

Calendar No. 483111TH CONGRESS
2^D SESSION**S. 3643**

To amend the Outer Continental Shelf Lands Act to reform the management of energy and mineral resources on the Outer Continental Shelf, to improve oil spill compensation, to terminate the moratorium on deepwater drilling, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 22, 2010

Mr. McCONNELL (for himself, Ms. MURKOWSKI, Mr. ALEXANDER, Mr. INHOFE, Mr. THUNE, Mr. BENNETT, Mr. BARRASSO, Mr. CORNYN, and Mr. WICKER) introduced the following bill; which was read the first time

JULY 26, 2010

Read the second time and place on the calendar

A BILL

To amend the Outer Continental Shelf Lands Act to reform the management of energy and mineral resources on the Outer Continental Shelf, to improve oil spill compensation, to terminate the moratorium on deepwater drilling, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Oil Spill Response Improvement Act of 2010”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—OUTER CONTINENTAL SHELF REFORM

Sec. 101. Purposes.

Sec. 102. Definitions.

Sec. 103. National policy for the outer Continental Shelf.

Sec. 104. Structural reform of outer Continental Shelf program management.

Sec. 105. Safety, environmental, and financial reform of the Outer Continental Shelf Lands Act.

Sec. 106. Study on the effect of the moratoria on new deepwater drilling in the Gulf of Mexico on employment and small businesses.

Sec. 107. Reform of other law.

Sec. 108. Safer oil and gas production.

Sec. 109. National Commission on Outer Continental Shelf Oil Spill Prevention.

Sec. 110. Classification of offshore systems.

Sec. 111. Savings provisions.

Sec. 112. Budgetary effects.

TITLE II—OIL SPILL COMPENSATION

Subtitle A—Oil Spill Liability

PART I—OIL POLLUTION ACT OF 1990

Sec. 201. Liability limits.

Sec. 202. Advance payment.

PART II—OIL SPILL LIABILITY TRUST FUND

Sec. 211. Rate of tax for Oil Spill Liability Trust Fund.

Sec. 212. Limitations on expenditures and borrowing authority.

Subtitle B—Federal Oil Spill Research

Sec. 221. Definitions.

Sec. 222. Federal oil spill research.

Sec. 223. National Academy of Science participation.

Sec. 224. Technical and conforming amendments.

Sec. 225. Oil spill response authority.

Sec. 226. Maritime center of expertise.

Sec. 227. National strike force.

Sec. 228. District preparedness and response teams.

Sec. 229. Oil spill response organizations.

Sec. 230. Program for oil spill and hazardous substance release response.

Sec. 230a. Oil and hazardous substance liability.

Subtitle C—Oil and Gas Leasing

- Sec. 231. Revenue sharing from outer Continental Shelf areas in certain coastal States.
- Sec. 232. Revenue sharing from areas in Alaska Adjacent zone.
- Sec. 233. Accelerated revenue sharing to promote coastal resiliency among Gulf producing States.
- Sec. 234. Coastal impact assistance program amendments.
- Sec. 235. Production of oil from certain Arctic offshore leases.
- Sec. 236. Use of stimulus funds to offset spending.

TITLE III—GUIDANCE ON MORATORIUM ON OUTER
CONTINENTAL SHELF DRILLING

- Sec. 301. Limitation of moratorium on certain permitting and drilling activities.
- Sec. 302. Deepwater Horizon incident.

1 **TITLE I—OUTER CONTINENTAL**
2 **SHELF REFORM**

3 **SEC. 101. PURPOSES.**

4 The purposes of this title are—

5 (1) to rationalize and reform the responsibilities
6 of the Secretary of the Interior with respect to the
7 management of the outer Continental Shelf in order
8 to improve the management, oversight, account-
9 ability, safety, and environmental protection of all
10 the resources on the outer Continental Shelf;

11 (2) to provide independent development and en-
12 forcement of safety and environmental laws (includ-
13 ing regulations) governing—

14 (A) energy development and mineral ex-
15 traction activities on the outer Continental
16 Shelf; and

17 (B) related offshore activities; and

1 “(A) recognizes the need of the United
2 States for competitive domestic sources of en-
3 ergy, food, minerals, and other resources;

4 “(B) minimizes the potential impacts of
5 development of those resources on the marine
6 and coastal environment and on human health
7 and safety; and

8 “(C) acknowledges the long-term economic
9 value to the United States of the balanced, ex-
10 peditious, and orderly management and produc-
11 tion of those resources that safeguards the envi-
12 ronment and respects the multiple values and
13 uses of the outer Continental Shelf;”;

14 (2) in paragraph (4)(C), by striking the period
15 at the end and inserting a semicolon;

16 (3) in paragraph (5), by striking “; and” and
17 inserting a semicolon;

18 (4) by redesignating paragraph (6) as para-
19 graph (7);

20 (5) by inserting after paragraph (5) the fol-
21 lowing:

22 “(6) exploration, development, and production
23 of energy and minerals on the outer Continental
24 Shelf should be allowed only when those activities
25 can be accomplished in a manner that provides rea-

1 sonable assurance of adequate protection against
 2 harm to life, health, the environment, property, or
 3 other users of the waters, seabed, or subsoil; and”;
 4 and

5 (6) in paragraph (7) (as so redesignated)—

6 (A) by striking “should be” and inserting
 7 “shall be”; and

8 (B) by adding “best available commercial”
 9 after “using”.

10 **SEC. 104. STRUCTURAL REFORM OF OUTER CONTINENTAL**
 11 **SHELF PROGRAM MANAGEMENT.**

12 (a) IN GENERAL.—The Outer Continental Shelf
 13 Lands Act (43 U.S.C. 1331 et seq.) is amended by adding
 14 to the end the following:

15 **“SEC. 32. STRUCTURAL REFORM OF OUTER CONTINENTAL**
 16 **SHELF PROGRAM MANAGEMENT.**

17 **“(a) LEASING, PERMITTING, AND REGULATION BU-**
 18 **REAUS.—**

19 **“(1) ESTABLISHMENT OF BUREAUS.—**

20 **“(A) IN GENERAL.—**Subject to the discre-
 21 tion granted by Reorganization Plan Number 3
 22 of 1950 (64 Stat. 1262; 43 U.S.C. 1451 note),
 23 the Secretary shall establish in the Department
 24 of the Interior not more than 2 bureaus to
 25 carry out the leasing, permitting, and safety

1 and environmental regulatory functions vested
2 in the Secretary by this Act and the Federal Oil
3 and Gas Royalty Management Act of 1982 (30
4 U.S.C. 1701 et seq.) related to the outer Conti-
5 nental Shelf.

6 “(B) CONFLICTS OF INTEREST.—In estab-
7 lishing the bureaus under subparagraph (A),
8 the Secretary shall ensure, to the maximum ex-
9 tent practicable, that any potential organiza-
10 tional conflicts of interest related to leasing,
11 revenue creation, environmental protection, and
12 safety are eliminated.

13 “(2) DIRECTOR.—Each bureau shall be headed
14 by a Director, who shall be appointed by the Presi-
15 dent, by and with the advice and consent of the Sen-
16 ate.

17 “(3) COMPENSATION.—Each Director shall be
18 compensated at the rate provided for level V of the
19 Executive Schedule under section 5316 of title 5,
20 United States Code.

21 “(4) QUALIFICATIONS.—Each Director shall be
22 a person who, by reason of professional background
23 and demonstrated ability and experience, is specially
24 qualified to carry out the duties of the office.

25 “(b) ROYALTY AND REVENUE OFFICE.—

1 “(1) ESTABLISHMENT OF OFFICE.—Subject to
2 the discretion granted by Reorganization Plan Num-
3 ber 3 of 1950 (64 Stat. 1262; 43 U.S.C. 1451 note),
4 the Secretary shall establish in the Department of
5 the Interior an office to carry out the royalty and
6 revenue management functions vested in the Sec-
7 retary by this Act and the Federal Oil and Gas Roy-
8 alty Management Act of 1982 (30 U.S.C. 1701 et
9 seq.).

10 “(2) DIRECTOR.—The office established under
11 paragraph (1) shall be headed by a Director, who
12 shall be appointed by the President, by and with the
13 advice and consent of the Senate.

14 “(3) COMPENSATION.—The Director shall be
15 compensated at the rate provided for level V of the
16 Executive Schedule under section 5316 of title 5,
17 United States Code.

18 “(4) QUALIFICATIONS.—The Director shall be a
19 person who, by reason of professional background
20 and demonstrated ability and experience, is specially
21 qualified to carry out the duties of the office.

22 “(c) OCS SAFETY AND ENVIRONMENTAL ADVISORY
23 BOARD.—

24 “(1) ESTABLISHMENT.—The Secretary shall es-
25 tablish, under the Federal Advisory Committee Act

1 (5 U.S.C. App.), an Outer Continental Shelf Safety
2 and Environmental Advisory Board (referred to in
3 this subsection as the ‘Board’), to provide the Sec-
4 retary and the Directors of the bureaus established
5 under this section with independent peer-reviewed
6 scientific and technical advice on safe and environ-
7 mentally compliant energy and mineral resource ex-
8 ploration, development, and production activities.

9 “(2) MEMBERSHIP.—

10 “(A) SIZE.—

11 “(i) IN GENERAL.—The Board shall
12 consist of not more than 12 members, cho-
13 sen to reflect a range of expertise in sci-
14 entific, engineering, management, and
15 other disciplines related to safe and envi-
16 ronmentally compliant energy and mineral
17 resource exploration, development, and
18 production activities.

19 “(ii) CONSULTATION.—The Secretary
20 shall consult with the National Academy of
21 Sciences and the National Academy of En-
22 gineering to identify potential candidates
23 for membership on the Board.

24 “(B) TERM.—The Secretary shall appoint
25 Board members to staggered terms of not more

1 than 4 years, and shall not appoint a member
2 for more than 2 consecutive terms.

3 “(C) CHAIR.—The Secretary shall appoint
4 the Chair for the Board.

5 “(3) MEETINGS.—The Board shall—

6 “(A) meet not less than 3 times per year;
7 and

8 “(B) at least once per year, shall host a
9 public forum to review and assess the overall
10 safety and environmental performance of outer
11 Continental Shelf energy and mineral resource
12 activities.

13 “(4) REPORTS.—Reports of the Board shall—

14 “(A) be submitted to Congress; and

15 “(B) made available to the public in an
16 electronically accessible form.

17 “(5) TRAVEL EXPENSES.—Members of the
18 Board, other than full-time employees of the Federal
19 Government, while attending a meeting of the Board
20 or while otherwise serving at the request of the Sec-
21 retary or the Director while serving away from their
22 homes or regular places of business, may be allowed
23 travel expenses, including per diem in lieu of subsist-
24 ence, as authorized by section 5703 of title 5,

1 United States Code, for individuals in the Federal
2 Government serving without pay.

3 “(d) SPECIAL PERSONNEL AUTHORITIES.—

4 “(1) DIRECT HIRING AUTHORITY FOR CRITICAL
5 PERSONNEL.—

6 “(A) IN GENERAL.—Notwithstanding sec-
7 tions 3104, 3304, and 3309 through 3318 of
8 title 5, United States Code, the Secretary may,
9 upon a determination that there is a severe
10 shortage of candidates or a critical hiring need
11 for particular positions, recruit and directly ap-
12 point highly qualified accountants, scientists,
13 engineers, or critical technical personnel into
14 the competitive service, as officers or employees
15 of any of the organizational units established
16 under this section.

17 “(B) REQUIREMENTS.—In exercising the
18 authority granted under subparagraph (A), the
19 Secretary shall ensure that any action taken by
20 the Secretary—

21 “(i) is consistent with the merit prin-
22 ciples of chapter 23 of title 5, United
23 States Code; and

1 “(ii) complies with the public notice
2 requirements of section 3327 of title 5,
3 United States Code.

4 “(2) CRITICAL PAY AUTHORITY.—

5 “(A) IN GENERAL.—Notwithstanding sec-
6 tion 5377 of title 5, United States Code, and
7 without regard to the provisions of that title
8 governing appointments in the competitive serv-
9 ice or the Senior Executive Service and chap-
10 ters 51 and 53 of that title (relating to classi-
11 fication and pay rates), the Secretary may es-
12 tablish, fix the compensation of, and appoint in-
13 dividuals to critical positions needed to carry
14 out the functions of any of the organizational
15 units established under this section, if the Sec-
16 retary certifies that—

17 “(i) the positions—

18 “(I) require expertise of an ex-
19 tremely high level in a scientific or
20 technical field; and

21 “(II) any of the organizational
22 units established in this section would
23 not successfully accomplish an impor-
24 tant mission without such an indi-
25 vidual; and

1 “(ii) exercise of the authority is nec-
2 essary to recruit an individual exceptionally
3 well qualified for the position.

4 “(B) LIMITATIONS.—The authority grant-
5 ed under subparagraph (A) shall be subject to
6 the following conditions:

7 “(i) The number of critical positions
8 authorized by subparagraph (A) may not
9 exceed 40 at any 1 time in either of the
10 bureaus established under this section.

11 “(ii) The term of an appointment
12 under subparagraph (A) may not exceed 4
13 years.

14 “(iii) An individual appointed under
15 subparagraph (A) may not have been an
16 employee of the Department of the Interior
17 during the 2-year period prior to the date
18 of appointment.

19 “(iv) Total annual compensation for
20 any individual appointed under subpara-
21 graph (A) may not exceed the highest total
22 annual compensation payable at the rate
23 determined under section 104 of title 3,
24 United States Code.

1 “(v) An individual appointed under
2 subparagraph (A) may not be considered
3 to be an employee for purposes of sub-
4 chapter II of chapter 75 of title 5, United
5 States Code.

6 “(C) NOTIFICATION.—Each year, the Sec-
7 retary shall submit to Congress a notification
8 that lists each individual appointed under this
9 paragraph.

10 “(3) REEMPLOYMENT OF CIVILIAN RETIR-
11 EES.—

12 “(A) IN GENERAL.—Notwithstanding part
13 553 of title 5, Code of Federal Regulations (re-
14 lating to reemployment of civilian retirees to
15 meet exceptional employment needs), or suc-
16 cessor regulations, the Secretary may approve
17 the reemployment of an individual to a par-
18 ticular position without reduction or termi-
19 nation of annuity if the hiring of the individual
20 is necessary to carry out a critical function of
21 any of the organizational units established
22 under this section for which suitably qualified
23 candidates do not exist.

1 “(B) LIMITATIONS.—An annuitant hired
2 with full salary and annuities under the author-
3 ity granted by subparagraph (A)—

4 “(i) shall not be considered an em-
5 ployee for purposes of subchapter III of
6 chapter 83 and chapter 84 of title 5,
7 United States Code;

8 “(ii) may not elect to have retirement
9 contributions withheld from the pay of the
10 annuitant;

11 “(iii) may not use any employment
12 under this paragraph as a basis for a sup-
13 plemental or recomputed annuity; and

14 “(iv) may not participate in the Thrift
15 Savings Plan under subchapter III of
16 chapter 84 of title 5, United States Code.

17 “(C) LIMITATION ON TERM.—The term of
18 employment of any individual hired under sub-
19 paragraph (A) may not exceed an initial term
20 of 2 years, with an additional 2-year appoint-
21 ment under exceptional circumstances.

22 “(e) CONTINUITY OF AUTHORITY.—Subject to the
23 discretion granted by Reorganization Plan Number 3 of
24 1950 (64 Stat. 1262; 43 U.S.C. 1451 note), any reference
25 in any law, rule, regulation, directive, or instruction, or

1 certificate or other official document, in force immediately
2 prior to the date of enactment of this section—

3 “(1) to the Minerals Management Service that
4 pertains to any of the duties and authorities de-
5 scribed in this section shall be deemed to refer and
6 apply to the appropriate bureaus and offices estab-
7 lished under this section;

8 “(2) to the Director of the Minerals Manage-
9 ment Service that pertains to any of the duties and
10 authorities described in this section shall be deemed
11 to refer and apply to the Director of the bureau or
12 office under this section to whom the Secretary has
13 assigned the respective duty or authority; and

14 “(3) to any other position in the Minerals Man-
15 agement Service that pertains to any of the duties
16 and authorities described in this section shall be
17 deemed to refer and apply to that same or equiva-
18 lent position in the appropriate bureau or office es-
19 tablished under this section.”.

