can do this in passing this bill, but we haven't even started to talk about it. And so, regrettably, I am not going to be able to support this bill as written, but I do think that there are ways we could work together on a bipartisan basis to make legislation that would allow us to export oil and at the same time to protect the environment both here in this country and around the world.

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With that, Mr. Chairman, I yield back.

The Chairman. The gentlelady yields back.

Other members wish to make an opening statement?

Gentlelady from California, Mrs. Capps.

Mrs. Capps. Thank you, Mr. Chairman. And I thank you for giving me the opportunity to state the several reasons why I am opposing H.R. 702.

First, I think there are many more important and pressing items that this committee should be spending its time on, such as reauthorizing our pipeline safety laws. I sincerely appreciate the work you that, Mr. Chairman, and Ranking Member Pallone, have done with me on pipeline safety, and I want to make sure it remains a high priority for this committee.

We had a successful bipartisan hearing on this issue last July, and I hope we can build on the success of that hearing to move forward with legislation very soon.

My second concern is with the broad and ill-defined provision in section 3 of this bill. This vague provision could have sweeping implications that could seriously undermine critical health and safety responsibilities of the Federal Government.

For example, under current law, the Secretary of Transportation has authority to shut down a crude oil pipeline if it poses a threat to life, property, or the environment. If an oil pipeline leading to an export terminal were in imminent danger of rupturing, would the

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Secretary still have the authority to shut down the line, or would that action be considered a restriction on exporting crude oil under this bill? What if the line needed to be shut down indefinitely? This scenario is not an abstract hypothetical. The Secretary used this authority to indefinitely shut down line 901 of the plains all American pipeline in my district when it ruptured last May. And since line 901 is the only way for the nearby offshore production platform to get their oil to a refinery, several offshore platforms have had to shut down production entirely. Three months after the spill, line 901 remains shut down, and there has been no indication when it will be restarted in the near future. It is not hard to imagine a similar event happening again, and the Secretary's authority to protect public health, property, and the environment during an such an event must not be undermined. Yet, if this bill were to become law as written, the Secretary's authority certainly would be questioned and possibly even preempted entirely by section 3 of this bill.

In other words, I am concerned that this bill could create a scenario in which the perceived rights of oil companies to export their oil supersedes our absolute responsibility to protect public health and safety. Even if this provision is fixed -- and I hope that it is -- I also have serious concerns about the broader implications of lifting the crude oil ban. This bill would allow companies to earn billions more in profits while doing virtually nothing to help consumers. Far too many working families continue to struggle, and

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we should not be prioritizing the wishes of Big Oil over the multitude of other policies we could be working on.

And, finally, the bill would encourage more oil development while doing nothing to offset the harmful impacts on our climate. Our continued dependence on oil and other fossil fuels is not only causing irreparable damage to our planet, it is also costing us billions upon billions of dollars to the impacts of climate change. I oppose this bill, and I urge my colleagues to do the same.

And I yield back.

The Chairman. The gentlelady's time has expired.

Other members wishing to make an opening statement?

Gentleman from Indiana.

Mr. Bucshon. Thank you, Mr. Chairman. I will be brief.

I was in Czech Republic in early August, and the Czech Republic wants our oil. It is for geopolitical reasons -- that we are going to talk about national security, helping our allies in Central and Eastern Europe is a national security issue. Just look at what happened in Crimea. I also find it hard to believe that our colleagues on the other side of the aisle have voted to allow Iran to export their oil but won't vote to allow America to export our oil.

And the last point is, if American companies are profitable, they create jobs, and that is what this is about.

I yield back. Thank you.

The Chairman. The gentleman yields back.

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The gentleman from New York, Mr. Engel.

Mr. Engel. Thank you, Mr. Chairman.

I am going to vote against this bill because I still have environmental concerns and concerns about jobs that bother me. But I do want to commend Mr. Barton, and I will agree with the gentleman from Indiana, who spoke just before me, that we need to look at this also from a geopolitical point of view.

At a time when Russia provides so much of the energy of Europe and, therefore, a lot of the European countries are afraid to oppose Mr. Putin's aggression in Ukraine and other places because they need his oil, we need to look at -- we need to not slam the door at the fact in the future of, perhaps, exporting crude oil or being able to sell to Europe, which is being blackmailed by Russia, American energy.

We might have a little more spine and backbone with some of these countries, including our allies, like Germany and the U.K., who rely on Russia for some of their energy needs. And so they are always afraid to stand up to Mr. Putin's aggression. So I just think that, while I won't be voting for the bill today, this is not something that we should slam the door on. We should continue to work on it from a geopolitical view. I think it is important, and so I want to tell Mr. Barton, that we have had many discussions, that I want to continue those discussions, but today I will be opposing the bill.

Thank you, Mr. Chairman.

The Chairman. The gentleman yields back.

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Other members wishing to speak?

The gentleman from North Dakota.

Mr. Cramer. Thank you, Mr. Chairman.

I thank Mr. Barton for introducing the bill and for the opportunity to have this markup. I have been listening to very thoughtful comments of people on all sides, and just a couple of things I want to shed some light on from a North Dakota perspective.

