

**Opening Statement of Representative Shimkus
Subcommittee on Environment and Climate Change
“Protecting the RFS: The Trump Administration’s Abuse of Secret Waivers”
October 29, 2019**

“As Prepared for Delivery”

Good morning, Mr. Chairman, and thank you for this time.

I want to welcome you back to the renewable fuel standard debate and extend a hearty welcome to all the new members of the subcommittee that haven’t had the pleasure of trying to sort through the complexities of this issue prior to today.

Quite frankly, I am surprised we are having any hearing whose title speaks to protecting the Renewable Fuel Standard when last fall, Mr. Chairman, you suggested your belief that the federal government should be advancing policies that reduce demand and reliance on liquid fuels – the thrust of the RFS – because the transportation sector is now the greatest source of greenhouse gas emissions in the United States and climate policy must address it.

Moreover, while I think it is fair to have an oversight hearing about the RFS, I would caution folks from --like our hearing title suggests -- making gratuitously political comments about the uniqueness of this situation. I want to associate myself with Mr. Tonko’s comments from last fall that for several years we have heard about issues with implementing the Renewable Fuel Standard program under administrations from both parties. For this reason, simply “saving” the RFS is not

only a misnomer, it does a disservice to the many stakeholders impacted by this program.

I would like to take this opportunity to renew my plea for this committee and the affected stakeholders to take a very serious look at the high-octane proposal that Congressman Flores and I have recently reintroduced. Even though we are both not seeking re-election, we think the status quo with this program is not sustainable.

Given the Energy Department's Energy Information Administration projections of declining liquid transportation fuel demand, it's difficult to envision a post-2022 scenario in which biofuel volumes would not actually be *lower* than they are today.

In addition, while it is true that the Renewable Fuel Standard does not disappear in 2023, the rules for allocation change quite a bit depending on who is in office and what that Administration considers appropriate for the disparate interests involved in this issue. If you are looking for certainty, this is not a recipe for it.

On top of that, just as Congress guessed wrong in 2007 on the levels and types of fuels that would be in the marketplace a decade or more later, we cannot predict market forces or trade impacts or other political pressures on allocations; nor should Congress repeat the error of making fuel choices during ANY major

change in auto technology, fuel efficiency regulation, and a push for removing liquid and higher carbon-based fuels from the marketplace.

Rather than looking at individual federal transportation fuel policies on their own, I urge my colleagues, as we have done in the high-octane proposal, to take a wider view of those policies and consider how they might – using, rather than manipulating, the marketplace -- work together to bring more value to consumers and more certainty to stakeholders. Our bill would transition from blend-specific mandates to performance-based standards for future fuels and vehicles, remove long-standing barriers to the availability and usability of higher ethanol blends, provide an additional decade of certainty for advanced biofuels, and harmonize EPA and DOT vehicle efficiency programs.

It's time that Congress pursue this type of comprehensive reform. Stakeholders on all sides of this debate have been whipsawed for months by rumored and actual administrative actions, media reports, and legal actions, and that uncertainty will only increase after 2022 when EPA receives even broader discretion to set biofuel blending requirements.

I welcome the witnesses and their organizations back to the Committee. I hope you will provide us a constructive – and hopefully objective and productive – dialogue.

And with that I yield the remainder of my time to Mr. Flores.

