

108TH CONGRESS
2D SESSION

S. RES. 364

Expressing the sense of the Senate concerning oil markets.

IN THE SENATE OF THE UNITED STATES

MAY 18, 2004

Mr. SCHUMER (for himself, Mr. KENNEDY, Ms. STABENOW, Ms. MIKULSKI, Mr. WYDEN, Mr. DURBIN, Mr. CORZINE, Mrs. BOXER, Mr. LEVIN, Mr. LAUTENBERG, Mr. LEAHY, Mr. HARKIN, Mr. DODD, Mrs. FEINSTEIN, Mrs. CLINTON, Mr. SARBANES, Mr. REED, Mr. DASCHLE, Mrs. MURRAY, Mr. LIEBERMAN, Mr. ROCKEFELLER, Mr. AKAKA, Mr. FEINGOLD, Mr. REID, Mr. JOHNSON, and Mr. DAYTON) submitted the following resolution; which was referred to the Committee on Energy and Natural Resources

RESOLUTION

Expressing the sense of the Senate concerning oil markets.

Whereas the prices of gasoline and crude oil have a direct and substantial impact on the financial well-being of American families, the potential for national economic recovery, and the economic security of the United States;

Whereas on Friday, May 7, 2004, crude oil prices reached a 13-year high of \$40 per barrel, the weighted national average retail price of gasoline was \$1.96 per gallon, and the average retail price of gasoline has broken all-time record highs for 2 consecutive months;

Whereas despite the fact that crude oil prices were already approaching record highs, the Organization of Petroleum Exporting Countries (OPEC) announced on April 1, 2004, its commitment to reduce oil production by 1,000,000 barrels per day;

Whereas the Strategic Petroleum Reserve (SPR) was created to enhance the physical and economic security of the United States, and the law allows the SPR to be used to provide relief when oil and gasoline supply shortages cause economic hardship;

Whereas the proper management of the resources of the SPR could provide gasoline price relief to American families and provide the United States with a tool to counter-balance OPEC supply management policies;

Whereas it has been reported that the Administration's current policy of filling the SPR at a rate of hundreds of thousands of barrels per day, despite the fact that the SPR is more than 94 percent full, has contributed to record high gasoline contract prices on the New York Mercantile Exchange;

Whereas in order to combat high gasoline prices during the summer and fall of 2000, President Clinton released 30,000,000 barrels of oil from the SPR, stabilizing the retail price of gasoline;

Whereas the Administration has failed to manage the SPR in a manner that would provide gasoline price relief to working families; and

Whereas the Administration has failed to adequately demand that OPEC immediately increase oil production in order to lower crude oil prices and safeguard the world economy: Now, therefore, be it

1 *Resolved,*

2 **SECTION 1. SENSE OF THE SENATE CONCERNING OIL MAR-**
3 **KETS.**

4 It is the sense of the Senate that—

5 (1) the President should directly confront
6 OPEC and challenge OPEC to immediately increase
7 oil production;

8 (2) the President should direct the Federal
9 Trade Commission and Attorney General to exercise
10 vigorous oversight over the oil markets to protect the
11 American people from price gouging and unfair
12 practices at the gasoline pump; and

13 (3) to lower the burden of gasoline prices on
14 the American economy and to circumvent OPEC's
15 efforts to reap windfall crude oil profits, the Presi-
16 dent should suspend deliveries of oil to the SPR and
17 release 1,000,000 barrels of oil per day from the
18 SPR for 30 days following the date of adoption of
19 this resolution, and if necessary, for an additional 30
20 days beyond that.

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