We are a State in the middle of the North American continent that was experiencing the out-migration of our young people, the loss of economic opportunity and jobs, but one thing we have always done really well is we have grown a lot more food than we can consume. And we share that food with a hungry world through wide open free markets. And with that food, not only do we feed hungry people, but we influence the world for better things. Trade is a tool of peace and liberty. It is a much better tool than the weapons of war. And this talk of national security as an important component is right on point. And I appreciate our colleague Ms. Eshoo's points, but it is upside down. We are the stabilizing force in the world. It is our product; it is our way of life that goes with the product when we sell it to people in need of the product. And we will stabilize the price. Price discovery, true price discovery, can only happen with free open markets.

And I would rather use the peaceful tools of energy development to hold Vladimir Putin in check than the weapons of war. I would rather use the peaceful tools of energy development to hold Iran in check than

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weapons of war.

And so from a North Dakota perspective, let me just tell you, those of you who keep referring to Big Oil, I have seen many people down and out walk through the valley of hard economic times rise to prosperity, not because of Big Oil but because of their own innovation and the opportunity that the shale revolution has provided them. I have seen ranchers that were barely making it suddenly hiring people. I have seen truck drivers who now have their own companies. I have seen taco stand owners that have gone from barely scratching a living to making good money and hiring more people.

This is not about Big Oil, at least not in the Bakken and North Dakota. This is about independent oil producers and the vendors and suppliers and service companies that they hire. And it is about the landowner and the mineral owner who has gone from poverty to prosperity.

So it is easy to pick Big Oil as the boogie man, but at least from my perspective, this is about real people working every day, putting their ideas, rolling up their shirt sleeves, getting their hands dirty, to be a part of the American dream.

If we could double production in 10 years, that ought to be a noble goal. With regard to environment climate change, that is a matter of -- not of productivity -- that is a matter of demand. But let's use our supply to meet the demand in the global marketplace, become the stabilizing force.

With that, I yield back.

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The Chairman. The gentleman yields back.

Other members wish to make a statement?

The gentleman from Pennsylvania, Mr. Doyle.

Mr. Doyle. Thank you, Mr. Chairman.

As many members have noted the energy landscape for America has changed since 1975. This is undeniably true. We are producing more oil here in America than we have in decades. But many things haven't changed since 1975. Our country still uses much more oil than we are producing. Recent data from June of this year shows that the United States used 16.9 million barrels of oil a day but only produced 9.3 million barrels. Let me say that again: We use almost 17 million barrels of oil; we are only producing a little over 9 million barrels of oil.

Our Armed Forces rely on refined products, like diesel gasoline, to mobilize and preserve democracy here and abroad. This bill would permanently lift the ban and remove Federal oversight of this critical resource. What if political turmoil in other countries cuts off the great share of oil we import into our country? This legislation effectively removes an important safety valve or mechanism by which we could mitigate this threat to a key energy source for our armed services and our constituents.

I will tell you another thing that hasn't changed, hard working American families still rely on jobs, good jobs, family-sustaining jobs at refineries. The transportation of oil from the Gulf to U.S.

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refineries still support jobs in shipbuilding and steel making and the maritime trades. And this bill could destroy the livelihood of many Americans in those industries as well. I think we need to focus on strengthening our refining capacity here at home.

Other countries that this oil is going to -- you know, there is all this talk of sending this oil to Eastern Europe. Well, Eastern Europe is going to have to reconfigure their refineries to process light tight oil. They can't take this oil right now. Most of this oil is going to end up in Asia. But if they have to reconfigure their refineries, why aren't we reconfiguring some of our refineries or adding some new refinery capacity in the United States to process all of this excess light sweet crude that is coming out of these shale formations. I am not against oil. I am for drilling for oil. I want to keep enough of it in this country that we don't have to import 30, 40 percent of it.

I think that this bill is a little premature. I wish this were delayed a couple of weeks so we can sit down and work on a rational approach on this because I think it is possible to do that. But we need to work on thoughtful policies that are going to protect hard-working Americans and strengthen our security.

Mr. Chairman, I don't think the bill is at that point yet. I think it is premature, and accordingly, I can't support it.

I yield back.

The Chairman. The gentleman yields back.

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Other members wishing to speak, give an opening statement?

Gentleman from New Mexico.

Mr. Lujan. Mr. Chairman, thank you very much.

And I want to associate my comments with those of Mr. Rush, and Ms. DeGette, and Mr. Green, with the conversation that there are many colleagues who have worked in and around this space from States that have production in their states as well.

Many of our Democratic colleagues as well work with our Republican brothers and sisters in looking at natural gas exports as well.

And so regardless of the outcome today, Mr. Chairman, I am certainly hopeful we can find a path for more conversations as this bill will move to the floor and as we look at other provisions. I understand, Mr. Barton, that there are conversations with some of our counterparts in the Senate that are having conversations in the same space, and there are Democrats and Republicans working together there to see what provisions may be included. So, Mr. Chairman, Mr. Barton, I certainly hope that there is a way to find that path as we go forward and working with Mr. Green and with our colleagues, including myself, to see what more we can do that there. So I just wanted to share that, Mr. Chairman. I think there are people that want to find a way to work together on these provisions and just hope there is an opportunity to do those as we get closer to the floor.

Thank you, chairman.

The Chairman. The chair will recognize the gentleman from

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Missouri for opening statement.

Mr. Long. Thank you, Mr. Chairman.

