Statement of Chairman Fred Upton Markup of H.R. 910, the Energy Tax Prevention Act and H.J. Res 37, a Resolution of Disapproval of the FCC's Internet rules (Remarks Prepared for Delivery)

Before we begin, I want to take just a moment to extend the condolences of this committee regarding the tragic events in Japan. Our thoughts and prayers are with the Japanese people in the wake of the worst earthquake in a century, which has stolen the lives of thousands and badly damaged that nation's infrastructure, including some nuclear facilities. There will no doubt be a desire to question what the events in Japan mean for our nation's pursuit of safe, clean nuclear energy, and we will have those conversations in due time. For today, our concern is squarely with the Japanese people and providing whatever assistance we can to them in this time of tragedy.

We do have committee business to attend to, and so I will begin with remarks on H.R. 910 and H.J. Res 37. We're here today to commence consideration of two bills that – while addressing significantly different topics – together exemplify a major reason we were sent here by the voters. With these bills, we are putting the brakes on runaway federal government.

There's an old adage that says when you find yourself in a hole, stop digging. Today, America finds itself in an economic hole dug deeper and deeper amid excessive federal spending and costly regulations. If we allow the Environmental Protection Agency to ignore the will of Congress and move forward with its global warming regulatory agenda, I believe this economic hole will only crater further. The Energy Tax Prevention Act is a bill to stop the digging and prevent further economic harm at the government's hands.

Gasoline prices are rapidly heading toward the \$4/gallon levels last seen in the summer of 2008. But by all accounts we were headed toward this new price before unrest in Libya and other Middle Eastern countries. A host of regulations, including mountains of federal restrictions on domestic oil drilling and refining, make a bad situation worse by increasing our dependence on imports. Make no mistake – if we allow the EPA to move forward unchecked, its actions will only drive gasoline and other energy prices higher.

Part of EPA's agenda is its proposal to regulate carbon dioxide and other greenhouse gas emissions from domestic refiners. These newest GHG regulations will apply to <u>both</u> new and existing refineries. At hearings on this bill, EPA Administrator Lisa Jackson was remarkably hazy on what requirements she planned to impose in the final version of this rule. But to suggest that such a policy will not raise the cost of refining oil into gasoline and ultimately the price at the pump is flat-out wrong.

We have held several hearings on this legislation, and we have heard from a number of job creating sectors, including domestic refiners. Steve Cousins, Vice President of Lions Oil Company in Arkansas, echoed concerns raised by other refineries when he said that EPA's proposal is already chilling planned expansion projects and that H.R. 910 "is also necessary to protect consumers, farmers, and truckers, from higher gasoline and diesel fuel prices."

We released this bill in discussion draft form back in early February and welcomed all constructive comments. Through that open process, we made several changes and clarifications that improve the bill. Unfortunately, not everyone has been focused on the facts. From the moment we put forward this proposal, it has been surrounded with misinformation.

In one glaring example, critics claim the bill repeals the new automobile and light truck efficiency standards scheduled to take effect for model years 2012 to 2016. Yet anyone who bothered to read the bill – carefully and narrowly crafted at a length of just nine pages – can see these fuel economy standards are explicitly kept in place.

For 2017 and beyond, the bill returns regulation of motor vehicle fuel economy where is has stood since the 1970s, with the National Highway Traffic Safety Administration, which balances fuel economy with other factors including vehicle cost and safety. Our goal is to give clear responsibility to a single agency – something President Obama recommended in his State of the Union address. No longer will the EPA or the state of California be able to overrule NHTSA.

There are a host of reasons to support H.R. 910, but let me put it simply. This bill says "stop" to an EPA attempting to impose policies we cannot afford that will destroy jobs we cannot afford to lose. By passing this bill, we can put Congress back in charge of setting the energy and environmental policies that will allow our nation to create jobs, bring down prices at the pump, and make America more secure and energy independent.

Just as we must stop the EPA from pursuing its runaway regulatory agenda, we must also put a check on the Federal Communications Commission, which is similarly attempting to commandeer our Internet with unprecedented new regulations.

For that reason, I urge my colleagues to support H.J. Res. 37 nullifying the FCC rules regulating the Internet. We have an open and thriving Internet today thanks to our historical hands-off approach. And as I said at last week's hearing, "If it ain't broke, don't break it."

The FCC's order will harm jobs and the economy by stifling investment and innovation. Even large broadband providers still have concerns. While the cable industry decided it would live with the order rather than face reclassification under Title II, it said in a letter to us that "there could certainly be an adverse economic impact by chilling the willingness to deploy these new services." The wireless industry also said "increased regulation tends to depress rather than accelerate investment."

While the FCC may be loath to admit it, the resolution will prevent further damage to its authority. If the FCC loses its court appeal, the precedent would hinder the FCC's ability to implement the national broadband plan.

Another benefit of this resolution is that it will eliminate the specter of the FCC adopting substantially similar rules under Title II when it loses in court. I remind my colleagues that many of them are on the record with approximately 300 Members of the House and Senate as opposing reclassification. By holding the Title II proceedings open, the FCC is reserving the option to pursue that path if its current strategy fails. To vote against this resolution is to keep that option on the table for the FCC.

Finally, for those who claim the Congressional Review Act creates an inappropriate process, I remind them it was duly enacted under President Clinton, that it was introduced by the current Senate Majority Leader Harry Reid, and that my good friends Mr. Waxman, Ms. Eshoo, and Mr. Markey themselves supported media ownership resolutions of disapproval in 2003, 2008, or both.

For all these reasons, I support H.J. Res 37.

Let me conclude by saying this. As I look to my years in the Congress, serving on this powerful committee under Chairman Dingell, Bliley, Tauzin, Barton and Waxman, I wouldn't change my committee assignment for any other. The Energy and Commerce Committee has a long tradition of being the very best at confronting the issue of the day and crafting decent legislation impacting every American family and business.

Without these two pieces of legislation, H.R. 910 and H.J.Res. 37, we are ceding authority to unelected bureaucrats that will make the decisions rather than us. The Clean Air Conference rejected the Senate language, which would have added greenhouse gases to the Clean Air Act.

So, Congress did speak, said no, and here we are today trying to stop the EPA from overruling what Congress said twenty years ago.

Even some of the leading opponents are still suggesting a two to five year moratorium as an alternative. That reasoning says we're not ready for these regulations now and the job losses and energy price increases that surely will follow.

Each of us was elected to make tough decisions and be accountable. Passing the buck and blaming the agency for the harm that will be coming our way is the easy way, not responsible or accountable.