

EXPRESSING THE SENSE OF CONGRESS THAT THE FEDERAL GOVERNMENT SHOULD NOT IMPOSE ANY RESTRICTIONS ON THE EXPORT OF CRUDE OIL OR OTHER PETROLEUM PRODUCTS

MARCH 23, 2023.—Referred to the House Calendar and ordered to be printed

Mrs. RODGERS of Washington, from the Committee on Energy and Commerce, submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H. Con. Res. 17]

The Committee on Energy and Commerce, to whom was referred the concurrent resolution (H. Con. Res. 17) expressing the sense of Congress that the Federal Government should not impose any restrictions on the export of crude oil or other petroleum products, having considered the same, reports favorably thereon with amendments and recommends that the concurrent resolution as amended be agreed to.

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The amendments are as follows:
Strike the preamble and insert the following:

- Whereas the United States has enjoyed a renaissance in energy production, with the expansion of domestic crude oil and other petroleum product production contributing to enhanced energy security and significant economic benefits to the national economy;
- Whereas, in 2015, Congress recognized the need to adapt to changing crude oil market conditions and repealed all restrictions on the export of crude oil on a bipartisan basis;
- Whereas section 101 of title I of division O of the Consolidated Appropriations Act, 2016 (42 U.S.C. 6212a) established the national policy on oil export restriction, prohibiting any official of the Federal Government from imposing or enforcing any restrictions on the export of crude oil with limited exceptions, including a savings clause maintaining the authority to prohibit exports under any provision of law that imposes sanctions on a foreign person or foreign government (including any provision of law that prohibits or restricts United States persons from engaging in a transaction with a sanctioned person or government), including a foreign government that is designated as a state sponsor of terrorism;
- Whereas lifting the restrictions on crude oil exports encouraged additional domestic energy production, created American jobs and economic development, and allowed the United States to emerge as the leading oil producer in the world;
- Whereas, in 2019, the United States became a net exporter of petroleum products for the first time since 1952, and the reliance of the United States on foreign imports of petroleum products has declined to historic lows; and
- Whereas free trade, open markets, and competition have contributed to the rise of the United States as a global energy superpower: Now, therefore, be it

Strike all after the resolving clause and insert the following:

- That it is the sense of Congress that the Federal Government should not impose—
- (1) overly restrictive regulations on the exploration, production, or marketing of energy resources; or
 - (2) any restrictions on the export of crude oil or other petroleum products under the Energy Policy and Conservation Act (42 U.S.C. 6201 et seq.), except with respect to the export of crude oil or other petroleum products to a foreign person or foreign government subject to sanctions under any provision of United States law, including to a country the government of which is designated as a state sponsor of terrorism.

PURPOSE AND SUMMARY

The resolution expresses the sense of Congress that the United States should not impose any restrictions on the export of crude oil or other petroleum products or overly restrictive regulations on the exploration, production, or marketing of energy resources.

BACKGROUND AND NEED FOR LEGISLATION

In 2015, Congress repealed all restrictions on the export of crude oil on a bipartisan basis.¹ The Energy Policy and Conservation Act (EPCA) of 1975 prohibited the export of domestically produced crude oil up until 2015. Repealing this provision encouraged domestic energy production, created American jobs, spurred economic development and propelled the United States to becoming the world's leading oil producer. Economic studies have confirmed that repealing the crude oil export ban lowered gasoline prices for consumers. The repeal of the export ban increased the incentive for domestic production and spurred the fracking revolution which began a production boom. The increase in production, both in the United States and globally, yielded a decline in gasoline process of 4.6

¹ 42 U.S.C. 19 6212(a).

cents per gallon and a reduction of consumer spending on refined productions and natural gas by \$92 billion over the last six years.²

Further, allowing the export of American crude reduces the need for United States' allies to rely on adversarial and corrupt nations for energy, bolstering our foreign policy leadership and energy security. In 2015, the United States imported a net of 4.7 million barrels of petroleum products per day. In 2022, net exports were at 874,000 per day. Lifting the export ban reversed the United States from being a net importer to exporter.

