

CRS Report for Congress

Gasoline Prices: Causes of Volatility and Congressional Response

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Gasoline Prices: Causes of Volatility and Congressional Response

Summary

The high price of gasoline has been and continues to be a driving factor in consideration of energy policy proposals. Despite passage of the massive Energy Policy Act of 2005 (EPACT 2005, P.L. 109-58), and the Energy Independence and Security Act of 2007 (H.R. 6, P.L. 110-140), numerous other proposed initiatives came under active consideration in the Second Session of the 110th Congress. Measures proposed included opening the Outer Continental Shelf for oil and gas drilling, regulation of speculation in energy markets, and policies concerning the Strategic Petroleum Reserve.

A large number of factors combined to put pressure on gasoline prices, including increased world demand for crude oil and limited U.S. refinery capacity to supply gasoline. The war and continued violence in Iraq added uncertainty, and threats of supply disruption added pressure, particularly to the commodity futures markets. Concern that speculation added volatility and upward pressure was frequently cited. In recent months, a decline in the value of the dollar compared to other currencies increased the dollar price of oil on futures markets.

The gasoline price surge stimulated much legislative activity, but until the last year or so there was not the sense of the extreme urgency of previous energy crises. In part, this may be due to the fact that there was been no physical shortage of gasoline or lines at the pump, as there were after the Arab oil embargo in 1973 and the Iranian revolution in 1979. At that time there was expectation that prices were destined to grow ever higher, and many believed that the world's supply of oil was running out. Such views have been less prevalent during the current run-up. But the continued and unrelenting increase in crude oil prices to record levels, even discounting inflation, led many to suggest that changing world market conditions may cause permanent, or at least chronic, shortages of petroleum production capacity. Others continued to expect that growth in demand would moderate, and production increase to meet demand, as it did following the shortages of the 1970s.

The continuing high prices led to a further search for legislative remedies. This report, after analyzing factors that have contributed to high gasoline prices, describes the major legislative initiatives and discusses the issues involved.

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Most Recent Developments

Gasoline and crude oil prices surged to record levels in May 2008, but as the summer driving season ended they moderated somewhat, and then plunged as economic worries cut consumption. (See **Figure 1**.) Cumulative consumption of gasoline for the first 311 days of 2008 was about 3% less than the same period in 2007.

Despite passage in December 2007 of the Energy Independence and Security Act (H.R. 6, P.L. 110-140), the main provisions of which were an increase in the Corporate Average Fuel Economy (CAFE) standards for automobiles and light trucks, and an increase in the requirement for the use of renewable fuels in gasoline, the Second Session of the 110th Congress continued active consideration of various energy proposals. When the Congress broke for the November elections, it had passed legislation affecting oil and gas leasing on the Outer Continental Shelf (OCS), energy taxes, and the Strategic Petroleum Reserve (SPR), but it had also considered legislation regarding price gouging and speculation in energy futures markets, and also dealing with oil market manipulation by the Organization of Petroleum Exporting Countries (OPEC).

Background and Analysis

Legislative Activities

The persistence of high gasoline prices led to a broad spectrum of proposed new legislation in the First Session of the 110th Congress. Despite passage of the major Energy Policy Act of 2005 (P.L. 109-58), many Members continued to explore a variety of measures to increase supply and reduce demand in the short term, and to reduce the impact of high prices on consumers, as well as revisit longer-term policies that were left behind in the process of reaching agreement on P.L. 109-58.

One such proposed policy was increasing CAFE standards for automobiles and light trucks, and the Energy Independence and Security Act of 2007 (H.R. 6, P.L. 110-140) resolved a decades-long debate by setting new standards and procedures for meeting them. P.L. 110-140 also increased the requirement to use renewable fuels in gasoline, including advanced biofuels such as cellulosic alcohol starting in 2016. However, a number of proposals included in one or more versions of energy legislation in 2007 were dropped from the final bill, and those issues remained of interest to the Congress during the Second Session.

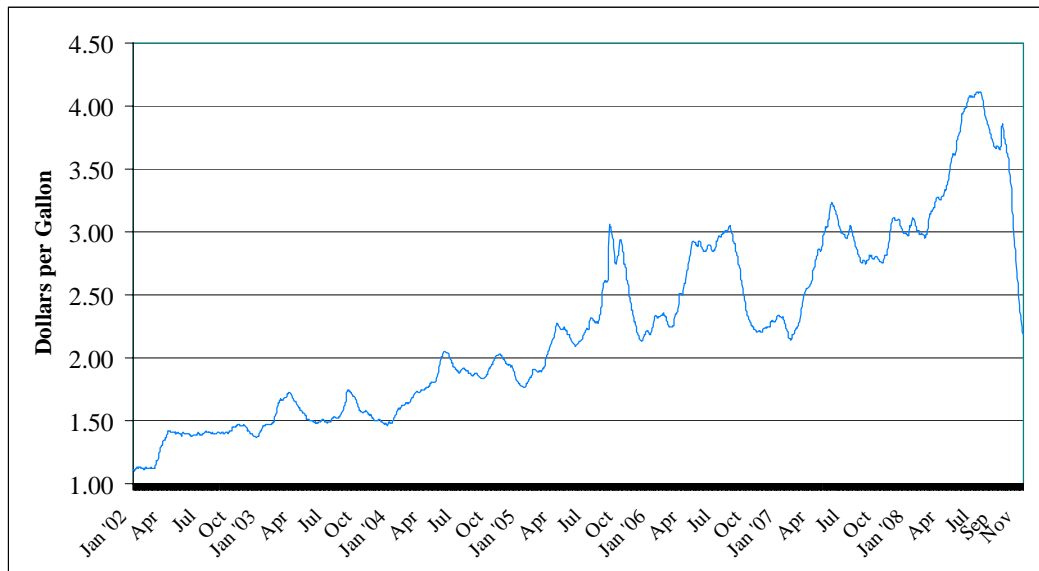
With gasoline prices soaring, a new wave of legislative proposals appeared in the Congress. Prominent among them were bills to suspend the federal gasoline and diesel transportation tax during the summer driving season, by presidential candidates Senators McCain and Clinton. Senator Domenici introduced a bill emphasizing U.S. petroleum production, including opening the Outer Continental Shelf (OCS) and part of the Arctic National Wildlife Refuge (ANWR) for oil and gas leasing and encouraging leasing of oil shale deposits. Senator Reid introduced a bill which, among other measures, would impose a windfall profits tax on oil companies. Another tax issue was the effort to extend tax credits for renewable energy production, and offset them by increasing taxes on the oil companies.

