



UNITED STATES SENATOR ★ SERVING THE CITIZENS OF IDAHO

LARRY CRAIG

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NEWS RELEASE

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CRAIG SAYS U.S. PRODUCTION IS THE WAY TO COMBAT AMERICANS' PAIN AT THE PUMP

WASHINGTON, D.C. – Idaho Senator Larry Craig today introduced the Domestic Offshore Energy Security (DOES) Act of 2008 (S.2953). The DOES Act of 2008 reintroduces the Dorgan-Craig DOES Act of 2007 (S. 1268) with an additional provision to halt the filling of the Strategic Petroleum Reserve (SPR) and require an inventory of the entire OCS, including the Eastern Gulf of Mexico, in 2008.

The DOES Act opens the Eastern Gulf for production in federal water from 125 miles off shore to 45 miles, the same distance Cuba is currently leasing for production to countries other than the United States. The DOES Act allows U.S. companies to compete in Cuban waters while providing stricter environmental protections than are required by Cuba. The DOES Act of 2008 also directs the Department of Interior to work with the Department of Energy to conduct an inventory of federal resources that could be made available as a strategic alternative to filling the SPR with oil that increases consumption of foreign resources.

Craig said, “We’re spending well over \$1 billion a day outside our country to buy oil. To our neighbors to the north, Canada, we send \$230 million a day; to Saudi Arabia, \$190 million a day; to Venezuela and Dictator Chavez, we send \$160 million. Does Venezuela have our best interest in mind? I don’t believe so. We have literally been making them wealthy and ourselves poorer because we’re buying their oil.”

The Senator highlighted the electoral realities of drilling off the Florida coast, noting that “We’ve got some out on the campaign trail today talking about taxing the big oil companies, but the big oil companies don’t own the oil. It’s the cartels. It’s the nations. It’s not the oil *companies*. It’s oil *countries* we have to worry about.

Craig went on to say: “There’s an old adage in economics and it’s quite simple. You get less of what you tax. In other words, the higher you tax something, the less you’re going to get from it.

“We can’t just change the price of gas at the pump tomorrow, because we can’t fix the underlying problems instantly. But we can’t just wring our hands and want to tax the big oil companies either, which is a tax on the American consumer. We have to do the things that get us back into production while learning to conserve, while we have cleaner automobiles, while we look at alternative fuel sources, while we get more hybrid cars and electric plug-in cars in the market. But that’s 10-20 years out and what do we do in the interim?

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“In America today, we’re sitting on at least 100 billion barrels of oil. And if we’re sitting on it, why aren’t we using it?”

“Forty-five miles off our coastline, foreign nations are drilling today. India has discovered oil in Cuban waters. China is drilling, but the U.S. Congress still says No! because of a 45-year old government policy with Cuba. America – listen up! It is government policy today that has caused you the pain at the pump, and it’s very important that government act today to reduce that pain.

“The legislation I’m offering today would conduct an inventory that would do just that. It would allow us to know what our reserves are. We have moratoriums off the coast of Florida, yet we know there are huge oil reserves out there. Why aren’t we doing something with it? It’s local politics. It’s national politics. It’s green politics. It’s politics! That’s why we have the price of oil we have today – nothing more, nothing less.

“I believe in technology taking us where we can go and having the best of both worlds. But the American consumer has the worst of the world we have created for them – a scarcity of supply that is driving costs and impacting our economy in a significant way. We’re spending millions of dollars today to buy oil and put it in the ground when in fact we ought to spend just a few million dollars and find out about all the oil we already have.”