I believe our Nation is safer, stronger and better. We are fighting and winning a war on terror on many fronts, including Iraq and Afghanistan; Afghanistan is free; Libya is disarmed; and Iraq is well on its way to becoming a free country in the heart of the Middle East. The spread of democracy in this part of the world will help ensure our safety here in the United States.

Recent economic data is a powerful confirmation that the President's pro-growth economic policies are working. Home ownership rates are up, and minority home ownership is at its highest level ever. Real GDP has grown at its fastest rate in almost 20 years over the last three quarters. Productivity has grown at its fastest 3-year rate in 40 years during the past 12 quarters.

Mr. Speaker, we have overcome the triple shock of terrorist attacks, corporate scandals and recession, and we are a stronger country on many fronts, thanks to the leadership of President George Bush.

SOARING GAS PRICES

(Mr. ROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROSS. Mr. Speaker, after months of record-breaking gasoline prices, the pocketbooks of America's working families are hurting. Rising gas prices mean working families have less money to spend on important items, such as clothing and groceries, a factor that hurts our overall economy as well as individual families. Family vacations are being canceled.

Today, the average price of a gallon of gas in the United States is $2.10, but in Iraq the cost of one gallon of gasoline is only 5 cents. It only costs $1.10 to fill up a 22-gallon tank in Baghdad.

Americans deserve to know why their gas prices are soaring out of control, and, just as importantly, Americans need a solution. It is time to pass a real, meaningful, common sense, comprehensive energy policy and bring down the high cost of gasoline for America's working families.

RESTORING AND PROTECTING LOUISIANA WETLANDS

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, my State, Louisiana, is suffering the worst national ecological disaster in the history of this country. Every year we lose up to 35 square miles of the most precious wetlands in America. The comprehensive energy bill we passed yesterday on this House floor and sent to the other body contains money, for the first time, billions of dollars, to address that national economic disaster.

Louisiana contributes over $5 billion a year from offshore development. We get less than 1 percent back. That bill we sent to the other body contains billions to begin to restore and protect those vanishing wetlands, the biggest environmental program, bigger than the Chesapeake Bay, bigger than the Everglades.

I cannot speak about the other body and how they vote, but let me issue a warning: No one in this Congress who votes against that comprehensive energy bill and that environmental package, no one in this Congress better show their face in south Louisiana if they vote against that comprehensive energy bill.

MAKING AMERICA MORE ENERGY EFFICIENT

(Mr. BLUMENAUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLUMENAUER. Mr. Speaker, I listened to my colleague from Louisiana's impassioned point, and I happen to agree that there are things we need to do with this devastating coastal erosion in Louisiana. But the way that we go about that and the way we deal with some of our significant energy problems is not simply ritually repassing an inadequate and failed energy policy that has already stalled in the other body.

It does not have to be this hard. We do not have to hold good ideas hostage. The wind energy production tax credit would pass in a heartbeat; energy grid reliability would be massively supported; increased fuel efficiency standards are long overdue; and, yes, maybe even some assistance for the coastal erosion.

Hopefully, after we get past this week's ritual repassage and the beating of our gums, I hope the House will return to enact simple, common sense proposals that will make America more energy efficient without compromising the environment, and make our families safer, healthier and more economically secure.

NEW MEDICARE PRESCRIPTION DRUG BILL WORKS

(Mr. BONNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONNER. Mr. Speaker, I rise today to make a simple observation based on large part from the results of two town meetings we had in my district last week, one in Fairhope and one in Mobile: The new Medicare prescription drug law that we passed and which has been enacted is working.

Since the changes to the Medicare program began to take effect on June 1, millions of Americans have taken advantage of the toll-free Medicare helpline as well as the Internet web site. In fact, during the first 4 days of May, 1.6 million men and women, nearly 10 times the normal call volume, called that helpline for further information. During the same time period, 7 million people visited the Medicare web site.

After just 2 weeks of competition between the drug manufacturers of this country, prices on name brand drugs have dropped nearly 12 percent, and the cost for generics have dropped nearly 13 percent.

Some would have us believe that the new and improved Medicare program is not working, that it will be too costly and seniors will not take the time to show interest in this. The facts speak just the opposite.

FTC SHOULD INVESTIGATE INCREASE IN GASOLINE PRICES

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, House Republicans are playing games here on the House floor this week. America's consumers should not be fooled into believing that the energy bills on the floor will do anything to lower gas prices in the immediate future.

Back in 2001, the FTC concluded that during the summer of 2000 price spike certain suppliers had pursued a profit-maximizing strategy, intentionally withholding gasoline supplies or delaying shipping as a tactic to drive up prices. Such collusion would be easier today, with the top 10 refiners now controlling 78 percent of the supply. That is a 22 percent increase over a decade ago.

Today, 48 of my Democratic colleagues joined me in sending a letter to the FTC asking that it begin a thorough investigation into whether or not gas companies are colluding to artificially increase prices.

We cannot let the Bush administration's cozy relationship with big oil companies hold Americans hostage at the pump. If Congressional Republicans were really interested in doing something today, they would call on the Bush administration to launch an investigation to determine whether oil companies are purposefully inflating prices at the pump.

UNITED STATES REFINERY REVITALIZATION ACT OF 2004

Mr. BARTON of Texas. Mr. Speaker, pursuant to House Resolution 671, I call up the bill (H.R. 4517) to provide incentives to increase refinery capacity in the United States, and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of H.R. 4517 is as follows:

H.R. 4517

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''United States Refinery Revitalization Act of 2004''.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) It serves the national interest to increase refinery capacity for gasoline, heating oil, diesel fuel, and jet fuel wherever located within the United States, to bring more supply to the markets for use by the American people. Forty-eight percent of the crude oil in the United States is used for the production of gasoline. Production and use of refined petroleum products has a significant impact on interstate commerce.

(2) United States demand for refined petroleum products, such as gasoline and heating oil, currently exceeds our domestic capacity to produce them. By 2025, United States gasoline consumption is projected to rise from 8,900,000 barrels per day to 13,300,000 barrels per day. Diesel fuel and home heating oil are becoming larger components of an increasing demand for refined petroleum supply. With the increase in air travel, jet fuel consumption is projected to be 760,000 barrels per day higher in 2025 than today.

(3) The refinery industry is operating at nearly 100 percent of capacity during the peak gasoline consumption season and is producing record levels of needed products at other times. The excess demand has recently been met by increased imports. The United States currently is importing 7 percent of its refined petroleum products but few foreign refiners can produce the clean fuels required in the United States.

(4) Refiners are subject to significant environmental and other regulations and face several new Clean Air Act requirements over the next decade. Today 153 refineries operate in the United States, down from 324 in 1981. Almost 25 percent of our Nation's refining capacity is controlled by foreign ownership. Easily restored capacity at idled refineries amounted to 539,000 barrels a day in 2002, or 3.3 percent of the total operating capacity. No new refineries have been built in the United States since 1976. Most refineries are located on century-old sites. New Clean Air Act requirements will benefit the environment but will also require substantial capital investment and additional government permits.

(5) Refiners have met growing demand by increasing the use of existing equipment and increasing the efficiency and capacity of existing plants. But refining capacity has begun to lag behind peak summer demand.

(6) Heavy industry and manufacturing jobs have closed or relocated due to barriers to investment, burdensome regulation, and high costs of operation, among other reasons.

(7) More regulatory certainty for refinery owners is needed to stimulate investment in increased refinery capacity.

(8) Required procedures for Federal, State, and local regulatory approvals need to be streamlined to ensure that increased refinery capacity can be developed and operated in a safe, timely, and cost-effective manner.

SEC. 3. DESIGNATION OF REFINERY REVITALIZATION ZONES.

The Secretary of Energy shall designate as a Refinery Revitalization Zone any area—

(1) that—

(A) has experienced mass layoffs at manufacturing facilities, as determined by the Secretary of Labor; or

(B) contains an idle refinery; and

(2) that has an unemployment rate of at least 20 percent above the national average, as set forth by the Department of Labor, Bureau of Labor Statistics, at the time of designation as a Refinery Revitalization Zone.

SEC. 4. COMPLIANCE WITH ALL ENVIRONMENTAL REGULATIONS REQUIRED.

The best available control technology, as appropriate, shall be employed on all refineries located within a Refinery Revitalization Zone to comply with all applicable Federal, State, and local environmental regulations. Nothing in this Act shall be construed to waive or diminish in any manner the applicability to any refinery facility located within a Refinery Revitalization Zone existing or future environmental regulations.

SEC. 5. COORDINATION AND EXPEDITIOUS REVIEW OF PERMITTING PROCESS.

(a) DEPARTMENT OF ENERGY LEAD AGENCY.—Upon request of an applicant for a Federal authorization related to the siting and operation of a refinery facility within a Refinery Revitalization Zone, the Department of Energy shall be the lead agency for coordinating all applicable Federal authorizations and related environmental reviews of the facility. To the maximum extent practicable under applicable Federal law, the Secretary of Energy shall coordinate this Federal authorization and review process with any Indian Tribes and State and local agencies responsible for conducting any separate permitting and environmental reviews of the facility, to ensure timely and efficient review and approval of any permit decisions.

(b) AUTHORITY TO SET DEADLINES.—As lead agency, the Department of Energy, in consultation with agencies responsible for Federal authorizations and, as appropriate, with Indian Tribes and State or local agencies willing to coordinate their own separate permitting and environmental reviews with the Federal authorization and environmental reviews, shall establish prompt and binding intermediate and ultimate deadlines for the review of, and Federal authorization decisions relating to, the refinery facility. The Secretary of Energy shall ensure that once an application has been submitted with such data as the Secretary considers necessary, all permit decisions and related environmental reviews under all applicable Federal laws shall be completed within 6 months or, where circumstances require otherwise, as soon thereafter as is practicable. The Secretary of Energy also shall provide an expeditious preapplication mechanism for prospective applicants to confer with the agencies involved to have each such agency determine and communicate to the prospective applicant within 60 days after the prospective applicant submits a request for the information concerning—

(1) the likelihood of approval for a potential facility; and

(2) key issues of concern to the agencies and public.

(c) CONSOLIDATED ENVIRONMENTAL REVIEW AND RECORD OF DECISION.—As lead agency, the Department of Energy, in consultation with the affected agencies, shall prepare a single environmental review document, which shall be used as the basis for all decisions on the proposed project under Federal law. The document may be an environmental assessment or environmental impact statement under the National Environmental Policy Act of 1969 if warranted, or such other form of analysis as may be warranted, in the discretion of the Secretary. Such document shall include consideration by the relevant agencies of any applicable criteria or other matters as required under applicable laws.

(d) APPEALS.—In the event any agency has denied a Federal authorization required for a refinery facility within a Refinery Revitalization Zone, or has failed to act by the deadline established by the Secretary pursuant to this section for deciding whether to issue the authorization, the applicant or any State in which the facility would be located may file an appeal with the Secretary. Based on the overall record and in consultation with the affected agency, the Secretary may then either issue the necessary authorization with appropriate conditions, or deny the application. The Secretary shall issue a decision within 60 days after the filing of the appeal. In making a decision under this subsection, the Secretary shall comply with applicable requirements of Federal law, including any requirements of the Clean Air Act, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Solid Waste Disposal Act, the Toxic Substances Control Act, the National Historic Preservation Act, and the National Environmental Policy Act of 1969. Any judicial appeal of the Secretary's decision shall be to the United States Court of Appeals for the District of Columbia.