If I could get Dr. Bucshon -- I want to yield to you for just a second. Would you repeat what you said about Iran and our oil?

Mr. Bucshon. Thank you. Yeah. We have our colleagues voting to allow the Iranians to export their oil, and we are getting the argument that Americans can't export our oil.

Mr. Long. Okay. I heard you the first time, but I just love hearing it.

I yield back.

The Chairman. The gentleman yields back.

The chair would recognize the gentlelady from Illinois.

Ms. Schakowsky. Thank you, Mr. Chairman.

I am glad the committee will not be marking up the North American Energy Security and Infrastructure Act. There are a number of remaining issues that must be worked out, and I am optimistic that we can reach common ground on those issues.

The bill we will consider today, H.R. 702, would lift restrictions on the export of crude oil. I strongly oppose the bill for a number of reasons. We don't know what impact this bill would have on gas prices. What we do know is that it will pad the profits of the oil companies, and that is not a motivator for me.

This bill will also increase public health and environmental risks. With an unlimited market for American crude oil, companies

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would ramp up production in all other countries, in the Bakken, on our coast, in the Atlantic -- Alaskan arctic. The American Petroleum Institute has already admitted that. The extraction of oil through hydraulic fracturing has resulted in the contamination of drinking water supplies, even caused earthquakes. The Deepwater Horizon disaster reminded us how devastating deep-sea drilling can be to ecosystems, communities, and businesses. H.R. 702 would incentivize the unfettered expansion of domestic oil development, and our environment, our families, and our neighbors would suffer the consequences.

There is broad scientific consensus that we must rapidly reduce our reliance on oil in order to avoid irreversible and catastrophic climate change that includes keeping at least three-quarters of proven oil reserves below ground. This bill takes us even further in the wrong direction. There is another way forward. We can expand support for clean energy alternatives. Three times as many jobs are supported per \$1 million spent in renewable energy that are supported in fossil fuel energy. And as we have seen with the Clean Power Plan, which will save the average household \$85 per year in energy costs by 2030, it is also possible to invest in clean energy while reducing costs. We should dedicate ourselves to a cleaner energy future. I urge my colleagues to vote against H.R. 702.

And I yield back.

The Chairman. The gentlelady yields back.

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The chair would recognize the gentlelady from Florida.

Ms. Castor. Thank you, Mr. Chairman.

Members, this bill is an unconscionable giveaway to Big Oil at the expense of American consumers, American's national security, and our longstanding policy of energy independence for America. You simply cannot ignore the fact that America imports today 25 percent of its oil.

And although proponents of the bill argue that a ban is in place, that is not accurate. Our current law allows strategic and thoughtful exports of oil. And, actually, the Obama administration has increased and allowed greater exports of oil recently.

Regarding consumers, any claims that sending oil overseas would help consumers in America are entirely unsupported. Instead, it will feed the uncertainty of oil markets, and according to a recent Energy Information Administration study, the anticipated price of oil and gasoline would be virtually unchanged by easing of export restrictions.

And think about it: Gas prices are at record low, \$2, while the current policy is in place. So think, think about this.

Regarding American jobs, Congressman Doyle is absolutely right, further allowing more crude oil exports could result in \$8.7 billion less in U.S. refining capacity over the next 10 years. Those are American jobs. The Congressional Budget Office estimates that if the restrictions on crude oil exports are lifted, the prices of domestic-like crude oil seen by some U.S. crude oil producers and

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petroleum refiners will rise. These price increases would be seen primarily by refineries already configured for processing light sweet crude like those on the East Coast. And then in relation to national security, export of American crude oil is rife with unknown and unintended consequences. It would dramatically alter decades of U.S. policies put in place to encourage energy independence and security and leave the U.S. dependent on foreign countries for more than a quarter of its oil -- for decades to come. Who will benefit? Who will benefit? All of the evidence points to the fact that East Asian markets, especially China, are the most likely beneficiaries of American crude oil exports. China is the best position to become the top purchaser of these exports. So despite the Chinese cyber theft of American technology, cyber espionage their provocative actions in the South China Sea, this bill will provide a strategic advantage to China. Well, that is a fine gift as President Jinping arrives in the U.S. next week. You will pass this bill right in time for the Chinese President, and I am sure he will appreciate it.

I ask my colleagues instead to side with American consumers, American jobs, and our own national security and reject the bill.

The Chairman. The gentlelady yields back.

Other members wish -- the gentleman from Oregon.

Mr. Schrader. Thank you, Mr. Chairman.

I respectfully disagree with much of what has been said by those folks that are against lifting this 1970s relic regarding our oil export

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ban. This is just not the 1970s. I think it was built around an OPEC-dominant world that is no longer the fact. We are one of the biggest, if not the biggest, oil producer in the world. It is going to stay that way for a long, long time. The shale boom that everyone talks about, it is here to stay. The world picture has changed. For those that are worried about strategic advantage, we still have the Strategic Petroleum Reserve, for goodness' sake. And this will lower gas prices for Americans and all in the long term. Even if you don't believe that, the bottom line is by having American oil in the marketplace, it will be counted towards that price, and we will be able to keep the price down over the long haul. We can control the marketplace, not the Saudis, not some of our enemies from abroad. We have a much better opportunity. And if you don't believe that, I will give you a list, brief list of folks: U.S. DOE, EIA, Federal Reserve Bank of Dallas, CPO, GAO, Aspen Institute, Brookings Institution, Baker Institute, University of California Berkeley, all say that. So don't get misled by some of the other studies that are, frankly, not that credible. It will create thousands of jobs. I mean, this idea that we are going to lose jobs over this is ridiculous. We have tons of jobs in the oil fields right now that we didn't have before.

