CONGRESSMAN SHERWOOD BOEHLERT (R-NY)
TESTIMONY TO ENERGY AND COMMERCE COMMITTEE ON CAFE
May 3, 2006

Mr. Chairman, Ranking Member Dingell, and Members of the Committee,

I appreciate the opportunity to testify before you this morning.

I only rarely seek to testify before Committees, but I wanted to appear today because I think that raising fuel economy standards is the single most important step the Congress can take to reduce what the President has correctly identified as the U.S. "addiction" to oil.

Reducing that "addiction" is a national security imperative. We have to look for our oil "fix" in some pretty dark and dangerous alleyways and the people awaiting us there are not always our friends. Moreover, our dependence on oil, with its erratic but generally rising prices, puts our economy at risk, if not today, then over the long haul as international demand continues to rise. Our oil problems are only going to get worse. Our trade balance is only going to get worse. So we have to slow the growth of U.S. oil consumption, particularly imported oil consumption.

Over time, there's really only one way to do that, and that's to limit demand. Dealing with domestic supply can provide only very limited, short-term relief, often at a very high environmental cost. Demand is the primary problem and demand is where we must direct our solutions.

And if we're going to address demand, transportation is the place to look for savings. About 60 percent of the oil consumed daily by Americans is used for transportation, and about 45 percent is used for passenger cars and light trucks.

There is no way – no way – the U.S. can limit future demand unless we limit how much fuel we use for transportation.

So what can we do? Clearly, relying on the marketplace isn't working, and it won't be sufficient even at current prices. That's because while, as a society, we all want to limit fuel consumption significantly, as individual car buyers, we also want our vehicles to have other attributes. So if I want an SUV – and I drive one – if I want an SUV and automakers choose not to put a fuel efficient one on the market, there's nothing I can do as an individual consumer to signal my disappointment. This is a classic market failure. The government has to act.

And the government has two tools – taxes and regulation. I don't see a groundswell of people willing to raise gas taxes right now. That leaves fuel economy standards as the only effective tool we have as a nation to make a dent in our dangerous and ever growing consumption of oil.

I have been pointing out all of this for years, and I'm pleased to see that that message is finally getting through now that gasoline prices are at new heights. Better late than never. I think it is real progress that the Administration is now seeking and that this Committee is now considering legislation. We ought to remove any doubt about whether an Administration can increase CAFE standards for passenger cars.

But we ought to do far more than that. Congress should set new CAFE standards right now. We have already waited too long.

If we just give the Administration authority, we know what will happen. We will get a long rulemaking process that produces tepid results. Our politically appealing call for strong and immediate action will be met with the faint echo of weak results over a protracted time period. That's what happened in the recent rulemaking for light trucks.

I would urge this Committee instead to support our bipartisan bill, H.R. 3762, which is fully consistent with the recommendations of the National Academy of Sciences. It would raise fuel economy standards to 33 miles per gallon by 2015. It would get rid of the baseless distinction between passenger cars and light trucks. It would permit reform of the CAFE system by allowing size classifications and credit trading in a way that would prevent backsliding.

Such a bill is really the minimum step Congress should take right now if we're serious about addressing fuel consumption. At current prices, the Academy recommendations would actually suggest that we could press for even greater fuel economy.

It's equally important to point out what our bill would not do. It would not lead to a reduction of safety. The National Academy report makes it clear, as you will hear today, that written properly, fuel economy standards can be tightened (and I quote) "without degradation of safety." And our bill does not assume that we will make some grand technological breakthrough. The technologies needed to meet the standards our bill sets already exist; indeed, some of them have already been surpassed since the report was issued in 2002.

So we in Congress have a very clear choice. We can take largely symbolic action and sit back and fiddle while Americans burn more gasoline. Or we can pass concrete, effective legislation that will save consumers money while significantly reducing U.S. oil consumption. We have all the information, all the studies, all the technology we need to take that step. We just need the political will.

Simply giving authority to the Administration is the bare minimum we can do. Are we prepared to tell the American people that we're just doing the bare minimum with gasoline at $3 a gallon?

I look forward to working with this Committee as you decide how to proceed. And I will continue to press the House to take real action to address our most serious national security threat, our oil addiction. Thank you.