(e) CONFORMING REGULATIONS AND MEMORANDA OF UNDERSTANDING.—Not later than 6 months after the date of enactment of this Act, the Secretary of Energy shall issue any regulations necessary to implement this section. Not later than 6 months after the date of enactment of this Act, the Secretary and the heads of all Federal agencies with authority to issue Federal authorizations shall enter into Memoranda of Understanding to ensure the timely and coordinated review and permitting of refinery facilities within a Refinery Revitalization Zone. The head of each Federal agency with authority to issue a Federal authorization shall designate a senior official responsible for, and dedicate sufficient other staff and resources to ensure, full implementation of the Department of Energy regulations and any Memoranda under this subsection. Interested Indian Tribes and State and local agencies may enter such Memoranda of Understanding.

SEC. 6. DEFINITIONS.

For purposes of this Act—

(1) the term ''Federal authorization'' means any authorization required under Federal law (including the Clean Air Act, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Solid Waste Disposal Act, the Toxic Substances Control Act, the National Historic Preservation Act, and the National Environmental Policy Act of 1969) in order to site, construct, upgrade, or operate a refinery facility within a Refinery Revitalization Zone, including such permits, special use authorizations, certifications, opinions, or other approvals as may be required, whether issued by a Federal, State or local agency;

(2) the term ''idle refinery'' means any intact refinery facility that has not been in operation after June 1, 2004; and

(3) the term ''refinery facility'' means any facility designed and operated to refine raw crude oil into gasoline, heating oil, diesel fuel, or jet fuel by any chemical or physical process, including distillation, fluid catalytic cracking, hydrocracking, coking, alkylation, etherification, polymerization, catalytic reforming, isomerization, hydrotreating, blending, and any combination thereof.

The SPEAKER pro tempore (Mr. BEREUTER). Pursuant to House Resolution 671, the gentleman from Texas (Mr. BARTON) and the gentlewoman from California (Mrs. CAPPS) will each control 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. BARTON).

□ 1030

GENERAL LEAVE

Mr. BARTON of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill.

The SPEAKER pro tempore (Mr. BEREUTER). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BARTON of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the demand for gasoline and other refined fuels in the United States currently exceeds our domestic capacity to produce them. Domestic gasoline consumption is expected to rise by an increase of over 4 million barrels per day by the year 2025. Refineries are already operating at nearly 100 percent of their designed capacity. This excess demand is being met, unfortunately, by an ever-increasing thirst for imports. We are currently importing about 7 percent of our refined product needs.

H.R. 4517 seeks to reverse the trend of relying on refined imports to make up the shortfall. The bill would authorize the Secretary of Energy to designate as a refinery revitalization zone any area that has experienced mass layoffs at manufacturing facilities or contains an idle refinery and has an unemployment rate of at least 20 percent above the national average.

Upon the request of an applicant that seeks Federal authorization related to siting and operation of a refinery within a refinery revitalization zone, the Department of Energy will be the lead agency for coordinating all applicable Federal authorizations and related environmental renewals of the facility. The Secretary of Energy and the heads of all Federal agencies of relevant jurisdiction are required to enter into a memorandum of understanding for the purpose of ensuring timely and coordinated review of the application throughout the process.

The bill would require that the best available control technology, or BACT, would be used on all refineries so that there would be full compliance with all applicable Federal, State, and local environmental regulations. I want to repeat that. The best available control technology would be used at all refineries so that there would be compliance with all applicable Federal, State, and local environmental regulations. We are not changing any existing environmental law, nor do we waive any existing environmental law.

The bill would simply encourage the opening of previously closed refineries and the construction of new refineries in order to increase the domestic supply of gasoline which should, in turn, help bring down the price. I would point out that since the mid-1970s, we have not built a new refinery in the United States, and we have closed over 50 percent of the existing refineries in the United States.

Mr. Speaker, I would urge my colleagues to vote in favor of H.R. 4517, and I reserve the balance of my time.

Mrs. CAPPS. Mr. Speaker, I yield 3½ minutes to the gentleman from California (Mr. WAXMAN).

(Mr. WAXMAN asked and was given permission to revise and extend his remarks.)

Mr. WAXMAN. Mr. Speaker, I rise in opposition to H.R. 4517.

This country has a real energy problem that we should be addressing. The Nations' dependence on oil is increasing. Our energy markets have been ravaged by corporate greed and left vulnerable to blackouts, and the country still has no plan to fight global warming.

Unfortunately, the House Republican's Energy Week is simply a publicity stunt. They aim to highlight bills that do not address our energy problems and that will not be enacted this Congress.

Over the past 2 days, the Republican leadership has brought two types of bills to the floor. First, we are repassing bills that will not make it into law, such as the President's energy policy; and, second, we have taken up legislation that the Republican leadership dreamed up in secret without hearings or markups or expert testimony or consultation with other Members of Congress.

Yesterday, we debated the Gasoline Price Reduction Act, which has nothing to do with reducing gasoline prices; and today we consider H.R. 4517, the so-called Refinery Revitalization Act. So it is no surprise to find this bill is a marketing gimmick and not a serious piece of legislation. The bill is poorly drafted and unworkable, and we had no committee hearings on it and no committee markup.

While some specifics are vague, the bill's fundamental purpose is clear. It aims to weaken public health and environmental regulations that apply to oil refineries. The idea seems to be if refiners are allowed to pollute more, they might save money and they might invest any such savings in refining capacity. Of course, there is nothing in the bill to stop oil companies from simply pocketing any savings for higher profits. There is also no evidence that pollution control requirements have had any negative effect on refinery capacity. Given recent record profits, the oil industry already has plenty of cash to invest in refinery capacity if it wants to do so.

Many States may disagree with this approach, so H.R. 4517 allows the Department of Energy to simply override the State decisions. And when a large polluting facility such as a refinery is built or increases its emissions, the facility generally must obtain permits governing its releases of air and water pollution. A State usually grants a permit after hearing from the public and after working with a company to select appropriate pollution controls. But under this bill, the Department of Energy, not the State or even EPA, would set a time limit for granting a permit. This is a bizarre approach, as DOE has no experience issuing permits.

Under this bill, even if a State wanted more information from a refiner, DOE could overrule the State and grant the permit. If a refiner refused to install pollution controls requested by a State, DOE could overrule the State and grant the permit.

As a result, this bill is opposed by the National Conference of State Legislatures, the Environmental Council of the States, the State and Territorial Air Pollution Program Administrators, and the Association of Local Pollution Control Officials. I will introduce letters of opposition from these organizations into the RECORD.

Mr. Speaker, I urge my colleagues to oppose this bill.

NATIONAL CONFERENCE OF STATE LEGISLATURES,
Washington, DC, June 14, 2004.

Re: H.R. 4517, the United States Refinery Revitalization Act of 2004.

Hon. J. DENNIS HASTERT,
Speaker of the House, Capitol Building, Washington, DC.

Hon. JOE BARTON,
Chairman, House Energy and Commerce Committee, Rayburn House Office Building, Washington, DC.

Hon. NANCY PELOSI,
House Democratic Leader, Capitol Building, Washington, DC.

Hon. JOHN DINGELL,
Ranking Member, House Energy and Commerce Committee, Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVES: The National Conference of State Legislatures opposes H.R. 4517, legislation the House of Representatives will consider this week that would establish an expedited Department of Energy-led permitting process for facilities located in Refinery Revitalization Zones (RRZ). This legislation comes to the House floor without the benefit of public hearings and scrutiny of the current state of domestic refinery permitting. States have authority over the permitting of domestic refineries and a state-federal partnership already is in place regarding permitting and operation of these refineries. H.R. 4517 circumvents and preempts both this authority and the existing state-federal partnership. NCSL urges you to oppose H.R. 4517 and recommit it to committee so that it can undergo the kind of legislative review and discussion needed to determine whether this legislation is warranted.

H.R. 4517 appears to give the Secretary of the Department of Energy authority to override the decision of a state agency or official that results in the denial of a permit. It also transfers appeals of the Secretary's new permitting authority to federal court. This revamping of existing permitting and related activities preempts state authority and, to the extent NCSL can determine without the benefit of public hearings and reviews, is unnecessary.

Thank you for consideration of our concerns. Please have you staff contact Michael Bird (202–624–8686; *michael.bird@ncsl.org*) or Gerri Madrid Davis (202–624–8670; *gerri.madridloose@ncsl.org*) for additional information.

Sincerely,

Representative JACK BARRACLOUGH,
Idaho House of Representatives,
Chair, NCSL, Environment and Natural Resources Committee.

THE ENVIRONMENTAL COUNCIL OF THE STATES,
Washington, DC, June 14, 2004.

Hon. JOE BARTON,
Chairman, Committee on Energy and Commerce, House of Representatives, Rayburn House Office Building, Washington, DC.

Hon. JOHN D. DINGELL,
Ranking Member, Committee on Energy and Commerce, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN BARTON AND REPRESENTATIVE DINGELL: The Environmental Council of the States (ECOS) is concerned about H.R. 4517, the United States Refinery Revitalization Act of 2004. This legislation could seriously impede state environmental permitting authority. ECOS also urges that a proposed change of this magnitude be considered in committee prior to being taken up on the House floor.

Specifically the legislation appears to weaken state authority by transferring much of the environmental permitting responsibilities to the Department of Energy, an agency with expertise on energy production, not environmental regulations.

The states are also concerned about the impact this legislation will have on State Implementation Plans (SIPs). ECOS' analysis of the legislation indicates that H.R. 4517 could acutely impact the ability of states to complete their SIPs. If refineries in revitalization zones are not held to the same standards as other industries in the same area, which is conceivable under this proposal, states will be forced to have others make up the difference in terms of pollution impact. This will result in making it more difficult for states to complete their SIPs.

It is important to note that States are co-regulators and partners with the federal government in protecting the environment, providing for more than two thirds of the funding. States implement most of the nation's major environmental laws and operate their own innovative programs. The biggest load is carried by the States, which are responsible for 90% of the enforcement. States also collect 94% of environmental data, manage 75% of the delegated programs including all of the air permitting programs, and issue most of the permits overall.

It is critical that states ability to issue permits and provide vital environmental protection services are not hindered. ECOS urges the U.S. House of Representatives to not adopt H.R. 4517, which would dramatically alter environmental protection in this country.

Please contact me at 202–624–3667 should you have any questions. Thank you for considering our position.

Sincerely,

R. STEVEN BROWN,
Executive Director.

Washington, DC, June 14, 2004.

Hon. JOE BARTON,
Chairman, Committee on Energy and Commerce, House of Representatives, Rayburn House Office Building, Washington, DC.

Hon. JOHN D. DINGELL,
Ranking Member, Committee on Energy and Commerce, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN BARTON and REPRESENTATIVE DINGELL: On behalf of the State and Territorial Air Pollution Program Administrators (STAPPA) and the Association of Local Air Pollution Control Officials (ALAPCO), the national associations of state and local air pollution control officials in 53 states and territories and more than 165 major metropolitan areas across the country, we write to you today to express our associations' opposition to H.R. 4517, the United States Refinery Revitalization Act of 2004. Our concerns with this bill are two-fold: First, we do not believe such legislation is warranted. Second, the bill preempts state and local environmental agencies' permitting authority and weakens control technology requirements, likely jeopardizing public health and air quality.

Premised on the notion that ''refiners are subject to significant environmental and other regulations and face several new Clean Air Act requirements over the next decade'' and that ''more regulatory certainty for refinery owners is needed to stimulate investment in increased refinery capacity,'' H.R. 4517 contends that ''required procedures for Federal, State, and local regulatory approvals need to be streamlined to ensure that increased refinery capacity can be developed and operated in a safe, timely, and cost-effective manner.'' Lacking from these assertions and conclusion, however, is any evidence that environmental requirements, particularly those related to air pollution, have prevented or impeded the construction of new, or the major modification of existing, refineries. In fact, what experience shows is that when regulated sources comply with federal, state and local permitting requirements in a timely manner, state and local agencies are able to act expeditiously to approve permits.