Numerous bills were also introduced to deal with the possibility that speculation was unreasonably driving up oil prices. The House passed several bills identifying and prohibiting price gouging. President Bush's policy of continuing fill of the SPR was opposed in both Houses, and a bill suspending fill became law. Proposals to sell SPR oil in an effort to moderate oil prices were not adopted, however.

The major debate in the Second Session was the proposal by Republicans to open up the OCS for oil and gas leasing.

This report reviews the major legislative initiatives to deal with the gasoline price issue. To put these proposals in perspective, it first describes some of the factors that have led to the high prices of both crude oil and gasoline.

Figure 1. Average Daily Nationwide Price of Unleaded Gasoline, January 2002-November 2008



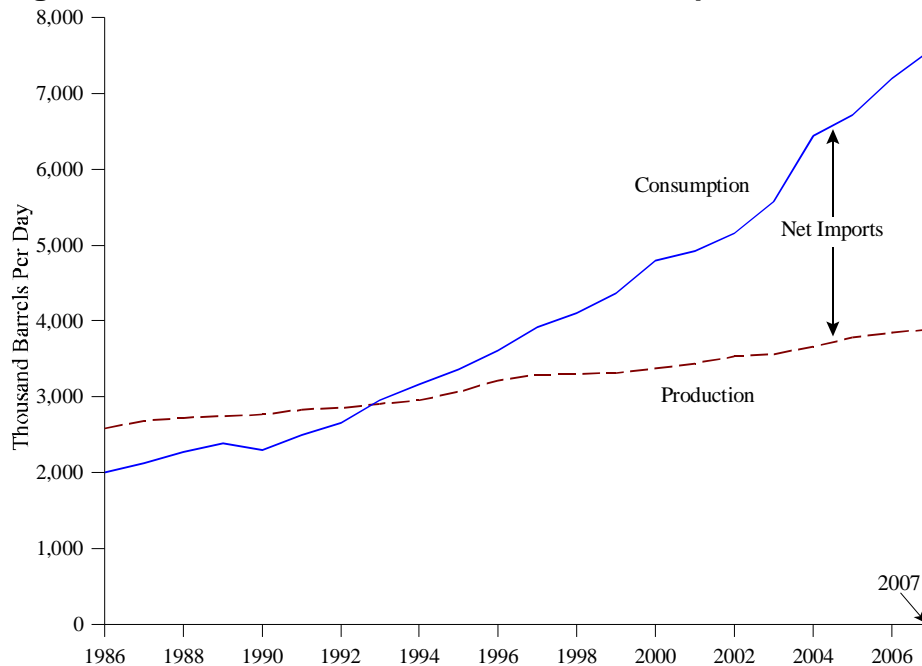
Notes: Prices include federal, state, and local taxes. Last date above is November 13, 2008; \$2.18.
Source: *Daily Fuel Gauge Report*, American Automobile Association [<http://www.fuelgaugereport.com>], compiled by CRS.

Why Did Prices Go So High?

The run-up of gasoline prices that began in spring 2004 (see **Figure 1**) climaxed a period of almost five years during which gasoline prices demonstrated a great deal of regional volatility but less of an increase at the national level. In 2004, a large number of factors combined to exert pressure on gasoline prices in all parts of the country. Some of these factors affected the price of crude oil, and others the cost of producing and marketing gasoline.

Crude Oil Prices. Past energy crises have demonstrated that oil is traded in a world market, in which events in remote areas affect the price of crude for almost everyone. As a result, the price of crude oil is set through the interaction of world demand and supply. Major factors in the run-up of crude oil prices were the sharply increased consumption of imported oil by China (see **Figure 2**) and the continuing possibility of a supply disruption, either from violence or terrorism in the Middle East, or from natural disasters like Hurricanes Katrina and Rita in 2005.

Figure 2. China's Oil Production and Consumption, 1986-2007



Note: 2007 is the forecast value.

Source: EIA, *China Energy Profile*, downloaded on May 19, 2007.

[http://tonto.eia.doe.gov/country/country_energy_data.cfm?fips=CH].