20 (b) CONFORMING AMENDMENT.—Section 5316 of
21 title 5, United States Code, is amended by striking “Direc-
22 tor, Bureau of Mines, Department of the Interior” and
23 inserting the following:

24 “Bureau Directors, Department of the Interior
25 (2).

1 “Director, Royalty and Revenue Office, Depart-
2 ment of the Interior.”.

3 **SEC. 105. SAFETY, ENVIRONMENTAL, AND FINANCIAL RE-**
4 **FORM OF THE OUTER CONTINENTAL SHELF**
5 **LANDS ACT.**

6 (a) DEFINITIONS.—Section 2 of the Outer Conti-
7 nental Shelf Lands Act (43 U.S.C. 1331) is amended by
8 adding at the end the following:

9 “(r) SAFETY CASE.—The term ‘safety case’ means
10 a complete set of safety documentation that provides a
11 basis for determining whether a system is adequately safe
12 for a given application in a given environment.”.

13 (b) ADMINISTRATION OF LEASING.—Section 5(a) of
14 the Outer Continental Shelf Lands Act (43 U.S.C.
15 1334(a)) is amended in the second sentence—

16 (1) by striking “The Secretary may at any
17 time” and inserting “The Secretary shall”; and

18 (2) by inserting after “provide for” the fol-
19 lowing: “operational safety, the protection of the ma-
20 rine and coastal environment,”.

21 (c) MAINTENANCE OF LEASES.—Section 6 of the
22 Outer Continental Shelf Lands Act (43 U.S.C. 1335) is
23 amended by adding at the end the following:

1 “(f) REVIEW OF BOND AND SURETY AMOUNTS.—
2 Not later than May 1, 2011, and every 5 years thereafter,
3 the Secretary shall—

4 “(1) review the minimum financial responsi-
5 bility requirements for mineral leases under sub-
6 section (a)(11); and

7 “(2) adjust for inflation based on the Consumer
8 Price Index for all Urban Consumers published by
9 the Bureau of Labor Statistics of the Department of
10 Labor, and recommend to Congress any further
11 changes to existing financial responsibility require-
12 ments necessary to permit lessees to fulfill all obliga-
13 tions under this Act or the Oil Pollution Act of 1990
14 (33 U.S.C. 2701 et seq.).

15 “(g) PERIODIC FISCAL REVIEWS AND REPORTS.—

16 “(1) ROYALTY RATES.—

17 “(A) IN GENERAL.—Not later than 1 year
18 after the date of enactment of this subsection
19 and every 4 years thereafter, the Secretary shall
20 carry out a review of, and prepare a report that
21 describes—

22 “(i) the royalty and rental rates in-
23 cluded in new offshore oil and gas leases
24 and the rationale for the rates;

1 “(ii) whether, in the view of the Sec-
2 retary, the royalty and rental rates de-
3 scribed in subparagraph (A) would yield a
4 fair return to the public while promoting
5 the production of oil and gas resources in
6 a timely manner; and

7 “(iii) whether, based on the review,
8 the Secretary intends to modify the royalty
9 or rental rates.

10 “(B) PUBLIC PARTICIPATION.—In carrying
11 out a review and preparing a report under sub-
12 paragraph (A), the Secretary shall provide to
13 the public an opportunity to participate.

14 “(2) COMPARATIVE REVIEW OF FISCAL SYS-
15 TEM.—

16 “(A) IN GENERAL.—Not later than 1 year
17 after the date of enactment of this subsection
18 and every 4 years thereafter, the Secretary in
19 consultation with the Secretary of the Treasury,
20 shall carry out a comprehensive review of all
21 components of the Federal offshore oil and gas
22 fiscal system, including requirements and
23 trends for bonus bids, rental rates, royalties, oil
24 and gas taxes, income taxes, wage require-

1 ments, regulatory compliance costs, oil and gas
2 fees, and other significant financial elements.

3 “(B) INCLUSIONS.—The review shall in-
4 clude—

5 “(i) information and analyses com-
6 paring the offshore bonus bids, rents, roy-
7 alties, taxes, and fees of the Federal Gov-
8 ernment to the offshore bonus bids, rents,
9 royalties, taxes, and fees of other resource
10 owners (including States and foreign coun-
11 tries); and

12 “(ii) an assessment of the overall off-
13 shore oil and gas fiscal system in the
14 United States, as compared to foreign
15 countries.

16 “(C) INDEPENDENT ADVISORY COM-
17 MITTEE.—In carrying out a review under this
18 paragraph, the Secretary shall convene and seek
19 the advice of an independent advisory com-
20 mittee comprised of oil and gas and fiscal ex-
21 perts from States, Indian tribes, academia, the
22 energy industry, and appropriate nongovern-
23 mental organizations.

24 “(D) REPORT.—The Secretary shall pre-
25 pare a report that contains—

1 “(i) the contents and results of the re-
2 view carried out under this paragraph for
3 the period covered by the report; and

4 “(ii) any recommendations of the Sec-
5 retary and the Secretary of the Treasury
6 based on the contents and results of the
7 review.

8 “(E) COMBINED REPORT.—The Secretary
9 may combine the reports required by para-
10 graphs (1) and (2)(D) into 1 report.

11 “(3) REPORT DEADLINE.—Not later than 30
12 days after the date on which the Secretary completes
13 each report under this subsection, the Secretary
14 shall submit copies of the report to—

15 “(A) the Committee on Energy and Nat-
16 ural Resources of the Senate;

17 “(B) the Committee on Finance of the
18 Senate;

19 “(C) the Committee on Natural Resources
20 of the House of Representatives; and

21 “(D) the Committee on Ways and Means
22 of the House of Representatives.”.

23 (d) LEASES, EASEMENTS, AND RIGHTS-OF-WAY.—
24 Section 8 of the Outer Continental Shelf Lands Act (43

1 U.S.C. 1337) is amended by striking subsection (d) and
2 inserting the following:

3 “(d) DISQUALIFICATION FROM BIDDING.—No bid
4 for a lease may be submitted by any entity that the Sec-
5 retary finds, after prior public notice and opportunity for
6 a hearing—

7 “(1) is not meeting due diligence, safety, or en-
8 vironmental requirements, constituting significant
9 infractions, on other leases; or

10 “(2)(A) is a responsible party for a vessel or a
11 facility from which oil is discharged, for purposes of
12 section 1002 of the Oil Pollution Act of 1990 (33
13 U.S.C. 2702); and

14 “(B) has failed to meet the obligations of the
15 responsible party under that Act to provide com-
16 pensation for covered removal costs and damages.”.

17 (e) EXPLORATION PLANS.—Section 11 of the Outer
18 Continental Shelf Lands Act (43 U.S.C. 1340) is amend-
19 ed—

20 (1) in subsection (c)—

21 (A) in the fourth sentence of paragraph
22 (1), by striking “within thirty days of its sub-
23 mission” and inserting “by the deadline de-
24 scribed in paragraph (5)”;

1 (B) by striking paragraph (3) and insert-
2 ing the following:

3 “(3) MINIMUM REQUIREMENTS.—

4 “(A) IN GENERAL.—An exploration plan
5 submitted under this subsection shall include,
6 in such degree of detail as the Secretary by reg-
7 ulation may require—

8 “(i) a complete description and sched-
9 ular of the exploration activities to be un-
10 dertaken;

11 “(ii) a description of the equipment to
12 be used for the exploration activities, in-
13 cluding—

14 “(I) a description of the drilling
15 unit;

16 “(II) a statement of the design
17 and condition of major safety-related
18 pieces of equipment;

19 “(III) a description of any new
20 technology to be used; and

21 “(IV) a statement demonstrating
22 that the equipment to be used meets
23 the best available commercial tech-
24 nology requirements under section
25 21(b);

1 “(iii) a map showing the location of
2 each well to be drilled;

3 “(iv)(I) a scenario for the potential
4 blowout of the well involving the highest
5 expected volume of liquid hydrocarbons;
6 and

7 “(II) a complete description of a re-
8 sponse plan to control the blowout and
9 manage the accompanying discharge of hy-
10 drocarbons, including—

11 “(aa) the technology and esti-
12 mated timeline for regaining control
13 of the well; and

14 “(bb) the strategy, organization,
15 and resources to be used to avoid
16 harm to the environment and human
17 health from hydrocarbons; and

18 “(v) any other information determined
19 to be relevant by the Secretary.

20 “(B) DEEPWATER WELLS.—

21 “(i) IN GENERAL.—Before conducting
22 exploration activities in water depths
23 greater than 500 feet, the holder of a lease
24 shall submit to the Secretary for approval
25 a deepwater operations plan prepared by

1 the lessee in accordance with this subpara-
2 graph.

3 “(ii) TECHNOLOGY REQUIREMENTS.—
4 A deepwater operations plan under this
5 subparagraph shall be based on the best
6 available commercial technology to ensure
7 safety in carrying out the exploration activ-
8 ity and the blowout response plan.

9 “(iii) SYSTEMS ANALYSIS RE-
10 QUIRED.—The Secretary shall not approve
11 a deepwater operations plan under this
12 subparagraph unless the plan includes a
13 technical systems analysis of—

14 “(I) the safety of the proposed
15 exploration activity;

16 “(II) the blowout prevention
17 technology; and

18 “(III) the blowout and spill re-
19 sponse plans.”; and

20 (C) by adding at the end the following:

21 “(5) DEADLINE FOR APPROVAL.—

22 “(A) IN GENERAL.—In the case of a lease
23 issued under a sale held after March 17, 2010,
24 the deadline for approval of an exploration plan

1 referred to in the fourth sentence of paragraph
2 (1) is—

3 “(i) the date that is 90 days after the
4 date on which the plan or the modifica-
5 tions to the plan are submitted; or

6 “(ii) the date that is not later than an
7 additional 180 days after the deadline de-
8 scribed in clause (i), if the Secretary
9 makes a finding that additional time is
10 necessary to complete any environmental,
11 safety, or other reviews.

12 “(B) EXISTING LEASES.—In the case of a
13 lease issued under a sale held on or before
14 March 17, 2010, the Secretary, with the con-
15 sent of the holder of the lease, may extend the
16 deadline applicable to the lease for such addi-
17 tional time as the Secretary determines is nec-
18 essary to complete any environmental, safety, or
19 other reviews.

20 “(C) EFFECT ON TERM OF LEASE.—In the
21 case of any extension of the deadline for ap-
22 proval of an exploration plan under this Act,
23 the additional time taken by the Secretary shall
24 not be assessed against the term of the associ-
25 ated lease.”;

1 (2) by redesignating subsections (e) through (h)
2 as subsections (f) through (i), respectively; and

3 (3) by striking subsection (d) and inserting the
4 following:

5 “(d) DRILLING PERMITS.—

6 “(1) IN GENERAL.—The Secretary shall, by
7 regulation, require that any lessee operating under
8 an approved exploration plan obtain a permit—

9 “(A) before the lessee drills a well in ac-
10 cordance with the plan; and

11 “(B) before the lessee significantly modi-
12 fies the well design originally approved by the
13 Secretary.

14 “(2) ENGINEERING REVIEW REQUIRED.—The
15 Secretary may not grant any drilling permit until
16 the date of completion of a full review of the well
17 system by not less than 2 agency engineers, includ-
18 ing a written determination that—

19 “(A) critical safety systems (including
20 blowout prevention) will use best available com-
21 mercial technology; and

22 “(B) blowout prevention systems will in-
23 clude redundancy and remote triggering capa-
24 bility.

1 “(3) MODIFICATION REVIEW REQUIRED.—The
2 Secretary may not approve any modification of a
3 permit without a determination, after an additional
4 engineering review, that the modification will not
5 compromise the safety of the well system previously
6 approved.

7 “(4) OPERATOR SAFETY AND ENVIRONMENTAL
8 MANAGEMENT REQUIRED.—The Secretary may not
9 grant any drilling permit or modification of the per-
10 mit until the date of completion and approval of a
11 safety and environmental management plan that—

12 “(A) is to be used by the operator during
13 all well operations; and

14 “(B) includes—

15 “(i) a description of the expertise and
16 experience requirements of crew members
17 who will be present on the rig; and

18 “(ii) designation of at least 2 environ-
19 mental and safety managers that—

20 “(I) are or will be employees of
21 the operator;

22 “(II) would be present on the rig
23 at all times; and

24 “(III) have overall responsibility
25 for the safety and environmental man-

1 agement of the well system and spill
2 response plan; and

3 “(C) not later than May 1, 2012, requires
4 that all employees on the rig meet the training
5 and experience requirements under section
6 21(b)(4).

7 “(e) DISAPPROVAL OF EXPLORATION PLAN.—

8 “(1) IN GENERAL.—The Secretary shall dis-
9 approve an exploration plan submitted under this
10 section if the Secretary determines that, because of
11 exceptional geological conditions in the lease areas,
12 exceptional resource values in the marine or coastal
13 environment, or other exceptional circumstances,
14 that—

15 “(A) implementation of the exploration
16 plan would probably cause serious harm or
17 damage to life (including fish and other aquatic
18 life), property, mineral deposits, national secu-
19 rity or defense, or the marine, coastal or human
20 environments;

21 “(B) the threat of harm or damage would
22 not disappear or decrease to an acceptable ex-
23 tent within a reasonable period of time; and

1 “(C) the advantages of disapproving the
2 exploration plan outweigh the advantages of ex-
3 ploration.

4 “(2) COMPENSATION.—If an exploration plan is
5 disapproved under this subsection, the provisions of
6 subparagraphs (B) and (C) of section 25(h)(2) shall
7 apply to the lease and the plan or any modified plan,
8 except that the reference in section 25(h)(2) to a de-
9 velopment and production plan shall be considered to
10 be a reference to an exploration plan.”.

11 (f) OUTER CONTINENTAL SHELF LEASING PRO-
12 GRAM.—Section 18 of the Outer Continental Shelf Lands
13 Act (43 U.S.C. 1344) is amended—

14 (1) in subsection (a)—

15 (A) in the second sentence, by inserting
16 after “national energy needs” the following:
17 “and the need for the protection of the marine
18 and coastal environment and resources”;

19 (B) in paragraph (1), by striking “con-
20 siders” and inserting “gives equal consideration
21 to”; and

22 (C) in paragraph (3), by striking “, to the
23 maximum extent practicable,”;

24 (2) in subsection (b)—

1 (A) in paragraph (3), by striking “and” at
2 the end;

3 (B) in paragraph (4), by striking the pe-
4 riod at the end and inserting “; and”; and

5 (C) by adding at the end the following:

6 “(5) provide technical review and oversight of
7 the exploration plan and a systems review of the
8 safety of the well design and other operational deci-
9 sions;

10 “(6) conduct regular and thorough safety re-
11 views and inspections, and;

12 “(7) enforce all applicable laws (including regu-
13 lations).”;

14 (3) in the second sentence of subsection (d)(2),
15 by inserting “, the head of an interested Federal
16 agency,” after “Attorney General”;

17 (4) in the first sentence of subsection (g), by in-
18 serting before the period at the end the following: “,
19 including existing inventories and mapping of ma-
20 rine resources previously undertaken by the Depart-
21 ment of the Interior and the National Oceanic and
22 Atmospheric Administration, information provided
23 by the Department of Defense, and other available
24 data regarding energy or mineral resource potential,
25 navigation uses, fisheries, aquaculture uses, rec-

1 reational uses, habitat, conservation, and military
2 uses on the outer Continental Shelf”; and

3 (5) by adding at the end the following:

4 “(i) RESEARCH AND DEVELOPMENT.—

5 “(1) IN GENERAL.—The Secretary shall carry
6 out a program of research and development to en-
7 sure the continued improvement of methodologies for
8 characterizing resources of the outer Continental
9 Shelf and conditions that may affect the ability to
10 develop and use those resources in a safe, sound,
11 and environmentally responsible manner.

12 “(2) INCLUSIONS.—Research and development
13 activities carried out under paragraph (1) may in-
14 clude activities to provide accurate estimates of en-
15 ergy and mineral reserves and potential on the outer
16 Continental Shelf and any activities that may assist
17 in filling gaps in environmental data needed to de-
18 velop each leasing program under this section.

19 “(3) LEASING ACTIVITIES.—Research and de-
20 velopment activities carried out under paragraph (1)
21 shall not be considered to be leasing or pre-leasing
22 activities for purposes of this Act.”.