These refineries, our U.S. refineries, aren't going away. They are still going to be producing crude. As a matter of fact, a number of them are going to probably change over to do the sweet crude, which is what they did about 20 years ago. If it is in their economic interest

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to process this, they will do so. There is also, frankly, operating engineers, laborers, other trade unions that are coming out in favor of this bill to create jobs. The trucking industry, rail industry, jobs, jobs, jobs. The idea that this is going to hurt jobs by passing this bill, I don't think has any credibility whatsoever.

And, frankly, if you are an environmentalist, the sweet crude is a heck of a lot more environmental friendly than the so-called sour crude. So if you want to improve the climate a little bit in a world where oil is going to be produced whether we like it or not, this is the way to go. And it is the right way to do geopolitically. Unless you want to empower Iran and Russia some more, sure, vote against this. I think this would be a huge help in this regard.

And, frankly, the biggest issue from my standpoint, it is fiscally responsible thing for us to do. Our exports are hurting. We have abundant natural resources here in the United States of America. It is time for us to export of some that, improve our balance of trade, and drop down our fiscal deficit. And this isn't going to be the last word, colleagues. This will go to the Senate. The Senate will amend this bill. There will probably be some renewable aspects put into this. Hopefully things that maybe deal with climate change, I happen to believe in all of that. But we have got to move the bill to get to that point in time, so I am going to be voting in favor of it.

Thank you, chairman.

The Chairman. The gentleman's time has expired.

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Other members wishing to make opening statement?

Seeing -- oh, the gentleman from Oklahoma. Sorry, I didn't see you before.

The gentleman is recognized for 3 minutes.

Mr. Mullin. I will be quick. I just want to make sure we understand the facts. We have heard our colleagues from other side talk about the imports and how much we are importing into the United States. Please understand, which I believe they know, that this is based on existing contracts. We have record storages right now inside the United States that our U.S. producers have no place to take it to the market. So the facts are that we will buy our own oil. We don't have to export. We have a wonderful amount of reserves. OPEC is at a maximum level of production, and we are just beginning.

Who do we really want to buy from? Ourselves or a country we know doesn't have our best interests in mind. So I am really not understanding the arguments, but I sure wish that people -- which I know we don't always use facts around here, but I wish when we are making an argument on this one, we would actually try to give the facts.

I yield back.

The Chairman. The gentleman yields back.

Other members wishing to speak?

Seeing none, the chair will now call up H.R. 702 and ask the clerk to report.

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RPTR BAKER

EDTR SECKMAN

[11:17 a.m.]

The Clerk. H.R. 702, to adapt to changing crude oil market conditions.

The Chairman. Without objection, the first reading of the bill is dispensed with, and the bill will be open for amendment at any point.

[The bill follows:]

***** INSERT 2-1 *****

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The Chairman. Are there bipartisan amendments to the bill?

The gentleman from Texas, Mr. Flores.

Mr. Flores. Mr. Chairman, thank you for hosting this important markup today.

The Chairman. Does the gentleman have a bipartisan amendment?

Mr. Flores. I do.

The Chairman. The clerk will report the title of the amendment.

The Clerk. Amendment to H.R. 702, offered by Mr. Flores.

The Chairman. And --

The Clerk. And Mr. Green.

The Chairman. And Mr. Green.

The Clerk. And Mr. Green.

The Chairman. All right.

[The amendment of Mr. Flores and Mr. Green follows:]

***** INSERT 2-2 *****

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The Chairman. The gentleman will be recognized for 5 minutes in support of his amendment, and before he starts, the gentlelady from California.

Ms. Eshoo. Thank you, Mr. Chairman. I want to reserve a point of order.

The Chairman. And a point of order is reserved.

And the gentleman will be first recognized for 5 minutes in support of his amendment.

Mr. Flores. Thank you, Mr. Chairman.

I also want to thank Mr. Barton for introducing this important bill that addresses economic security, economic growth, energy security, and also our national security. And it also addresses the fiscal challenges that our hardworking American families have.

My amendment is a fairly simple one. First of all, let me say that I agree with everything that Mr. Schrader from Oregon said a few minutes ago. Modernizing our energy policy by lifting the ban will create more jobs for Americans while strengthening our economy and our national security. The bipartisan amendment I offer along with Mr. Green will make the bill stronger by ordering a study to find out if we can do even more to further all of these goals.

Under this amendment, the Maritime Administrator is required to conduct an analysis of the cost of shipping oil on ships documented in the United States to our allies in NATO, Israel, and Japan that have traditionally relied on imports from Russia and Iran. This provision

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is lifted from identical language that described the use of U.S. crews and U.S. flag vessels when Congress voted with strong bipartisan support to lift the ban on Alaskan oil exports 20 years ago, back in 1995.

