

MARY L. LANDRIEU, LOUISIANA, CHAIR
OLYMPIA J. SNOWE, MAINE, RANKING MEMBER

JOHN F. KERRY, MASSACHUSETTS
CARL LEVIN, MICHIGAN
TOM HARKIN, IOWA
JOSEPH I. LIEBERMAN, CONNECTICUT
MARIA CANTWELL, WASHINGTON
EVAN BAYH, INDIANA
MARK PRYOR, ARKANSAS
BENJAMIN L. CARDIN, MARYLAND
JEANNE SHAHEEN, NEW HAMPSHIRE
KAY HAGAN, NORTH CAROLINA

CHRISTOPHER S. BOND, MISSOURI
DAVID VITTER, LOUISIANA
JOHN THUNE, SOUTH DAKOTA
MICHAEL ENZI, WYOMING
JOHNNY ISAKSON, GEORGIA
ROGER F. WICKER, MISSISSIPPI
JAMES E. RISCH, IDAHO

United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

WASHINGTON, DC 20510-6350

TELEPHONE: (202) 224-5175 FAX: (202) 224-5619

DONALD R. CRAVINS, DEMOCRATIC STAFF DIRECTOR AND CHIEF COUNSEL
WALLACE K. HSUEH, REPUBLICAN STAFF DIRECTOR

July 26, 2010

The Honorable Barack Obama
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Obama:

It has now been 98 days since the tragic explosion of the *Deepwater Horizon* killed 11 men, injured 17 others, and set into motion a great ecological and economic crisis along the Gulf Coast. As I write to you, this physical disaster threatens not just the regional Gulf Coast economy but our national economy as well. This is because Louisiana's coast produces 90 percent of America's offshore energy and 40 percent of the seafood harvested in the lower 48 states. In addition, as the strategic hub and entry point to our nation's navigation network, Louisiana ports and waterways carry over a billion tons of cargo each year, which is worth \$10 billion to the economy annually.

For these reasons, many people in Louisiana, including me, believe that the Administration's blanket six-month moratorium on deepwater drilling was unnecessary, ill-conceived and has actually created a second economic disaster for the Gulf Coast that has the potential to become greater than the first. With this in mind, tomorrow the Senate Committee on Small Business and Entrepreneurship is holding a hearing entitled, "*The Deepwater Drilling Moratorium: A Second Economic Disaster for Small Businesses?*" This hearing focuses on how the six-month deepwater drilling moratorium is economically impacting small businesses across the nation.

On July 21, 2010, I invited Dr. Christina Romer, Chair of the White House Council of Economic Advisers, to testify at tomorrow's hearing. The Council of Economic Advisers is charged with offering you objective economic advice on the formulation of domestic policy and bases its recommendations on economic research/empirical evidence. I believe that her participation would provide important testimony on the Administration's economic analysis in support of maintaining the moratorium.

Today, Dr. Romer informed me that the Administration is unable to provide testimony at tomorrow's hearing. I am extremely disappointed by this development. It is my understanding, however, that my invitation to testify has spurred the Administration to conduct its own economic impact review of the moratorium. This economic impact review is expected to be ready for committee discussion by September. With that in mind, I request that Dr. Romer or her

Page Two
July 26, 2010

designee provide testimony to my committee the week of September 13th. By this date, it is my hope that the Administration will lift its moratorium. Otherwise, I expect the Administration to appear before my committee to provide economic data to justify its position for maintaining the moratorium.

Whether it is called a moratorium or a suspension, the result of this Administration's decision will still be a substantial loss of jobs – jobs that may not return to the Gulf for years. Even the revised moratorium will force thousands of hard-working Louisianans and others along the Gulf Coast into the unemployment lines. The moratorium is also significantly impacting economic activity by small business owners which rely on deepwater drilling. These businesses, either directly or indirectly, are seeing their supply chains and customer bases severely disrupted by the moratorium. For this reason, I reiterate my call for you to take the quick and decisive action to immediately lift the moratorium to save our small businesses, our economy and our way of life.

Sincerely,



Mary L. Landrieu
Chair

MLL:rac