

Unrestricted Crude Exports Are Huge Giveaway to Oil Companies Oppose H.R. 702 to Protect Consumers and the Economy, the Environment and Climate Change, and National Security

Dear Colleague,

On Friday, the House will consider H.R. 702, a bill “to adapt to changing crude oil market conditions.” The bill represents a fundamental change in U.S. energy policy by lifting the long-standing prohibition on the export of domestic crude oil.

As the attached [fact sheet](#) explains, H.R. 702 would incentivize a major increase in domestic oil production, and the vaguely drafted provisions of the bill could have potentially sweeping consequences for consumers and the economy, the environment and climate change, and national security. Among other things, the bill would have serious implications for:

- Our refinery capacity and associated jobs – good paying middle class jobs have grown over the past few years due to increased production. Unrestricted exports of crude oil puts those jobs in jeopardy, and could mean exporting those jobs AND losing out on critical investments in future refining capacity.
- National security – lifting the ban on crude exports would dramatically alter decades of U.S. policies put in place to encourage the longstanding goal of energy independence. Despite increased production, the U.S. remains heavily dependent on oil imports. Hastily lifting the ban would hinder the predicted decline in imports and leave the U.S. dependent on foreign countries for over a quarter of oil consumed for decades.
- The environment and climate change – our energy policy is fundamentally linked to environmental policy. Increasing crude oil exports means increasing domestic production and its impacts on climate change, public health, worker safety, property owners and protection of our drinking water supplies.

As described in a [recent analysis](#) by the Center for American Progress, “the economic, national security, and environmental impacts of changing long-standing U.S. crude oil policy are neither well-documented nor well-understood.” Rushing to export unrestricted amounts of crude oil will only boost short term profits for oil companies – to the tune of approximately \$30 billion in additional revenue in 2025.

All too often, we eagerly embrace short-term profits and benefits without understanding the costs of our actions. We should not make that mistake with H.R. 702. I strongly urge you to oppose it.

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