We have also talked about how this bill will strengthen our economy and our national security by providing better sources of oil for allies who share our values abroad. The study my amendment proposes simply gives us more information about the relative cost of shipping domestic oil to our allies. From my decades of experience as former CEO and CFO on the maritime-focused part of the energy industry, I can say that this amendment will result in more price transparency to alleviate any potential concerns, which in turn brings market stability.

As the world's number one producer of oil and gas, we now have the opportunity to counter hostile regimes in places like Iran, Russia, and Venezuela, and are more able to bring stability to global energy markets. More global market stability strengthens our interests and security at home and protects American consumers, particularly those at the lower end of the income scale. I would hope that my colleagues would support this important uncontroversial amendment.

And at this time, I am happy to yield the balance of my time to my colleague from Texas, Mr. Green.

The Chairman. Mr. Green?

Mr. Green. Thank you, Mr. Chairman. I want to thank my friend

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for offering the amendment with me. The U.S. maritime industry is a vital part of our national economy. We move more cargo by water than by any other means in transportation. Over many years, I have represented the Port of Houston. The Port is a crucial source of jobs and revenue for our community. Many folks I represent work in the maritime industry. If we are going to seriously consider exporting national resource, then the U.S. should benefit first.

The text of the amendment offers the chance to study exactly what the effects would be. More importantly, it would provide the information we need to improve the outlook for U.S. vessels and maritime workers. I am pleased to work with others who have ports, rivers or harbors to ensure that U.S. seafarers benefit from this change in policy. Like I said in my opening statement, I have a letter from the Seafarers International Union saying that this amendment is needed, and I encourage us to support this amendment.

I yield back.

The Chairman. The gentleman yields back.

Does the gentlelady insist on her point of order.

Ms. Eshoo. I do, Mr. Chairman, and if I may state why? I believe that the Flores-Green amendment is not germane to our committee's jurisdiction. And if the counsel wants to weigh in on that, this really deals with the Jones Act. The Jones Act is not within the jurisdiction of this committee. So as much as my two colleagues --

Mr. Flores. Would the gentlelady yield?

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Ms. Eshoo. I really would like to hear from the counsel first about germaneness, on the point of germaneness.

Mr. Flores. Mr. Chairman, I will be happy to withdraw the amendment until we can resolve this issue.

The Chairman. Gentleman asks unanimous consent to withdraw his amendment. The amendment is withdrawn.

Ms. Eshoo. Thank you.

Thank you, Mr. Chairman.

The Chairman. The amendment is withdrawn.

Are there further amendments to the bill?

Mr. Green. I have an amendment, Mr. Chairman.

The Chairman. The gentleman from Texas has an amendment at the desk.

The clerk will report the title of the amendment?

The Clerk. Which number, sir?

Mr. Green. Thirty-eight. I only have two amendments.

The Clerk. Amendment to H.R. 702, offered by Mr. Gene Green of Texas.

The Chairman. The amendment will be considered as read.

[The amendment of Mr. Green follows:]

***** INSERT 2-3 *****

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The Chairman. The staff will distribute the amendment, and the gentleman from Texas is afforded 5 minutes in support of his amendment.

Mr. Green. Thank you, Mr. Chairman.

As I discussed in the opening statement, I have serious concerns about protecting our national security. The bill, as drafted, would prohibit any restrictions on the export of crude oil. This is not a good policy. My amendment would reaffirm the President's ability in times of national emergency to stop the export of crude oil. The President should have the ability to act on behalf of the national interests. The International Emergency Economic Powers Act grants the President the authority to withhold the exports of specific products in a matter of national security, foreign policy, and short supply purposes.

The President is also authorized to deal with any unusual extraordinary threat to national security, foreign policy, or the economy of the United States if the President declares a national emergency. Both President George W. Bush and President Barack Obama have used this authority. These powers are consistent with current law and the President's constitutional authority.

I do not believe anyone on this committee would want to export oil during a national emergency, and I think it is a commonsense amendment that improves the bill, and I encourage my colleagues to support it, and I yield back my time.

The Chairman. The gentleman yields back his time.

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The chair would recognize the gentleman from New Jersey for 5 minutes.

Mr. Pallone. Thank you, Mr. Chairman.

I appreciate, Mr. Green's efforts to preserve some of the national security authorities taken away by the Barton bill, but the Green amendment only serves to highlight the fact that H.R. 702 is a blunt object which broadly undermines 40 years of protections for national security, our environment, our economy, and consumers. Again H.R. 702 doesn't just undermine current protective authorities related to crude oil. The legislation also prohibits any Federal official from taking any action at any time if it might restrict or enforce a restriction on the export of oil. The term restriction is undefined in this bill and therefore of an unknown and dangerous scope. It could undermine a host of other restrictions, such as the required use of a closure of port for national security reasons, or as Ms. Capps noted, the shutdown of an oil pipeline that is hazardous to safety and the environment.

Unfortunately, the Green amendment would only address some of these problems. In my opinion, it is just a few grains of sand on the beach. The Green amendment does nothing to preserve any environmental or safety statute, and the Green amendment doesn't even preserve the Defense Production Act, one of the most important tools any President has to ensure our national energy security in the face of a threat.

This bill, in my opinion, is dangerous and can't be fixed with

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patches. Section 3, which includes the phrase, and I quote, "notwithstanding any other law, overrides any law that would impose any restriction by any Federal official on exports."