In addition to being unnecessary, H.R. 4517 inappropriately supercedes state and local air agencies' authority to permit sources of air pollution by transferring authority for permitting refineries located in areas designated as ''Refinery Revitalization Zones'' to the U.S. Department of Energy (DOE). As the ''lead agency,'' DOE would assume responsibility for ''coordinating all applicable Federal authorizations and related environmental reviews of the facility.'' As such, DOE would be authorized to ''prepare a single environmental review document, which shall be used as the basis for all decisions on the proposed project under Federal law'' and ''ensure that once an application has been submitted with such data as the Secretary considers necessary, all permit decisions and related environmental reviews under all applicable Federal laws shall be completed within 6 months.'' Further, ''in the event any agency has denied a Federal authorization required for a refinery facility within a Refinery Revitalization Zone, or has failed to act by the deadline established by the Secretary,'' the DOE Secretary may grant the permit even if the state or local permitting authority has determined that the application fails to comply with environmental protection requirements or if the applicant has not submitted, or did not submit in a timely fashion, adequate information upon which to base a decision that is appropriately protective of public health and air quality.

H.R. 4517 also weakens emission control technology requirements for refineries in ''Refinery Revitalization Zones.'' Although the Clean Air Act requires new and modifying refineries in nonattainment areas to install technology reflecting the Lowest Achievable Emission Rate and achieve emission offsets, and those in attainment areas to install the Best Available Control Technology (BACT) and protect Air Quality Related Values, the bill would require BACT only ''as appropriate'' at all refineries located in a Refinery Revitalization Zone.

In conclusion, our associations believe H.R. 4517 is unwarranted; moreover, we are concerned that this bill will obstruct state and local efforts to achieve and maintain clean, healthful air. Accordingly, STAPPA and ALAPCO oppose H.R. 4517.

Sincerely,

JAMES A. JOY, III,
President of STAPPA.

DENNIS J. MCLERRAN,
President of ALAPCO.

Mr. BARTON of Texas. Mr. Speaker, I yield 4½ minutes to the gentleman from Louisiana (Mr. TAUZIN), the Bayou State and the Pelican State, and the former honorable and distinguished chairman of the Committee on Energy and Commerce.

Mr. TAUZIN. Mr. Speaker, I thank the chairman for yielding me this time. I want to congratulate the gentleman on the great job he is doing in heading the Committee on Energy and Commerce and on bringing this bill to the floor.

I rise in strong support of this bill.

Mr. Speaker, 178 Members of this body yesterday voted against a comprehensive energy bill that would provide conservation, fuels, and incredible new incentives to produce energy for our country. Mr. Speaker, 186 Members of this House yesterday voted against a bill to do nothing more than incentivize clean, green, renewable energy plants for America. It is amazing.

I want to put that in perspective for those Members who voted yesterday against these energy initiatives and who are probably going to vote against this bill today.

Twenty-five years ago, the last refinery that we built in America was built in my district, the Marathon Refinery. Twenty-five years ago, we stopped building refineries in America. Refineries are what make gasoline. Refineries are what make diesel fuel. They make jet fuel. They make home heating fuel to keep homes warm in the winter. They make the fuel to drive the cars and the trucks across the roads of America and to heat and warm the homes of our country and to provide, in many cases, electricity for those homes. They provide the jet fuel for the airlines to fly the airways of our country.

Now, in 25 years we have not stopped building airplanes, we have not stopped building roads, we have not stopped building houses, we have not stopped building factories that need this energy. In fact, we built 751 million new vehicles in America, just built in this country, not counting imports. And what do we do to build plants to supply them with the energy they need? Zero. We have shut down half of the refineries that were built previous to 25 years ago, and we have stopped building refineries.

So guess what is happening to America? We are not only importing now twice as much oil as we used to import at the Arab oil embargo when 30 percent of our oil came from foreign sources, now 60 percent comes from foreign sources; but more and more, we are importing refined products like gasoline, diesel, jet fuel, and home heating oil. So more and more we are becoming dependent, not just on oil, but now we are becoming more and more dependent on unreliable sources for gasoline, diesel fuel, heating oil, and jet fuel.

So more and more, we have to think about sending our sons and daughters in uniform to go defend some refinery in some other country that we cannot really depend upon anymore. More and more, we are saying the lives of our young folks are less valuable to us than building a new refinery in America. Now, there is something illogical about that; there is something crazy about that. We need to change that logic.

This bill says, let us think about building a few new refineries in this country.

When the gasoline prices started skyrocketing in America, do we know what the response of those who are voting against these energy bills was? Let us open up a Strategic Oil Program. Let us get some oil out of the ground that we are saving for the time we get embargoed again. Where would you refine that oil? The refineries in America are operating at near 100 percent. If you took some oil out of the Strategic Petroleum Reserve, you would have to ship it overseas to get it refined into gasoline for us.

That is how ridiculous the energy policy of this country has been and remains to this date. We need to change that policy.

We need to finally pass a comprehensive energy bill that we have now sent to the other body twice this Congress, and we need to literally put it on the President's desk for signature, and we need to pass this bill.

This bill does not change any environmental laws. It simply encourages, through coordination of effort, through all the processes of getting a new refinery permitted and built in America. To do what? To make some diesel fuel, to make some gasoline, to make some heating oil, to make some jet fuel, so airline prices are not as high, so heating oil prices are not so terrible that people freeze to death in the winter in this country, so gasoline can be affordable again, so diesel fuel can be affordable again, so we can fill the tanks of the 751 million new cars we built without building a new refinery, so we do not have a crisis in California, so we do not have blackouts, brownouts, and disasters for the American consumer.

Look, we cannot do much for the American consumer before the election date rolls around in November. Time is short. You can do this. You can help them build a refinery to bring down prices. We ought to do this today.

Mrs. CAPPS. Mr. Speaker I yield myself such time as I may consume.

(Mrs. CAPPS asked and was given permission to revise and extend her remarks.)

Mrs. CAPPS. Mr. Speaker, I rise in opposition to H.R. 4517, the Refinery Revitalization Act. This bill would give the Department of Energy unprecedented authority over all environmental permitting of refineries, with serious environmental consequences, creating yet another governmental bureaucracy. This bill has not been examined by any committee with jurisdiction over these laws and would create serious conflicts between the Department of Energy and State and Federal agencies charged with protecting our environment. I urge my colleagues to oppose this bill.

The premise of this bill is that environmental regulation is hindering refinery expansion. There is no basis for this conclusion. Refining capacity has actually increased in recent years, and environmental requirements have not prevented that increase.

While there has been a decrease in the number of refineries, not the capacity, but the number, this is due to increasing market concentration resulting from refinery mergers. Thus, Big Oil, and not environmental laws, are to blame for fewer, but bigger, refineries.

Even if environmental permitting requirements were not the problem, this bill would make the situation worse, not better, by wreaking havoc with the well-established system partnership in place today. Under this bill, the Department of Energy would be given lead authority over environmental permits and would be given the ability to overrule permit denials by other State and Federal agencies. DOE lacks the experience or the ability in interpreting or implementing our environmental laws, because DOE's mission is not focused on environmental protection.

I am surprised at my colleagues' support for this bill, which would actually remove power from the States, from local control, and transfer it to a centralized bureaucracy in Washington, D.C. This runs counter to the themes of anti-big government that the majority professes to champion.

While this bill is no doubt supported by the refineries, it is not supported by anyone with a stake in environmental protection. All of the major environmental organizations oppose this bill, and the list of State organizations that have opposed the bill includes the Environmental Commissioners of the States, the National Conference of State Legislatures, the State and Local Air Directors, and many other groups.

This bill is also opposed by the League of United Latin American Citizens, LULAC, and the National Hispanic Environmental Council, because of the environmental justice issues that it raises.

Mr. Speaker, I will enter into the RECORD letters from both of these organizations.

□ 1045

In addition to giving the Department of Energy the ability to override Federal and State permitting agencies, this bill also creates a special consultation process for industry. Before any other parties would even know that a permit is being planned, H.R. 4517 would require that DOE provide any permit applicant with a chance to meet with the permitting agencies, an inside track if you will, and obtain an informal reading regarding the agency's plan for granting the permit.

So much for competitive processes. This would give the inside track to the permit applicant over the public, which has overriding environmental and public health concerns.

Finally, DOE would also be given the ability to shape the record and the timing and procedure for the granting of permits. That power in itself is highly significant since a major part of permit evaluation is whether the permittee has supplied sufficient information and, in many cases, the environmental statutes and regulations specified, precise permit content. Under this bill, the Department of Energy would be allowed to determine that ''such data as the Secretary consider necessary had been submitted,'' centralized power, and move to permit issuance in 6 months or less. That would allow DOE to move a permit forward even where a permit applicant had clearly failed to meet the fundamental requirements for basic information.

The bill has not had any benefit of review by anyone except its sponsors. No hearings have been held, no agencies, not even DOE or EPA have testified to its effect. In essence, it makes a mockery of the legislative process that we are all committed to in this body.

Before we move to place an overlapping and inconsistent permitting scheme on top of already complex Federal laws that govern environmental permitting by State and Federal agencies, we should at least undertake a basic analysis of the bill's impact and validity. If the Congress is serious about examining refineries, we should do the work that would let us understand the effect and meaning of such a bill.

That has not been done, and in urging my colleagues to oppose this bill, I remind us all that the passage of this bill is going to ensure that disadvantaged communities are going to rise up in strong opposition to being dumped on, yet another time, by the government. And it also will open up serious discussion of what big government is really about.

LEAGUE OF UNITED
LATIN AMERICAN CITIZENS,
Washington, DC, June 14, 2004.

Chairman JOE BARTON,
Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR CHAIRMAN BARTON: On behalf of the League of United Latin American Citizens (LULAC), the oldest Latino civil rights organization in the United States, I am writing to express deep concern with the introduction of HR 4517 directing the Secretary of Energy to designate ''Refinery Revitalization Zones'' in areas of the country with high levels of unemployment. Although we strongly support revitalizing areas of the country with high unemployment and the stabilization of oil workers is a LULAC priority, unfortunately LULAC feels that HR 4517, as it stands today, fails to reach this threshold in a number of ways. LULAC believes that HR 4517 is structured so as to continue a race to the bottom in labor and environmental standards and will encourage members to reject this legislation.

LULAC is concerned about the stability of oil prices and its impact on oil workers, many of whom are Hispanic. LULAC supports state and federal efforts to stabilize the price of oil and prevent the displacement of Hispanic oil field workers and federal tax incentives to domestic oil producers to reduce dependency on foreign oil. Therefore, LULAC is in support of a federal energy policy that encourages the development of alternative fossil fuels and other environmentally friendly energy sources. However, the devil is in the details. We support efforts that contain the rules necessary to ensure balanced and equitable sustainable development, stable economies and a healthy environment but do not feel H.R. 4517 meets those standards.

LULAC believes that the efforts to create Refinery Revitalization Zones in areas with unemployment rates more than 20% unfairly targets area that are heavily minority populated and already disproportionately impacted by refineries and other industries. The environmental and public health impacts of refineries that are required to meet all existing environmental laws, including those state regulations that may be more stringent than federal, are still disproportionately felt by underprivileged communities. This legislation would exacerbate these problems.