23 (g) ENVIRONMENTAL STUDIES.—Section 20 of the
24 Outer Continental Shelf Lands Act (43 U.S.C. 1346) is
25 amended—

1 (1) by redesignating subsections (a) through (f)
2 as subsections (b) through (g), respectively;

3 (2) by inserting before subsection (b) (as so re-
4 designated) the following:

5 “(a) COMPREHENSIVE AND INDEPENDENT STUD-
6 IES.—

7 “(1) IN GENERAL.—The Secretary shall develop
8 and carry out programs for the collection, evalua-
9 tion, assembly, analysis, and dissemination of envi-
10 ronmental and other resource data that are relevant
11 to carrying out the purposes of this Act.

12 “(2) SCOPE OF RESEARCH.—The programs
13 under this subsection shall include—

14 “(A) the gathering of baseline data in
15 areas before energy or mineral resource devel-
16 opment activities occur;

17 “(B) ecosystem research and monitoring
18 studies to support integrated resource manage-
19 ment decisions; and

20 “(C) the improvement of scientific under-
21 standing of the fate, transport, and effects of
22 discharges and spilled materials, including deep
23 water hydrocarbon spills, in the marine environ-
24 ment.

1 “(3) USE OF DATA.—The Secretary shall en-
2 sure that information from the studies carried out
3 under this section—

4 “(A) informs the management of energy
5 and mineral resources on the outer Continental
6 Shelf including any areas under consideration
7 for oil and gas leasing; and

8 “(B) contributes to a broader coordination
9 of energy and mineral resource development ac-
10 tivities within the context of best available
11 science.

12 “(4) INDEPENDENCE.—The Secretary shall cre-
13 ate a program within the appropriate bureau estab-
14 lished under section 32 that shall—

15 “(A) be programmatically separate and
16 distinct from the leasing program;

17 “(B) carry out the environmental studies
18 under this section;

19 “(C) conduct additional environmental
20 studies relevant to the sound management of
21 energy and mineral resources on the outer Con-
22 tinental Shelf;

23 “(D) provide for external scientific review
24 of studies under this section, including through

1 appropriate arrangements with the National
2 Academy of Sciences; and

3 “(E) subject to the restrictions of sub-
4 sections (g) and (h) of section 18, make avail-
5 able to the public studies conducted and data
6 gathered under this section.”; and

7 (3) in the first sentence of subsection (b)(1) (as
8 so redesignated), by inserting “every 3 years” after
9 “shall conduct”.

10 (h) SAFETY RESEARCH AND REGULATIONS.—Section
11 21 of the Outer Continental Shelf Lands Act (43 U.S.C.
12 1347) is amended—

13 (1) in the first sentence of subsection (a), by
14 striking “Upon the date of enactment of this sec-
15 tion,” and inserting “Not later than May 1, 2011,
16 and every 3 years thereafter,”;

17 (2) by striking subsection (b) and inserting the
18 following:

19 “(b) BEST AVAILABLE TECHNOLOGIES AND PRAC-
20 TICES.—

21 “(1) IN GENERAL.—In exercising respective re-
22 sponsibilities under this Act, the Secretary, and the
23 Secretary of the Department in which the Coast
24 Guard is operating, shall require, on all new drilling
25 and production operations and, to the maximum ex-

1 tent practicable, on existing operations, the use of
2 the best available and safest commercial technologies
3 and practices, if the failure of equipment would have
4 a significant effect on safety, health, or the environ-
5 ment.

6 “(2) IDENTIFICATION OF BEST AVAILABLE
7 TECHNOLOGIES.—Not later than May 1, 2011, the
8 Secretary shall identify and publish a list, to be up-
9 dated and maintained to reflect technological ad-
10 vances, of best available commercial technologies for
11 key areas of well design and operation, including
12 blowout prevention and blowout and oil spill re-
13 sponse.

14 “(3) SAFETY CASE.—Not later than May 1,
15 2011, the Secretary shall promulgate regulations re-
16 quiring a safety case be submitted along with each
17 new application for a permit to drill on the outer
18 Continental Shelf.

19 “(4) EMPLOYEE TRAINING.—

20 “(A) IN GENERAL.—Not later than May 1,
21 2011, the Secretary shall promulgate regula-
22 tions setting standards for training for all
23 workers on offshore facilities (including mobile
24 offshore drilling units) conducting energy and
25 mineral resource exploration, development, and

1 production operations on the outer Continental
2 Shelf.

3 “(B) REQUIREMENTS.—The training
4 standards under this paragraph shall require
5 that employers of workers described in subpara-
6 graph (A)—

7 “(i) establish training programs ap-
8 proved by the Secretary; and

9 “(ii) demonstrate that employees in-
10 volved in the offshore operations meet
11 standards that demonstrate the aptitude of
12 the employees in critical technical skills.

13 “(C) EXPERIENCE.—The training stand-
14 ards under this section shall require that any
15 offshore worker with less than 5 years of ap-
16 plied experience in offshore facilities operations
17 pass a certification requirement after receiving
18 the appropriate training.

19 “(D) MONITORING TRAINING COURSES.—
20 The Secretary shall ensure that Department
21 employees responsible for inspecting offshore fa-
22 cilities monitor, observe, and report on training
23 courses established under this paragraph, in-
24 cluding attending a representative number of

1 the training sessions, as determined by the Sec-
2 retary.”; and

3 (3) by adding at the end the following:

4 “(g) TECHNOLOGY RESEARCH AND RISK ASSESS-
5 MENT PROGRAM.—

6 “(1) IN GENERAL.—The Secretary shall carry
7 out a program of research, development, and risk as-
8 sessment to address technology and development
9 issues associated with outer Continental Shelf en-
10 ergy and mineral resource activities, with the pri-
11 mary purpose of informing the role of research, de-
12 velopment, and risk assessment relating to safety,
13 environmental protection, and spill response.

14 “(2) SPECIFIC AREAS OF FOCUS.—The program
15 under this subsection shall include research, develop-
16 ment, and other activities related to—

17 “(A) risk assessment, using all available
18 data from safety and compliance records both
19 within the United States and internationally;

20 “(B) analysis of industry trends in tech-
21 nology, investment, and interest in frontier
22 areas;

23 “(C) analysis of incidents investigated
24 under section 22;

1 “(D) reviews of best available commercial
2 technologies, including technologies associated
3 with pipelines, blowout preventer mechanisms,
4 casing, well design, and other associated infra-
5 structure related to offshore energy develop-
6 ment;

7 “(E) oil spill response and mitigation;

8 “(F) risks associated with human factors;
9 and

10 “(G) renewable energy operations.

11 “(3) INFORMATION SHARING ACTIVITIES.—

12 “(A) DOMESTIC ACTIVITIES.—The Sec-
13 retary shall carry out programs to facilitate the
14 exchange and dissemination of scientific and
15 technical information and best practices related
16 to the management of safety and environmental
17 issues associated with energy and mineral re-
18 source exploration, development, and produc-
19 tion.

20 “(B) INTERNATIONAL COOPERATION.—

21 The Secretary shall carry out programs to co-
22 operate with international organizations and
23 foreign governments to share information and
24 best practices related to the management of
25 safety and environmental issues associated with

1 energy and mineral resource exploration, devel-
2 opment, and production.

3 “(4) REPORTS.—The program under this sub-
4 section shall provide to the Secretary, each Bureau
5 Director under section 32, and the public quarterly
6 reports that address—

7 “(A) developments in each of the areas
8 under paragraph (2); and

9 “(B)(i) any accidents that have occurred in
10 the past quarter; and

11 “(ii) appropriate responses to the acci-
12 dents.

13 “(5) INDEPENDENCE.—The Secretary shall cre-
14 ate a program within the appropriate bureau estab-
15 lished under section 32 that shall—

16 “(A) be programmatically separate and
17 distinct from the leasing program;

18 “(B) carry out the studies, analyses, and
19 other activities under this subsection;

20 “(C) provide for external scientific review
21 of studies under this section, including through
22 appropriate arrangements with the National
23 Academy of Sciences; and

24 “(D) make available to the public studies
25 conducted and data gathered under this section.

1 “(6) USE OF DATA.—The Secretary shall en-
 2 sure that the information from the studies and re-
 3 search carried out under this section inform the de-
 4 velopment of safety practices and regulations as re-
 5 quired by this Act and other applicable laws.”.

6 (i) ENFORCEMENT.—Section 22 of the Outer Conti-
 7 nental Shelf Lands Act (43 U.S.C. 1348) is amended—

8 (1) in subsection (d)—

9 (A) in paragraph (1)—

10 (i) in the first sentence, by inserting
 11 “, each loss of well control, blowout, activa-
 12 tion of the shear rams, and other accident
 13 that presented a serious risk to human or
 14 environmental safety,” after “fire”; and

15 (ii) in the last sentence, by inserting
 16 “as a condition of the lease” before the pe-
 17 riod at the end;

18 (B) in the last sentence of paragraph (2),
 19 by inserting “as a condition of lease” before the
 20 period at the end;

21 (2) in subsection (e)—

22 (A) by striking “(e) The” and inserting the
 23 following:

24 “(e) REVIEW OF ALLEGED SAFETY VIOLATIONS.—

25 “(1) IN GENERAL.—The”; and

1 (B) by adding at the end the following:

2 “(2) INVESTIGATION.—The Secretary shall in-
3 vestigate any allegation from any employee of the
4 lessee or any subcontractor of the lessee made under
5 paragraph (1).”; and

6 (3) by adding at the end of the section the fol-
7 lowing:

8 “(g) INDEPENDENT INVESTIGATION.—

9 “(1) IN GENERAL.—At the request of the Sec-
10 retary, the National Transportation Safety Board
11 may conduct an independent investigation of any ac-
12 cident, occurring in the outer Continental Shelf and
13 involving activities under this Act, that does not oth-
14 erwise fall within the definition of an accident or
15 major marine casualty, as those terms are used in
16 chapter 11 of title 49, United States Code.

17 “(2) TRANSPORTATION ACCIDENT.—For pur-
18 poses of an investigation under this subsection, the
19 accident that is the subject of the request by the
20 Secretary shall be determined to be a transportation
21 accident within the meaning of that term in chapter
22 11 of title 49, United States Code.

23 “(h) INFORMATION ON CAUSES AND CORRECTIVE
24 ACTIONS.—

1 “(1) IN GENERAL.—For each incident inves-
2 tigated under this section, the Secretary shall
3 promptly make available to all lessees and the public
4 technical information about the causes and correc-
5 tive actions taken.

6 “(2) PUBLIC DATABASE.—All data and reports
7 related to an incident described in paragraph (1)
8 shall be maintained in a database that is available
9 to the public.

10 “(i) INSPECTION FEE.—

11 “(1) IN GENERAL.—To the extent necessary to
12 fund the inspections described in this paragraph, the
13 Secretary shall collect a non-refundable inspection
14 fee, which shall be deposited in the Ocean Energy
15 Enforcement Fund established under paragraph (3),
16 from the designated operator for facilities subject to
17 inspection under subsection (c).

18 “(2) ESTABLISHMENT.—The Secretary shall es-
19 tablish, by rule, inspection fees—

20 “(A) at an aggregate level equal to the
21 amount necessary to offset the annual expenses
22 of inspections of outer Continental Shelf facili-
23 ties (including mobile offshore drilling units) by
24 the Department of the Interior; and

1 “(B) using a schedule that reflects the dif-
2 ferences in complexity among the classes of fa-
3 cilities to be inspected.

4 “(3) OCEAN ENERGY ENFORCEMENT FUND.—
5 There is established in the Treasury a fund, to be
6 known as the ‘Ocean Energy Enforcement Fund’
7 (referred to in this subsection as the ‘Fund’), into
8 which shall be deposited amounts collected under
9 paragraph (1) and which shall be available as pro-
10 vided under paragraph (4).

11 “(4) AVAILABILITY OF FEES.—Notwithstanding
12 section 3302 of title 31, United States Code, all
13 amounts collected by the Secretary under this sec-
14 tion—

15 “(A) shall be credited as offsetting collec-
16 tions;

17 “(B) shall be available for expenditure only
18 for purposes of carrying out inspections of
19 outer Continental Shelf facilities (including mo-
20 bile offshore drilling units) and the administra-
21 tion of the inspection program;

22 “(C) shall be available only to the extent
23 provided for in advance in an appropriations
24 Act; and

25 “(D) shall remain available until expended.

1 “(5) ANNUAL REPORTS.—

2 “(A) IN GENERAL.—Not later than 60
3 days after the end of each fiscal year beginning
4 with fiscal year 2011, the Secretary shall sub-
5 mit to the Committee on Energy and Natural
6 Resources of the Senate and the Committee on
7 Natural Resources of the House of Representa-
8 tives a report on the operation of the Fund dur-
9 ing the fiscal year.

10 “(B) CONTENTS.—Each report shall in-
11 clude, for the fiscal year covered by the report,
12 the following:

13 “(i) A statement of the amounts de-
14 posited into the Fund.

15 “(ii) A description of the expenditures
16 made from the Fund for the fiscal year, in-
17 cluding the purpose of the expenditures.

18 “(iii) Recommendations for additional
19 authorities to fulfill the purpose of the
20 Fund.

21 “(iv) A statement of the balance re-
22 maining in the Fund at the end of the fis-
23 cal year.”.

1 (j) REMEDIES AND PENALTIES.—Section 24 of the
2 Outer Continental Shelf Lands Act (43 U.S.C. 1350) is
3 amended—

4 (1) by striking subsection (b) and inserting the
5 following:

6 “(b) CIVIL PENALTY.—

7 “(1) IN GENERAL.—Subject to paragraphs (2)
8 through (3), if any person fails to comply with this
9 Act, any term of a lease or permit issued under this
10 Act, or any regulation or order issued under this
11 Act, the person shall be liable for a civil administra-
12 tive penalty of not more than \$75,000 for each day
13 of continuance of each failure.

14 “(2) ADMINISTRATION.—The Secretary may as-
15 sess, collect, and compromise any penalty under
16 paragraph (1).

17 “(3) HEARING.—No penalty shall be assessed
18 under this subsection until the person charged with
19 a violation has been given the opportunity for a
20 hearing.

21 “(4) ADJUSTMENT.—The penalty amount speci-
22 fied in this subsection shall increase each year to re-
23 flect any increases in the Consumer Price Index for
24 All Urban Consumers published by the Bureau of
25 Labor Statistics of the Department of Labor.”;

1 (2) in subsection (c)—

2 (A) in the first sentence, by striking
3 “\$100,000” and inserting “\$10,000,000”; and

4 (B) by adding at the end the following:

5 “The penalty amount specified in this sub-
6 section shall increase each year to reflect any
7 increases in the Consumer Price Index for All
8 Urban Consumers published by the Bureau of
9 Labor Statistics of the Department of Labor.”;

10 and

11 (3) in subsection (d), by inserting “, or with
12 reckless disregard,” after “knowingly and willfully”.

13 (k) OIL AND GAS DEVELOPMENT AND PRODUC-
14 TION.—Section 25 of the Outer Continental Shelf Lands
15 Act (43 U.S.C. 1351) is amended by striking “, other than
16 the Gulf of Mexico,” each place it appears in subsections
17 (a)(1), (b), and (e)(1).