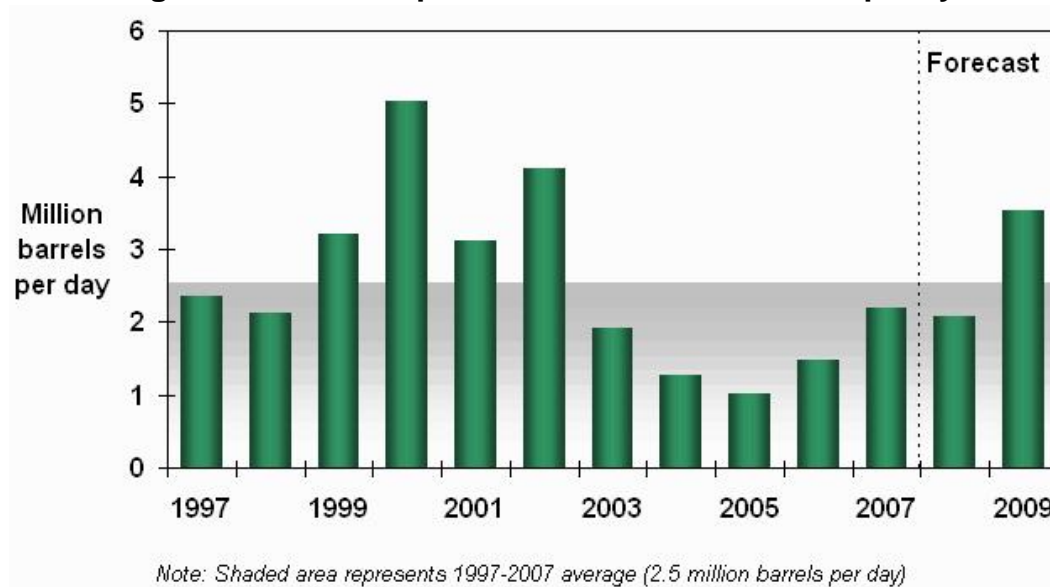
World demand for crude oil grew by 1.3% in 2007 to 86.0 mbd. World supply was 87.3 mbd in March 2008, leaving relatively little excess supply to draw on if the market were disrupted by natural or political disasters.¹ When excess supply on the market is low, prices tend to rise and become more volatile.

¹ International Energy Agency, *Oil Market Report*, April 11, 2008, p. 1.

Some observers have suggested that speculators, who have entered the commodity markets in large numbers looking for ways to increase their monetary investments rather than to trade in oil and oil products, were causing an unacceptable upward pressure on prices. Another factor in recent months was been the decline in the value of the dollar compared to other currencies. Since world prices of oil are quoted in dollars, this would have an upward effect on market prices.

One of the major factors pushing crude prices higher is the perception that, as demand increases, production capacity will not increase with it. Most of the spare production capacity in the world market is located in OPEC countries, and, as **Figure 3** shows, spare capacity in those countries has been lower than average over the past several years.

Figure 3. OPEC Surplus Crude Oil Production Capacity

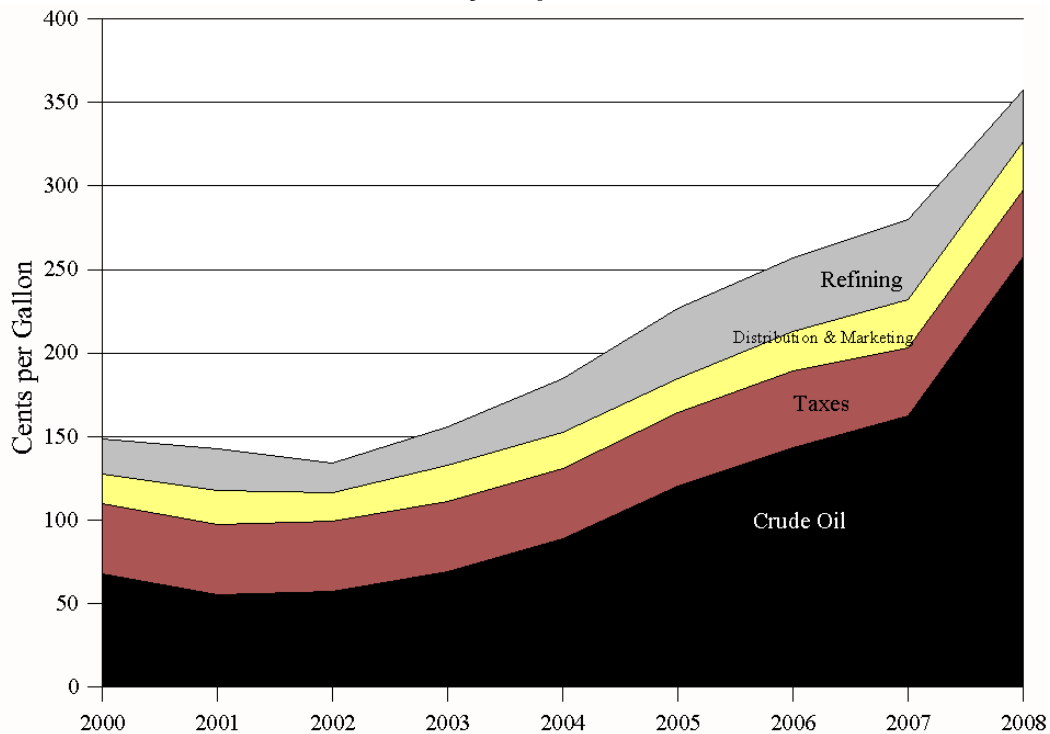


Source: EIA, *Short-Term Energy Outlook*, Figure 10, May 2008

Gasoline Prices. Higher prices for crude oil tend to translate directly into higher prices for gasoline. At the peak of the market, crude oil accounted for about 72% of the cost of gasoline. Refining, distributing, and marketing account for about 16% of the cost of gasoline, and taxes account for about 13%. However, until recently crude oil's share of the cost of gasoline has been more typically in the range of 45% to 55%. In May 2007, for example, with gasoline at \$3.15 per gallon, crude oil contributed 46% of the cost; refining, distributing and marketing 41%; and taxes 13%.² With the collapse of crude prices, contribution of crude costs to the gasoline price declined somewhat. This trend is illustrated in **Figure 4**.