Lastly, the legislation places the power to designate a revitalization zone with the Secretary of Energy with little, if any review from other agencies. If we are to grow jobs, it is critical that this be done in a substantive and sustainable manner—over the long-term—and not with a short-term vision that merely places a band-aid on real development needs.

Sincerely,

HECTOR FLORES,
LULAC National President.

NATIONAL HISPANIC
ENVIRONMENTAL COUNCIL,
Alexandria, VA, June 15, 2004.

Hon. JOE BARTON,
Chairman, Committee on Energy and Commerce, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN BARTON: On behalf of the National Hispanic Environmental Council (NHEC) we are writing to convey our deep concern over H.R. 4517, the ''Refinery Revitalization Act of 2004''. This bill would, among other things, direct the Secretary of Energy to designate ''refinery revitalization zones'' in areas of the country with an unemployment rate of at least 20%.

H.R. 4517 has a number of serious flaws, and the potential for a substantial, negative impact on people of color. NHEC opposes H.R. 4517 for the following reasons.

First and foremost, we believe H.R. 4517 raises serious environmental justice concerns. As you know, many highly industrialized areas are already located in or near minority and low income communities. It is well documented that people of color suffer disproportionately from the many health impacts resulting from close proximity to industrial sites, especially facilities such as refineries. Refineries produce many tons of toxic chemicals and other harmful pollutants, and are a major source of environmental justice issues and litigation, as evidenced by the oil refinery area known infamously in Louisiana as ''Cancer Alley''. Environmental injustice is a major cause of health problems—including higher rates of cancer, tumors, and lung disease—for Latino and other minority communities. We believe H.R. 4517 will greatly exacerbate the present and future environmental justice problems confronting Latinos and others.

Indeed, the ''areas'' H.R. 4517 proposes to target—urban, industrial/manufacturing sites with high unemployment rates—is also an accurate description of many minority communities. In short, *we* are the ones who will be most impacted. Should H.R. 4517 pass, it will be Latinos and other minorities who will have to live disproportionately with its adverse health, safety, and environmental consequences.

This is the classic definition of environmental injustice, and we strongly oppose any congressional efforts that might create new environmental justice burdens on our community. Indeed, we believe H.R. 4517 violates Executive Order 12898, ''Environmental Justice for All Americans'', the pre-eminent federal environmental justice requirement, which mandates that all federal agencies address and mitigate environmental justice concerns, not create new ones.

As drafted, H.R. 4517 not only targets minority communities but strips them of their ability to protect themselves. For example, it puts the U.S. Department of Energy (DOE) in charge of final decision-making, regardless of the concerns of other agencies. DOE is responsible for preparing the environmental review/impact statement that will be used as the basis for all future decisions, and it has the final say over all regulations governing siting of power plants, including the Clean Air Act, the Safe Drinking Water Act, Superfund, and the National Historic Preservation Act.

Specifically, it allows the Secretary of Energy to override all federal agencies permitting decisions, to overrule EPA and its vital regulatory functions, and to pre-empt and override state laws and regulations where those laws are stronger than federal environmental laws.

Indeed, given DOE's checkered past in adequately protecting the health and safety of Americans, including minorities, we have grave doubts as to the wisdom and effectiveness of putting DOE in sole charge of the environmental decision-making and implementation functions of this bill.

Please know that NHEC supports responsible revisions to our nation's energy policy, and balanced sustainable, well-crafted economic development and environmental jobs programs. Certainly these are much needed in Latino and other minority communities. However, we do not believe that H.R. 4517 meets this criteria.

NHEC is the only national Hispanic environmental organization in the country. Founded in 1996, and with over 5,000 members nationwide, we seek to educate, unite, and engage Latinos on environmental and sustainable development issues; provide a national voice for Latinos before federal, state, and non-profit environmental decision-makers; and encourage Hispanics to actively work to preserve and protect our environment and natural resources. We operate under the credo: ''because it's our environment too''.

We would be happy to address these concerns in more detail, and would welcome a dialogue with your office. We can be reached at 703–683–3956.

Sincerely,

ROGER RIVERA,
President, NHEC.
MANUEL HERNANDEZ,
Chairman, NHEC.

Mr. Speaker, I reserve the balance of my time.

Mr. BARTON of Texas. Mr. Speaker, I yield 30 seconds to myself. I want to respond to one of the things that the gentlewoman from California (Mrs. CAPPS) just said.

This bill simply says if an area has unemployment of at least 20 percent higher than the national average, we have set up an expedited procedure to hopefully refurbish an existing refinery or perhaps build a new one. That creates jobs. Creating jobs is not dumping on anybody. It is creating jobs.

Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. NORWOOD), a member of the committee and the subcommittee.

Mr. NORWOOD. Mr. Speaker, I rise today in strong support of H.R. 4517, the Refinery Revitalization Act of 2004. I would like to thank the gentleman from Texas (Mr. BARTON) for his leadership on this very important issue.

Mr. Speaker, I find this whole discussion absolutely amazing. We go home and all of us hear from our constituents that gasoline prices are too high. Why does Congress not do anything about it? Whether Democrat or Republican, the answer is, boy, I am working on it.

Well, I have never heard so many pitiful Democratic excuses to not vote for a bill that would simply increase gasoline and diesel fuel in this country and bring down the price. Now, if you do not want to bring down the price, just vote no on this bill because that is the design of it. And the American people are not interested in all the nitpicking, little excuses that you are coming up with.

Mr. Speaker, the citizens of the Ninth District of Georgia, and I am certain along with other citizens across the country, want to know what we in Congress are doing to help lower the gas prices. That is a legitimate question to ask your Member of Congress. I wish there was a quick fix. The facts are clear that there is not one. Tapping into our national oil resources, such as the one in the Arctic National Wildlife Refuge, which we certainly should do, will not guarantee a lower gas price unless, unless we improve our refinery capabilities as well. What we must do is work to improve the situation in the future by opening up refineries for more production.

I remind you, we have not opened one in 25 years in this country. Little wonder there is such a high demand for gasoline. That is exactly what this act wishes to do.

H.R. 4517 would streamline the regulatory approval process, my goodness, streamline the regulatory approval process, for the restart of the idle refineries, which there are many, or the construction of new refineries, which there have been none in 25 years in areas of this country that desperately need more than just lower gas prices.

The same people who are complaining about jobs will not vote for a bill that will improve our job situation in these areas that have an unemployment rate 20 percent higher than the national average, and they have either experienced massive layoffs in the manufacturing industry or have a closed refinery plant in that area. While we do our best to combat high gas prices in the present, we must be prepared for demand in the future.

U.S. gasoline consumption is projected to rise to 13.3 million barrels per day by 2025. I want you to compare that to the 8.9 million barrels per day today. Where is it coming from? Are we going to be dependent on the Middle East for refineries?

Vote for this bill and let us do something about lowering the price of gasoline and diesel fuel in this country.

Mrs. CAPPS. Mr. Speaker, I yield 6 minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, this bill is part of a continuing pattern where the Republican majority shuts out the Democratic Party. But more importantly, they shut out, yes, the American public. No hearings on this bill. No discussion on this bill. No involvement of the American public in discussing a bill which could have profound impact on the environment and the health of Americans all across our country. It is a continuing pattern of disrespect for the American public that they are not able to have hearings on issues that are so central to their families' environmental and health care well-being.

They bring it out here to the floor and what do they say to the Democratic Party and, yes, to the American people? There are no amendments that can be made to this bill. We have conceived it in secret and we are going to pass it without amendment or without discussion, and that is the height of political arrogance because it leaves out the American people from the discussion. It assumes that a small number of oil company executives working with members of the Republican Party can decide what is best for our country, when obviously it is pretty evident from all of the higher gas prices and the mess that we have got in the country that that is not the best way to go, that the American people should be involved.

What do they say? They say we need this bill, quote/unquote, to revitalize the refining industry. Well, today the biggest oil refiners in the United States are Exxon-Mobil, Conoco-Phillips, BP, Valero and Royal Dutch Shell. Together they comprise 50 percent of domestic refinery capacity in the United States. Ten years ago they only controlled about a third of domestic refinery capacity.

So how are they doing with this incredible increase that they have had over the last few years? Well, Valero Energy Corporation reported record earnings in its April 2004 quarterly report. Here is what they said. ''With respect to refined product fundamentals, gasoline margins remain at record levels. As we look at the balance of 2004, it is obvious that this is going to be another year of record earnings for us,'' the Valero Refining Company.

That is great news if you are a Valero Energy shareholder. What about all the American gasoline consumers? Why has it not been great for them? What about other refiners? Perhaps they are hurting as well. Let us find out.

Let us look at Exxon-Mobil's May 2004 quarterly report. Here is what they have to say about themselves. U.S. downstream earnings were $393 million, up $218 million mainly due to higher refining margins.

Great news for Exxon-Mobil shareholders. Their investment does not seem like it needs to be revitalized much if they have had more than a doubling of their revenues.

Well, how about Conoco-Phillips, how are they doing? Guess what? There is good news again. Here is what Conoco-Phillips had to report in their April 2004 quarterly report. Refining and marketing income from continuing operations was up $464 million, up from $202 million in the previous quarter and $389 million in the first quarter of 2003. Improvements over the fourth quarter of 2003 were primarily driven by higher refining margins. These improvements were partially offset by lower U.S. retail and wholesale marketing margins. The improved results from the first quarter of 2003 were attributable to higher U.S. refining margins and volumes, partially offset by lower U.S. retail and wholesale marketing margins.

Now, I could go through BP, which once again makes the same point. How about Royal Dutch Shell? Again, they are making the same point. Shell, Shell says that they are watching increased margins.

Not so great news for the consumer but great news for each one of those oil companies.

So your question, I guess, is why do they not take all these profits and expand their refining capacity? Why do they not just, rather than blaming it on the environment and the health care laws of the United States, just take all these huge profits that they get from tipping the American consumer upside down and shaking money out of their pockets and improve them?

I will tell you why they do not do that. They do not do that because they do not want to call upon the Justice Department. They do not want to call upon the Federal Trade Commission to look at the incredible consolidation that has occurred in the refining industry over the last 10 years. They do not want to look at what happens when fewer and fewer companies control the refining industry and you wind up with a conscious or unconscious parallelism of interest, which essentially means they all have a stake in raising prices because there are so few of them and there are no other competitors out there who can act on behalf of consumers by lowering prices.

But for crying out loud, do not blame the health care laws that protect the American public. Do not blame the environmental laws. Blame these companies with record profits which do not want to expand the refining industry themselves.

Please, please, do not exclude the American public from the debate on this bill, have no questions asked, and then blame the laws that have been passed to protect their health and environment for what the refiners are doing in hurting the American consumer.

Mr. BARTON of Texas. Mr. Speaker, I yield 30 seconds to myself. I want to briefly respond to the gentleman from Massachusetts (Mr. MARKEY).

First on his point that there have been no hearings on the bill and it is out of regular order, he is exactly right, and the gentlewoman from California (Mrs. CAPPS) is right and the gentleman from Michigan (Mr. DINGELL) is going to be right when he says that. I apologize for that. That is an exception to the rule.

We try to do everything in the Committee on Energy and Commerce by regular orders. This is one of those rare exceptions, and I will stipulate that they are totally right to complain about the process. So in the spirit of comity, I want to get that on the record.

Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Texas (Mr. HALL), the subcommittee chairman.

Mr. HALL. Mr. Speaker, I do thank the chairman for yielding me time.

Mr. Speaker, I even thank my friend, the gentleman from Massachusetts (Mr. MARKEY), for his remarks that this is a continued assault on the price of a gallon of gasoline. That is exactly what it is. It is a continuation of the assault of the Committee on Energy and Commerce and the gentleman from Texas (Mr. BARTON) and those that believe that if we lower the price of gasoline we are raising the opportunity for youngsters to decide what branch of the service they will go into, instead to choose what field of education do I want to enter.