18 (l) CONFLICTS OF INTEREST.—Section 29 of the
19 Outer Continental Shelf Lands Act (43 U.S.C. 1355) is
20 amended to read as follows:

21 **“SEC. 29. CONFLICTS OF INTEREST.**

22 “(a) RESTRICTIONS ON EMPLOYMENT.—No full-time
23 officer or employee of the Department of the Interior who
24 directly or indirectly discharges duties or responsibilities
25 under this Act shall—

1 “(1) within 2 years after his employment with
2 the Department has ceased—

3 “(A) knowingly act as agent or attorney
4 for, or otherwise represent, any other person
5 (except the United States) in any formal or in-
6 formal appearance before;

7 “(B) with the intent to influence, make
8 any oral or written communication on behalf of
9 any other person (except the United States) to;

10 or

11 “(C) knowingly aid, advise, or assist in—

12 “(i) representing any other person
13 (except the United States in any formal or
14 informal appearance before; or

15 “(ii) making, with the intent to influ-
16 ence, any oral or written communication
17 on behalf of any other person (except the
18 United States) to,

19 any department, agency, or court of the United
20 States, or any officer or employee thereof, in connec-
21 tion with any judicial or other proceeding, applica-
22 tion, request for a ruling or other determination,
23 regulation, order lease, permit, rulemaking, inspec-
24 tion, enforcement action, or other particular matter
25 involving a specific party or parties in which the

1 United States is a party or has a direct and sub-
2 stantial interest which was actually pending under
3 his official responsibility as an officer or employee
4 within a period of one year prior to the termination
5 of such responsibility or in which he participated
6 personally and substantially as an officer or em-
7 ployee;

8 “(2) within 1 year after his employment with
9 the Department has ceased—

10 “(A) knowingly act as agent or attorney
11 for, or otherwise represent, any other person
12 (except the United States) in any formal or in-
13 formal appearance before;

14 “(B) with the intent to influence, make
15 any oral or written communication on behalf of
16 any other person (except the United States) to;
17 or

18 “(C) knowingly aid , advise, or assist in —

19 “(i) representing any other person
20 (except the United States in any formal or
21 informal appearance before, or

22 “(ii) making, with the intent to influ-
23 ence, any oral or written communication
24 on behalf of any other person (except the
25 United States) to,

1 the Department of the Interior, or any officer or em-
2 ployee thereof, in connection with any judicial, rule-
3 making, regulation, order, lease, permit, regulation,
4 inspection, enforcement action, or other particular
5 matter which is pending before the Department of
6 the Interior or in which the Department has a direct
7 and substantial interest; or

8 “(3) accept employment or compensation, dur-
9 ing the 1-year period beginning on the date on which
10 employment with the Department has ceased, from
11 any person (other than the United States) that has
12 a direct and substantial interest—

13 “(A) that was pending under the official
14 responsibility of the employee as an officer or
15 employee of the Department during the 1-year
16 period preceding the termination of the respon-
17 sibility; or

18 “(B) in which the employee participated
19 personally and substantially as an officer or em-
20 ployee.

21 “(b) PRIOR EMPLOYMENT RELATIONSHIPS.—No
22 full-time officer or employee of the Department of the In-
23 terior who directly or indirectly discharges duties or re-
24 sponsibilities under this Act shall participate personally
25 and substantially as a Federal officer or employee,

1 through decision, approval, disapproval, recommendation,
2 the rendering of advice, investigation, or otherwise, in a
3 proceeding, application, request for a ruling or other de-
4 termination, contract, claim, controversy, charge, accusa-
5 tion, inspection, enforcement action, or other particular
6 matter in which, to the knowledge of the officer or em-
7 ployee—

8 “(1) the officer or employee or the spouse,
9 minor child, or general partner of the officer or em-
10 ployee has a financial interest;

11 “(2) any organization in which the officer or
12 employee is serving as an officer, director, trustee,
13 general partner, or employee has a financial interest;

14 “(3) any person or organization with whom the
15 officer or employee is negotiating or has any ar-
16 rangement concerning prospective employment has a
17 financial interest; or

18 “(4) any person or organization in which the of-
19 ficer or employee has, within the preceding 1-year
20 period, served as an officer, director, trustee, general
21 partner, agent, attorney, consultant, contractor, or
22 employee has a financial interest.

23 “(c) GIFTS FROM OUTSIDE SOURCES.—No full-time
24 officer or employee of the Department of the Interior who
25 directly or indirectly discharges duties or responsibilities

1 under this Act shall, directly or indirectly, solicit or accept
 2 any gift in violation of subpart B of part 2635 of title
 3 V, Code of Federal Regulations (or successor regulations).

4 “(d) EXEMPTIONS.—The Secretary may, by rule, ex-
 5 empt from this section clerical and support personnel who
 6 do not conduct inspections, perform audits, or otherwise
 7 exercise regulatory or policy making authority under this
 8 Act.

9 “(e) PENALTIES.—

10 “(1) CRIMINAL PENALTIES.—Any person who
 11 violates paragraph (1) or (2) of subsection (a) or
 12 subsection (b) shall be punished in accordance with
 13 section 216 of title 18, United States Code.

14 “(2) CIVIL PENALTIES.—Any person who vio-
 15 lates subsection (a)(3) or (c) shall be punished in ac-
 16 cordance with subsection (b) of section 216 of title
 17 18, United States Code.”.

18 **SEC. 106. STUDY ON THE EFFECT OF THE MORATORIA ON**
 19 **NEW DEEPWATER DRILLING IN THE GULF OF**
 20 **MEXICO ON EMPLOYMENT AND SMALL BUSI-**
 21 **NESSES.**

22 (a) IN GENERAL.—The Secretary of Energy, acting
 23 through the Energy Information Administration, shall
 24 publish a monthly study evaluating the effect of the mora-
 25 toria which followed from the blowout and explosion of the

1 mobile offshore drilling unit *Deepwater Horizon* that oc-
2 curred on April 20, 2010, and resulting hydrocarbon re-
3 leases into the environment, on employment and small
4 businesses.

5 (b) REPORT.—Not later than 60 days after the date
6 of enactment of this Act and at the beginning of each
7 month thereafter during the effective period of the mora-
8 toria described in subsection (a), the Secretary of Energy,
9 acting through the Energy Information Administration,
10 shall submit to the Committee on Energy and Natural Re-
11 sources of the Senate and the Committee on Energy and
12 Commerce of the House of Representatives a report re-
13 garding the results of the study conducted under sub-
14 section (a), including—

15 (1) a survey of the effect of the moratoria on
16 deepwater drilling on employment in the industries
17 directly involved in oil and natural gas exploration in
18 the outer Continental Shelf;

19 (2) a survey of the effect of the moratoria on
20 employment in the industries indirectly involved in
21 oil and natural gas exploration in the outer Conti-
22 nental Shelf, including suppliers of supplies or serv-
23 ices and customers of industries directly involved in
24 oil and natural gas exploration;

1 (3) an estimate of the effect of the moratoria
2 on the revenues of small business located near the
3 Gulf of Mexico and, to the maximum extent prac-
4 ticable, throughout the United States; and

5 (4) any recommendations to mitigate possible
6 negative effects on small business concerns resulting
7 from the moratoria.

8 **SEC. 107. REFORM OF OTHER LAW.**

9 Section 388(b) of the Energy Policy Act of 2005 (43
10 U.S.C. 1337 note; Public Law 109–58) is amended by
11 adding at the end the following:

12 “(4) FEDERAL AGENCIES.—Any head of a Fed-
13 eral department or agency shall, on request of the
14 Secretary, provide to the Secretary all data and in-
15 formation that the Secretary determines to be nec-
16 essary for the purpose of including the data and in-
17 formation in the mapping initiative, except that no
18 Federal department or agency shall be required to
19 provide any data or information that is privileged or
20 proprietary.”.

21 **SEC. 108. SAFER OIL AND GAS PRODUCTION.**

22 (a) PROGRAM AUTHORITY.—Section 999A of the En-
23 ergy Policy Act of 2005 (42 U.S.C. 16371) is amended—

24 (1) in subsection (a)—

1 (A) by striking “ultra-deepwater” and in-
2 serting “deepwater”; and

3 (B) by inserting “well control and accident
4 prevention,” after “safe operations,”;

5 (2) in subsection (b)—

6 (A) by striking paragraph (1) and insert-
7 ing the following:

8 “(1) Deepwater architecture, well control and
9 accident prevention, and deepwater technology, in-
10 cluding drilling to deep formations in waters greater
11 than 500 feet.”; and

12 (B) by striking paragraph (4) and insert-
13 ing the following:

14 “(4) Safety technology research and develop-
15 ment for drilling activities aimed at well control and
16 accident prevention performed by the Office of Fos-
17 sil Energy of the Department.”; and

18 (3) in subsection (d)—

19 (A) in the subsection heading, by striking
20 “NATIONAL ENERGY TECHNOLOGY LABORA-
21 TORY” and inserting “OFFICE OF FOSSIL EN-
22 ERGY OF THE DEPARTMENT”; and

23 (B) by striking “National Energy Tech-
24 nology Laboratory” and inserting “Office of
25 Fossil Energy of the Department”.

1 (b) DEEPWATER AND UNCONVENTIONAL ONSHORE
2 NATURAL GAS AND OTHER PETROLEUM RESEARCH AND
3 DEVELOPMENT PROGRAM.—Section 999B of the Energy
4 Policy Act of 2005 (42 U.S.C. 16372) is amended—

5 (1) in the section heading, by striking “**ULTRA-**
6 **DEEPWATER AND UNCONVENTIONAL ONSHORE**
7 **NATURAL GAS AND OTHER PETROLEUM**” and
8 inserting “**SAFE OIL AND GAS PRODUCTION AND**
9 **ACCIDENT PREVENTION**”;

10 (2) in subsection (a), by striking “, by increas-
11 ing” and all that follows through the period at the
12 end and inserting “and the safe and environmentally
13 responsible exploration, development, and production
14 of hydrocarbon resources.”;

15 (3) in subsection (c)(1)—

16 (A) by redesignating subparagraphs (D)
17 and (E) as subparagraphs (E) and (F), respec-
18 tively; and

19 (B) by inserting after subparagraph (C)
20 the following:

21 “(D) projects will be selected on a competi-
22 tive, peer-reviewed basis.”; and

23 (4) in subsection (d)—

24 (A) in paragraph (6), by striking “ultra-
25 deepwater” and inserting “deepwater”;

- 1 (B) in paragraph (7)—
- 2 (i) in subparagraph (A)—
- 3 (I) in the subparagraph heading,
- 4 by striking “ULTRA-DEEPWATER” and
- 5 inserting “DEEPWATER”;
- 6 (II) by striking “development
- 7 and” and inserting “research, develop-
- 8 ment, and”; and
- 9 (III) by striking “as well as” and
- 10 all that follows through the period at
- 11 the end and inserting “aimed at im-
- 12 proving operational safety of drilling
- 13 activities, including well integrity sys-
- 14 tems, well control, blowout prevention,
- 15 the use of non-toxic materials, and in-
- 16 tegrated systems approach-based
- 17 management for exploration and pro-
- 18 duction in deepwater.”;
- 19 (ii) in subparagraph (B), by striking
- 20 “and environmental mitigation” and in-
- 21 sserting “use of non-toxic materials, drilling
- 22 safety, and environmental mitigation and
- 23 accident prevention”;
- 24 (iii) in subparagraph (C), by inserting
- 25 “safety and accident prevention, well con-

1 trol and systems integrity,” after “includ-
2 ing”; and

3 (iv) by adding at the end the fol-
4 lowing:

5 “(D) SAFETY AND ACCIDENT PREVENTION
6 TECHNOLOGY RESEARCH AND DEVELOP-
7 MENT.—Awards from allocations under section
8 999H(d)(4) shall be expended on areas includ-
9 ing—

10 “(i) development of improved cement-
11 ing and casing technologies;

12 “(ii) best management practices for
13 cementing, casing, and other well control
14 activities and technologies;

15 “(iii) development of integrity and
16 stewardship guidelines for—

17 “(I) well-plugging and abandon-
18 ment;

19 “(II) development of wellbore
20 sealant technologies; and

21 “(III) improvement and stand-
22 ardization of blowout prevention de-
23 vices.”; and

24 (C) by adding at the end the following:

25 “(8) STUDY; REPORT.—

1 “(A) STUDY.—As soon as practicable after
2 the date of enactment of this paragraph, the
3 Secretary shall enter into an arrangement with
4 the National Academy of Sciences under which
5 the Academy shall conduct a study to deter-
6 mine—

7 “(i) whether the benefits provided
8 through each award under this subsection
9 during calendar year 2011 have been maxi-
10 mized; and

11 “(ii) the new areas of research that
12 could be carried out to meet the overall ob-
13 jectives of the program.

14 “(B) REPORT.—Not later than January 1,
15 2012, the Secretary shall submit to the appro-
16 priate committees of Congress a report that
17 contains a description of the results of the
18 study conducted under subparagraph (A).

19 “(C) OPTIONAL UPDATES.—The Secretary
20 may update the report described in subpara-
21 graph (B) for the 5-year period beginning on
22 the date described in that subparagraph and
23 each 5-year period thereafter.”;

24 (5) in subsection (e)—

25 (A) in paragraph (2)—

1 (i) in the second sentence of subpara-
2 graph (A), by inserting “to the Secretary
3 for review” after “submit”; and

4 (ii) in the first sentence of subpara-
5 graph (B), by striking “Ultra-Deepwater”
6 and all that follows through “and such Ad-
7 visory Committees” and inserting “Pro-
8 gram Advisory Committee established
9 under section 999D(a), and the Advisory
10 Committee”; and

11 (B) by adding at the end the following:

12 “(6) RESEARCH FINDINGS AND RECOMMENDA-
13 TIONS FOR IMPLEMENTATION.—The Secretary, in
14 consultation with the Secretary of the Interior and
15 the Administrator of the Environmental Protection
16 Agency, shall publish in the Federal Register an an-
17 nual report on the research findings of the program
18 carried out under this section and any recommenda-
19 tions for implementation that the Secretary, in con-
20 sultation with the Secretary of the Interior and the
21 Administrator of the Environmental Protection
22 Agency, determines to be necessary.”;

23 (6) in subsection (i)—

24 (A) in the subsection heading, by striking

25 “UNITED STATES GEOLOGICAL SURVEY” and

1 inserting “DEPARTMENT OF THE INTERIOR”;
2 and

3 (B) by striking “, through the United
4 States Geological Survey,”; and

5 (7) in the first sentence of subsection (j), by
6 striking “National Energy Technology Laboratory”
7 and inserting “Office of Fossil Energy of the De-
8 partment”.

9 (c) **ADDITIONAL REQUIREMENTS FOR AWARDS.**—
10 Section 999C(b) of the Energy Policy Act of 2005 (42
11 U.S.C. 16373(b)) is amended by striking “an ultra-deep-
12 water technology or an ultra-deepwater architecture” and
13 inserting “a deepwater technology”.

14 (d) **PROGRAM ADVISORY COMMITTEE.**—Section
15 999D of the Energy Policy Act of 2005 (42 U.S.C. 16374)
16 is amended to read as follows:

17 **“SEC. 999D. PROGRAM ADVISORY COMMITTEE.**

18 “(a) **ESTABLISHMENT.**—Not later than 270 days
19 after the date of enactment of the Oil Spill Response Im-
20 provement Act of 2010, the Secretary shall establish an
21 advisory committee to be known as the ‘Program Advisory
22 Committee’ (referred to in this section as the ‘Advisory
23 Committee’).

24 “(b) **MEMBERSHIP.**—

1 “(1) IN GENERAL.—The Advisory Committee
2 shall be composed of members appointed by the Sec-
3 retary, including—

4 “(A) individuals with extensive research
5 experience or operational knowledge of hydro-
6 carbon exploration and production;

7 “(B) individuals broadly representative of
8 the affected interests in hydrocarbon produc-
9 tion, including interests in environmental pro-
10 tection and safety operations;

11 “(C) representatives of Federal agencies,
12 including the Environmental Protection Agency
13 and the Department of the Interior;

14 “(D) State regulatory agency representa-
15 tives; and

16 “(E) other individuals, as determined by
17 the Secretary.

18 “(2) LIMITATIONS.—

19 “(A) IN GENERAL.—The Advisory Com-
20 mittee shall not include individuals who are
21 board members, officers, or employees of the
22 program consortium.

23 “(B) CATEGORICAL REPRESENTATION.—In
24 appointing members of the Advisory Committee,
25 the Secretary shall ensure that no class of indi-

1 viduals described in any of subparagraphs (A),
2 (B), (D), or (E) of paragraph (1) comprises
3 more than $\frac{1}{3}$ of the membership of the Advi-
4 sory Committee.

5 “(c) SUBCOMMITTEES.—The Advisory Committee
6 may establish subcommittees for separate research pro-
7 grams carried out under this subtitle.

8 “(d) DUTIES.—The Advisory Committee shall—

9 “(1) advise the Secretary on the development
10 and implementation of programs under this subtitle;
11 and

12 “(2) carry out section 999B(e)(2)(B).

13 “(e) COMPENSATION.—A member of the Advisory
14 Committee shall serve without compensation but shall be
15 entitled to receive travel expenses in accordance with sub-
16 chapter I of chapter 57 of title 5, United States Code.

17 “(f) PROHIBITION.—The Advisory Committee shall
18 not make recommendations on funding awards to par-
19 ticular consortia or other entities, or for specific
20 projects.”.

