

House Concurrent Resolution No. 47

94TH GENERAL ASSEMBLY

5638L.011

2 **Whereas**, gasoline, one of the main products refined from crude oil, accounts for
3 approximately 17% of the energy consumed in the United States; and

4 **Whereas**, the cost to produce and deliver gasoline to consumers includes the cost
5 of crude oil to refiners, refinery processing costs, marketing and distribution costs, and finally
6 the retail station costs and taxes. The prices paid by consumers at the pump reflect these costs,
7 as well as the profits of refiners, marketers, distributors, and retail station owners; and
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9 **Whereas**, in 2003, the price of crude oil averaged \$28.50 per barrel, and crude oil
10 accounted for about 44% of the cost of a gallon of regular grade gasoline. In 2008, the price of
11 a barrel of crude oil soared to an all-time high of more than \$100 per barrel, resulting in the
12 average price of gasoline rising to more than \$3 per gallon. Gasoline prices are already
13 exceeding \$3.00 per gallon and will undoubtedly go higher in the peak summer months; and
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15 **Whereas**, while federal, state, and local taxes account for approximately 27% of
16 the cost of a gallon of gasoline, refining costs and profits comprise about 15% of the retail price
17 of gasoline, and distribution, marketing, and retail dealer costs and profits combined make up
18 14% of the cost of a gallon of gasoline, the primary component driving up the cost of gasoline
19 prices in 2008 is the unprecedented price of crude oil; and
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21 **Whereas**, events in the crude oil market have been a major factor in all of the
22 recent rises in gasoline prices, including OPEC crude oil production cuts and turmoil in key oil
23 producing countries; and
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25 **Whereas**, in addition to the steep rise in crude oil prices, problems with petroleum
26 infrastructure in the United States, such as refineries and pipelines, have contributed to the recent
27 increased cost of gasoline. Refineries in the United States are operating at maximum capacity
28 and are experiencing difficulty in keeping up with the demand for gasoline in this country; and
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30 **Whereas**, in addition, some areas of the United States are required to use special
31 oxygenated, reformulated, and low-volatility gasolines due to environmental programs aimed at
32 reducing carbon monoxide, smog, and air toxins. Other environmental programs restrict the
33 transportation and storage of gasoline; and
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35 **Whereas**, with a number of states passing legislation to restrict the use of the
36 gasoline additive MTBE, large changes to gasoline production and distribution are required; and
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38 **Whereas**, with the recent unprecedented rise in crude oil prices and the problems
39 with the petroleum infrastructure in the United States, it is imperative that the United States
40 explore a number of avenues to reduce our nation's demand on foreign oil and increase the
41 supply of gasoline in this country:
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43 **Now, therefore, be it resolved** that the members of the House of
44 Representatives of the Ninety-fourth General Assembly, Second Regular Session, the Senate
45 concurring therein, hereby urge the United States Congress to investigate the recent sharp rise
46 in gasoline prices in the United States and explore ways to reduce the price of gasoline, including
47 utilization of alternate fuels; and
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49 **Be it further resolved** that the Chief Clerk of the Missouri House of
50 Representatives be instructed to prepare properly inscribed copies of this resolution for each
51 member of the Missouri Congressional Delegation.