Our distinguished former chairman, John Dingell, for whom I know Mr. Green and Mr. Barton have great respect, was fond of quoting a former House chief legislative counsel who said that notwithstanding any other law, is what we say when we don't know what we are doing. And I think truer words have never been spoken. The sponsors of this bill don't know what they are doing. They don't know which laws and authorities that they are overriding, and I think that is dangerous, and this amendment doesn't come close to changing that, no matter how well-intentioned my friend from Texas is.

The bottom line is that this bill completely dismantles our Nation's ability to restrict oil exports, and nothing offered today go will go anywhere near fixing its fatal flaws. So for that reason, and again, I appreciate my colleague from Texas and what he is trying to do, but for all these reasons, I have to oppose the amendment. I don't think it is going to accomplish the goal of eliminating all these restrictions. Essentially the bill still is going to allow, make it impossible to have so many of the restrictions that exist right now in terms of exporting crude. Thank you, Mr. Chairman.

The Chairman. Gentleman yields back.

The chair will recognize the gentleman from Texas, Mr. Barton.

Mr. Barton. I want to rise in support of the Green amendment.

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I listened carefully in the opening statements to some of the comments from my colleagues on the minority side about their concerns with section 3 of the bill. Section 3 of the bill is attempting to explicitly say that we don't want to put some law that is really intended for another purpose to inadvertently limit exports. The Green amendment specifically goes into those laws that give specific authority under certain cases to limit exports, to make it clear that where we have passed laws in the past that have the intention to give authority to make sure in a national emergency or some specific case, there is the ability to limit an export, that that is going to stand. Mr. Green is attempting to clarify, I think section 3, and it is a worthy addition to the bill.

What section 3 is trying to do is say: If you have passed some law that its real intent is for endangered species, for example, that you don't want to use that to somehow limit an export. That is what section 3 is trying to do, but it is not trying to supersede if we passed -- passed, p-a-s-s-e-d -- laws in the past to put restrictions under certain conditions on exports, we want those to stand. If we have a national emergency, obviously, we want the President of the United States to be able to temporarily halt oil exports. I think that is what Mr. Green is attempting to do. I would be happy to yield to Mr. Green if he wants me to.

Mr. Green. Thank you, Joe, for yielding. All I am going to ask members is, it is on your desk is the language of the amendment. I

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would like to take section 3 out because I think it is way too broad. But we are limiting it by this amendment. Nothing in the Act limits the authority of the President or the Constitution, the International Emerging Economic Powers Act, the National Emergencies Act, or part B of title II of the Energy Policy and Conservation Act that prohibits exports. If you could think of any other act that we are going to give any reception to so the President can do his job, we can add it to this amendment.

This is pretty broad. The President ought to be able to do the job that we elected him to do, no matter who it is. Like I said, the President's authority has been used by various Presidents, Democrat and Republican. And that was my concern with the bill. We ought to have somebody minding the store so we don't export crude oil when we are having a national emergency on our own country.

Mr. Barton. That is why I support the amendment, but in normal situations, in a normal market condition, we should be able to export crude oil. So we are trying to clarify that there will be times in the future, hopefully not, but possibly, that we may have to put some limitations. But in the general sense, when you have normal market conditions, we don't want explicit restrictions on the export of crude oil.

So I support the amendment, and I yield back the balance of my time.

The Chairman. The gentleman yields back.

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Other members wishing to speak on the amendment? Seeing none, the vote occurs on the amendment offered by Mr. Green.

All those in favor will say aye.

Those opposed, say no.

In the opinion of the chair, the ayes have it. The amendment is agreed to.

Are there further amendments to the bill?

Mr. Pompeo. Mr. Chairman.

The Chairman. The chair would recognize the gentleman from Kansas, Mr. Pompeo.

Mr. Pompeo. Thank you Mr. Chairman, for having this markup. I fully support all the efforts to repeal.

The Chairman. Will the gentleman yield for a second? Does the gentlemen an amendment at the desk?

Mr. Pompeo. I do.

The Chairman. The clerk will report the title of the amendment.

The Clerk. Amendment to H.R. 702, offered by Mr. Pompeo of Kansas.

The Chairman. The staff will distribute the amendment.

[The amendment of Mr. Pompeo follows:]

***** INSERT 2-4 *****

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The Chairman. And the gentleman is recognized for 5 minutes in support of his amendment.

Mr. Pompeo. Thank you, Mr. Chairman.

I fully support this committee's efforts to repeal the crude oil export ban, and thank you for doing this today. I support it because I believe when the Federal Government gets involved in setting energy policy that is otherwise best left to the free market, bad things happen. I understand that some refineries are opposed to lifting the ban and believe it would raise their costs. I respectfully disagree.

Our Nation's refiners are some of the most innovative and resourceful companies in the world, and I have no doubt that they will adapt to the market that allows for shipping all commodities, including crude oil. So I am happy we are taking this step today with respect to making energy markets a little bit more free.

I do believe, however, that there are still many Federal policies in place that prevent that, and our job shouldn't stop today just by voting to lift the crude oil export ban. Refiners in particular are adversely impacted by a bevy of regulations, including the Renewable Fuel Standard and the soon to be revised ozone NAAQS. The RFS is an issue this committee has discussed at length last Congress, but we have had zero hearings on the subject during this Congress. We cannot abdicate our responsibility to deal with this regulatory burden simply because it is difficult or complicated or because there are disagreements. If we are for making energy markets more free, then

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I would hope we continue this effort and get EPA out of the business of micromanaging fuels policy at the expense of our Nation's refiners and American consumers.