21 (e) DEFINITIONS.—Section 999G of the Energy Pol-
22 icy Act of 2005 (42 U.S.C. 16377) is amended—

23 (1) in paragraph (1), by striking “200 but less
24 than 1,500 meters” and inserting “500 feet”;

25 (2) by striking paragraphs (8), (9), and (10);

1 (3) by redesignating paragraphs (2) through
2 (7) and (11) as paragraphs (4) through (9) and
3 (10), respectively;

4 (4) by inserting after paragraph (1) the fol-
5 lowing:

6 “(2) DEEPWATER ARCHITECTURE.—The term
7 ‘deepwater architecture’ means the integration of
8 technologies for the exploration for, or production of,
9 natural gas or other petroleum resources located at
10 deepwater depths.

11 “(3) DEEPWATER TECHNOLOGY.—The term
12 ‘deepwater technology’ means a discrete technology
13 that is specially suited to address 1 or more chal-
14 lenges associated with the exploration for, or produc-
15 tion of, natural gas or other petroleum resources lo-
16 cated at deepwater depths.”; and

17 (5) in paragraph (10) (as redesignated by para-
18 graph (3)), by striking “in an economically inacces-
19 sible geological formation, including resources of
20 small producers”.

21 (f) FUNDING.—Section 999H of the Energy Policy
22 Act of 2005 (42 U.S.C. 16378) is amended—

23 (1) in the first sentence of subsection (a) by
24 striking “Ultra-Deepwater and Unconventional Nat-
25 ural Gas and Other Petroleum Research Fund” and

1 inserting “Safe and Responsible Energy Production
2 Research Fund”;

3 (2) in subsection (d)—

4 (A) in paragraph (1), by striking “35 per-
5 cent” and inserting “21.5 percent”;

6 (B) in paragraph (2), by striking “32.5
7 percent” and inserting “21 percent”;

8 (C) in paragraph (4)—

9 (i) by striking “25 percent” and in-
10 sserting “30 percent”;

11 (ii) by striking “complementary re-
12 search” and inserting “safety technology
13 research and development”; and

14 (iii) by striking “contract manage-
15 ment,” and all that follows through the pe-
16 riod at the end and inserting “and contract
17 management.”; and

18 (D) by adding at the end the following:

19 “(5) 20 percent shall be used for research ac-
20 tivities required under sections 20 and 21 of the
21 Outer Continental Shelf Lands Act (43 U.S.C. 1346,
22 1347).”.

23 (3) in subsection (f), by striking “Ultra-Deep-
24 water and Unconventional Natural Gas and Other
25 Petroleum Research Fund” and inserting “Safer Oil

1 and Gas Production and Accident Prevention Re-
2 search Fund”.

3 (g) CONFORMING AMENDMENT.—Subtitle J of title
4 IX of the Energy Policy Act of 2005 (42 U.S.C. 16371
5 et seq.) is amended in the subtitle heading by striking
6 **“Ultra-Deepwater and Unconventional Nat-
7 ural Gas and Other Petroleum Resources”** and
8 inserting **“Safer Oil and Gas Production and Ac-
9 cident Prevention”**.

10 **SEC. 109. NATIONAL COMMISSION ON OUTER CONTI-
11 NENTAL SHELF OIL SPILL PREVENTION.**

12 (a) ESTABLISHMENT.—There is established in the
13 Legislative branch the National Commission on Outer
14 Continental Shelf Oil Spill Prevention (referred to in this
15 section as the “Commission”).

16 (b) PURPOSES.—The purposes of the Commission
17 are—

18 (1) to examine and report on the facts and
19 causes relating to the Deepwater Horizon explosion
20 and oil spill of 2010;

21 (2) to ascertain, evaluate, and report on the evi-
22 dence developed by all relevant governmental agen-
23 cies regarding the facts and circumstances sur-
24 rounding the incident;

1 (3) to build upon the investigations of other en-
2 tities, and avoid unnecessary duplication, by review-
3 ing the findings, conclusions, and recommendations
4 of—

5 (A) the Committees on Energy and Nat-
6 ural Resources and Commerce, Science, and
7 Transportation of the Senate;

8 (B) the Committee on Natural Resources
9 and the Subcommittee on Oversight and Inves-
10 tigations of the House of Representatives; and

11 (C) other Executive branch, congressional,
12 or independent commission investigations into
13 the Deepwater Horizon incident of 2010, other
14 fatal oil platform accidents and major spills,
15 and major oil spills generally;

16 (4) to make a full and complete accounting of
17 the circumstances surrounding the incident, and the
18 extent of the preparedness of the United States for,
19 and immediate response of the United States to, the
20 incident; and

21 (5) to investigate and report to the President
22 and Congress findings, conclusions, and rec-
23 ommendations for corrective measures that may be
24 taken to prevent similar incidents.

25 (c) COMPOSITION OF COMMISSION.—

1 (1) MEMBERS.—The Commission shall be com-
2 posed of 10 members, of whom—

3 (A) 1 member shall be appointed by the
4 President, who shall serve as Chairperson of the
5 Commission;

6 (B) 1 member shall be appointed by the
7 majority or minority (as the case may be) lead-
8 er of the Senate from the Republican Party and
9 the majority or minority (as the case may be)
10 leader of the House of Representatives from the
11 Republican Party, who shall serve as Vice
12 Chairperson of the Commission;

13 (C) 2 members shall be appointed by the
14 senior member of the leadership of the Senate
15 from the Democratic Party;

16 (D) 2 members shall be appointed by the
17 senior member of the leadership of the House
18 of Representatives from the Republican Party;

19 (E) 2 members shall be appointed by the
20 senior member of the leadership of the Senate
21 from the Republican Party; and

22 (F) 2 members shall be appointed by the
23 senior member of the leadership of the House
24 of Representatives from the Democratic Party.

25 (2) QUALIFICATIONS; INITIAL MEETING.—

1 (A) POLITICAL PARTY AFFILIATION.—Not
2 more than 5 members of the Commission shall
3 be from the same political party.

4 (B) NONGOVERNMENTAL APPOINTEES.—
5 An individual appointed to the Commission may
6 not be a current officer or employee of the Fed-
7 eral Government or any State or local govern-
8 ment.

9 (C) OTHER QUALIFICATIONS.—It is the
10 sense of Congress that individuals appointed to
11 the Commission should be prominent United
12 States citizens, with national recognition and
13 significant depth of experience and expertise in
14 such areas as—

- 15 (i) engineering;
16 (ii) environmental compliance;
17 (iii) health and safety law (particu-
18 larly oil spill legislation);
19 (iv) oil spill insurance policies;
20 (v) public administration;
21 (vi) oil and gas exploration and pro-
22 duction;
23 (vii) environmental cleanup; and
24 (viii) fisheries and wildlife manage-
25 ment.

1 (D) DEADLINE FOR APPOINTMENT.—All
2 members of the Commission shall be appointed
3 on or before September 15, 2010.

4 (E) INITIAL MEETING.—The Commission
5 shall meet and begin the operations of the Com-
6 mission as soon as practicable after the date of
7 enactment of this Act.

8 (3) QUORUM; VACANCIES.—

9 (A) IN GENERAL.—After the initial meet-
10 ing of the Commission, the Commission shall
11 meet upon the call of the Chairperson or a ma-
12 jority of the members of the Commission.

13 (B) QUORUM.—6 members of the Commis-
14 sion shall constitute a quorum.

15 (C) VACANCIES.—Any vacancy in the Com-
16 mission shall not affect the powers of the Com-
17 mission, but shall be filled in the same manner
18 in which the original appointment was made.

19 (d) FUNCTIONS OF COMMISSION.—

20 (1) IN GENERAL.—The functions of the Com-
21 mission are—

22 (A) to conduct an investigation that—

23 (i) investigates relevant facts and cir-
24 cumstances relating to the Deepwater Ho-
25 rizon incident of April 20, 2010, and the

1 associated oil spill thereafter, including any
2 relevant legislation, Executive order, regu-
3 lation, plan, policy, practice, or procedure;
4 and

5 (ii) may include relevant facts and cir-
6 cumstances relating to—

7 (I) permitting agencies;

8 (II) environmental and worker
9 safety law enforcement agencies;

10 (III) national energy require-
11 ments;

12 (IV) deepwater and
13 ultradeepwater oil and gas exploration
14 and development;

15 (V) regulatory specifications,
16 testing, and requirements for offshore
17 oil and gas well explosion prevention;

18 (VI) regulatory specifications,
19 testing, and requirements offshore oil
20 and gas well casing and cementing
21 regulation;

22 (VII) the role of congressional
23 oversight and resource allocation; and

24 (VIII) other areas of the public
25 and private sectors determined to be

1 relevant to the Deepwater Horizon in-
2 cident by the Commission;

3 (B) to identify, review, and evaluate the
4 lessons learned from the Deepwater Horizon in-
5 cident of April 20, 2010, regarding the struc-
6 ture, coordination, management policies, and
7 procedures of the Federal Government, and, if
8 appropriate, State and local governments and
9 nongovernmental entities, and the private sec-
10 tor, relative to detecting, preventing, and re-
11 sponding to those incidents; and

12 (C) to submit to the President and Con-
13 gress such reports as are required under this
14 section containing such findings, conclusions,
15 and recommendations as the Commission deter-
16 mines to be appropriate, including proposals for
17 organization, coordination, planning, manage-
18 ment arrangements, procedures, rules, and reg-
19 ulations.

20 (2) RELATIONSHIP TO INQUIRY BY CONGRES-
21 SIONAL COMMITTEES.—In investigating facts and
22 circumstances relating to energy policy, the Commis-
23 sion shall—

24 (A) first review the information compiled
25 by, and any findings, conclusions, and rec-

1 ommendations of, the committees identified in
2 subparagraphs (A) and (B) of subsection
3 (b)(3); and

4 (B) after completion of that review, pursue
5 any appropriate area of inquiry, if the Commis-
6 sion determines that—

7 (i) those committees have not inves-
8 tigated that area;

9 (ii) the investigation of that area by
10 those committees has not been completed;

11 or

12 (iii) new information not reviewed by
13 the committees has become available with
14 respect to that area.

15 (e) POWERS OF COMMISSION.—

16 (1) HEARINGS AND EVIDENCE.—The Commis-
17 sion or, on the authority of the Commission, any
18 subcommittee or member of the Commission, may,
19 for the purpose of carrying out this section—

20 (A) hold such hearings, meet and act at
21 such times and places, take such testimony, re-
22 ceive such evidence, and administer such oaths;
23 and

24 (B) require, by subpoena or otherwise, the
25 attendance and testimony of such witnesses and

1 the production of such books, records, cor-
2 respondence, memoranda, papers, documents,
3 tapes, and materials;
4 as the Commission or such subcommittee or member con-
5 siders to be advisable.

6 (2) SUBPOENAS.—

7 (A) ISSUANCE.—

8 (i) IN GENERAL.—A subpoena may be
9 issued under this paragraph only—

10 (I) by the agreement of the
11 Chairperson and the Vice Chair-
12 person; or

13 (II) by the affirmative vote of 6
14 members of the Commission.

15 (ii) SIGNATURE.—Subject to clause
16 (i), a subpoena issued under this para-
17 graph—

18 (I) shall bear the signature of the
19 Chairperson or any member des-
20 ignated by a majority of the Commis-
21 sion;

22 (II) and may be served by any
23 person or class of persons designated
24 by the Chairperson or by a member

1 designated by a majority of the Com-
2 mission for that purpose.

3 (B) ENFORCEMENT.—

4 (i) IN GENERAL.—In the case of con-
5 tumacy or failure to obey a subpoena
6 issued under subparagraph (A), the United
7 States district court for the district in
8 which the subpoenaed person resides, is
9 served, or may be found, or where the sub-
10 poena is returnable, may issue an order re-
11 quiring the person to appear at any des-
12 ignated place to testify or to produce docu-
13 mentary or other evidence.

14 (ii) JUDICIAL ACTION FOR NON-
15 COMPLIANCE.—Any failure to obey the
16 order of the court may be punished by the
17 court as a contempt of that court.

18 (iii) ADDITIONAL ENFORCEMENT.—In
19 the case of any failure of any witness to
20 comply with any subpoena or to testify
21 when summoned under authority of this
22 subsection, the Commission may, by major-
23 ity vote, certify a statement of fact consti-
24 tuting such failure to the appropriate
25 United States attorney, who may bring the

1 matter before the grand jury for action,
2 under the same statutory authority and
3 procedures as if the United States attorney
4 had received a certification under sections
5 102 through 104 of the Revised Statutes
6 (2 U.S.C. 192 through 194).

7 (3) CONTRACTING.—The Commission may, to
8 such extent and in such amounts as are provided in
9 appropriation Acts, enter into contracts to enable
10 the Commission to discharge the duties of the Com-
11 mission under this section.

12 (4) INFORMATION FROM FEDERAL AGENCIES.—

13 (A) IN GENERAL.—The Commission may
14 secure directly from any Executive department,
15 bureau, agency, board, commission, office, inde-
16 pendent establishment, or instrumentality of the
17 Federal Government, information, suggestions,
18 estimates, and statistics for the purposes of this
19 section.

20 (B) COOPERATION.—Each Federal depart-
21 ment, bureau, agency, board, commission, of-
22 fice, independent establishment, or instrumen-
23 tality shall, to the extent authorized by law, fur-
24 nish information, suggestions, estimates, and
25 statistics directly to the Commission, upon re-

1 quest made by the Chairperson, the Chair-
2 person of any subcommittee created by a major-
3 ity of the Commission, or any member des-
4 igned by a majority of the Commission.

5 (C) RECEIPT, HANDLING, STORAGE, AND
6 DISSEMINATION.—Information shall be received,
7 handled, stored, and disseminated only by mem-
8 bers of the Commission and the staff of the
9 Commission in accordance with all applicable
10 laws (including regulations and Executive or-
11 ders).

12 (5) ASSISTANCE FROM FEDERAL AGENCIES.—

13 (A) GENERAL SERVICES ADMINISTRA-
14 TION.—The Administrator of General Services
15 shall provide to the Commission on a reimburs-
16 able basis administrative support and other
17 services for the performance of the functions of
18 the Commission.

19 (B) OTHER DEPARTMENTS AND AGEN-
20 CIES.—In addition to the assistance prescribed
21 in subparagraph (A), departments and agencies
22 of the United States may provide to the Com-
23 mission such services, funds, facilities, staff,
24 and other support services as are determined to
25 be advisable and authorized by law.

1 (6) GIFTS.—The Commission may accept, use,
2 and dispose of gifts or donations of services or prop-
3 erty, including travel, for the direct advancement of
4 the functions of the Commission.

5 (7) POSTAL SERVICES.—The Commission may
6 use the United States mails in the same manner and
7 under the same conditions as departments and agen-
8 cies of the United States.

9 (f) PUBLIC MEETINGS AND HEARINGS.—

10 (1) PUBLIC MEETINGS AND RELEASE OF PUB-
11 LIC VERSIONS OF REPORTS.—The Commission
12 shall—

13 (A) hold public hearings and meetings, to
14 the extent appropriate; and

15 (B) release public versions of the reports
16 required under paragraphs (1) and (2) of sub-
17 section (j).

18 (2) PUBLIC HEARINGS.—Any public hearings of
19 the Commission shall be conducted in a manner con-
20 sistent with the protection of proprietary or sensitive
21 information provided to or developed for or by the
22 Commission as required by any applicable law (in-
23 cluding a regulation or Executive order).

24 (g) STAFF OF COMMISSION.—

25 (1) IN GENERAL.—

1 (A) APPOINTMENT AND COMPENSATION.—

2 (i) IN GENERAL.—The Chairperson,
3 in consultation with the Vice Chairperson
4 and in accordance with rules agreed upon
5 by the Commission, may, without regard to
6 the civil service laws (including regula-
7 tions), appoint and fix the compensation of
8 a staff director and such other personnel
9 as are necessary to enable the Commission
10 to carry out the functions of the Commis-
11 sion.

12 (ii) MAXIMUM RATE OF PAY.—No rate
13 of pay fixed under this subparagraph may
14 exceed the equivalent of that payable for a
15 position at level V of the Executive Sched-
16 ule under section 5316 of title 5, United
17 States Code.

18 (B) PERSONNEL AS FEDERAL EMPLOY-
19 EES.—

20 (i) IN GENERAL.—The staff director
21 and any personnel of the Commission who
22 are employees shall be considered to be
23 employees under section 2105 of title 5,
24 United States Code, for purposes of chap-

1 ters 63, 81, 83, 84, 85, 87, 89, and 90 of
2 that title.

