

1 COMMITTEE: Agriculture and Energy
2 POLICY: Oil Overcharge Settlement Funds
3 TYPE OF POLICY: Existing

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5 Oil overcharge settlement funds have been made available to states from the Department of
6 Energy through the settling of claims against the oil industry for the overcharge of petroleum
7 products. NCSL is appreciative of Administrative and congressional action to disburse
8 authorized unclaimed overcharge monies to the states.

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10 NCSL believes that the refunded oil overcharge money disbursed to states should be used
11 for energy-related purposes. Emerging federal and state emphasis on conservation and
12 energy efficiency programs has created a state need for funds to develop and implement new
13 programs. Existing state grants administered through the Department of Energy need
14 additional money to accomplish program goals. Some states are unable to meet the growing
15 demands of their energy programs with state money alone.

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17 Therefore, NCSL strongly supports expeditious pass-through of oil overcharge settlement
18 funds by the Department of Energy to states only to supplement, and not supplant, energy
19 related programs. NCSL opposes efforts to reduce or eliminate or take credit for federal
20 funding of existing energy related programs such as the Weatherization Assistance Program,
21 the Institutional Conservation Program, the State Energy Conservation Program, and
22 programs authorized to be funded by the Energy Policy Act of 1992, based on the receipt of
23 oil overcharge settlement monies. NCSL also opposes the diversion of oil overcharge monies
24 from their intended energy uses.

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26 As oil overcharge and settlement funds are depleted, Congress is encouraged to appropriate
27 replacement or supplemental funds to facilitate continued state involvement in worthwhile
28 energy programs.

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