My amendment is really very simple. It would require the Department of Energy to conduct a study, nothing more than that, a study of the impact of the RFS and the Ozone NAAQS rules and what they would do when combined with lifting of the crude oil export ban. It doesn't require Congress or the administration to do anything as a result of the study, just to find some simple facts. I hope it serves as a jumping off point to begin a real discussion in this committee to reform these regulations such that we can get rid of the barriers that increase costs to consumers and put burdens on U.S. refiners.

And, with that, I yield back.

The Chairman. The chair might ask a question.

Is the gentleman prepared to withdraw his amendment?

Mr. Pompeo. Mr. Chairman, I am happy to withdraw the amendment. I had a chance to speak with you and Mr. Barton, and you both agreed we could revisit this at some point later. And with that commitment, I am happy to withdraw the amendment.

The Chairman. You don't have to use the word "happy."

Mr. Pompeo. I am prepared to withdraw the amendment.

The Chairman. I just want to clarify your remarks so you don't have to revise and extend.

The amendment is withdrawn.

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Are there further amendments to the bill?

Mr. Barton. Mr. Chairman, I don't have an amendment.

The Chairman. Strike the last word. The gentleman is recognized.

Mr. Barton. I didn't take the opportunity to speak on Mr. Pompeo's amendment, but I want to go on the record to say that his concerns are worthy, and I support those concerns. And I do hope perhaps we can do a hearing on some of these concerns and when we have a -- at the appropriate time -- a vehicle to act on those concerns. But the issues that he raised in his amendment are worthy of being raised, and I want to commend him for taking the opportunity and the time and effort to prepare the amendment, and I also want to commend him on having the judgment to withdraw it at this point in time.

The Chairman. The gentleman yields back.

Are there further amendments to the bill?

Seeing none, the question now occurs on favorably reporting H.R. 702, as amended, to the House.

All those in favor will signify by saying aye.

All those opposed, say no.

Roll call is asked. The clerk will call the roll.

The Clerk. Mr. Barton?

Mr. Barton. Aye.

The Clerk. Mr. Barton votes aye.

Mr. Whitfield?

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Mr. Whitfield. Aye.

The Clerk. Mr. Whitfield votes aye.

Mr. Shimkus?

Mr. Shimkus. Aye.

The Clerk. Mr. Shimkus votes aye.

Mr. Pitts?

Mr. Pitts. Aye.

The Clerk. Mr. Pitts votes aye.

Mr. Walden?

[No response.]

The Clerk. Mr. Murphy?

[No response.]

The Clerk. Mr. Burgess?

[No response.]

The Clerk. Mrs. Blackburn?

[No response.]

The Clerk. Mr. Scalise?

[No response.]

The Clerk. Mr. Latta?

Mr. Latta. Aye.

The Clerk. Mr. Latta votes aye.

Mrs. McMorris Rodgers?

[No response.]

The Clerk. Mr. Harper?

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Mr. Harper. Aye.

The Clerk. Mr. Harper votes aye.

Mr. Lance?

Mr. Lance. Aye.

The Clerk. Mr. Lance votes aye.

Mr. Guthrie?

Mr. Guthrie. Aye.

The Clerk. Mr. Guthrie votes aye.

Mr. Olson?

Mr. Olson. Aye.

The Clerk. Mr. Olson votes aye.

Mr. McKinley?

Mr. McKinley. Aye.

The Clerk. Mr. McKinley votes aye.

Mr. Pompeo?

Mr. Pompeo. Aye.

The Clerk. Mr. Pompeo votes aye.

Mr. Kinzinger?

Mr. Kinzinger. Aye.

The Clerk. Mr. Kinzinger votes aye.

Mr. Griffith?

Mr. Griffith. Aye.

The Clerk. Mr. Griffith votes aye.

Mr. Bilirakis?

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Mr. Bilirakis. Aye.

The Clerk. Mr. Bilirakis votes aye.

Mr. Johnson?

Mr. Johnson. Aye.

The Clerk. Mr. Johnson votes aye.

Mr. Long?

Mr. Long. Aye.

The Clerk. Mr. Long votes aye.

Mrs. Ellmers?

Mrs. Ellmers. Aye.

The Clerk. Mrs. Ellmers votes aye.

Mr. Bucshon?

Mr. Bucshon. Aye.

The Clerk. Mr. Bucshon votes aye.

Mr. Flores?

Mr. Flores. Aye.

The Clerk. Mr. Flores votes aye.

Mrs. Brooks?

Mrs. Brooks. Aye.

The Clerk. Mrs. Brooks votes aye.

Mr. Mullin?

[No response.]

The Clerk. Mr. Hudson?

[No response.]

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The Clerk. Mr. Collins?

Mr. Collins. Aye.

The Clerk. Mr. Collins votes aye.

Mr. Cramer?

Mr. Cramer. Aye.

The Clerk. Mr. Cramer votes aye.

Mr. Pallone?

Mr. Pallone. No.

The Clerk. Mr. Pallone votes no.

Mr. Rush?

Mr. Rush. No.

The Clerk. Mr. Rush votes no.