² Energy Information Administration data based on March 2008 data and a base price of gasoline of \$3.24 per gallon. See *Gasoline & Diesel Fuel Update* [<http://www.eia.doe.gov>].

Figure 4. Average Annual Components of Gasoline Prices, 2000-2007 and January-September 2008



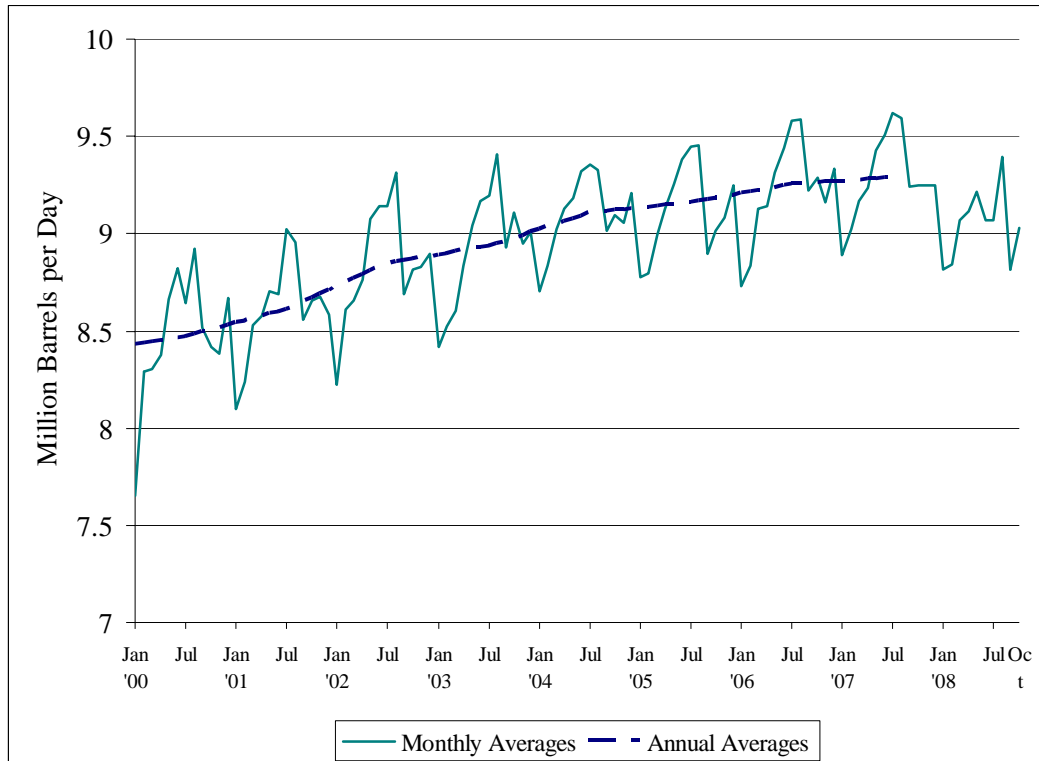
Note: 2008 data is for January through September.

Source: EIA, Gasoline and Diesel Fuel Update, November 10, 2008. Data calculated from monthly percentages by CRS.

Whether the crude oil a refiner processes is purchased on the open market or is produced by the oil company itself, higher costs for any element in the cost of gasoline are likely to be passed on to consumers.³ A number of factors aggravated the pressure on gasoline prices, including limited refining capacity in the United States, the range of fuel blends required to meet air pollution requirements, and the mandated use of ethanol as an additive. Perhaps most important, U.S. demand for gasoline increased as economic growth continued, at least through 2007. However, consumption of gasoline for the first 311 days of 2008 averaged 9.01 mbd, compared to 9.29 mbd during the same period in 2007.⁴ (See **Figure 5**.)

³ The price of diesel fuel for transportation has also surged to record levels. For details on the relationship between diesel and gasoline prices, see CRS Report RL34431, *The Disparity Between Retail Gasoline and Diesel Fuel Prices*, by Robert Bamberger and Robert Pirog.

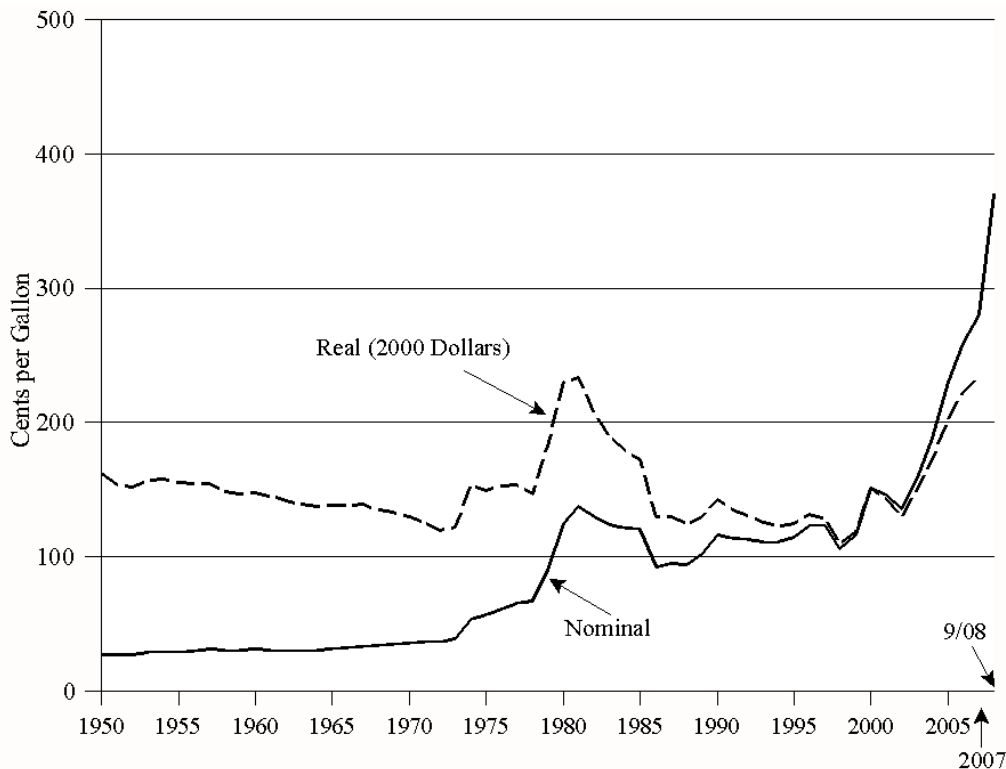
⁴ Energy Information Administration. *Weekly Petroleum Status Report*, November 7, 2008, p. 25.