3 (ii) MEMBERS OF COMMISSION.—

4 Clause (i) shall not apply to members of
5 the Commission.

6 (2) DETAILEES.—

7 (A) IN GENERAL.—An employee of the
8 Federal Government may be detailed to the
9 Commission without reimbursement.

10 (B) CIVIL SERVICE STATUS.—The detail of
11 the employee shall be without interruption or
12 loss of civil service status or privilege.

13 (3) PROCUREMENT OF TEMPORARY AND INTER-
14 MITTENT SERVICES.—The Chairperson of the Com-
15 mission may procure temporary and intermittent
16 services in accordance with section 3109(b) of title
17 5, United States Code, at rates for individuals that
18 do not exceed the daily equivalent of the annual rate
19 of basic pay prescribed for level V of the Executive
20 Schedule under section 5316 of that title.

21 (h) COMPENSATION AND TRAVEL EXPENSES.—

22 (1) COMPENSATION OF MEMBERS.—

23 (A) NON-FEDERAL EMPLOYEES.—A mem-
24 ber of the Commission who is not an officer or
25 employee of the Federal Government shall be

1 compensated at a rate equal to the daily equiva-
2 lent of the annual rate of basic pay prescribed
3 for level IV of the Executive Schedule under
4 section 5315 of title 5, United States Code, for
5 each day (including travel time) during which
6 the member is engaged in the performance of
7 the duties of the Commission.

8 (B) FEDERAL EMPLOYEES.—A member of
9 the Commission who is an officer or employee
10 of the Federal Government shall serve without
11 compensation in addition to the compensation
12 received for the services of the member as an
13 officer or employee of the Federal Government.

14 (2) TRAVEL EXPENSES.—A member of the
15 Commission shall be allowed travel expenses, includ-
16 ing per diem in lieu of subsistence, at rates author-
17 ized for an employee of an agency under subchapter
18 I of chapter 57 of title 5, United States Code, while
19 away from the home or regular place of business of
20 the member in the performance of the duties of the
21 Commission.

22 (i) SECURITY CLEARANCES FOR COMMISSION MEM-
23 BERS AND STAFF.—

24 (1) IN GENERAL.—Subject to paragraph (2),
25 the appropriate Federal agencies or departments

1 shall cooperate with the Commission in expeditiously
2 providing to the members and staff of the Commis-
3 sion appropriate security clearances, to the max-
4 imum extent practicable, pursuant to existing proce-
5 dures and requirements.

6 (2) PROPRIETARY INFORMATION.—No person
7 shall be provided with access to proprietary informa-
8 tion under this section without the appropriate secu-
9 rity clearances.

10 (j) REPORTS OF COMMISSION; ADJOURNMENT.—

11 (1) INTERIM REPORTS.—The Commission may
12 submit to the President and Congress interim re-
13 ports containing such findings, conclusions, and rec-
14 ommendations for corrective measures as have been
15 agreed to by a majority of members of the Commis-
16 sion.

17 (2) FINAL REPORT.—Not later than 180 days
18 after the date of the enactment of this Act, the
19 Commission shall submit to the President and Con-
20 gress a final report containing such findings, conclu-
21 sions, and recommendations for corrective measures
22 as have been agreed to by a majority of members of
23 the Commission.

24 (3) TEMPORARY ADJOURNMENT.—

1 (A) IN GENERAL.—The Commission, and
2 all the authority provided under this section,
3 shall adjourn and be suspended, respectively, on
4 the date that is 60 days after the date on which
5 the final report is submitted under paragraph
6 (2).

7 (B) ADMINISTRATIVE ACTIVITIES BEFORE
8 TERMINATION.—The Commission may use the
9 60-day period referred to in subparagraph (A)
10 for the purpose of concluding activities of the
11 Commission, including—

12 (i) providing testimony to committees
13 of Congress concerning reports of the
14 Commission; and

15 (ii) disseminating the final report sub-
16 mitted under paragraph (2).

17 (C) RECONVENING OF COMMISSION.—The
18 Commission shall stand adjourned until such
19 time as the President or the Secretary of
20 Homeland Security declares an oil spill of na-
21 tional significance to have occurred, at which
22 time—

23 (i) the Commission shall reconvene in
24 accordance with subsection (c)(3); and

1 (ii) the authority of the Commission
2 under this section shall be of full force and
3 effect.

4 (k) FUNDING.—

5 (1) AUTHORIZATION OF APPROPRIATIONS.—

6 There are authorized to be appropriated to carry out
7 this section—

8 (A) \$10,000,000 for the first fiscal year in
9 which the Commission convenes; and

10 (B) \$3,000,000 for each fiscal year there-
11 after in which the Commission convenes.

12 (2) AVAILABILITY.—Amounts made available to
13 carry out this section shall be available—

14 (A) for transfer to the Commission for use
15 in carrying out the functions and activities of
16 the Commission under this section; and

17 (B) until the date on which the Commis-
18 sion adjourns for the fiscal year under sub-
19 section (j)(3).

20 (l) NONAPPLICABILITY OF FEDERAL ADVISORY COM-

21 MITTEE ACT.—The Federal Advisory Committee Act (5
22 U.S.C. App.) shall not apply to the Commission.

23 (m) CONFLICTS OF INTEREST FOR CERTAIN COM-
24 MISSION MEMBERS.—Notwithstanding any other provi-
25 sion of law, any member of a federally sponsored presi-

1 denial commission that is a senior official in an organiza-
2 tion that is engaged in legal action that is materially rel-
3 evant to the work of the Commission shall be excluded
4 from making recommendations to the President.

5 **SEC. 110. CLASSIFICATION OF OFFSHORE SYSTEMS.**

6 (a) REGULATIONS.—

7 (1) IN GENERAL.—Not later than 2 years after
8 the date of enactment of this Act, the Secretary and
9 the Secretary of the Department in which the Coast
10 Guard is operating shall jointly issue regulations re-
11 quiring systems (including existing systems) used in
12 the offshore exploration, development, and produc-
13 tion of oil and gas in the outer Continental Shelf to
14 be constructed, maintained, and operated so as to
15 meet classification, certification, rating, and inspec-
16 tion standards that are necessary—

17 (A) to protect the health and safety of af-
18 filiated workers; and

19 (B) to prevent environmental degradation.

20 (2) THIRD-PARTY VERIFICATION.—The stand-
21 ards established by regulation under paragraph (1)
22 shall be verified through certification and classifica-
23 tion by independent third parties that—

1 (A) have been preapproved by both the
2 Secretary and the Secretary of the Department
3 in which the Coast Guard is operating; and

4 (B) have no financial conflict of interest in
5 conducting the duties of the third parties.

6 (3) MINIMUM SYSTEMS COVERED.—At a min-
7 imum, the regulations issued under paragraph (1)
8 shall require the certification and classification by
9 an independent third party who meets the require-
10 ments of paragraph (2) of—

11 (A) mobile offshore drilling units;

12 (B) fixed and floating drilling or produc-
13 tion facilities;

14 (C) drilling systems, including risers and
15 blowout preventers; and

16 (D) any other equipment dedicated to the
17 safety systems relating to offshore extraction
18 and production of oil and gas.

19 (4) EXCEPTIONS.—The Secretary and the Sec-
20 retary of the Department in which the Coast Guard
21 is operating may waive the standards established by
22 regulation under paragraph (1) for an existing sys-
23 tem only if—

24 (A) the system is of an age or type where
25 meeting such requirements is impractical; and

1 (B) the system poses an acceptably low
2 level of risk to the environment and to human
3 safety.

4 (b) **AUTHORITY OF COAST GUARD.**—Nothing in this
5 section preempts or interferes with the authority of the
6 Coast Guard.

7 **SEC. 111. SAVINGS PROVISIONS.**

8 (a) **EXISTING LAW.**—All regulations, rules, stand-
9 ards, determinations, contracts and agreements, memo-
10 randa of understanding, certifications, authorizations, ap-
11 pointments, delegations, results and findings of investiga-
12 tions, or any other actions issued, made, or taken by, or
13 pursuant to or under, the authority of any law (including
14 regulations) that resulted in the assignment of functions
15 or activities to the Secretary, the Director of the Minerals
16 Management Service (including by delegation from the
17 Secretary), or the Department (as related to the imple-
18 mentation of the purposes referenced in this title) that
19 were in effect on the date of enactment of this Act shall
20 continue in full force and effect after the date of enact-
21 ment of this Act unless previously scheduled to expire or
22 until otherwise modified or rescinded by this title or any
23 other Act.

1 (b) EFFECT ON OTHER AUTHORITIES.—This title
 2 does not amend or alter the provisions of other applicable
 3 laws, unless otherwise noted.

4 **SEC. 112. BUDGETARY EFFECTS.**

5 The budgetary effects of this Act, for the purpose of
 6 complying with the Statutory Pay-As-You-Go Act of 2010,
 7 shall be determined by reference to the latest statement
 8 titled “Budgetary Effects of PAYGO Legislation” for this
 9 Act, submitted for printing in the Congressional Record
 10 by the Chairman of the Senate Budget Committee, pro-
 11 vided that such statement has been submitted prior to the
 12 vote on passage.

13 **TITLE II—OIL SPILL**
 14 **COMPENSATION**

15 **Subtitle A—Oil Spill Liability**

16 **PART I—OIL POLLUTION ACT OF 1990**

17 **SEC. 201. LIABILITY LIMITS.**

18 (a) PRESIDENTIAL ESTABLISHMENT OF LIMITS.—
 19 Section 1004 of the Oil Pollution Act of 1990 (33 U.S.C.
 20 2704) is amended by adding at the end the following:

21 “(e) LIMITS FOR STRICT LIABILITY.—

22 “(1) IN GENERAL.—For the purpose of sub-
 23 section (a)(3), after a 60-day period of public notice
 24 and comment beginning on the date of enactment of
 25 this subsection, and from time to time thereafter,

1 the President shall establish a set of limits for strict
2 liability for damages for incidents occurring from
3 offshore facilities (other than deepwater ports) cov-
4 ered by Outer Continental Shelf leases issued after
5 the date of enactment of the Oil Spill Response Im-
6 provement Act of 2010.

7 “(2) REQUIREMENTS.—The limits for strict li-
8 ability established under paragraph (1) shall—

9 “(A) take into account the availability of
10 insurance products for offshore facilities; and

11 “(B) be otherwise based equally on and
12 categorized by—

13 “(i) the water depth of the lease;

14 “(ii) the minimum projected well
15 depth of the lease;

16 “(iii) the proximity of the lease to oil
17 and gas emergency response equipment
18 and infrastructure;

19 “(iv) the likelihood of the offshore fa-
20 cility covered by the lease to encounter
21 broken sea ice;

22 “(v) the record and historical number
23 of regulatory violations of the leaseholder
24 under the Outer Continental Shelf Lands
25 Act (43 U.S.C. 1331 et seq.) or the Fed-

1 eral Water Pollution Control Act (33
2 U.S.C. 1251 et seq.) (or the absence of
3 such a record or violations);

4 “(vi) the estimated hydrocarbon re-
5 serves of the lease;

6 “(vii) the estimated well pressure, ex-
7 pressed in pounds per square inch, of the
8 reservoir associated with the lease;

9 “(viii) the availability and projected
10 availability, including through borrowing
11 authority, of funds in the Oil Spill Liability
12 Trust Fund established by section 9509 of
13 the Internal Revenue Code of 1986;

14 “(ix) other available remedies under
15 law;

16 “(x) the estimated economic value of
17 nonenergy coastal resources that may be
18 impacted by a spill of national significance
19 involving the offshore facility covered by
20 the lease;

21 “(xi) whether the offshore facility cov-
22 ered by the lease employs a subsea or sur-
23 face blowout preventer stack; and

24 “(xii) the availability of industry pay-
25 ments under subsection (f).

1 “(3) PUBLIC LIABILITY INSURANCE.—In no
2 case shall the strict liability limits under this sub-
3 section for the applicable offshore facility be less
4 than the maximum amount of public liability insur-
5 ance that is broadly available for related offshore en-
6 vironmental incidents.

7 “(f) LIABILITY OF INDUSTRY.—

8 “(1) IN GENERAL.—If an incident on the Outer
9 Continental Shelf results in economic damages
10 claims exceeding the maximum amount for strict li-
11 ability for economic damages to be paid by the re-
12 sponsible party under subsection (a)(3), the claims
13 in excess of the maximum amount for strict liability
14 for economic damages under subsection (a)(3) shall
15 be paid initially, in an amount not to exceed a total
16 of \$20,000,000,000, by all other entities operating
17 offshore facilities on the Outer Continental Shelf on
18 the date of the incident, as determined by the Sec-
19 retary of the Interior, in accordance with paragraph
20 (2).

21 “(2) PROPORTIONAL PAYMENT.—The amount
22 of liability claims to be paid under paragraph (1) by
23 an entity described in that paragraph shall be deter-
24 mined by the Secretary of the Interior based on the
25 proportion that—

1 “(A) the number of offshore facilities oper-
2 ated by the entity on the Outer Continental
3 Shelf; bears to

4 “(B) the total number of offshore facilities
5 operated by all entities on the Outer Conti-
6 nental Shelf.

7 “(3) OIL SPILL LIABILITY TRUST FUND.—Eco-
8 nomic damages that exceed the amounts available
9 under subsection (a)(3) and paragraph (1) shall be
10 paid from the Oil Spill Liability Trust Fund and
11 amounts made available to the Fund under part II
12 of the Oil Spill Response Improvement Act of
13 2010.”.

14 (b) CONFORMING AMENDMENTS.—

15 (1) LIMIT FOR OFFSHORE FACILITIES.—Section
16 1004(a) of the Oil Pollution Act of 1990 (33 U.S.C.
17 2704(a)) is amended—

18 (A) in paragraph (2), by striking “,” and
19 inserting a comma; and

20 (B) by striking paragraph (3) and insert-
21 ing the following:

22 “(3) for an offshore facility (except a deepwater
23 port) covered by an Outer Continental Shelf lease—

24 “(A) if the lease was issued prior to the
25 date of enactment of the Oil Spill Response Im-

1 provement Act of 2010, the total of all removal
2 costs plus \$75,000,000; and

3 “(B) if the lease was issued on or after the
4 date of enactment of the Oil Spill Response Im-
5 provement Act of 2010, the total of all removal
6 costs plus the limit for strict liability for dam-
7 ages for that offshore facility established by the
8 President under subsection (e); and”.

9 (2) EXCEPTIONS.—Section 6002(b) of the Oil
10 Pollution Act of 1990 (33 U.S.C. 2752(b)) is
11 amended in the first sentence by inserting
12 “1004(f),” after “sections”.

13 **SEC. 202. ADVANCE PAYMENT.**

14 Section 1012 of the Oil Pollution Act of 1990 (33
15 U.S.C. 2712) is amended by adding at the end the fol-
16 lowing:

17 “(1) ADVANCE PAYMENTS.—The President shall pro-
18 mulgate regulations that allow advance payments to be
19 made from the Fund to States and political subdivisions
20 of States for actions taken to prepare for and mitigate
21 substantial threats from the discharge of oil.”.

1 **PART II—OIL SPILL LIABILITY TRUST FUND**

2 **SEC. 211. RATE OF TAX FOR OIL SPILL LIABILITY TRUST**
3 **FUND.**

4 (a) **IN GENERAL.**—Section 4611 of the Internal Rev-
5 enue Code of 1986 (relating to the imposition of tax) is
6 amended—

7 (1) in subsection (c), by adding at the end the
8 following new paragraph:

9 “(3) **ADJUSTMENTS TO TEMPORARY SUSPEN-**
10 **SION OF OIL SPILL LIABILITY TRUST FUND FINANC-**
11 **ING RATE.**—In the case of any calendar quarter in
12 which the Secretary estimates that, as of the close
13 of the previous quarter, the unobligated balance in
14 the Oil Spill Liability Trust Fund is greater than
15 \$10,000,000,000, the Oil Spill Liability Trust Fund
16 financing shall be 0 cents a barrel.”; and

17 (2) by striking subsection (f).

18 (b) **EFFECTIVE DATE.**—The amendments made by
19 this section shall apply on and after the first day of the
20 first calendar quarter after the date of enactment of this
21 Act.

