

Jay Timmons

Executive Vice President

July 29, 2010

U.S. House of Representatives
Washington, DC 20515

Dear Representatives:

The National Association of Manufacturers (NAM), the nation's largest industrial trade association representing small and large manufacturers in every industrial sector and in all 50 states, urges you to oppose H.R. 3534, the Consolidated Land, Energy, and Aquatic Resources Act of 2010.

Our nation continues to face a setback in energy security and independence every day the drilling moratorium remains in place. Thousands of jobs in the oil and gas industry have been lost. Companies that make and supply equipment, services, engines, boats and materials such as steel and concrete will soon feel massive economic consequences from the moratorium.

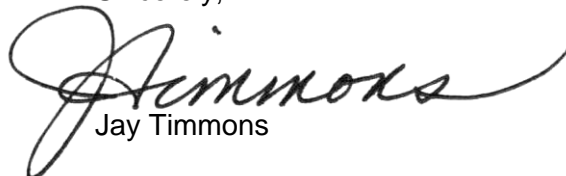
Manufacturers believe it is critically important to understand the causes of the Gulf of Mexico accident and its long-term environmental impacts before enacting policies that could make a serious problem much worse. While we appreciate efforts made earlier this week to improve H.R. 3534, NAM members continue to oppose the bill, as it would, in its current form, drive up energy costs, create uncertainties in the availability of supply and adversely affect U.S. jobs.

While there appears widespread agreement in the industry and on Capitol Hill that the \$75 million liability cap needs to be updated, requiring an unattainable level of insurance coverage for domestic energy producers on the Outer Continental Shelf is not the solution. By eliminating the cap, H.R. 3534 would effectively retain the moratorium on offshore drilling for all but a handful of the world's largest international companies, forcing the vast majority of American companies out of U.S. waters.

NAM members support energy policies that: 1) expand domestic supplies in an environmentally safe way; and 2) lower costs for U.S. consumers and for manufacturers, which use one-third of our nation's energy. Access to competitively priced energy helps U.S. companies compete in the global economy and preserves high-paying jobs here at home.

The NAM's Key Vote Advisory Committee has indicated that votes related to H.R. 3534, including votes on procedural motions, may be considered for designation as Key Manufacturing Votes in the 111th Congress. Thank you for your consideration.

Sincerely,



Jay Timmons