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THIRD DISTRICT, OREGON

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April 28, 2011

John A. Boehner
Speaker of the House
H-232 Capitol
Washington, DC 20515

Dear Speaker Boehner,

We write to acknowledge your statement earlier this week that you were open to eliminating unnecessary tax subsidies for the oil and gas industry. We agree with you that, especially in an era of high gas prices and high profits, the big oil companies don't need all of the generous subsidies that taxpayers currently provide.

Enclosed is a copy of legislation that we have introduced, H.R. 601, which would eliminate the depletion allowance tax subsidy along with a number of other tax breaks enjoyed by the big oil companies. Importantly, our legislation reserves these subsidies for small independent producers. It would save roughly $40 billion over the next 5 years.

President Obama has written to Congress urging us to pass legislation to eliminate unwarranted tax breaks for the oil companies. This position is shared by a majority of the Democratic Caucus, as evidenced by the vote on the Motion to Recommit on H.J. Res. 44 (Roll Call 153), and by 74 percent of the American public according to recent opinion polls.

You may hear concern from some in your caucus that closing tax loopholes for the oil companies will raise gas prices. As you know, this is not the case. The Joint Economic Committee and other experts have determined that closing tax loopholes for the big oil companies will not increase consumer energy prices. Since the price of oil is set on the world market, the subsidies we provide in this country only do one thing: increase oil company profits.

Oil prices are sufficiently high for companies to explore and drill without incentives. In the words of former President George W. Bush, "I will tell you with $55 oil we don't need incentives to oil and gas companies to explore." Today prices are double that amount, making tax incentives even less necessary.

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As Exxon Mobil, BP and other big oil companies announce record profits in the coming days, we urge you to schedule an up-or-down vote on the House Floor providing members with the opportunity to vote to repeal some of the most egregious tax subsidies. With gas prices on the rise, we would welcome the opportunity to show our constituents that Congress is ready to stop wastefully subsidizing some of the most profitable businesses in the world and instead use that money to reduce the deficit and invest in real relief from high gas prices.

Sincerely,

Earl Blumenauer
Member of Congress

Edward J. Markey
Member of Congress

Lois Capps
Member of Congress

Barney Frank
Member of Congress

Pete Stark
Member of Congress

John Conyers
Member of Congress

Louise M. Slaughter
Member of Congress

Barbara Lee
Member of Congress

Keith Ellison
Member of Congress

Chris Van Hollen
Member of Congress

Rush Holt
Member of Congress

Betty McCollum
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David Cicilline
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Jan Schakowsky
Member of Congress

Betty Sutton
Member of Congress

Peter Welch
Member of Congress

John Tierney
Member of Congress

Eleanor Holmes Norton
Member of Congress

Maurice Hinchey
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Steve Cohen
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Anna Eshoo
Member of Congress

Lynn Woolsey
Member of Congress

John Olver
Member of Congress

James Moran
Member of Congress

George Miller
Member of Congress

Jared Polis
Member of Congress

Gerald Connolly
Member of Congress

Jim McDermott
Member of Congress

Raúl Grijalva
Member of Congress

David Price
Member of Congress