Recently, members of the Biden administration and Congress have advocated for restricting exports to reduce domestic gas prices. In 2015, Congress established the national policy on oil export restriction by prohibiting any official of the Federal Government from imposing or enforcing any restrictions on crude oil, with limited exceptions. The policy maintained the authority to prohibit exports under any provision of law that imposes sanctions on a foreign person or government. The Resolution expresses the clear intent that the president and all Federal agencies follow the law as prescribed by Congress when it lifted the oil export ban in 2015.

COMMITTEE ACTION

On February 7, 2023, the Subcommittees on Energy, Climate, and Grid Security and Environment, Manufacturing, and Critical Materials held a joint hearing entitled, "Unleashing American Energy, Lowering Energy Costs, and Strengthening Supply Chains," on 17 pieces of legislation, including H. Con. Res. 17. The Subcommittees received testimony from:

- The Honorable Mark Menezes, Former United States Deputy Secretary of Energy, Department of Energy;
- The Honorable Bernard McNamee, Former Commissioner, Federal Energy Regulatory Commission;
- Jeffrey Eshelman, II, President and Chief Executive Officer, Independent Petroleum Association of America;
- Katie Sweeney, Executive Vice President and Chief Operating Officer, National Mining Association;
- Raul Garcia, Legislative Director for Healthy Communities, Earthjustice; and
- Tyson Slocum, Director of the Energy Program, Public Citizen.

On February 28, 2023, the Subcommittee on Energy, Climate, and Grid Security met in open markup session and forwarded H. Con. Res. 17, without amendment, to the full Committee by a recorded vote of 14 yeas and 10 nays. On March 9, the full Committee on Energy and Commerce met in open markup session and ordered H. Con. Res. 17, as amended, favorably reported to the House by a recorded vote of 29 yeas and 19 nays.

COMMITTEE VOTES

Clause 3(b) of rule XIII requires the Committee to list the record votes on the motion to report legislation and amendments thereto. The following reflects the record votes taken during the Committee consideration:

² <https://www.api.org/media/files/news/2022/07/25/economic-benefits-of-crude-oil-exports-retrospective>.

**COMMITTEE ON ENERGY AND COMMERCE
118TH CONGRESS
ROLL CALL VOTE #13**

BILL: H.Con.Res.17, A resolution expressing the sense of Congress that the Federal Government should not impose any restrictions on the export of crude oil or other petroleum products.

AMENDMENT: An amendment offered by Rep. Pallone, No. 2.

DISPOSITION: **NOT AGREED TO**, by a roll call vote of 21 yeas and 28 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Rodgers		X		Rep. Pallone	X		
Rep. Burgess		X		Rep. Eshoo	X		
Rep. Latta		X		Rep. DeGette	X		
Rep. Guthrie		X		Rep. Schakowsky	X		
Rep. Griffith		X		Rep. Matsui	X		
Rep. Bilirakis		X		Rep. Castor	X		
Rep. Johnson		X		Rep. Sarbanes	X		
Rep. Bucshon		X		Rep. Tonko	X		
Rep. Hudson		X		Rep. Clarke	X		
Rep. Walberg		X		Rep. Cárdenas	X		
Rep. Carter		X		Rep. Ruiz	X		
Rep. Duncan		X		Rep. Peters	X		
Rep. Palmer		X		Rep. Dingell	X		
Rep. Dunn		X		Rep. Veasey	X		
Rep. Curtis		X		Rep. Kuster	X		
Rep. Lesko		X		Rep. Kelly	X		
Rep. Pence		X		Rep. Barragán	X		
Rep. Crenshaw				Rep. Blunt Rochester	X		
Rep. Joyce		X		Rep. Soto	X		
Rep. Armstrong		X		Rep. Craig	X		
Rep. Weber		X		Rep. Schrier			
Rep. Allen		X		Rep. Trahan			
Rep. Balderson		X		Rep. Fletcher	X		
Rep. Fulcher		X					
Rep. Pfluger		X					
Rep. Harshbarger		X					
Rep. Miller-Meeks		X					
Rep. Cammack		X					
Rep. Obernolte		X					

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**COMMITTEE ON ENERGY AND COMMERCE
118TH CONGRESS
ROLL CALL VOTE #14**

BILL: H.Con.Res.17, A resolution expressing the sense of Congress that the Federal Government should not impose any restrictions on the export of crude oil or other petroleum products.