22 (c) **NEW REVENUES TO THE OIL SPILL LIABILITY**
23 **TRUST FUND.**—Notwithstanding section 3302 of title 31,
24 United States Code, the revenue resulting from any in-
25 crease in the Oil Spill Liability Trust Fund financing rate

1 under this section or the amendments made by this section
2 shall—

3 (1) be credited only as offsetting collections for
4 the Oil Spill Liability Trust Fund;

5 (2) be available for expenditure only for pur-
6 poses of the Oil Spill Liability Trust Fund; and

7 (3) remain available until expended.

8 **SEC. 212. LIMITATIONS ON EXPENDITURES AND BOR-**
9 **ROWING AUTHORITY.**

10 (a) **LIMITATIONS ON EXPENDITURES.**—Section
11 9509(c) of the Internal Revenue Code of 1986 (relating
12 to expenditures from the Oil Spill Liability Trust Fund)
13 is amended—

14 (1) by striking paragraph (2);

15 (2) by striking “EXPENDITURES” in the sub-
16 section heading and all that follows through
17 “Amounts in” in paragraph (1) and inserting “EX-
18 PENDITURES.—Amounts in”; and

19 (3) by redesignating subparagraphs (A) through
20 (F) as paragraphs (1) through (6), respectively, and
21 indenting appropriately.

22 (b) **AUTHORITY TO BORROW.**—Section 9509(d) of
23 the Internal Revenue Code of 1986 (relating to authority
24 to borrow from the Oil Spill Liability Trust Fund) is
25 amended—

1 (1) in paragraph (2), by striking
2 “\$1,000,000,000” and inserting “\$10,000,000,000”;
3 and

4 (2) in paragraph (3)—

5 (A) by striking subparagraph (B); and

6 (B) by redesignating subparagraph (C) as
7 subparagraph (B).

8 **Subtitle B—Federal Oil Spill** 9 **Research**

10 **SEC. 221. DEFINITIONS.**

11 In this subtitle:

12 (1) **COMMANDANT.**—The term “Commandant”
13 means the Commandant of the Coast Guard.

14 (2) **PROGRAM.**—The term “program” means
15 the program for oil spill response established pursu-
16 ant to section 230.

17 **SEC. 222. FEDERAL OIL SPILL RESEARCH.**

18 (a) **IN GENERAL.**—Title VII of the Oil Pollution Act
19 of 1990 is amended—

20 (1) by inserting before section 7001 (33 U.S.C.
21 2761) the following:

22 **“SEC. 7000. DEFINITIONS.**

23 “In this title:

24 “(1) **ASSESSMENT.**—The term ‘assessment’
25 means the research assessment on the status of the

1 oil spill prevention and response capabilities con-
2 ducted under section 7004.

3 “(2) COMMITTEE.—The term ‘Committee’
4 means the Interagency Committee established under
5 section 7001.

6 “(3) PLAN.—The term ‘plan’ means the Fed-
7 eral oil spill research plan developed under section
8 7005.

9 “(4) PROGRAM.—The term ‘program’ means
10 the Federal oil spill research program established
11 under section 7003.”;

12 (2) by redesignating section 7002 (33 U.S.C.
13 2762) as section 7009;

14 (3) in section 7001 (33 U.S.C. 2761), by strik-
15 ing subsections (b) through (e) and inserting the fol-
16 lowing:

17 “(b) REGIONAL SUBCOMMITTEES.—

18 “(1) IN GENERAL.—The Committee shall estab-
19 lish—

20 “(A) a regional subcommittee for each of
21 the Gulf of Mexico and Arctic regions of the
22 United States; and

23 “(B) such other regional subcommittees as
24 the Committee determines to be necessary.

1 “(2) COORDINATION.—In accordance with the
2 program, each regional subcommittee established
3 under this subsection shall coordinate with the Com-
4 mittee and other relevant State, national, and inter-
5 national bodies with expertise in the region to re-
6 search and develop technologies for use in the pre-
7 vention, detection, recovery, mitigation, and evalua-
8 tion of effects of incidents in the regional environ-
9 ment.”; and

10 (4) by inserting after section 7001 (33 U.S.C.
11 2761) the following:

12 **“SEC. 7002. FUNCTIONS OF THE COMMITTEE.**

13 “The Committee shall—

14 “(1) coordinate a comprehensive Federal oil
15 spill research and development program in accord-
16 ance with section 7003 to coordinate oil pollution re-
17 search, technology development, and demonstration
18 among the Federal agencies, in cooperation and co-
19 ordination with industry, institutions of higher edu-
20 cation, research institutions, State and tribal govern-
21 ments, and other relevant stakeholders;

22 “(2) conduct a research assessment on the sta-
23 tus of the oil spill prevention and response capabili-
24 ties in accordance with section 7004; and

1 “(3) develop a Federal oil spill research plan in
2 accordance with section 7005.

3 **“SEC. 7003. FEDERAL OIL SPILL RESEARCH PROGRAM.**

4 “(a) IN GENERAL.—The Committee shall establish a
5 program for conducting oil pollution research, develop-
6 ment, and demonstration.

7 “(b) PROGRAM ELEMENTS.—The program estab-
8 lished under subsection (a) shall provide for research, de-
9 velopment, and demonstration technologies, practices, and
10 procedures that provide for effective and direct response
11 to prevent, detect, recover, or mitigate oil discharges, in-
12 cluding—

13 “(1) new technologies to detect accidental or in-
14 tentional overboard oil discharges;

15 “(2) models and monitoring capabilities to pre-
16 dict the transport and fate of oil, including trajec-
17 tory and behavior predictions due to location, weath-
18 er patterns, hydrographic data, and water condi-
19 tions, including Arctic sea ice environments;

20 “(3) containment and well-control capabilities,
21 including drilling of relief wells, containment struc-
22 tures, and injection technologies;

23 “(4) response capabilities, such as improved
24 dispersants, biological treatment methods, booms, oil

1 skimmers, containment vessels, and offshore and on-
2 shore storage capacity;

3 “(5) research and training, in coordination with
4 the National Response Team, to improve the re-
5 moval of oil discharge quickly and effectively;

6 “(6) decision support systems for contingency
7 planning and response;

8 “(7) improvement of options for oily or oiled
9 waste dispersal;

10 “(8) technologies, methods, and standards for
11 use in protecting personnel and for volunteers that
12 may participate in incident responses, including—

13 “(A) training;

14 “(B) adequate supervision;

15 “(C) protective equipment;

16 “(D) maximum exposure limits; and

17 “(E) decontamination procedures; and

18 “(9) technologies and methods to prevent, de-
19 tect, recover, and mitigate oil discharges in polar en-
20 vironments.

21 “(c) STUDY OF ENVIRONMENTAL EFFECTS OF RE-
22 SPONSE TECHNIQUES.—Notwithstanding any other provi-
23 sion of law, the Coast Guard shall conduct reasonable en-
24 vironmental studies of oil discharge prevention or mitiga-
25 tion technologies, including the use of small quantities of

1 oil for testing of in situ burning, chemical dispersants, and
2 herding agents, upon and within navigable waters of the
3 United States, if the Coast Guard, in consultation with
4 the Committee, determines that the information to be ob-
5 tained cannot be adequately obtained through a laboratory
6 or simulated experiment.

7 **“SEC. 7004. FEDERAL RESEARCH ASSESSMENT.**

8 “Not later than 1 year after the date of enactment
9 of Oil Spill Response Improvement Act of 2010, the Com-
10 mittee shall submit to Congress an assessment of the sta-
11 tus of oil spill prevention and response capabilities that—

12 “(1) identifies research programs conducted
13 and technologies developed by governments, institu-
14 tions of higher education, and industry;

15 “(2) assesses the status of knowledge on oil pol-
16 lution prevention, response, and mitigation tech-
17 nologies;

18 “(3) identifies regional oil pollution research
19 needs and priorities for a coordinated program of re-
20 search at the regional level developed in consultation
21 with State, local, and tribal governments;

22 “(4) assesses the status of spill response equip-
23 ment and determines areas in need of improvement,
24 including quantity, age, quality, effectiveness, or
25 necessary technological improvements;

1 “(5) assesses the status of real-time data avail-
2 able to mariners, researchers, and responders, in-
3 cluding weather, hydrographic, and water condition
4 data, and the impact of incomplete and inaccessible
5 data on preventing, detecting, or mitigating oil dis-
6 charges; and

7 “(6) is subject to a 90-day public comment pe-
8 riod and addresses suggestions received and incor-
9 porates public input received, as appropriate.

10 **“SEC. 7005. FEDERAL INTERAGENCY RESEARCH PLAN.**

11 “(a) IN GENERAL.—

12 “(1) PLAN.—Not later than 60 days after the
13 date on which the President submits to Congress,
14 pursuant to section 1105 of title 31, United States
15 Code, a budget for fiscal year 2012, and for each
16 fiscal year thereafter, the Committee shall submit to
17 Congress a plan that establishes the priorities for
18 Federal oil spill research and development.

19 “(2) RECOMMENDATIONS.—In the development
20 of the plan, the Committee shall consider rec-
21 ommendations by the National Academy of Sciences
22 and information from State, local, and tribal govern-
23 ments.

24 “(b) PLAN REQUIREMENTS.—The plan shall—

1 “(1) make recommendations to improve tech-
2 nologies and practices to prevent oil spills;

3 “(2) suggest changes to the program to improve
4 the rates of oil recovery and spill mitigation;

5 “(3) make recommendations to improve tech-
6 nologies, practices, and procedures to provide for ef-
7 fective and direct response to oil spills;

8 “(4) make recommendations to improve the
9 quality of real-time data available to mariners, re-
10 searchers, and responders; and

11 “(5) be subject to a 90-day public comment pe-
12 riod and address suggestions received and incor-
13 porate public input received, as appropriate.

14 **“SEC. 7006. EXTRAMURAL GRANTS.**

15 “(a) IN GENERAL.—In carrying out the program, the
16 Committee shall—

17 “(1) award competitive grants to institutions of
18 higher education or other research institutions to
19 carry out projects—

20 “(A) to advance research and development;
21 and

22 “(B) to demonstrate technologies for pre-
23 venting, detecting, or mitigating oil discharges
24 that are relevant to the goals and priorities of
25 the plan; and

1 “(2) incorporate a competitive, merit-based
2 process for awarding grants that may be conducted
3 jointly with other participating agencies.

4 “(b) REGIONAL RESEARCH PROGRAM.—

5 “(1) DEFINITION OF REGION.—In this sub-
6 section, the term ‘region’ means a Coast Guard dis-
7 trict as described in part 3 of subchapter A of chap-
8 ter I of title 33, Code of Federal Regulations
9 (1989).

10 “(2) PROGRAM.—Consistent with the program,
11 the Committee shall coordinate the provision of com-
12 petitive grants to institutions of higher education or
13 other research institutions (or groups of those insti-
14 tutions) for the purpose of conducting a coordinated
15 research program relating to the aspects of oil pollu-
16 tion with respect to each region, including research
17 on such matters as—

18 “(A) prevention;

19 “(B) removal mitigation; and

20 “(C) the effects of discharged oil on re-
21 gional environments.

22 “(3) PUBLICATION.—

23 “(A) IN GENERAL.—The Committee shall
24 coordinate the publication by the agencies rep-

1 resented on the Committee of a solicitation for
2 grants under this subsection.

3 “(B) FORM AND CONTENT.—The applica-
4 tion for a grant under this subsection shall be
5 in such form and contain such information as
6 shall be required in the published solicitation.

7 “(C) REVIEW OF APPLICATIONS.—Each
8 application for a grant under this subsection
9 shall be—

10 “(i) reviewed by the Committee; and

11 “(ii) at the option of the Committee,
12 included among applications recommended
13 by the Committee for approval in accord-
14 ance with paragraph (5).

15 “(D) PROVISION OF GRANTS.—

16 “(i) IN GENERAL.—A granting agency
17 represented on the Committee shall provide
18 the grants recommended by the Committee
19 unless the granting agency—

20 “(I) decides not to provide the
21 grant due to budgetary or other com-
22 pelling considerations; and

23 “(II) publishes in the Federal
24 Register the reasons for such a deter-
25 mination.

1 “(ii) FUNDS FOR GRANTS.—No grants
2 may be provided by any agency under this
3 subsection from any funds authorized to
4 carry out this paragraph unless the grant
5 award has first been recommended by the
6 Committee under subparagraph (C)(ii).

7 “(4) ELIGIBLE APPLICANTS.—

8 “(A) IN GENERAL.—Any institution of
9 higher education or other research institution
10 (or a group of those institutions) may apply for
11 a grant for the regional research program es-
12 tablished under this subsection.

13 “(B) LOCATION OF APPLICANT.—An appli-
14 cant described in subparagraph (A) shall be lo-
15 cated in the region, or in a State a part of
16 which is in the region, for which the project
17 covered by the grant application is proposed to
18 be carried out as part of the regional research
19 program.

20 “(C) GROUP APPLICATIONS.—With respect
21 to an application described in subparagraph (A)
22 from a group of institutions referred to in that
23 subparagraph, the 1 or more entities that will
24 carry out the substantial portion of the pro-
25 posed project covered by the grant shall be lo-

1 cated in the region, or in a State a part of
2 which is in the region, for which the project is
3 proposed as part of the regional research pro-
4 gram.

5 “(5) RECOMMENDATIONS.—

6 “(A) IN GENERAL.—The Committee shall
7 make recommendations on grants in such a
8 manner as to ensure an appropriate balance
9 within a region among the various aspects of oil
10 pollution research, including—

11 “(i) prevention;

12 “(ii) removal;

13 “(iii) mitigation; and

14 “(iv) the effects of discharged oil on
15 regional environments.

16 “(B) ADDITIONAL CRITERIA.—In addition
17 to the requirements described in subparagraph
18 (A), the Committee shall make recommenda-
19 tions for the approval of grants based on
20 whether—

21 “(i) there are available to the appli-
22 cant for use in carrying out this paragraph
23 demonstrated research resources;

1 “(ii) the applicant demonstrates the
2 capability of making a significant contribu-
3 tion to regional research needs; and

4 “(iii) the projects that the applicant
5 proposes to carry out under the grant—

6 “(I) are consistent with the plan
7 under section 7005; and

8 “(II) would further the objectives
9 of the program established under sec-
10 tion 7003.

11 “(6) TERM OF GRANTS; REVIEW; COST-SHAR-
12 ING.—A grant provided under this subsection
13 shall—

14 “(A) be for a period of up to 3 years;

15 “(B) be subject to annual review by the
16 granting agency; and

17 “(C) provide not more than 80 percent of
18 the costs of the research activities carried out
19 in connection with the grant.

20 “(7) PROHIBITION ON USE OF GRANT FUNDS.—

21 No funds made available to carry out this subsection
22 may be used for—

23 “(A) the acquisition of real property (in-
24 cluding buildings); or

25 “(B) the construction of any building.

1 “(8) EFFECT ON OTHER AUTHORITY.—Nothing
2 in this paragraph alters or abridges the authority
3 under existing law of any Federal agency to provide
4 grants, or enter into contracts or cooperative agree-
5 ments, using funds other than those authorized in
6 this Act for the purpose of carrying out this sub-
7 section.

8 “(9) FUNDING.—

9 “(A) IN GENERAL.—Except as provided in
10 subparagraph (B), for each of fiscal years 2011
11 through 2015, not less than \$32,000,000 of
12 amounts in the Fund shall be available to carry
13 out the regional research program under this
14 subsection, to be available in equal amounts for
15 the regional research program in each region.

16 “(B) ADDITIONAL GRANTS.—If the agen-
17 cies represented on the Committee determine
18 that regional research needs exist that cannot
19 be addressed by the amount of funds made
20 available under subparagraph (A), the agencies
21 may use authority under subsection (a) to make
22 additional grants to meet those needs.

23 **“SEC. 7007. ANNUAL REPORT.**

24 “Concurrent with the submission of the Federal
25 interagency research plan pursuant to section 7005, the

1 the Federal research assessment under section 7004
2 of that Act to be used in the development of the
3 Federal oil spill research plan under section 7005 of
4 that Act; and

5 (3) not later than 1 year after the Federal
6 interagency research plan is submitted to Congress
7 under section 7005 of that Act, evaluate, and report
8 to Congress on, the plan.

9 **SEC. 224. TECHNICAL AND CONFORMING AMENDMENTS.**

10 (a) USE OF FUNDS.—Section 1012(a)(5)(A) of the
11 Oil Pollution Act of 1990 (33 U.S.C. 2712(a)(5)(A)) is
12 amended by striking “\$25,000,000” and inserting
13 “\$50,000,000”.

