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STATEMENT OF UNITED STATES CONFERENCE OF MAYORS
PRESIDENT BEVERLY O’NEILL ON FEDERAL ENERGY BILL

Commends Congress’ Rejection of Multi-Billion Dollar
MTBE Unfunded Mandate

Washington, D.C. – “On behalf of the nation’s mayors, I applaud President Bush for signing into law comprehensive national energy legislation – the first of its kind in over ten years.

While the bill represents a forward step in our goal to meet the country’s energy challenges of the 21st Century, the nation’s mayors remain concerned with some of the provisions that pre-empt state and local government control.

Most importantly, we thank Congress for hearing the mayors concerns on the methyl tertiary butyl ether (MTBE) liability protection exemption, which was removed from the bill. As a result of its action on this measure, the Conference of Mayors was successful in removing a harmful provision from the bill that would have provided liability immunity to the producers of gasoline containing MTBE, which has contaminated the drinking water of thousands of communities across the United States.

If it had been approved, this MTBE provision would have been one of the largest, if not the largest unfunded mandate passed down from Congress to local taxpayers in recent years. Experts estimate that the cleanup costs of MTBE could climb as high as $80 billion.

As a result of Congress’ action on the MTBE provision, our nation’s cities, towns and rural communities will be shielded from unfair tax burdens; and the health and well-being of our citizens will be protected.”

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