

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3722

To authorize and require the President of the United States to allocate crude oil, residual fuel oil, and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system, which jeopardize the national economy, and public health, safety, and welfare.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 8, 2005

Ms. SLAUGHTER introduced the following bill; which was referred to the  
Committee on Energy and Commerce

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## A BILL

To authorize and require the President of the United States to allocate crude oil, residual fuel oil, and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system, which jeopardize the national economy, and public health, safety, and welfare.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

3        **SECTION 1. FINDINGS AND PURPOSE.**

4        (a) FINDINGS.—The Congress finds that—

5                (1) shortages of crude oil, residual fuel oil, and  
6        refined petroleum products caused by inadequate do-

1       mestic production, damages to refineries caused by  
2       Hurricane Katrina, increased demand for world oil,  
3       and the threat of supply disruption due to continued  
4       violence in the Middle East, now exist or are immi-  
5       nent;

6               (2) such shortages have created or will create  
7       severe economic dislocations and hardships, includ-  
8       ing loss of jobs, closing of businesses, and the cur-  
9       tailment of vital public services; and

10              (3) such hardships and dislocations jeopardize  
11       the normal flow of commerce and constitute a na-  
12       tional energy crisis which is a threat to the public  
13       health, safety, and welfare and can be averted or  
14       minimized through prompt action of the Executive  
15       Branch of the Government.

16       (b) PURPOSE.—The purpose of this Act is to grant  
17       to the President of the United States and direct him to  
18       exercise temporary authority to deal with shortages or dis-  
19       locations of crude oil, residual fuel oil, and refined petro-  
20       leum products in their national distribution system. The  
21       authority granted under this Act shall be exercised for the  
22       purpose of minimizing the adverse impacts of such short-  
23       ages or dislocations on the American people and the do-  
24       mestic economy.

1 **SEC. 2. REGULATION.**

2 (a) IN GENERAL.—Not later than 10 days after the  
3 date of enactment of this Act, the President shall promul-  
4 gate a regulation providing for the temporary mandatory  
5 allocation of crude oil. Included in this regulation shall  
6 be a provision stipulating that the retail sale of gasoline  
7 may not exceed \$2.50 per gallon.

8 (b) PROVISIONS.—The regulation under subsection  
9 (a), to the maximum extent practicable, shall provide  
10 for—

11 (1) protection of public health, safety, and wel-  
12 fare (including maintenance of residential heating  
13 and cooling), and the national defense and homeland  
14 security;

15 (2) maintenance of all public services (including  
16 facilities and services provided by municipally, coop-  
17 eratively, or investor-owned utilities by any State or  
18 local government or authority, and including trans-  
19 portation facilities and services which serve the pub-  
20 lic at large;

21 (3) maintenance of agricultural operations;

22 (4) the prevention of undue economic harm to  
23 the retail and wholesale industry;

24 (5) preservation of an economically sound and  
25 competitive petroleum industry;

26 (6) economic efficiency;

1           (7) minimization of economic distortion, inflexi-  
2           bility, and unnecessary interference with market  
3           mechanisms;

4           (8) protection of the environment; and

5           (9) energy conservation.

6 **SEC. 3. ADDITIONAL PROVISIONS.**

7           (a) REPORT TO CONGRESS.—The President shall re-  
8           port to Congress not later than 30 days after the promul-  
9           gation of allocation regulations under section 2.

10          (b) CHANGES IN ALLOCATIONS.—The President may  
11          change the allocation of crude oil, residual oil, and refined  
12          petroleum products as often as necessary, after notifica-  
13          tion to the Congress.

14          (c) CRITERIA.—The President shall direct the Sec-  
15          retary of Energy to develop criteria for determining the  
16          length of the mandatory allocation of crude oil, residual  
17          oil, and refined petroleum products under this Act, not  
18          to exceed one year.

19          (d) FUTURE FUEL EMERGENCIES.—The Secretary  
20          of Energy shall develop criteria for declaring a fuel emer-  
21          gency in the future. In the event of such an emergency,  
22          the authority for mandatory allocation of crude oil, resid-  
23          ual oil, and refined petroleum products under this Act  
24          shall be revived.

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