Figure 5. U.S. Gasoline Consumption, January 2000-October 2008

Note: The data point for October 2008 is the average for the four week period ending on 10/31/08.
Source: EIA, *Monthly Energy Review*, October 2008, Table 3.5 and EIA, *Weekly Petroleum Status Report*, November 5, 2008, Table 10.

The 2004 price surge intensified discussion of energy policy and led to further calls for passage of energy legislation. However, until the climax of the Katrina disaster, the urgency of previous energy crises had been lacking. Throughout the period, U.S. gasoline consumption continued to rise. In part, this may be because although the price of gasoline in nominal terms set a record, in real terms it did not appear to be reaching the level of the Iranian crisis years of the early 1980s (see **Figure 6**); that is, until Katrina pushed it toward the \$3.00-per-gallon mark. Further, unlike the earlier crises, there was no physical shortage of gasoline and there were no lines at the pump, except in local disaster-affected areas.

Figure 6. Nominal and Real Price of Gasoline, 1950-2007 and September 2008



Source: EIA, *Annual Energy Review 2007*, Table 5.24 and *Monthly Energy Review*, October 2008, Table 9.4.

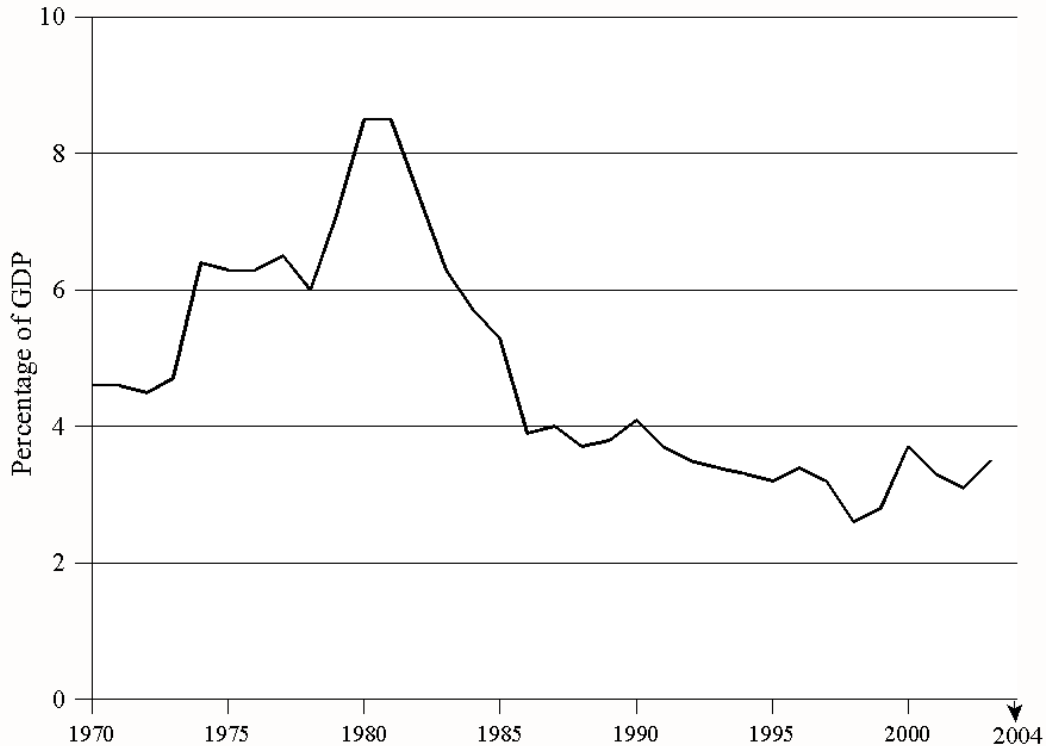
As **Figure 7** indicates, by the early 1990s the proportion of consumer expenditures on oil and gasoline had declined from the high levels of the 1970s and early 1980s. Data are not yet available to indicate what effect the price run-up starting in 2004 has had on this measure.

Perhaps most important, the common view during the earlier crises was that oil prices not only were high, but were destined to become ever higher in the coming years, because world resources were probably beginning to level off and would decline in the future. This view is no longer widely prevalent, largely because world proved reserves have increased faster than production, and are currently more than twice the level at the time of the Arab oil embargo in 1973.

