

HARTFORD—**Congressmen John B. Larson (CT-01)** and **Chris Murphy (CT-05)** today announced their support for legislation and called for immediate action to help halt rising gas prices in Connecticut and across the country. Murphy and Larson are calling on the Commodity Futures Trading Commission (CFTC) to quickly implement rules to crack down on excessive oil speculation, a primary culprit behind rising gas prices. They are also backing a proposal that will penalize oil companies who buy up oil leases on millions of acres of federal lands without actually producing oil to increase America's supply.

Under current law, oil companies can lease potential oil reserves on federal land whether or not they produce oil on that land or even have plans to produce oil there. In some cases, oil companies are leasing land but not producing oil on it in order to count more oil reserves on their balance sheets. In other cases, oil companies buy up drilling leases to prevent their competitors from producing oil on those acres.

The lawmakers also stressed that today's high gas prices are not a problem the country can drill itself out of. With U.S. oil production in 2011 reaching its highest level in eight years, coupled with a dramatic decrease in domestic demand, Murphy and Larson called out Wall Street speculators.

"Let's be honest, there is a very limited number of things the government can do to control the international price of oil," said Murphy. "What we can do is crack down on excessive speculation in our oil markets that adds roughly 56 extra cents to a gallon of gas, and we can make sure that oil companies who lease federal lands actual use that land to increase the supply of American oil."

"At a time when as a nation we are producing more and using less oil, there's no rational reason why the price of gas should be rising at the rate we have seen," Larson said. "Abusive Wall Street oil speculation based on world events is causing significant hardships for Americans at the pump and it needs to stop. Republicans in Congress need to allow the laws past as part of the 2010 Wall Street Reform Act to do their job so that we can put the cops on the beat and stop these unfair practices."

The CFTC, if Republican objections are dropped, may immediately adopt new rules included in the Wall Street Reform Act that would allow federal regulators to police derivatives markets, including trades in energy commodities like oil. Without strong enforcement, regulators won't be able to exercise all their abilities to police oil markets for excessive speculation and price manipulation.

Larson and Murphy are also backing legislation to incentivize the use of alternative fuels. The lawmakers support the NAT GAS Act, which would provide a tax credit for the purchase of a natural gas truck; create a new tax credit for equipment manufacturers that produce natural gas vehicles (NGVs) to encourage production and sale in the U.S.; and, provide grants for the development of light- and heavy-duty NGVs and engines to ensure the U.S. stays at the forefront of clean energy development.

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