



**DEMOCRATIC GOVERNORS ASSOCIATION**  
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September 20, 2005

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The White House  
Washington, DC 20500

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United States Senate  
Washington, DC 20510

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United States House of Representatives  
Washington, DC 20515

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Dear President Bush, Majority Leader Frist, and Speaker Hastert,

As you know, American citizens across the nation have been hit hard by unprecedented gas prices this summer. These high prices are driving up transportation and manufacturing costs and putting significant financial strain on local schools and governments and nearly every other sector of our economy – from aviation to trucking to tourism. If gas prices remain at artificially and unexplainably high levels, American families will see the effects not only at the pump, but in their grocery bills and prescription drug costs. Already, winter heating costs are forecasted to increase anywhere from 30 to 100 percent. This domino effect of rising prices will place an incredible hardship on all our citizens – especially our most vulnerable citizens such as the elderly and underprivileged, who are already struggling to make ends meet.

States around the country are responding in various ways to try to partially alleviate the recent spikes in gas prices. But the reality is that this is a national problem that requires action on the national level.

On Friday, Dr. Don Nichols, economist and director of the Robert M. La Follette School of Public Affairs at the University of Wisconsin Madison, published a study showing that gas prices have risen disproportionately in comparison to the price increases per barrel of oil. This study affirms that a large profit is being made at the expense of American citizens and the skyrocketing prices of late can not be solely – or even mostly – attributed to Hurricane Katrina.

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However, when the wholesale price of gas went up by 60 cents almost overnight, oil companies were obviously using the most devastating natural disaster in our nation's history to reap a windfall at the expense of American consumers. To price-gouge consumers under normal circumstances is dishonest enough, but to make money off of the severe misfortune of others is downright immoral.


We urge Congress to immediately commence an investigation into the excessive profits being made by oil companies who are taking advantage of this national crisis. Secondly, we urge you to put forward legislation that would return excessive, ill-gotten profits to the consumers who have been forced to pay these outrageously inflated gas prices.


There is support among Democrats in Washington, D.C. to find a way to alleviate the burden that has been placed on our nation's citizens. We urge you to work with them on this important issue.


Even though gas prices have gone down slightly, since Hurricane Katrina, they were too high even before the hurricane and they remain too high today. This issue deserves the immediate attention of the United States Congress.

Sincerely,


  
Governor Jim Doyle  
Wisconsin

  
Governor Bill Richardson  
New Mexico

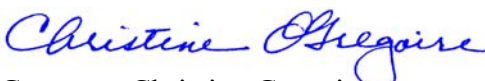
  
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