At the beginning of the current crisis, the general expectation was that the price increase was a temporary phenomenon. In part, this may be due to the fact that there has been no physical shortage of gasoline or lines at the pump, as there were after the Arab oil embargo in 1973 and the Iranian revolution in 1979. But the continued and unrelenting increase in crude oil prices to record levels, even discounting inflation, is leading many to suggest that changing world market conditions may have led to permanent, or at least chronic, shortages of petroleum production capacity. The persistent increases in world demand for oil, despite higher prices, and the inability or unwillingness in many parts of the world, particularly in the Middle East, to develop known existing resources, appear to presage a continuing tight market, in

which production capacity is only slightly greater than demand. Under those conditions, temporary interruptions in production, caused for example by local political crises or weather, are much more likely than normal to force prices upward.

Figure 7. Consumer Spending on Oil as a Percentage of GDP, 1970-2004



Source: EIA, Annual Energy Review, 2006, Tables 3.5 and D1

Others continue to expect that growth in demand will moderate, and production will increase to meet demand, as it did following the shortages of the 1970s. They argue that the market price of oil appears to be much higher than production costs, and is being sustained by the expectation of continued strong demand in the indefinite future. In addition, they point to large profits flowing to oil producers, and political pressure to invest those profits in increased production.

Policy Options

Congress has considered numerous energy policy initiatives and enacted many of them. With the continuing pressure of rising prices, however, energy policy has once again become the focus of attention, both in the Congress and on the campaign trail.

Policy options include efforts to ameliorate the effects of high prices in the short term, and to attack the longer term problem. The latter options come in three major forms: to reduce consumption by increased efficiency without having a negative effect on the economy; to substitute alternative fuels at a cost comparable to the oil

they replace; and to encourage production of more oil, either in this country or abroad.

The choice of these options depends to a certain extent on how the future of the oil market is viewed. Those who consider it likely that the present tightness of the market is likely to continue, as described above, tend to support alternative fuels and increased efficiency, and to denigrate efforts to increase oil production as futile and ineffective compared to the growth in world demand, which they expect to continue indefinitely. Those who view the present tightness of the world market as an aberration that can be relieved with adequate investment in new production capacity view any move to increase supply, anywhere in the world, as a positive signal that the tightness and volatility of the world oil market can be eased and prices can more closely reflect the cost of production.

Oil-Related Legislation

Reducing Consumer Impacts and Regulating Oil Markets. A number of proposals are aimed at easing the impact of high prices on consumers, or are aimed at the oil industry's price-making policies.

Gas Tax Moratorium. Bills introduced by Senator McCain (S. 2890) and Senator Clinton (S. 2971) would have suspended federal gasoline and diesel transportation taxes for the summer driving season, and the proposals were a topic in the presidential campaigns of the two candidates. Senator Obama, also campaigning for the Democratic presidential nomination, criticized both proposals. Similar bills were introduced in the House, but the issue was never taken up. (For details see CRS Report RL34475, *Transportation Fuel Taxes: Impacts of a Repeal or Moratorium*, by Robert Pirog and John W. Fischer.)

Price Gouging. The rapid increase in gasoline prices following the Katrina disaster led to allegations of price gouging. P.L. 109-58 included a provision requiring the Federal Trade Commission (FTC) to conduct an investigation into price gouging in increased gasoline prices.

The issue reemerged in the 110th Congress as gasoline prices surged past \$3.00 per gallon. On May 23, 2007, the House passed the Federal Price Gouging Prevention Act (H.R. 1252). The bill would have banned the sale of gasoline at "unconscionably excessive" prices during energy emergencies declared by the president, and impose heavy fines and imprisonment for violations. The White House complained that the bill could result in gasoline price controls, and threatened to veto it, but the House vote of 284-141 indicated enough support to override a veto.

The Senate, in passing its version of H.R. 6, the Creating Long-Term Energy Alternatives for the Nation (CLEAN Energy) Act of 2007 on June 21, 2007, included a price-gouging provision similar to that in H.R. 1252. However, the provision was not included in the final version of H.R. 6, which became P.L. 110-140.

The Consumer-First Energy Act (S. 2991) contained a provision on price gouging similar to the previously considered measures.

Speculation in the Oil Market. The possibility that speculation has unreasonably driven up oil prices, either because of illegal manipulation or because a speculative bubble is underway, has led to the introduction of much legislation to increase oversight or regulate speculation. The 2008 farm bill (Food Conservation and Energy Act, P.L. 110-234) contains provisions expanding the role of the Commodity Futures Trading Commission (CFTC), but many other bills were considered that would have addressed other perceived problems. On June 26, 2008, the House passed the Energy Markets Emergency Act (H.R. 6377), which would direct the CFTC to curb excessive speculation, price distortion and other activity that is causing major market disturbances.

In the Senate, Majority Leader Reid proposed consideration of S. 3268, the Stop Excessive Energy Speculation Act of 2008, but disagreement on how to treat amendments on the floor blocked action. A similar bill, the Commodity Markets Transparency and Accountability Act of 2008 (H.R. 6604), was approved by the House Agriculture Committee July 24, 2008. It failed to get 2/3 of the vote under suspension of the rules on the House floor July 30, but passed the House under regular rules September 18 by a vote of 283-133. (For details, see CRS Report RL34555, *Speculation and Energy Prices: Legislative Responses*, by Mark Jickling and Lynn J. Cunningham.)