AMENDMENT: A motion by Mrs. Rodgers to order H.Con.Res.17 favorably reported to the House, as amended.

DISPOSITION: **AGREED TO**, by a roll call vote of 29 yeas and 19 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Rodgers	X			Rep. Pallone		X	
Rep. Burgess	X			Rep. Eshoo		X	
Rep. Latta	X			Rep. DeGette		X	
Rep. Guthrie	X			Rep. Schakowsky		X	
Rep. Griffith	X			Rep. Matsui		X	
Rep. Bilirakis	X			Rep. Castor		X	
Rep. Johnson	X			Rep. Sarbanes			
Rep. Bucshon	X			Rep. Tonko		X	
Rep. Hudson	X			Rep. Clarke		X	
Rep. Walberg	X			Rep. Cárdenas		X	
Rep. Carter	X			Rep. Ruiz		X	
Rep. Duncan	X			Rep. Peters		X	
Rep. Palmer	X			Rep. Dingell		X	
Rep. Dunn	X			Rep. Veasey		X	
Rep. Curtis	X			Rep. Kuster		X	
Rep. Lesko	X			Rep. Kelly		X	
Rep. Pence	X			Rep. Barragán		X	
Rep. Crenshaw				Rep. Blunt Rochester		X	
Rep. Joyce	X			Rep. Soto		X	
Rep. Armstrong	X			Rep. Craig		X	
Rep. Weber	X			Rep. Schrier			
Rep. Allen	X			Rep. Trahan			
Rep. Balderson	X			Rep. Fletcher	X		
Rep. Fulcher	X						
Rep. Pfluger	X						
Rep. Harshbarger	X						
Rep. Miller-Meeks	X						
Rep. Cammack	X						
Rep. Obernolte	X						

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OVERSIGHT FINDINGS AND RECOMMENDATIONS

Pursuant to clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII, the Committee held hearings and made findings that are reflected in this report.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

Pursuant to clause 3(c)(2) of rule XIII, the Committee finds that H. Con. Res 17 would result in no new or increased budget authority, entitlement authority, or tax expenditures or revenues.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII, at the time this report was filed, the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974 was not available.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to increase American energy production and restore energy leadership by expressing the sense of Congress that the United States should not impose any restrictions on the export of crude oil or other petroleum product (subject to narrow limitations) or impose overly restrictive regulations on the exploration, production, or marketing of energy resources.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII, no provision of H. Con. Res. 17 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

RELATED COMMITTEE AND SUBCOMMITTEE HEARINGS

Pursuant to clause 3(c)(6) of rule XIII, (1) the following hearings were used to develop or consider H. Con. Res. 17:

On January 31, 2023, the Committee on Energy and Commerce held a hearing entitled, “American Energy Expansion: Strengthening Economic, Environmental, and National Security.” The Committee received testimony from:

- The Honorable Paul Dabbar, Former Under Secretary of Energy, Department of Energy;
- Robert McNalley, President, Rapidan Energy Group, LLC;
- Donna Jackson, Director of Membership Development—National Center for Public Policy Research, Project 21; and
- Ana Unruh Cohen, Former Majority Staff Director, U.S. House Select Committee on the Climate Crisis.

On February 16, 2023, the Subcommittee on Energy, Climate, and Grid Security held a field hearing in Midland, Texas, entitled, “American Energy Expansion: Improving Local Economies and Communities’ Way of Life.” The Committee received testimony from:

- The Honorable Lori Blong, Mayor of Midland, Texas, and President of Octane Energy;
- Adrian Carrasco, Chairman Midland Hispanic Chamber of Commerce, and President of Premier Energy Services;
- Steven Pruet, President and CEO, Elevation Resources, and Chairman of the Board for Independent Petroleum Association of America; and
- Dr. Michael Zavada, Professor of Biology and Geosciences, and Chair, Department of Geosciences at The University of Texas—Permian Basin.