This is a battle against war. A Congressman's major duty is to prevent a war, and you prevent a war by removing the causes of war. So this is for the youngsters. This is for this generation that we are talking about and generations to follow. This is not a bill that costs a lot of money. As a matter of fact, we are not throwing money at it. We are not pouring money into it. We are streamlining the system. I do not really know why anybody complains about that.

It is tied to high unemployment areas, to distressed areas or where there is a closed refinery. We have got to have refineries. We have almost frightened all the refineries offshore up to this time or they have shut down.

□ 1100

As a matter of fact, let me see what the facts are on shutting down those refineries. I think in 1981 we had 324 refineries shut down here. This has been cut back to 153. If my math's correct, that is 171 of them that have gone offline, that have either gone offshore or are not productive here; and this bill simply urges people to restart those refineries to where we can grind out what

we need to have to fight the rising cost of gasoline. It is just that simple. We are not pouring money into it. We are streamlining the system.

The Secretary can identify the area, similar to their depressed area legislation. It was on the books when Kennedy was elected. President Kennedy, one of the first steps he took was to take the lid off the depressed area legislation. There was a 500,000 lid on it. He took it off to really avail ourselves of it, but that was pouring money into it; and even that helped in that day and time.

Today we are not pouring money into it. We are streamlining it. We are making it a little easier to start those back up and start them back up where they are now, where people are existing now, where people do not have any objection to them because they think it is better than high unemployment.

Back in 1962 when I went into the Texas Senate, John Connally was elected Governor. He was ahead of other Governors in that he tried to have an EPA for the State of Texas, early for EPA. He appointed a fine young man from Houston, Texas, who had a business on the canal. The canal was badly polluted at that time. He came before us to be confirmed, and there were five of us who had to accept or reject him. He was rejected because he answered one of the questions wrong.

Senator Schwartz, a friend of mine, wanted to know, how do you feel about pollution, and the guy said, well, I do not want to give you a short answer, but I will quote a President who answered how do you feel about sin. He said, I am against it. One of our senators thought that was an affront to him, and he said, no, I mean, how do you really feel about pollution? His answer was one of the great answers I have ever heard. He said it tastes better than poverty.

That is what I am saying today. Put opportunity into the hands of these people where these plants have been. Open them up and give us an opportunity to save this generation from having to cross an ocean and fight for some energy when we have plenty right here at home.

Mrs. CAPPS. May I inquire of the Speaker, please, the time remaining on each side.

The SPEAKER pro tempore (Mr. LINDER). Both Members have 15 minutes remaining.

Mrs. CAPPS. Mr. Speaker, it is with pleasure I yield 4 minutes to the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, I thank the gentlewoman for yielding me time.

Mr. Speaker, I rise today in opposition to the U.S. Refinery Revitalization Act, as it is called; but I did want to say it is a pleasure to have our friend, the gentleman from Louisiana (Mr. TAUZIN), back on the floor today. I did want to respond to one of his comments.

He said that he could not believe that the energy bill that we passed before and passed again yesterday had so much opposition. I might remind him that every single New England Senator, five Republicans and seven Democrats, every single New England Senator voted against that bill. In the United States House, 20 of 22 Members of the House from New England voted against that bill. The bill is flawed. That is why it has not gone anywhere yet in the Senate.

Also, my friend from Georgia talked about pitiful Democratic excuses. He was tired of pitiful Democratic excuses that he has heard on this legislation that we are considering today. Well, if a person has asthma, and there is an asthma epidemic in this country, if a person has asthma, clean air is not a pitiful excuse. It is a real thing that affects a person's life and how they get along in the world. The fact is, the truth about this legislation is that it could allow more. It could allow polluting facilities to emit more pollution than the health-based standards of the Clean Air Act can do today.

Refineries are significant emitters of volatile organic compounds which form tropospheric ozones. The facilities pose a threat to human health and are regulated today under the Clean Air Act.

H.R. 4517 undermines Clean Air Act standards at these facilities. Here is what this bill says: ''The best available control technology, as appropriate, shall be employed on all refineries located within a refinery revitalization zone.''

But in places where the air already contains unhealthy levels of pollution, the Clean Air Act holds new and modified refineries to an even higher standard described as the ''lowest achievable emissions rate.'' The act also demands offsets for new sources of pollution so that the air does not get dirtier. A weaker standard and no offsets would lead to more pollution than the health-based standards permit. In short, this bill lays out a path to more pollution.

Furthermore, the bill requires refineries to use best available control technology only as appropriate. What does that mean? Well, no hearings, no conversation. We do not know. Does this legislation authorize the Secretary of Energy to label best available control technology inappropriate in certain circumstances? If so, this legislation would permit the Secretary to authorize even less pollution control than he so desired.

Finally, H.R. 4517 would make it harder for EPA to assess the health impacts of new refineries. The legislation would place the Secretary of Energy in charge of the permitting process, the official record and the only environmental review document. Even if EPA's experts conclude that a proposed refinery project fails to comply with the substantive standards set forth in the Clean Air Act, the Secretary of Energy may issue the necessary authorization anyway. Under the law, EPA's 3 decades of expertise would be supplanted by an agency with no experience enforcing the Clean Air Act.

My friend from Texas a few moments ago told a story and said pollution tastes better than poverty. Well, it all depends. This legislation does not give the power to decide whether a refinery is built in an area of high unemployment to the unemployed. It gives it to the Secretary of Energy.

If a person has asthma, pollution is a very big deal to them. We can find a better balance.

I urge my colleagues to reject this act.

Mr. BARTON of Texas. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Speaker, I thank the gentleman from Texas (Mr. BARTON), the distinguished chairman of the Committee on Energy and Commerce, for yielding me the time, and I thank him for the great leadership he has provided for many years in this Congress.

Mr. Speaker, NPR News a couple of weeks ago had a report about why gas prices are now over $2 a gallon in some States and very high everywhere. The reporter explained that while demand has gone way up, as everyone has known it would for many years, capacity has gone way down. He said due to environmental restrictions, no new refineries have been built in this country for more than 20 years and the number of refineries in California has decreased from 37 to 13.

The gentleman from Texas (Mr. HALL) mentioned that 170 refineries have closed since 1981. A previous speaker said some refineries are making record profits. Well, if we decrease the number of refineries even more, they will make even higher profits.

Also, radical environmentalists have successfully fought and stopped oil production in the frozen tundra of Alaska and most other places where it can be safely and environmentally and economically done in the U.S.

Environmental extremists almost always come from wealthy or at least very upper-income families, but they are really hurting the poor and lower-income and working people of this country and even our national security by shutting down so much oil production and refining here and making us overly dependent on foreign oil that is being sold at rip-off prices. Some environmental groups want gas prices to go to $3 or $4 a gallon so people will drive less, but that would be another nail in the coffin of small towns and rural areas where people often have to drive long distances to get to work.

We need to support this and other pro-consumer energy legislation so we can bring gas prices down or at least hold them stable. I urge support for this legislation.

Mrs. CAPPS. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from Michigan (Mr. DINGELL), the ranking member of the Committee on Energy and Commerce, my colleague.

(Mr. DINGELL asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. DINGELL. Mr. Speaker, I thank the distinguished gentlewoman from California for the fine way in which she is handling this legislation and for her gracious recognition of me.

I want to say a word of kindness about my friend, the chairman of the committee, and the chairman of the subcommittee. They are fine people, and I am very fond of them and respect them.

I do not respect the output, however, of the committee on this matter. Where are the hearings? Where is the record? Where are the facts to support this? Where is there anything other than supposition? Where are the statistics? Where is the testimony of the Department of Energy? Where are the comments of the Environmental Protection Administration? Where are the requests of the industry that this matter be considered or that this legislation should be brought up or that it is good legislation in the public interest?

None of this is available. This is not the way in which the House should legislate on an important matter. This is the way that perhaps a high school class in emulating the way the Congress should function would be conducted. Even at that time, I think it would be a significant embarrassment.

Now, there are some facts here available. First of all, domestic refining capacity has been increasing; although the number of refining establishments has declined. This is a very interesting thing, but there is no information in the hearing record. Indeed, there is no hearing record on this matter. The bill which we have before us today has not been subject to even the most basic congressional review. There have been, as I have said, no hearings on the matter either in the committee or the subcommittee, and we certainly have no idea of what this bill will do, whether it will do anything or whether it will do nothing.

In point of fact, there are substantive changes in the legislation of the Clean Air Act. There are substantive changes of other statutes which are under the jurisdiction of the Committee on Energy and Commerce and the Committee on Transportation and Infrastructure.

It is fair to note something else should be observed about this legislation. The bill will change the form. Instead of having the matter considered by EPA, where traditionally it has been done and where the procedures have been fair and have been based on the expertise of the agency, all of the sudden it is going to be moved to the Department of Energy. This leaves, in my mind, an inference that those who are so anxious to have this movement take place are deliberately seeking to stack the form, to change the form from one which has been honest and fair and which has served the public interest to perhaps a more slippery and dishonest form in which the matter can be considered in a way which best suits a preconceived intention.

So we have, first of all, no record; but we have a very curious change in procedure and form which raises questions as to the integrity, not just of the process here, but the process which will be taking place as the matter goes forward.

Now, one of the interesting things is H.R. 4517 turns the Secretary of Energy into an environmental czar. It does this. It usurps the authority of State officials who are charged with protecting public health. The Secretary of Energy controls the procedures for obtaining State and Federal environmental permits, controls the timelines for reviewing and granting permit applications, controls the creation of environmental review documents that are the basis of the decisions which will be made. The Department of Energy is given the authority to override a State Governor's decision to deny permits for public health reasons.

My good friends, the State writers over here, are diligently stomping on the rights of the States to protect their citizens and to make judgments which might be best in conformity with the wishes and attitude of the people in the area and the elected officials of the State. It deliberately tramples upon a longstanding and successful way whereby the Federal Government has delegated responsibilities to these matters to the States and that the States were to carry forward these activities of permitting under the rules and traditions which we have long understood and which the people of the States not only understand but which they know is closest to the people.

The proposal then would move the principal responsibility to a new form on the basis of no record, and it should be noted that the National Conference of State Legislatures, the Environmental Council of States, and the Association of Local Air Pollution Control Officials, among others, oppose this legislation.

One nice and comforting thing about it is that the red faces on the other side of the aisle about a bad piece of legislation will probably be of short duration because the Senate will never consider a piece of legislation as outrageous as this.

Mr. Speaker, I will include for the RECORD at this point some letters I have on this subject.

THE ENVIRONMENTAL COUNCIL OF THE STATES,
Washington, DC, June 14, 2004.

Hon. JOE BARTON,
Chairman, Committee on Energy and Commerce, House of Representatives, Rayburn House Office Building, Washington, DC.

Hon. JOHN D. DINGELL,
Ranking Member, Committee on Energy and Commerce, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN BARTON AND REPRESENTATIVE DINGELL: The Environmental Council of the States* (ECOS) is concerned about H.R. 4517, the United States Refinery Revitalization Act of 2004. This legislation could seriously impede state environmental permitting authority. ECOS also urges that a proposed change of this magnitude be considered in committee prior to being taken up on the House floor.

Specifically the legislation appears to weaken state authority by transferring much of the environmental permitting responsibilities to the Department of Energy, an agency with expertise on energy production, not environmental regulations.