Strategic Petroleum Reserve. Authorized in 1975, SPR consists of caverns formed out of naturally occurring salt domes in Louisiana and Texas in which nearly 700 million barrels of crude oil are stored. Its current capacity is 727 million barrels, and it is authorized at 1 billion barrels. The purpose of the SPR is to provide an emergency source of crude oil that may be tapped in the event of a presidential finding that an interruption in oil supply, or an interruption threatening adverse economic effects, warrants a drawdown from the reserve.

Program costs for the SPR in recent years have been dedicated principally to maintaining SPR facilities and keeping the SPR in readiness should it be needed. Since FY1999, any fill of the SPR has been with deliveries of royalty-in-kind (RIK) oil to the SPR in lieu of cash royalties to the federal government on offshore production. Through FY2007, royalty-in-kind deliveries to the SPR have totaled roughly 140 million barrels and forgone receipts to the Department of the Interior are estimated to be \$4.6 billion. DOE has projected deliveries of RIK oil during FY2008 of 19.1 million barrels and \$1.170 billion in forgone revenues.

Continued fill of the SPR with royalty-in-kind oil became controversial in the 110th Congress. Critics argued against adding oil to the SPR when markets are tight and prices remain high. They argued further that the additional oil adds little to U.S. energy security. Supporters of RIK fill argue that the fill rate is too little to have a discernible impact on markets, and that currently high refined-product prices are sustained by factors other than crude supply, which is more than ample at this time.

Legislation was introduced in the Second Session (H.R. 5146, S. 2598) to suspend RIK fill. The House bill would also have mandated a sale of 13 million barrels of SPR oil during FY2008, with the proceeds to be spent on a number of energy efficiency and alternative fuel programs. Both bills established conditions, including a significant decline in crude oil prices, that would have to be satisfied

before RIK fill could be resumed. On May 13, 2008, the House passed, 385-25, a similar bill, the Strategic Petroleum Reserve Fill Suspension and Consumer Protection Act (H.R. 6022), which would have suspended SPR fill until the end of 2008 unless the price of oil dropped below \$75 per barrel. The Senate passed the bill on the same day, and it became P.L. 110-232 on May 19.

A further move regarding the SPR was the Consumer Energy Supply Act of 2008 (H.R. 6578), introduced by Representative Lampson. The bill would have required the President to release 70 million barrels of high-quality crude oil from the SPR over the next six months, a move which proponents said would lower gasoline prices. The House took up the bill on July 24, 2008, under suspension of the rules, which required a 2/3 vote in favor for passage. The vote was 268-157, not enough to pass the bill. (For details see CRS Report RL33341, *The Strategic Petroleum Reserve: History, Perspectives, and Issues*, by Robert Bamberger).

Energy Tax Proposals. Several legislative proposals, including Senator Reid's Consumer-First Energy Act (S. 2991), included a "windfall profits" tax on oil companies, reacting to the record profits recorded in recent years. The provision was not passed in either house, however. (For details, see CRS Report RL34689, *Oil Industry Financial Performance and the Windfall Profits Tax*, by Salvatore Lazzari and Robert Pirog.)

Oil industry tax issues were indirectly involved throughout the Second Session during consideration of a large tax measure which included, among other measures, extension of tax credits for renewable energy. House sponsors of the tax proposals insisted on including measures to offset the costs of various provisions, and among the offsets were reductions in tax benefits previously granted oil and gas companies. The Senate declined to include offsets, and the tax bill appeared unlikely to pass, but the Senate attached it to its version of the Emergency Economic Stabilization Act of 2008 (H.R. 1424, P.L. 110-343), with only a small offset provision affecting the oil and gas industry, and that version was finally approved and became law. (For details see CRS Report RL33578, *Energy Tax Policy: History and Current Issues*, by Salvatore Lazzari.)

Mid- to Long-Term Supply and Demand. Most proposals affecting supply and demand of crude oil and gasoline would not affect the current short-term crisis but would be aimed at longer term trends.

Fuel Economy. Corporate average fuel economy (CAFE) standards also have a long history of controversy, going back to their establishment in the 1970s. When Congress passed the Energy Independence and Security Act (H.R. 6, P.L. 110-140) in the First Session, the issue was largely resolved for the time being, and did not emerge significantly during the Second Session. (For details see CRS Report RL33413, *Automobile and Light Truck Fuel Economy: The CAFE Standards*, by Brent D. Yacobucci and Robert Bamberger.)

ANWR. Oil and gas exploration and development of part of the Arctic National Wildlife Refuge (ANWR) has been controversial for many years. This was part of the early proposals for legislation that eventually became the Energy Policy Act of 1992 (P.L. 102-486), but was dropped in the face of strong opposition in both houses.

Support for the action grew gradually in the following years, along with technological developments that advocates claimed would reduce the environmental impact of development. Numerous attempts to open the region for leasing have been made, and both the House and the Senate at various times approved measures that included leasing provisions, but none of them have survived to become law. (For more details, see CRS Report RL32838, *Arctic National Wildlife Refuge (ANWR): Legislative Actions Through the 110th Congress, First Session*, by Anne Gillis, M. Lynne Corn, and Elizabeth A. Roberts.)

Savings Goals. A number of legislative proposals would have set goals for reducing oil consumption. An example is the Enhanced Energy Security Act of 2006 (S. 2747), introduced by Senator Bingaman May 4, 2006, which would have required the Director of the Office of Management and Budget to develop an action plan to save 2.5 million barrels per day (mbd) in 2016, 7 mbd in 2026, and 10 mbd in 2031.

Alternative Fuels. In his January 31, 2006 State of the Union message, President Bush asserted that the United States is “addicted to oil,” and set the goal of replacing more than 75% of oil imports from the Middle East by 2025. The main thrust of the presidential initiative was to increase funding for research in producing ethanol from plant fiber biomass (rather than from corn), for improved batteries for hybrid automobiles, and for hydrogen fuels.