(2) The following related hearing was held:

On February 7, 2023, the Subcommittees on Energy, Climate, and Grid Security and Environment, Manufacturing, and Critical Materials held a joint hearing entitled, “Unleashing American Energy, Lowering Energy Costs, and Strengthening Supply Chains,” on 17 pieces of legislation, including H. Con. Res. 17. The Subcommittees received testimony from:

- The Honorable Mark Menezes, Former United States Deputy Secretary of Energy, Department of Energy;
- The Honorable Bernard McNamee, Former Commissioner, Federal Energy Regulatory Commission;
- Jeffrey Eshelman, II, President and Chief Executive Officer, Independent Petroleum Association of America;
- Katie Sweeney, Executive Vice President and Chief Operating Officer, National Mining Association;
- Raul Garcia, Legislative Director for Healthy Communities, Earthjustice; and
- Tyson Slocum, Director of the Energy Program, Public Citizen.

COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974. At the time this report was filed, the estimate was not available.

EARMARK, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that H. Con. Res. 17 contains no earmarks, limited tax benefits, or limited tariff benefits.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or

accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

The resolution expresses the sense of congress that the Federal government should not impose:

- 1) Overly restrictive regulations on the exploration, production, or marketing of energy resources; or any restrictions on the export of crude oil or other petroleum products under the Energy Policy and Conservation Act (42 U.S.C. 6201 et seq.), except with respect to the export of crude oil or other petroleum products to a foreign person or foreign government subject to sanctions under any provision of United States law, including to a country the government of which is designated as a state sponsor of terrorism.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

This legislation does not amend any existing Federal statute.

MINORITY VIEWS

H. Con. Res 17 expresses opposition to any limitations on the export of crude oil or petroleum products from the United States. It is a resolution that carries zero force of law were it to be passed by the House and the Senate. Furthermore, it contains a view contrary to the position the House took when it passed H.R. 22, the “Protecting America’s Strategic Petroleum Reserve From China Act,” earlier this Congress and does not contain strong enough caveats to protect the public interest of the United States.

The resolution opposes “any restriction on the export of crude oil or other petroleum products. . .”. This position is in direct contravention of the position staked out by the House of Representatives when it passed H.R. 22, which prohibited the export of petroleum products drawn down from the Strategic Petroleum Reserve (SPR) to China.¹ Data from the Energy Information Administration shows that, in 2022, the United States sent roughly 633,000 barrels per day of crude oil and petroleum products to China.² Republicans from the Committee spoke passionately on the House floor about the danger of sending strategic crude oil and petroleum products to China—apparently they were only referring to the 2 percent of U.S. crude oil exports to China that came from the SPR in 2022.

The majority claims that section 101 of Division O of the Consolidated Appropriations Act, 2016 repealed all restrictions on the export of crude oil. This is not the case. Section 101(d) clearly lays out exceptions to the general repeal of the crude oil export ban, including an ability of the President to impose “export licensing requirements or other restrictions on the export of crude oil from the United States”³ if the President declares a national emergency, if the export restrictions apply to people or countries sanctioned by the United States, or if the Department of Commerce and the Department of Energy find that the export of crude oil has caused sustained material oil supply shortages or a sustained increase in oil prices above the global price.⁴

During the Full Committee markup, Ranking Member Frank Pallone (D–NJ) offered an amendment that would have added a caveat to the resolution, approving of restrictions on the export of crude oil and petroleum products when it was in the public interest of the United States. This amendment failed on a recorded vote.

¹H.R. 22.

²U.S. Energy Information Administration, *Exports by Destination* (Feb. 28, 2023).

³Consolidated Appropriations Act of 2016, Pub. L. No. 114–113, 129 U.S.C. § 2987.

⁴*Id.*

For the reasons stated above, we dissent from the views contained in the Committee's report.

FRANK PALLONE, Jr.,
Ranking Member, Committee on Energy and Commerce.

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