Hawaii gas price rises due to cap

By <u>Michael Hampton</u> Posted: February 19, 2006 7:13 pm

Last September, Hawaii instituted a so-called cap on gasoline prices, and now has the highest gas prices in the country.

As the oil industry pointed out at the time, setting a price cap on gasoline would threaten the supply of gasoline for the island and thus cause prices to rise.

WorldNetDaily reports on the impact of the <u>gas price</u> cap. When it went into effect, Hawaii's gas prices were 44 cents above the national average. They are now 50 cents above the national average.

As of Friday, Hawaii drivers were paying the highest per-gallon costs in the nation, with record-setting prices of as much as \$3.39. A year ago, consumers in Hawaii were paying nearly \$1 a gallon less. The national average today is \$2.24 a gallon...

One of the gas cap's key supporters is Senate Consumer Protection Chairman Ron Menor, who said he will do everything he can to make sure the cap stays in place.

"I cannot support a repeal because I think that would really be caving in to the oil industry that doesn't want to be regulated," Menor said. . . .

Meanwhile, free-market advocates say retailers charged the maximum allowable under the limits to compensate for the threat of not being able to profit in the future. — <u>WorldNetDaily</u>

This guy's an idiot, and instead of protecting Hawaii's consumers, he's harming them.

Of course the oil industry doesn't want to be regulated. The regulations create needless expense for the companies which must then be passed on to consumers. To bring down gas prices, Hawaii needs less regulation, not more.