

## **BILL ANALYSIS**

Senate Research Center  
84R7150 BGU-F

S.C.R. 13  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Since the United State Congress passed the Energy Policy and Conservation Act of 1957, the landscape of the oil and gas industry in the United States has changed, especially in Texas. Advancements in technology have paved the way for a new era in production. Lifting the crude oil export ban and allowing United States producers to offer their product to the global market would have several positive impacts on our state and nation. S.C.R. 13 urges Congress and the President of the United States to recognize that crude oil exports and free trade are in our national interest, and to repeal the current ban on these exports.

The efficient exploration, production, and transportation of oil in Texas prevents waste of the state's natural resources, contributes to the health, welfare, and safety of the general public, and promotes the prosperity of the state. The tax revenues and economic prosperity deriving from this Texas energy renaissance have greatly benefited Texas public schools, higher education, critical infrastructure development, and public health and safety programs.

Improved technologies and abundant resources have made America the world's leading oil and natural gas producer, overtaking Saudi Arabia and Russia.

The 1970s-era federal law prohibiting crude oil exports is a relic from an era of scarcity and flawed price control policies. Allowing American crude oil exports will strengthen U.S. geopolitical influence by giving our trading partners a more secure source of supply, and allowing the export of American crude oil will make our allies less dependent on crude oil from Russia and the Middle East.

The world's other major developed nations allow crude oil exports, making America the only nation that does not take full advantage of trading a valuable resource in what is an otherwise global free market. Crude oil exports will benefit America's national security interests by decreasing the likelihood that global oil supply can be used internationally as a strategic weapon.

Numerous studies have found that allowing American crude oil into the world's free market will benefit U.S. trade and American consumers while creating more high-paying jobs for Texans to fill. According to an analysis by the American Petroleum Institute, Texas will lead all states in job growth following the repeal of the ban, with an estimated 40,291 jobs by 2020. Other studies have similarly found tremendous prospective GDP growth from lifting the 1970s-era ban.

The United States is the largest exporter of refined petroleum products and would benefit even more substantially from the export of both crude oil and refined petroleum products.

At least seven independent studies have confirmed that repealing the ban on American crude oil exports will lower U.S. gas prices, benefiting Texas consumers and businesses. Thousands of small and large Texas businesses that support oil and gas development will benefit from ongoing production. Manufacturers will benefit from less volatility in energy costs and the technology and brainpower behind the American energy renaissance was mostly pioneered in Texas by Texans.

Encouraging a global marketplace that is more free from artificial barriers will better allow the export of Texas leadership and expertise, which will also ultimately economically benefit Texas, the rest of the United States, and our friends around the world.

## **RESOLVED**

That the 84th Legislature of the State of Texas hereby urge the United States Congress and the president of the United States to recognize that crude oil exports and free trade are in the national interest and take all necessary steps to eliminate the current ban on crude oil exports.

That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the U.S. secretary of commerce, to the U.S. secretary of energy, to the majority leader of the Senate and the speaker of the House of Representatives of the United States Congress, and to all the members of the Texas delegation to Congress with the request that this resolution be entered in the Congressional Record as a memorial to the Congress of the United States of America.