The states are also concerned about the impact this legislation will have on State Implementation Plans (SIPs), ECOS' analysis of the legislation indicates that H.R. 4517 could acutely impact the ability of states to complete their SIPs. If refineries in revitalization zones are not held to the same standards as other industries in the same area, which is conceivable under this proposal, states will be forced to have others make up the difference in terms of pollution impact. This will result in making it more difficult for states to complete their SIPs.

It is important to note that States are co-regulators and partners with the federal government in protecting the environment, providing for more than two thirds of the funding. States implement most of the nation's major environmental laws and operate their own innovative programs. The biggest load is carried by the States, which are responsible for 90% of the enforcement. States also collect 94% of environmental data, manage 75% of the delegated programs including all of the air permitting programs, and issue most of the permits overall.

It is critical that states ability to issue permits and provide vital environmental protection services are not hindered. ECOS urges the U.S. House of Representatives to not adopt H.R. 4517, which would dramatically alter environmental protection in this country.

Please contact me at 202–624–3667 should you have any questions. Thank you for considering our position.

Sincerely,

R. STEVEN BROWN,
Executive Director.

NATIONAL CONFERENCE OF STATE LEGISLATURES,
Washington, DC, June 14, 2004.

Re H.R. 4517, the United States Refinery Revitalization Act of 2004.

Hon. DENNIS HASTERT,
Speaker of the House, Capitol Building, Washington, DC.

Hon. JOE BARTON,
Chairman, House Energy and Commerce Committee, Rayburn House Office Building, Washington, DC.

Hon. NANCY PELOSI,
House Democratic Leader, Capitol Building, Washington, DC.

Hon. JOHN DINGELL,
Ranking Member, House Energy and Commerce Committee, Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVES: The National Conference of State Legislatures opposes H.R. 4517, legislation the House of Representatives will consider this week that would establish an expedited Department of Energy-led permitting process for facilities located in Refinery Revitalization Zones (RRZ). This legislation comes to the House floor without the benefit of public hearings and scrutiny of the current state of domestic refinery permitting. States have authority over the permitting of domestic refineries and a state-federal partnership already is in place regarding permitting and operation of these refineries. H.R. 4517 circumvents and preempts both this authority and the existing state-

federal partnership. NCSL urges you to oppose H.R. 4517 and recommit it to committee so that it can undergo the kind of legislative review and discussion needed to determine whether this legislation is warranted.

H.R. 4517 appears to give the Secretary of the Department of Energy authority to override the decision of a state agency or official that results in the denial of a permit. It also transfers appeals of the Secretary's new permitting authority to federal court. This revamping of existing permitting and related activities preempts state authority and, to the extent NCSL can determine without the benefit of public hearings and reviews, is unnecessary.

Thank you for consideration of our concerns. Please have our staff contact Michael Bird (202–624–8686; michael.bird@ncsl.org) or Gerri Madrid Davis (202–624–8670; gerri.madrid@ncsl.org) for additional information.

Sincerely,

Representative JACK BARRACLOUGH,
Idaho House of Representatives,
Chair, NCSL, Environment and Natural Resources Committee.

STATE AND TERRITORIAL AIR POLLUTION PROGRAM ADMINISTRATORS, ASSOCIATION OF LOCAL AIR POLLUTION CONTROL OFFICIALS,
Washington, DC, June 14, 2004.

Hon. JOE BARTON,
Chairman, Committee on Energy and Commerce, House of Representatives, Rayburn House Office Building, Washington, DC.

Hon. JOHN D. DINGELL,
Ranking Member, Committee on Energy and Commerce, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN BARTON AND REPRESENTATIVE DINGELL: On behalf of the State and Territorial Air Pollution Program Administrators (STAPPA) and the Association of Local Air Pollution Control Officials (ALAPCO), the national associations of state and local air pollution control officials in 53 states and territories and more than 165 major metropolitan areas across the country, we write to you today to express our associations' opposition to H.R. 4517, the United States Refinery Revitalization Act of 2004. Our concerns with this bill are two-fold: First, we do not believe such legislation is warranted. Second, the bill preempts state and local environmental agencies' permitting authority and weakens control technology requirements, likely jeopardizing public health and air quality.

Premised on the notion that ''refiners are subject to significant environmental and other regulations and face several new Clean Air Act requirements over the next decade'' and that ''more regulatory certainty for refinery owners is needed to stimulate investment in increased refinery capacity,'' H.R. 4517 contends that ''required procedures for Federal, State, and local regulatory approvals need to be streamlined to ensure that increased refinery capacity can be developed and operated in a safe, timely, and cost-effective manner.'' Lacking from these assertions and conclusion, however, is any evidence that environmental requirements, particularly those related to air pollution, have prevented or impeded the construction of new, or the major modification of existing, refineries. In fact, what experience shows is that when regulated sources comply with federal, state and local permitting requirements in a timely manner, state and local agencies are able to act expeditiously to approve permits.

In addition to being unnecessary, H.R. 4517 inappropriately supercedes state and local air agencies' authority to permit sources of air pollution by transferring authority for permitting refineries located in areas designated as ''Refinery Revitalization Zones'' to the U.S. Department of Energy (DOE). As the ''lead agency,'' DOE would assume responsibility for ''coordinating all applicable Federal authorizations and related environmental reviews of the facility.'' As such, DOE would be authorized to ''prepare a single environmental review document, which shall be used as the basis for all decisions on the proposed project under Federal law'' and ''ensure that once an application has been submitted with such data as the Secretary considers necessary, all permit decisions and related environmental reviews under all applicable Federal laws shall be completed within 6 months.'' Further, ''in the event any agency has denied a Federal authorization required for a refinery facility within a Refinery Revitalization Zone, or has failed to act by the deadline established by the Secretary,'' the DOE Secretary may grant the permit even if the state or local permitting authority has determined that the application fails to comply with environmental protection requirements or if the applicant has not submitted, or did not submit in a timely fashion, adequate information upon which to base a decision that is appropriately protective of public health and air quality.

H.R. 4517 also weakens emission control technology requirements for refineries in ''Refinery Revitalization Zones.'' Although the Clean Air Act requires new and modifying refineries in nonattainment areas to install technology reflecting the Lowest Achievable Emission Rate and achieve emission offsets, and those in attainment areas to install the Best Available Control Technology (BACT) and protect Air Quality Related Values, the bill would require BACT only ''as appropriate'' at all refineries located in a Refinery Revitalization Zone.

In conclusion, our associations believe H.R. 4517 is unwarranted; moreover, we are concerned that this bill will obstruct state and local efforts to achieve and maintain clean, healthful air. Accordingly, STAPPA and ALAPCO oppose H.R. 4517.

Sincerely,

JAMES A. JOY III,
President of STAPPA.
DENNIS J. MCLERRAN,
President of ALAPCO.

JUNE 14, 2004.

DEAR REPRESENTATIVE: On behalf of the undersigned organizations, we are writing to urge your opposition to the ''United States Refinery and Revitalization Act of 2004'' (H.R. 4517) recently introduced by Congressman Joe Barton.

The premise of H.R. 4517 is that public health regulations are to blame for the country's shortage of refinery capacity. This premise is absolutely false. As of 2000, EPA had received only one application for a permit to build a new refinery in the preceding 25 years. Valero's Senior Vice President recently acknowledged that it was ''the poor margins that had the biggest impact [on new refinery construction], not the environmental rules.'' Yet, H.R. 4517 would allow oil companies to skirt public health laws when they build new refineries and expand old ones, increasing air and water pollution and harming public health. Indeed, the bill would take ultimate authority for environmental permitting in so-called ''Refinery Revitalization Zones'' away from the EPA and the states and hand it to the Department of Energy, an agency whose primary mission and expertise is the promotion of energy production.

Attachled is an analysis of the bill detailing the harmful effects that, if enacted, this measure would pose to the health and well-being of our communities. We strongly urge you to vote against the bill.

Sincerely,

John Walke, Clean Air Program Director, Natural Resources Defense Council.

Emily Figdor, Clean Air Advocate, U.S. Public Interest Research Group (PIRG).

Paul Billings, Vice President for National Policy and Advocacy, American Lung Association.

Eric Schaeffer, Director, Environmental Integrity Project.

Jill Stephens, Program Analyst, National Parks Conservation Association.

Mark Wenzler, Director of Energy Programs, National Environmental Trust.

Michele Boyd, Legislative Representative, Critical Mass Energy and Environment, Public Citizen.

Nat Mund, Washington Representative, Sierra Club.

Elizabeth Thompson, Legislative Director, Environmental Defense.

Matthew Niemerski, Government Relations Associate, Defenders of Wildlife.

Dave Alberswerth, The Wilderness Society.

Kathy Andria, President, American Bottom Conservancy.

David Monk, Executive Director, Oregon Toxics Alliance.

Jacky Grimshaw, Vice President for Policy, Transportation & Community Development, Center for Neighborhood Technology.

Cynthia Sarthou, Executive Director, Gulf Restoration Network.

DeeVon Quirolo, Executive Director, Reef Relief.

Tom Z. Collina, Executive Director, 20/20 Vision.

Sarah Peisch, Environmental Action Center.

Joan Marie Silke, President, The Good Neighbor Committee of South Cook County.

CONGRESSMAN BARTON'S H.R. 4517: WEAKENING PUBLIC HEALTH AND ENVIRONMENTAL PROTECTIONS ON BEHALF OF OIL COMPANIES

Congressman Joe Barton of Texas has introduced a bill that would make it easier for oil companies to skirt public health laws when they build new refineries and expand old ones. Entitled the ''United States Refinery Revitalization Act of 2004'' (H.R. 4517), the bill would take ultimate authority for environmental permitting in so-called ''Refinery Revitalization Zones'' away from the Environmental Protection Agency (EPA) and the states hand it to the Department of Energy (DOE), which has neither expertise nor interest in controlling the harmful pollution that refineries emit.

The Bill Falsely Blames Public Health Protections for the Country's Refining Shortage. The preamble to the Barton bill states that ''[m]ore regulatory certainty'' and ''streamlined'' regulatory approvals are needed to ''stimulate investment in increased refinery capacity.'' The bill assumes that public health regulations are to blame for the country's shortage of refining capacity; however, that assumption is false. As of 2000, EPA had received only one application for a permit to build a new refinery in the preceding twenty-five years. Refiners acknowledge that market forces unrelated to environmental regulations explain industry's failure to propose new refineries. For example, Valero's senior vice president has stated that it was ''the poor margins that had the biggest impact, not the environmental rules.'' Indeed, DOE's Energy Information Administration has determined that environmental requirements have accounted for only a very small share of the refining industry's decline in profitability over the years. More specifically, EPA has found that one of the Barton bill's primary targets—the Clean

Air Act preconstruction requirement known as ''new source review''—has ''not significantly impeded investment in new power plants or refineries.''

The Bill Neutralizes the Agencies With Interest and Expertise in Protecting Public Health. EPA and its partners in state governments are the agencies devoted to protecting communities from the harm that can result from the construction and expansion of large pollution sources such as refineries. They employ the experts who can tell whether increased pollution from a new or expanded refinery would negatively impact public health. DOE, in contrast, has no responsibility for—or expertise in—protecting the public from the pollution that refineries emit. The agency's overarching missions are expanding domestic energy production and leaning up nuclear waste. The Barton bill nevertheless declares that with respect to a new or modified refinery, ''the Department of Energy shall be the lead agency for coordinating all applicable Federal authorizations and related environmental reviews of the facility.'' This provision has no precedent in environmental permitting and violates cooperative federalism, a principle that is fundamental to state and federal environmental laws in the U.S.

