

Prepared Statement by Senator Chuck Grassley of Iowa
Ranking Member, Senate Budget Committee
Hearing on “Who Pays the Price: The Real Cost of Fossil Fuels”
Wednesday, May 3, 2023
[VIDEO](#)

Last week’s hearing on climate change and public health was another missed opportunity to discuss our nation’s ailing fiscal health. That same day, House Republicans passed legislation to rein in excessive government spending, lift the debt ceiling and impose meaningful fiscal controls. Meanwhile, Senate Democrats haven’t lifted a finger.

Now, instead of working together to write a responsible budget, we’re here discussing an alleged scheme involving “fossil fuel overlords.” Rather than attacking important American businesses that employ tens of thousands of Americans, we should work together to reduce our unsustainable national debt.

Reaching a consensus will require us to respectfully listen to the opinions of experts whose views may differ from our own. No one learns anything sitting in an echo-chamber. This is one reason why I’ve invited witnesses with a variety of views during this series of climate change hearings.

Sometimes I’ve disagreed with a witness I invited on this or that, but I value their opinion. Today is no different. Ms. Furchtgott-Roth and I don’t see eye-to-eye on all energy matters, particularly when it comes to renewable fuels and wind.

However, we do agree oil and gas are critical to lowering energy costs, protecting our national security and reducing CO2 emissions. We also agree that President Biden’s war on fossil fuels has been disastrous for our economy and terrible for consumers.

I believe in an all-of-the-above energy strategy. Oil, gas, biofuels, wind -- we need them all for national security and for economic success. President Biden, on the other hand, believes in an all-of-his-preferred-and-none-of-the-rest strategy.

Poor policy decisions have consequences and, as a result, we have seen energy prices rise substantially across the board. This is why the two leading topics of concern that I’ve heard from Iowans during the Biden Administration have been inflation and the price of gasoline. The President can deflect blame all he wants, but the rise in the price of gasoline has been a direct consequence of his administration’s actions.

Candidate Biden vowed to end fossil fuels during his campaign.

On his first day in office, he decided to shut down the Keystone Pipeline, stifling our ongoing energy independence and killing thousands of jobs.

Also, in January of 2021, he issued an executive order pausing new oil and gas leases on public lands and federal waters.

A barrage of his destructive environmental regulations followed, which continue to prevent the construction of much needed fossil fuel infrastructure.

Last month, President Biden issued his first veto to uphold his 401(k) investment rule. This rule will hurt everyday Americans' investments just to further liberal environmental, social and corporate governance (ESG) goals.

And just a few weeks later, President Biden's EPA announced its plan to mandate two-thirds of all new vehicles to be electric by 2032. These are the same EVs most Americans can't afford, and don't want, but Democrats subsidized them as part of their misnamed Inflation Reduction Act, a green energy boondoggle whose price tag is ballooning.

The Joint Committee on Taxation recently told us its tax subsidies will cost \$300 billion more than originally advertised. And its cost could rise further once we see updated scores of its EV subsidies.

The average price of an electric vehicle according to Kelley Blue Book is \$65,000, roughly the equivalent of Iowa's median household income. But, even if half of Americans could afford an EV, which they can't, an even bigger problem exists. We have neither the load capacity nor the materials to achieve President Biden's energy overhaul.

Large swaths of the United States electrical grid are at risk for shortfalls this summer. Grid reliability is a significant concern already, let alone the concern over the grid handling the load of President Biden's electric vehicle fantasy.

Moreover, we all know that the Communist Party of China has a monopoly on the critical mineral mining and refining required to build EV batteries. They're forcing the Uyghurs into slavery to bolster their supply chain. That's all being supported by the Biden Administration. Meanwhile, Democrats and environmentalists won't allow us to permit mining projects here in the United States.

Not only is this administration pushing for policies that drive up the price of gasoline, but their policies would make us even more dependent on a supply-chain that runs directly through China.

Ms. Furchtgott-Roth, welcome. Given your years of experience as an economist on the President's Council on Economic Advisors, I look forward to having a substantive discussion about what we should be doing to reduce energy costs and strengthen our fiscal position. And I welcome all the witnesses.

