

1 SENATE JOINT RESOLUTION

2 WHEREAS, Another summer vacation driving season is upon
3 the citizens of the State of Illinois and once again they
4 will be faced with gas prices at or above \$2 per gallon; and

5 WHEREAS, The economic gains made over the last ten years
6 are being threatened by the high price of gasoline; and

7 WHEREAS, Certain areas of the State require the usage of
8 "reformulated gasolines" during the summer months to adhere
9 to certain environmental standards; and

10 WHEREAS, The cost of producing reformulated gasoline is
11 much higher than nonreformulated gasoline and reformulated
12 gasoline creates refining and distribution problems that lead
13 to tighter fuel supplies and higher prices at the pump; and

14 WHEREAS, It has been reported by the media that 5.75
15 cents of the price of a gallon of reformulated gasoline goes
16 to Unocal Oil Company as a royalty for holding the patent
17 that confers property rights on the regulatory standard for
18 reformulated gasoline, even though Unocal did not invent a
19 new gasoline, create a new refining process, or create the
20 formula on its own; and

21 WHEREAS, Unocal only participated in a consortium that
22 was formed by all the major oil companies to make a new and
23 cleaner reformulated fuel that they all could agree upon to
24 satisfy government regulations and to streamline the refining
25 process to keep costs down; and

26 WHEREAS, Unocal scientists have stated in court that
27 Unocal's patent claims "were narrowed" to "resemble the
28 regulations"; and

29 WHEREAS, Because of the royalties that companies have to
30 pay to Unocal, shortages might be caused when some refiners

1 refuse to produce the reformulated gasoline so that they do
2 not have to pay the royalty to Unocal; therefore, be it

3 RESOLVED, BY THE SENATE OF THE NINETY-SECOND GENERAL
4 ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF
5 REPRESENTATIVES CONCURRING HEREIN, that there is created the
6 Gasoline Price Advisory Task Force to look into ways to lower
7 the high price of gasoline in this State; and be it further

8 RESOLVED, That the Gasoline Price Advisory Task Force
9 shall be comprised of 12 legislative members with 3 members
10 appointed by the President of the Senate, 3 members appointed
11 by the Minority Leader of the Senate, 3 members appointed by
12 the Speaker of the House of Representatives, and 3 members
13 appointed by the Minority Leader of the House of
14 Representatives, and that the appointed members shall select
15 two co-chairpersons, one each from the House and the Senate;
16 and be it further

17 RESOLVED, That the Task Force, with any needed assistance
18 from the Illinois Commerce Commission, shall look into the
19 way the Unocal patent on reformulated gasoline was granted
20 and what can be done by the Illinois General Assembly to
21 remove Unocal's 5.75 cent royalty on each gallon of
22 reformulated gasoline sold in this State; and be it further

23 RESOLVED, That the Task Force shall report its findings
24 to the President and Minority Leader of the Senate and the
25 Speaker and Minority Leader of the House of Representatives
26 by October 1, 2001 along with any recommendations that can be
27 made to the General Assembly to reduce the high cost of
28 gasoline in this State; and be it further

29 RESOLVED, that a suitable copy of this Resolution be sent
30 to the Chairman and members of the Illinois Commerce
31 Commission.