What is more, the Barton bill declares that even if EPA and state experts conclude that a proposed refinery project would fail to comply with the public health safeguards contained in the nation's environmental laws, the Secretary of Energy may ''issue the necessary authorization'' anyway. This provision turns the environmental review process into a sham: If an oil company does not like the decision reached by government experts on the basis of science and their experience implementing our public health and environmental laws, then the company can appeal directly to the head of an agency whose devotion to maximizing energy production is not tempered by any experience implementing public health status or any expertise in the effects or refinery pollution. If the Secretary of Energy reverses the government experts and issues a permit, then an affected citizen's only recourse under the terms of the bill is to a federal appeals court that lacks the ability to undertake the fact-finding that has been crucial and, until now, available in National Environmental Policy Act cases.

The Bill Eliminates Important Public Health Protections. National environmental laws, such as the Clean Air Act and the Clean Water Act, require industry to implement the best available pollution control technology at any new refinery and at any existing refinery that undergoes a change that otherwise would increase harmful emissions. By contrast, the Barton bill declares that best available control technology shall be employed only ''as appropriate.'' This term is undefined, leaving to the ultimate discretion of DOE all determinations of appropriateness, and allowing those determinations to be dictated by non-public health considerations.

With respect to new and modified refineries, the Clean Air and Water Acts impose several requirements above and beyond the installation of best available control technology. For example, the new source review provisions of the Clean Air Act require a company to demonstrate that any increased air pollution resulting from refinery construction or modification will not have an adverse impact on air quality, national parks, or public health. The Clean Water Act requires all facilities to not only be held to technology-based limits, but also to reduce their water discharges further in order to ensure that ambient water quality standards are achieved. In contrast with these statutes, the Barton bill suggests that the installation of best available control technology will, on its own, suffice ''to comply with all applicable Federal, State, and local environmental regulations.'' In areas where the air already contains unhealthy levels of pollution, so as not to exacerbate air quality and public health, the Clean Air Act holds new and modified refineries to an even more protective standard than best available control technology, namely, lowest achievable emissions rate. Those provisions further require refineries to offset any emissions increases with decreases of the same or greater magnitude elsewhere in the area. The Barton bill weakens these safeguards, allowing air quality to worsen in already polluted areas, by suggesting that installation of best available control technology, on its own, will satisfy all environmental regulations.

The Bill Deprives Government Experts and Concerned Citizens of the Tools They Need to Protect Our Communities. In order to judge accurately the impact that a new or expanded industrial facility will have on neighboring communities, environmental agencies and concerned citizens must carefully review essential information concerning the proposed project. In the past, companies have filed incomplete permit applications, withheld critical information until after deadlines for public comment have passed, and demanded a final permit notwithstanding the lack of real public participation and the inadequate opportunity for careful review by government experts. Ignoring this history, the Barton bill declares that the Secretary of Energy shall ensure that ''all permit decisions and related environmental reviews under all applicable Federal laws shall be completed within 6 months'' of the date on which the applicant submits ''such data as the Secretary''—as opposed to the government experts who must evaluate the data—''considers necessary.'' What is more, the bill required EPA and the states to tell a refiner ''the likelihood of approval for a potential facility'' before the refiner has filed any application at all. The obligation to engage in premature guesswork at the refiners' behest is without precedent in environmental law and threatens to prejudice the outcomes of the ultimate permit application reviews.

If Expanded Refineries Escape Careful Review, Already Disadvantaged Communities Will Suffer the Most. In thirty-six states and 125 U.S. cities, more than sixty-seven million people breathe air polluted by refineries. That pollution causes cancer and childhood development problems, in addition to inducing asthma attacks, headaches, and nausea. Many existing refineries are located next to low-income communities with large minority populations. The Barton bill targets these disadvantaged communities by directing the loosening of public health protections at ''any area * * * that has an unemployment rate of at least 20 percent above the national average.'' The American public—and especially disadvantaged families living next to existing refineries—need stronger, more effective public health protections. The Barton bill would instead weaken existing protections, without addressing any of the true causes of the country's refining shortage.

Mr. BARTON of Texas. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Oklahoma (Mr. COLE).

□ 1115

Mr. COLE. Mr. Speaker, I am proud to come to the floor today to support H.R. 4517, the Refinery Revitalization Act of 2004, which will provide incentives to increase the Nation's refinery capacity.

I have several major refineries in my district. I also have several refineries that have gone out of business in recent years, largely in small rural communities where their loss has created significant unemployment problems. Those areas could benefit enormously from this particular piece of legislation.

As all speakers on both sides of this issue have agreed, the number of refineries in this country has been reduced significantly in recent decades. Indeed, since 1981 the number of refineries has been reduced by 52 percent. In that time, total refining capacity has declined by 9.8 percent. Recent increases in the refinery are due simply to some efficiencies as opposed to the adding of additional capacity.

Mr. Speaker, while our production is declining, demand for refined products is projected to increase substantially between now and 2025. We will meet the demand for additional refined products either by producing that product here in the United States or importing it from abroad. This bill is needed to restore manufacturing jobs and capacity in this country. Counties where oil refineries have closed in the last 20 years have an average unemployment rate of 6.8 percent, significantly higher than the national average. I am amazed that those who complain about the exporting of American jobs oppose this bill, for without it, its passage, we will surely export thousands of refining jobs in the coming years.

Mr. Speaker, by passing this bill, we can decrease our reliance on foreign sources of energy, create new good jobs here at home, and improve our energy independence.

Mrs. CAPPS. Mr. Speaker, I reserve my time.

Mr. BARTON of Texas. Mr. Speaker, I yield 2 minutes to another distinguished Member, the gentleman from Oklahoma (Mr. SULLIVAN), a member of the subcommittee and the full committee.

Mr. SULLIVAN. Mr. Speaker, as we continue to discuss the state of America's energy industry, we need to take a hard look at our ability to add value to oil through refinement. Our refining situation in the energy industry is dismal. We have not built a new refinery in 25 years. Experts will tell you that U.S. refineries are unlikely to spend capital on expansion because they have already earmarked $20 billion to comply with burdensome government regulations. There just is not enough money left over to expand.

We are maxed out. Our refineries are operating at 95 percent. Even if we recover more oil, even if we spur domestic production and reduce our dependency on foreign oil, we cannot refine it. We actually, if we do refine some extra oil, we have to send it to a foreign country to add value to it, and we have to buy it back like a Third World country.

Due to our shortage in refining capacity, simple disruption can lead to wild price swings. For example, as refineries switch from winter to summer gasoline blends, prices in California increased by 40 cents a gallon. In 2000, gas prices in Chicago shot up by 50 cents a gallon due to refining problems.

We are neglecting the state of our refining ability, but today we can do something about it. The Refinery Revitalization Act will streamline the regulatory and approval process for the restarting of refineries and construction of new refineries. It is just unbelievable we have not modernized our refineries.

Mr. Speaker, could you imagine if we did not build a microchip processing plant or an auto assembly line for the next 25 years? Where would those industries be? By passing this legislation, we will update our ability to add value to our oil, reduce the cost of gasoline, and stabilize our energy economy.

This is a smart solution for a Nation suffering from sky-high prices at the gasoline stations.

I am looking forward to going home so I can tell my constituents that I did what I could to ease the high cost of gasoline. I hope that my colleagues will join me.

Mrs. CAPPS. Mr. Speaker, I continue to reserve my time.

Mr. BARTON of Texas. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Illinois (Mr. SHIMKUS), vice chairman of the Subcommittee on Energy and Air Quality.

(Mr. SHIMKUS asked and was given permission to revise and extend his remarks.)

Mr. SHIMKUS. Mr. Speaker, 28 years ago we built the last refinery in the United States, 28 years ago. We import 7 percent of our refined product in this country. We import gasoline. We hear all the problems of the crises of imported crude oil. What many people do not understand, or they believe, is that we import refined product, the gasoline that goes into people's tanks. Seven percent is imported from foreign countries. We must and we can do better.

These countries that are importing refined product, they get the value-added benefit of refining the crude oil. They get the jobs of refining that product. They get the jobs of building those refineries. They also get the tax benefits from the national government and the local level. We can and we must do better. That is why I applaud my colleague for bringing this bill to the floor.

In Illinois over the past year we have lost 220,000 barrels per day of refined capacity with the closure of three refineries. With the number of boutique fuels in Illinois, this has led to large price spikes when problems occur in other refineries. The most recent refinery closure resulted in the loss of 300 jobs. The number of refineries in the United States has gone from 324 in 1981 to 153 today. In Illinois alone, we have decreased from 11 refineries to four.

This bill protects existing environmental regulations on clean air, and what better place than to address the siting issues than to put them on old, abandoned refinery sites. So people who know and have lived and now have these abandoned refineries, it is brilliant to say let us get these sites that are abandoned back into use.

Mr. Speaker, this is a critical issue at a time of not just high demand for crude oil but demand for product. It is unconscionable that we import refined product. In fact, the Governor of Illinois recognized that when he ordered the reopening of a closed refinery outside of my district to help ease the supply of refined product. This specifically will help Lawrenceville with a closed facility and Wood River, Illinois. We have to get these refineries back into refining product, and then we need to address our crude oil shortages. I applaud the gentleman from Texas (Chairman BARTON) and look forward to the vote on this bill.

Mrs. CAPPS. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Speaker, I rise in opposition to the Refinery Revitalization Act, which is nothing less than a direct assault on the ability of qualified State and Federal officials to protect human health, protect the environment, and to protect the economy. In the name of increased refinery capacity, this bill puts the interest of the oil industry above all other interests.

It would allow the Secretary of Energy to be the final decisionmaker under Federal law for the Clean Water Act. The Department of Energy would make those decisions without having any of the expertise implementing those laws which are outside of its jurisdiction. The Secretary of Energy could overrule decisions of the EPA and the Corps of Engineers, as well as State decisions, that a refinery might harm public health or harm the environment.

This bill would give the Secretary of Energy the final say in protecting human health and environment. If a State agency denies approval for a refinery facility under Federal law, the applicant can appeal to the Secretary of Energy who can issue the approval over the objection of Federal or State interests. That is a clear shot right at our Nation's environmental laws.

It specifically lists the Federal Water Pollution Control Act, which is a predecessor to the Clean Water Act. It specifically lists the Clean Air Act, the Safe Drinking Water Act, the Superfund Act, the Solid Waste Disposal Act, the Toxic Substances Control Act, National Historic Preservation Act, National Environmental Policy Act as laws that the Secretary of Energy can simply overrule.

This makes the Department of Energy the environmental czar in America. States would see their capacity to protect public health and public safety through the clean water permitting program significantly diminished. States would in fact be denied the opportunity to implement their own programs to achieve water quality improvements through the total maximum daily load program. States would be denied opportunity to protect water quality under section 401 of the Clean Water Act which ensures that federally permitted actions are consistent with State water quality goals.

I do not understand how it makes any sense to have a Federal entity permit a program to have negative effect on State water quality; yet this bill specifically allows it. Permitting decisions of EPA and the Corps of Engineers, including protection of wetlands or protections of obstructions to navigation, all those could be overturned.

While the authors of the bill may be targeting environmental laws, they have gone way beyond any reasonableness. There ought to be some way of bringing the Department of Energy into a coordination or discussion with the EPA, but not to make the Department of Energy the final arbiter to overturn our existing Federal laws. For 100 years, the Corps of Engineers has been charged with regulating activities that could have adverse effect on the Nation's waterways for commerce.

Private parties without that protection could locate wharves, docks, and other structures in the water to obstruct free flow of navigation. That century of regulatory authority could be thrown out by the Secretary of Energy if a refinery says we have been denied a permit by the Corps of Engineers, and the Secretary of Energy comes in and overrules them.