Ms. Eshoo?

Ms. Eshoo. No.

The Clerk. Ms. Eshoo votes no.

Mr. Engel?

Mr. Engel. No.

The Clerk. Mr. Engel votes no.

Mr. Green?

Mr. Green. Aye.

The Clerk. Mr. Green votes aye.

Ms. DeGette?

Ms. DeGette. No.

The Clerk. Ms. DeGette votes no.

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Mrs. Capps?

Mrs. Capps. No.

The Clerk. Mrs. Capps votes no.

Mr. Doyle?

Mr. Doyle. No.

The Clerk. Mr. Doyle votes no.

Ms. Schakowsky?

Ms. Schakowsky. No.

The Clerk. Ms. Schakowsky votes no.

Mr. Butterfield?

[No response.]

The Clerk. Ms. Matsui?

Ms. Matsui. No.

The Clerk. Ms. Matsui votes no.

Ms. Castor?

Ms. Castor. No.

The Clerk. Ms. Castor votes no.

Mr. Sarbanes?

Mr. Sarbanes. No.

The Clerk. Mr. Sarbanes votes no.

Mr. McNerney?

[No response.]

The Clerk. Mr. Welch?

[No response.]

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The Clerk. Mr. Lujan?

Mr. Lujan. No.

The Clerk. Mr. Lujan votes no.

Mr. Tonko?

Mr. Tonko. No.

The Clerk. Mr. Tonko votes no.

Mr. Yarmuth?

Mr. Yarmuth. Mr. Yarmuth votes no.

Ms. Clarke?

Ms. Clarke. No.

The Clerk. Ms. Clarke votes no.

Mr. Loeb sack?

Mr. Loeb sack. No.

The Clerk. Mr. Loeb sack votes no.

Mr. Schrader?

Mr. Schrader. Aye.

The Clerk. Mr. Schrader votes aye.

Mr. Kennedy?

Mr. Kennedy. No.

The Clerk. Mr. Kennedy votes no.

Mr. Cardenas?

Mr. Cardenas. Yes.

The Clerk. Mr. Cardenas votes yes.

Chairman Upton?

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The Chairman. Chairman Upton votes aye.

The Clerk. Chairman Upton votes aye.

The Chairman. Are there members wishing to change a vote.

Mr. Welch?

Mr. Welch. No.

The Clerk. Mr. Welch votes no.

The Chairman. Mr. Walden?

Mr. Walden. Aye.

The Clerk. Mr. Walden votes aye.

The Chairman. Dr. Murphy?

The Clerk. Dr. Murphy votes aye.

The Chairman. Dr. Burgess?

The Clerk. Dr. Burgess votes aye.

The Chairman. Other members wishing to cast a vote?

I understand we have one that is on a horse getting back here.

Is he close? On his way. Well, where is he on his way?

Mr. Green. Mr. Chairman, am I recorded?

The Chairman. The gentleman from Texas is recorded as aye.

Mr. Green. That is the way I want to be recorded. I want to make sure.

The Chairman. I will give him 10 seconds. Okay. We are going to hold for one member who is on his way.

Here he is. He made it within 10 seconds.

And how is Mr. Hudson voting? It is on the final passage, as

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amended.

Mr. Hudson. Aye.

The Clerk. Mr. Hudson votes aye.

The Chairman. Mr. Mullin?

Are there other members wishing to cast a vote.

If not, the clerk will report the tally?

The Clerk. Mr. Mullin votes aye.

The Chairman. Somebody else?

I am sorry. How is Mr. McNerney recorded? He wasn't in that other 10 seconds, but we will give him an extra 10. Is he on his way? The clerk will stand down for a moment.

This reminds me of that Penn State game last year. It went a little too long. There he is.

We were hoping that was you.

How is Mr. McNerney recorded as voting on final, as amended?

Mr. McNerney. I vote no.

The Chairman. He votes no.

The Clerk. Mr. McNerney votes no.

The Chairman. Okay. Now the clerk will report the tally.

The Clerk. Mr. Chairman, on that vote, there were 31 ayes and 19 nays.

The Chairman. Thirty-one ayes, 19 nays. The bill, as amended, is passed.

And, without objection, staff is authorized to make technical and

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conforming changes to the legislation reported by the committee.

So ordered.

The gentleman from New Jersey?

Mr. Pallone. Mr. Chairman, House Rule XI, clause 2(L) provides that for reports accompanying legislation, including investigative and other committee reports, the minority has the right to file supplemental minority or additional views for inclusion in the report. Under that rule, minority views would need to be filed not less than 2 additional calendar days from when the committee approves the report. The majority is allowed to consent to providing the minority with more time, and we are hereby asking the majority for an additional 5 calendar days.

The Chairman. I cannot agree to the unanimous request for 5 additional days, but we will work with you to make sure that your views are filed on a timely basis. We have to check with the majority leader as to the date that this is scheduled for the House floor, but let me just make the agreement that we will work with you throughout, and we will do the best that we can to accommodate as much time as we can but without insisting on 5 calendar days from now, if we can do that. But we will reach out to the majority's office and see what he we can do.

Mr. Pallone. All right. Thank you, Mr. Chairman.

The Chairman. Thank you.

Without objection, the committee stands adjourned.

[Whereupon, at 11:42 a.m., the committee was adjourned.]

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