In his next State of the Union speech, on January 23, 2007, the President went further, setting a goal of reducing gasoline consumption by 20% in 10 years, through a combination of more stringent fuel economy standards and setting a mandatory renewable fuels standards of 35 billion gallons of renewable and alternative fuels by 2017, about five times the current consumption. The Energy Policy Act of 2005 (P.L. 109-58) set a target of 7.5 billion gallons by 2012.

On June 21, 2007, the Senate passed its version of H.R. 6, the Creating Long-Term Energy Alternatives for the Nation (CLEAN Energy) Act of 2007, including a provision requiring production of 36 billion gallons of ethanol in 2022. The final version of the bill, P.L. 110-140, set a modified standard that starts at 9.0 billion gallons of renewable fuel in 2008 and rises to 36 billion gallons by 2022. Of the latter total, 21 billion gallons is required to be obtained from cellulosic ethanol and other advanced biofuels. (For more details, see CRS Report RL34265, *Selected Issues Related to an Expansion of the Renewable Fuel Standard (RFS)*, by Brent D. Yacobucci and Randy Schnepf.)

OCS Leasing. The moratorium on oil and gas leasing in the Outer Continental Shelf (OCS), except in the central and western Gulf of Mexico and some parts of Alaska, was subject to increasing controversy during the Second Session. The moratorium was maintained both by a Presidential ban and by provisions included in the annual appropriations measures for the Department of the Interior, which administers oil and gas leasing on federal lands.

On July 14, 2008, President Bush lifted the executive ban on the OCS imposed in 1990 by President George H. W. Bush. Republicans in Congress attempted to bring up measures that would open up some parts of the OCS for leasing, but were unable to bring their measures to the floor either as stand-alone bills or as

amendments to other bills. Appropriations Committee Chairman Obey refused to bring the FY2009 Interior appropriations bill before the committee, preventing Republicans from introducing OCS amendments to it.

On September 16 the House passed H.R. 6899, the Comprehensive American Energy Security and Consumer Protection Act, which would have opened up the OCS for limited oil and gas leasing. The bill passed by a vote of 236-189, despite objections by Republicans that it was too restrictive. The Senate did not take up the bill.

With most of the non-defense FY2009 appropriations bills, including Interior, not considered, the Congress took up a continuing resolution to fund those programs until March 6, 2009. On September 24, the House passed H.R. 2638, the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009, without a provision extending the OCS leasing ban. The bill passed the Senate September 27 and was signed by the President September 30 (P.L. 110-329). (For details see CRS Report RL33493, *Outer Continental Shelf: Debate Over Oil and Gas Leasing and Revenue Sharing*, by Marc Humphries.)

Legislation

H.R. 1424 (Patrick Kennedy). Emergency Economic Stabilization Act of 2008. Includes tax provisions including extensions of renewable energy credits, and offsets affecting the oil and gas industry. Became P.L. 110-343 October 3, 2008.

H.R. 1596 (Ferguson). Clean and Green Renewable Energy Tax Credit Act of 2007.

H.R. 2419 (Peterson). Food Conservation and Energy Act of 2008. Contains provisions expanding the role of the Commodity Futures Trading Commission for certain energy derivatives. Enacted May 22, 2008, over the President's veto (P.L. 110-234).

H.R. 2448 (Kuhl). Emergency Gas Price Relief Act of 2007.

H.R. 2638 (Price). Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009. Appropriates funding for the Department of the Interior without the provision extending the moratorium on OCS oil and gas leasing. Became P.L. 110-329 September 30, 2008.

H.R. 5146 (Lampson). Invest in Energy Security Act. Would suspend SPR fill, and sell SPR oil to finance an Energy Independence and Security Fund.

H.R. 6022 (Welch). Strategic Petroleum Reserve Fill Suspension and Consumer Protection Act. Passed the House and the Senate May 13, 2008. Became P.L. 110-232 on May 19, 2008.

H.R. 6349 (Marshall). Increasing Transparency and Accountability in Oil Prices Act of 2008.

H.R. 6377 (Peterson). Energy Markets Emergency Act of 2008. Passed the House June 26, 2008.

H.R. 6578 (Lampson). Consumer Energy Supply Act of 2008. Would release oil from the Strategic Petroleum Reserve over the next six months. On July 24, 2008, in the House, on motion to suspend the rules and pass the bill, as amended, failed by the Yeas and Nays (2/3 required): 268-157.

H.R. 6604 (Peterson). Commodity Markets Transparency and Accountability Act of 2008. On July 30, 2008, in the House, on motion to suspend the rules and pass the bill, as amended, failed by the Yeas and Nays: (2/3 required): 276-151.

S. 2598 (Dorgan). Strategic Petroleum Reserve Fill Suspension and Consumer Protection Act of 2008.

S. 2890 (McCain). A bill to amend the Internal Revenue Code of 1986 to provide for a highway fuel tax holiday.

S. 2896 (Snowe). Diesel Tax Parity Act of 2008.

S. 2958 (Domenici). American Energy Production Act of 2008.

S. 2971 (Clinton). A bill to amend the Internal Revenue Code of 1986 to provide for a suspension of the highway fuel tax, and for other purposes.

S. 2991 (Reid). Consumer-First Energy Act of 2008.

S. 3268 (Reid). Stop Excessive Energy Speculation Act of 2008. Cloture motion on the motion to proceed to the measure presented in Senate 7/17/2008.