Refineries often are located near navigable waterways to facilitate barge traffic and so on. If a refiner wanted to extend the docking area into the navigation channel and the corps said no, the Secretary of Energy could say the Corps of Engineers does not count.

Mr. Speaker, this is unsound policy. This mega-authority for the Secretary of Energy to overrule air quality safety, water quality safety, and navigation safety is unprecedented, unnecessary, unwise, unsound; and we ought to defeat this bill.

Mr. BARTON of Texas. Mr. Speaker, I reserve the balance of my time.

Mrs. CAPPS. Mr. Speaker, I yield myself such time as I may consume.

In closing, I would observe to the chairman of the Committee on Energy and Commerce that on our side we have needed to roll into this 1 hour of discussion all of the customary hearings and studies which should have been undertaken. I know the gentleman has made apologies for it, but it is clear to me in listening to the debate that this bill before us is based on such a faulty premise, an unproven, untested premise, that public health and environmental protection laws are to blame for the shutdown of refineries. There is no evidence to support it, and there is no documentation that passage of this bill would increase the number of refineries reopened or produced.

We are being asked to support this legislation with no knowledge base on which to make our actions. As I have said earlier, to me this is a mockery of the system we are about, particularly for the committee which is such an important, prestigious committee within the House of Representatives and which I am so honored to be a part of.

□ 1130

The solution that I understand is being offered is to let the Secretary of Energy, a czar is what my colleagues have called him, we will have to build him a special throne because he is going to be able to override the Environmental Protection Agency, one whole agency that will just be emasculated, never mind State houses emasculated, to have a say in the environmental and public health regulations that their State has authority over. That will all be set aside in favor of this hope that by giving the power to the energy czar, we will see oil refineries opened. We do not know for sure but we hope so. The gentleman from Massachusetts (Mr. MARKEY) eloquently noted for us that oil companies are awash in profits and could if they wished today build new refineries.

In sum, this is a bad bill. We can consider the topic but we certainly should not support this legislation. I urge my colleagues to oppose it. If this bill goes into law and is signed into law, we will begin a strong conversation with the American people about environmental justice issues and about the engorgement of big government here in Washington, D.C.

Mr. Speaker, I yield back the balance of my time.

Mr. BARTON of Texas. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I want to start out my closing with just reading a few of the facts that have been sadly not reported during this debate. The number of refineries in the United States of America has been reduced from 324 in 1981 to 153 today. That is over half the refineries have been closed in the United States since 1981. That is fact number one.

Fact number two, refining capacity in millions of barrels per day luckily has not gone down quite that much but it has gone down about 10 percent, from 18.5 million barrels a day in 1981 to a little over 16 million barrels per day today. So number of refineries down, capacity to refine down.

However, the demand for refined products has gone up. In 2001 it was a little under 20 million barrels a day. It is expected to grow to over 26 million barrels a day in 2025. Number of refineries down, capacity down, demand up. That is a fact. It may be an unpleasant fact but it is a fact.

So what are we to do about it? I guess we could just stick our head in the sand and say no big deal. Maybe we ought to do something to increase refinery capacity. I will grant, and I have already granted several times in this debate, this particular bill has not been the subject of hearings and the normal regular order, subcommittee markup, full committee markup. I have apologized for that. I will apologize for it again.

Having said that, is it a bad concept to say let's go into areas where they have an existing refinery, perhaps it is opened, perhaps it is closed and they have high unemployment. The bill says 20 percent. Maybe that is not the right number. Maybe it ought to be 10 percent. Maybe it ought to be 30 percent above the national average. But at least we say we have an existing refinery or a closed refinery, it has a high unemployment average, high above the national average, let's set an expedited procedure. Let's say that an applicant can ask the Secretary of Energy to designate that as a refinery revitalization area and then try to get some decisions about reopening or improving that refinery. We do not waive one environmental law. We do not waive any State control. We simply say you have got to make a decision on the existing laws.

I have some pending permits in my congressional district, not on refineries, on cement plants. One permit has been pending for 3 years, the other for 2 years. It costs millions of dollars to make those permit applications. This bill says don't waive the law, just say that you have to make a decision within a certain time frame. Maybe the time frame is wrong. Again, hearings would say if we need a little bit more time. But the concept is not wrong. The concept. In terms if you decide to reopen a refinery, what do we say, what kind of technology? Best available control technology. Best available. Not worst. Not none. Best available. Existing refineries that are still operating are going to spend $20 billion in the next few years just to comply in those refineries with existing law. $20 billion. We say if somebody wants to open a new refinery, expand one, reopen a closed one, they have to use the best available control technology.

Let us now talk about outsourcing of jobs. There has been a lot of debate about jobs going overseas. This keeps jobs in the United States. Most of these jobs would be high-paying jobs. Most of them would be union jobs. Is that a good thing or a bad thing? Again, maybe those that oppose this bill have an alternative. It is fair to say since we did not hold a hearing that they may have one. But is their alternative never build a refinery in the United States of America again? In the Carter years under the Fuel Use Act, they said never use natural gas again. We repealed that fortunately when Reagan came into office. But maybe that is the position of my friends on the minority side, they never want a refinery to ever be built again in the United States of America.

If that is their position, put the bill up on the floor and we will have a debate on it. But if they think that it is okay to build some new refineries and to reopen some old ones to meet this demand that is going to go to 26 million barrels a day, this is a way to do it.

It may not be the perfect way, I will grant you that. But it is a way. If you think the United States of America should be a manufacturing society, should maintain these jobs, vote for this bill. We will hold all the hearings in the world. We are going to have plenty of opportunity with the Senate, the other body. So I would hope that we can vote for this bill and at least send a signal to people that live in high unemployment areas, there is some hope and some opportunity that they may get one of these high-paying jobs.

Mr. SMITH of Michigan. Mr. Speaker, I rise before you today in favor of H.R. 4517, the U.S. Refinery Revitalization Act of 2004.

Existing U.S. refineries are already operating at or near full capacity because this country hasn't added new refineries in almost three decades. As Director of Energy at USDA during the 1970s Arab oil embargo, I find that not only hard to believe, but unacceptable.

EPA implemented tougher Clean Air Act regulations, including a program that requires refiners to take expensive steps to cut factory emissions when they expand capacity or build new plants. Many refiners couldn't meet the requirements and have gone out of business.

Now, we only have the capacity to meet about 90 percent of our gasoline needs. This is especially significant in Michigan where we have just one refinery left—the Marathon Ashland plant in Detroit. In addition to federal law, the state of Michigan also needs to consider changes in state law and regulation that will encourage the building of more refineries in Michigan.

U.S. laws requiring dozens of different regional gasoline formulations have created unusual fuel requirements that are not easily met by foreign refiners. Each formulation requires different pipelines and trucks for different parts of the country that increase the cost. A shortage of clean tankers available to ship gasoline from overseas is yet another bottleneck. This adds to the cost at the pump, and leads to regional price shocks when refineries experience interruptions in their production.

Under this bill, many areas in Michigan would be eligible as a Refinery Revitalization Zone, including Wayne County, where Michigan's last remaining refinery is located.

I stand in favor of H.R. 4517 because this will help the Midwest region lower its 6 percent gasoline supply deficit and reduce some of the highest pump prices in the nation.

Mr. BARTON of Texas. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LINDER). All time having been yielded, pursuant to House Resolution 671, the bill is considered read for amendment, and the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mrs. CAPPS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 11 o'clock and 38 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 1315

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. FOSSELLA) at 1 o'clock and 15 minutes p.m.

PROVIDING FOR CONSIDERATION OF H.R. 4568, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2005

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 674 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 674

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4568) making appropriations for the Department of Interior and related agencies for the fiscal year ending September 30, 2005, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Points of order against provisions in the bill for failure to comply with clause 2 of rule XXI are waived except as follows: in title I, the sixth proviso under the heading ''Wildland Fire Management,'' the final proviso under the heading ''United States Geological Survey, Administrative Provisions,'' and section 113; in title II, the fourteenth proviso under the heading ''Wildland Fire Management'' and the final sentence of the sixth paragraph under the heading ''Administrative Provisions, Forest Service''; in title III, section 317, the proviso in section 319, and sections 324, 328, 331, and 333. Where points of order are waived against part of a paragraph or section, points of order against a provision in another part of such paragraph or section may be made only against such provision and not against the entire paragraph or section. During consideration of the bill for amendment, the Chairman of the Committee on the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. HASTINGS of Washington asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Washington. Mr. Speaker, House Resolution 674 is an open rule waiving all points of order against consideration of H.R. 4568, the Department of Interior and Related Agencies Appropriations Act of 2005.

The rule provides for one hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations.

The resolution provides, per the rules of the House, that the bill shall be read for amendments by paragraph. Points of order against provisions in the bill for failure to comply with clause 2 of rule XXI, which prohibits unauthorized appropriations or legislative provisions in an appropriations bill, are waived except as specified in the resolution.

The rule authorizes the Chair to accord priority recognition to Members who have preprinted amendments in the CONGRESSIONAL RECORD.

The rule also provides for one motion to recommit with or without instructions.

Mr. Speaker, H.R. 4568, the Department of Interior and Related Agencies Appropriations Act of 2005, sets clear priorities in a year of tight budgets.

The chairman of the Subcommittee on Interior and Related Agencies faced a difficult challenge and has written a solid bill that focuses on meeting the Federal Government's core responsibilities in the agencies under the subcommittee's jurisdiction.

Priority was given to essential functions and duties of these agencies, rather than on launching new initiatives and expanding government's reach.

One of the highest priorities must be preventing wildfires on our national lands. This bill provides $2.6 billion for wildland firefighting in the National Fire Plan. This is a significant increase over fiscal year 2004, and it is a much-needed increase.

Wildfires have a dramatic impact on our public lands, on private property and, even tragically, on human life. We must maintain the commitment to working to prevent such blazes and combating them aggressively when they do strike.

Another priority must be providing for our existing parks and public lands. This bill increases funding for our national parks, a total of $1.7 billion. For example, the bill includes $471 million to address the backlog in maintenance at our national parks and places restrictions on travel expenses for Park Service officials, a common-sense policy during a time when our parks have serious maintenance needs. Addressing these maintenance needs is something that I have long supported.

The bill also includes increased funding over the fiscal year 2004 level for the Indian Health Service, the National Forest System, BIA Education and Operations of Indian Programs and the U.S. Geological Survey.

Funding is limited for Federal land acquisition, a decision on priorities that I strongly support. In a year of fiscal constraints, it certainly is appropriate to focus first on maintaining the Federal Government's existing lands.

Land acquisition is not a necessity. Indeed, it costs local governments through decreased tax revenue and has real impact on local governments' abilities to provide essential services.

Mr. Speaker, I commend the gentleman from North Carolina (Chairman TAYLOR) for his leadership in writing H.R. 4568, especially in this challenging year. The gentleman from North Carolina (Chairman TAYLOR) has guided this bill in a reasonable and responsible manner, which is especially appreciated in all areas of the West like the district I represent that are heavily impacted by the work of Federal agencies under his jurisdiction.

I also want to recognize the role that I know the ranking minority member of the subcommittee, my colleague from Washington State (Mr. DICKS), played in the preparation of this bill. I value highly our ability to work together on matters of importance to Washington State, and this is a good example of that. I know my colleague's dedication to solving challenges and bettering our Nation are traits he brings to all of his responsibilities here in the House.

So, Mr. Speaker, I encourage my colleagues to support this open rule, H. Res. 674, and the underlying Interior Appropriations bill.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from Washington (Mr. HASTINGS) for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, the appropriations process for the coming