14 (b) TABLE OF CONTENTS.—The table of contents in
15 section 2 of the Oil Pollution Act of 1990 (33 U.S.C. prec.
16 2701) is amended by striking the items relating to sections
17 7001 and 7002 and inserting the following:

- “Sec. 7000. Definitions.
- “Sec. 7001. Oil pollution research and development program.
- “Sec. 7002. Functions of the Committee.
- “Sec. 7003. Federal oil spill research program.
- “Sec. 7004. Federal research assessment.
- “Sec. 7005. Federal interagency research plan.
- “Sec. 7006. Extramural grants.
- “Sec. 7007. Annual report.
- “Sec. 7008. Funding.
- “Sec. 7009. Submerged oil program.”.

1 **SEC. 225. OIL SPILL RESPONSE AUTHORITY.**

2 Notwithstanding any other provision of law, the Inci-
3 dent Commander of the Coast Guard may authorize the
4 use of dispersants in response to a spill of oil from—

5 (1) any facility or vessel located in, on, or under
6 any of the navigable waters of the United States;
7 and

8 (2) any facility of any kind that is subject to
9 the jurisdiction of the United States and that is lo-
10 cated in, on, or under any other waters.

11 **SEC. 226. MARITIME CENTER OF EXPERTISE.**

12 (a) IN GENERAL.—The Commandant shall establish
13 a Maritime Center of Expertise for Maritime Oil Spill and
14 Hazardous Substance Release Response.

15 (b) DUTIES.—The Center shall—

16 (1) serve as the primary Federal facility for
17 Coast Guard personnel to obtain qualifications to
18 perform the duties of a regional response team co-
19 chair, a Federal on-scene coordinator, or a Federal
20 on-scene coordinator representative;

21 (2) train Federal, State, and local first respond-
22 ers in the incident command system structure, mari-
23 time oil spill and hazardous substance release re-
24 sponse techniques and strategies, and public affairs;

25 (3) work with academic and private sector re-
26 sponse training centers to develop and standardize

1 maritime oil spill and hazardous substance release
2 response training and techniques;

3 (4) conduct research, development, testing, and
4 demonstration for maritime oil spill and hazardous
5 substance release response equipment, technologies,
6 and techniques to prevent or mitigate maritime oil
7 discharges and hazardous substance releases;

8 (5) maintain not less than 2 incident manage-
9 ment and assistance teams, 1 of which shall be ready
10 to deploy anywhere in the continental United States
11 within 24 hours after an incident or event;

12 (6) conduct marine environmental response
13 standardization visits with Coast Guard Federal on-
14 scene coordinators;

15 (7) administer and coordinate Coast Guard par-
16 ticipation in the National Preparedness for Response
17 Exercise Program; and

18 (8) establish and maintain Coast Guard marine
19 environmental response doctrine.

20 **SEC. 227. NATIONAL STRIKE FORCE.**

21 (a) IN GENERAL.—The Commandant shall maintain
22 a National Strike Force to facilitate preparedness for and
23 response to maritime oil spill and hazardous substance re-
24 lease incidents.

25 (b) COMPOSITION.—The National Strike Force—

1 (1) shall consist of—

2 (A) a National Strike Force Coordination
3 Center;

4 (B) strike force teams, including—

5 (i) 1 team for the Atlantic Ocean;

6 (ii) 1 team for the Pacific Ocean; and

7 (iii) 1 team for the Gulf of Mexico;

8 and

9 (C) a public information assist team; and

10 (2) may include, on the direction of the Com-
11 mandant, 1 or more teams for the northwest Pacific
12 Ocean and the Arctic Ocean.

13 (c) NATIONAL STRIKE FORCE COORDINATION CEN-
14 TER DUTIES.—The National Strike Force Coordination
15 Center shall—

16 (1) provide support and standardization guid-
17 ance to the regional strike teams;

18 (2) maintain a response resource inventory of
19 maritime oil spill and hazardous substance release
20 response, marine salvage, and marine firefighting
21 equipment maintained by certified oil spill response
22 organizations as well as equipment listed in a vessel
23 or facility oil spill response plan, as required by sec-
24 tion 311(j) of the Federal Water Pollution Control
25 Act (33 U.S.C. 1321(j));

1 (3) oversee the maintenance and adequacy of
2 Coast Guard environmental response equipment;

3 (4) certify and inspect maritime oil spill re-
4 sponse organizations; and

5 (5) maintain the National Area Contingency
6 Plan library.

7 (d) STRIKE FORCE TEAM DUTIES.—The Strike
8 Force Response Teams shall—

9 (1) provide rapid response support in incident
10 management, site safety, contractor performance
11 monitoring, resource documentation, response strate-
12 gies, hazard assessment, oil spill dispersant, in situ
13 burn and other technologies, prefabrication of con-
14 tainment technology, operational effectiveness moni-
15 toring, and high-capacity lightering and offshore
16 skimming capabilities;

17 (2) train Coast Guard units in environmental
18 pollution response and incident command systems,
19 test and evaluate pollution response equipment, and
20 operate as liaisons with response agencies within the
21 areas of responsibility of the respective units;

22 (3) maintain sufficient maritime oil spill and
23 hazardous substance release assets to ensure the
24 protection of human health and the environment in
25 the event of an oil spill or hazardous substance re-

1 lease, including the prefabrication of oil spill con-
2 tainment equipment; and

3 (4) maintain the capability to mobilize per-
4 sonnel and equipment to respond to an oil spill or
5 hazardous substance release anywhere in the conti-
6 nental United States within 24 hours of such an
7 event.

8 (e) PUBLIC INFORMATION ASSIST TEAM DUTIES.—

9 The Public Information Assist Team shall maintain the
10 capability—

11 (1) to provide crisis communication during oil
12 spills, hazardous material releases, marine accidents,
13 and other disasters, including staffing and managing
14 public affairs and intergovernmental communication;

15 (2) provide public information and communica-
16 tions training to Federal, State, and local agencies
17 and industry personnel; and

18 (3) maintain the capability to mobilize per-
19 sonnel and equipment to respond to an oil spill or
20 hazardous substance release anywhere in the conti-
21 nental United States within 24 hours after such an
22 event.

1 **SEC. 228. DISTRICT PREPAREDNESS AND RESPONSE**
2 **TEAMS.**

3 The Commandant shall maintain district prepared-
4 ness response teams—

5 (1) to maintain Coast Guard environmental re-
6 sponse equipment;

7 (2) to administer area contingency plans;

8 (3) to administer the National Preparedness for
9 Response Exercise Program;

10 (4) to conduct responder incident command sys-
11 tem training and health and safety training;

12 (5) to provide Federal on-scene coordinator
13 technical advice;

14 (6) to coordinate district pollution response op-
15 erations;

16 (7) to support regional response team cochairs;

17 (8) to coordinate district participation with the
18 regional interagency steering committee of the Fed-
19 eral Emergency Management Agency; and

20 (9) to conduct response public affairs and joint
21 information center training.

22 **SEC. 229. OIL SPILL RESPONSE ORGANIZATIONS.**

23 (a) **REQUIREMENT.**—Each maritime oil spill response
24 organization that is listed under an oil spill response plan
25 of a vessel or facility regulated by the Coast Guard, as

1 required by section 311(j) of the Federal Water Pollution
2 Control Act (33 U.S.C. 1321(j)) shall be—

3 (1) certified by the Coast Guard; and

4 (2) inspected at least once each year to ensure
5 that the organization has the capabilities to meet the
6 requirements delegated to the organization under
7 applicable oil spill response plans.

8 (b) CERTIFICATION CRITERIA AND REQUIRE-
9 MENTS.—Not later than 180 days after the date of enact-
10 ment of this Act, the Commandant shall develop criteria
11 and requirements for certifying and classifying maritime
12 oil spill response organizations.

13 (c) INVENTORY OF MARITIME OIL SPILL RESPONSE
14 EQUIPMENT.—Each certified maritime oil spill response
15 organization and any facility regulated by the Coast
16 Guard that is not using a maritime oil spill response orga-
17 nization to meet the facility oil spill response plan require-
18 ments of section 311(j) of the Federal Water Pollution
19 Control Act (33 U.S.C. 1321(j)) shall—

20 (1) maintain a current list of the maritime oil
21 spill response equipment of the organization or facil-
22 ity; and

23 (2) submit a copy of that list to the National
24 Strike Force Coordination Center.

1 (d) DECREASED CAPACITY REPORTS.—If a maritime
2 oil spill response organization experiences a decrease in
3 the maritime oil spill response assets of the organization,
4 the organization shall report the decrease to the National
5 Strike Force Coordination Center and the Captain of the
6 Port in which that organization operates.

7 **SEC. 230. PROGRAM FOR OIL SPILL AND HAZARDOUS SUB-**
8 **STANCE RELEASE RESPONSE.**

9 (a) REQUIREMENT TO ESTABLISH PROGRAM.—The
10 Commandant shall establish a program for oil spill and
11 hazardous substance release response, within the Maritime
12 Center of Expertise for Oil Spill Response, to conduct re-
13 search, development, testing, and demonstration for oil
14 spill and hazardous substance release response equipment,
15 technologies, and techniques to prevent or mitigate oil dis-
16 charges and hazardous substance releases.

17 (b) PROGRAM ELEMENTS.—The program under sub-
18 section (a) shall include—

19 (1) research, development, testing, and dem-
20 onstration of new or improved methods (including
21 the use of dispersants and biological treatment
22 methods) for the containment, recovery, removal,
23 and disposal of oil and hazardous substances;

24 (2) assistance for—

1 (A) the development of improved designs
2 for vessel operations (including vessel oper-
3 ations in Arctic waters) and facilities that are
4 regulated by the Coast Guard; and

5 (B) improved operational practices;

6 (3) research and training, in consultation with
7 the National Response Team, to improve the ability
8 of private industry and the Federal Government to
9 respond to an oil discharge or a hazardous substance
10 release;

11 (4) a list of oil spill and hazardous substance
12 containment, recovery, removal, and disposal tech-
13 nology that is approved for use by the Commandant
14 and is made publicly available, in such manner as is
15 determined to be appropriate by the Commandant;
16 and

17 (5) a process for the Federal Government,
18 State and local governments, private industry, aca-
19 demic institutions, and nongovernmental organiza-
20 tions to submit systems, equipment, and technologies
21 for testing and evaluation.

22 (c) GRANTS FOR OIL SPILL RESPONSE.—The Com-
23 mandant shall have the authority to make grants to or
24 enter into cooperative agreements with academic institu-

1 tions to conduct research and development for oil spill re-
2 sponse equipment, technology, and techniques.

3 (d) COORDINATION.—The Commandant shall carry
4 out the program in coordination with the Interagency Co-
5 ordinating Committee on Oil Pollution Research estab-
6 lished pursuant to section 7001(a) of the Oil Pollution Act
7 of 1990 (33 U.S.C. 2761(a)).

8 (e) FUNDING.—The Commandant shall use such
9 sums as are necessary to carry out this section for fiscal
10 years 2010 through 2015 from funds appropriated to the
11 research, development, and testing program account of the
12 Coast Guard for those years.

13 **SEC. 230a. OIL AND HAZARDOUS SUBSTANCE LIABILITY.**

14 Section 311 of the Federal Water Pollution Control
15 Act (33 U.S.C. 1321) is amended—

16 (1) in subsection (c)(2)(B)—

17 (A) in clause (i), by striking “and” at the
18 end;

19 (B) in clause (ii), by striking the period at
20 the end and inserting “; and”; and

21 (C) by adding at the end the following:

22 “(iii) immediately deploy cleanup and
23 mitigation assets owned by the Federal
24 Government, or provided by private indi-

1 viduals or entities or foreign countries, to
2 the location of discharge.”; and

3 (2) in subsection (d)(2), by adding at the end
4 the following:

5 “(N) Establishment of a clear, accountable
6 chain of command throughout the jurisdictions
7 impacted by the discharge.

8 “(O) Establishment of a system and proce-
9 dures that ensure coordination with, and
10 prompt response to, State and local officials.”.

11 **Subtitle C—Oil and Gas Leasing**

12 **SEC. 231. REVENUE SHARING FROM OUTER CONTINENTAL** 13 **SHELF AREAS IN CERTAIN COASTAL STATES.**

14 Section 18 of the Outer Continental Shelf Lands Act
15 (43 U.S.C. 1344) is amended by adding at the end the
16 following:

17 “(i) REVENUE SHARING FROM OUTER CONTI-
18 NENTAL SHELF AREAS IN CERTAIN COASTAL STATES.—

19 “(1) DEFINITIONS.—In this subsection through
20 subsection (j):

21 “(A) COASTAL POLITICAL SUBDIVISION.—
22 The term ‘coastal political subdivision’ of a
23 coastal State means a county-equivalent sub-
24 division of a coastal State all or part of which—

1 “(i) lies within the coastal zone (as
2 defined in section 304 of the Coastal Zone
3 Management Act of 1972 (16 U.S.C.
4 1453)); and

5 “(ii) the closest point of which is not
6 more than 300 statute miles from the geo-
7 graphic center of any leased tract.

8 “(B) COASTAL STATE.—The term ‘coastal
9 State’ means a State with a coastal seaward
10 boundary within 300 statute miles distance of
11 the geographic center of a leased tract in an
12 outer Continental Shelf planning area that—

13 “(i) as of January 1, 2000, had no oil
14 or natural gas production; and

15 “(ii) is not a Gulf producing State (as
16 defined in section 102 of the Gulf of Mex-
17 ico Energy Security Act of 2006 (43
18 U.S.C. 1331 note; Public Law 109–432)).

19 “(C) DISTANCE.—The terms ‘distance’ and
20 ‘distances’ mean minimum great circle distance
21 and distances, respectively.

22 “(D) LEASED TRACT.—The term ‘leased
23 tract’ means a tract leased under this Act for
24 the purpose of drilling for, developing, and pro-
25 ducing oil or natural gas resources.

1 “(E) OUTER CONTINENTAL SHELF
2 AREA.—The term ‘outer Continental Shelf area’
3 means—

4 “(i) any area withdrawn from dispo-
5 sition by leasing by the ‘Memorandum on
6 Withdrawal of Certain Areas of the United
7 States Outer Continental Shelf from Leas-
8 ing Disposition’, from 34 Weekly Comp.
9 Pres. Doc. 1111, dated June 12, 1998; or

10 “(ii) any area of the outer Continental
11 Shelf as to which Congress has denied the
12 use of appropriated funds or other means
13 for preleasing, leasing, or related activities.

14 “(2) POST LEASING REVENUES.—If the Gov-
15 ernor or the Legislature of a coastal State requests
16 the Secretary to allow leasing in an outer Conti-
17 nental Shelf area and the Secretary allows the leas-
18 ing, in addition to any bonus bids, the coastal State
19 shall, without further appropriation or action, re-
20 ceive, from leasing of the area, 37.5 percent of—

21 “(A) any lease rental payments;

22 “(B) any lease royalty payments;

23 “(C) any royalty proceeds from a sale of
24 royalties taken in kind by the Secretary; and

1 “(D) any other revenues from a bidding
2 system under section 8.

3 “(3) ALLOCATION AMONG COASTAL POLITICAL
4 SUBDIVISIONS OF STATES.—

5 “(A) IN GENERAL.—The Secretary shall
6 pay 20 percent of the allocable share of each
7 coastal State, as determined under this sub-
8 section, directly to certain coastal political sub-
9 divisions of the coastal State.

10 “(B) ALLOCATION.—

11 “(i) IN GENERAL.—For each leased
12 tract used to calculate the allocation of a
13 coastal State, the Secretary shall pay the
14 coastal political subdivisions within 300
15 miles of the geographic center of the leased
16 tract based on the relative distance of such
17 coastal political subdivisions from the
18 leased tract in accordance with this sub-
19 paragraph.

20 “(ii) DISTANCES.—For each coastal
21 political subdivision described in clause (i),
22 the Secretary shall determine the distance
23 between the point on the coastal political
24 subdivision coastline closest to the geo-

1 geographic center of the leased tract and the
2 geographic center of the tract.

3 “(iii) PAYMENTS.—The Secretary
4 shall divide and allocate the qualified outer
5 Continental Shelf revenues derived from
6 the leased tract among coastal political
7 subdivisions described in clause (i) in
8 amounts that are inversely proportional to
9 the applicable distances determined under
10 clause (ii).

11 “(4) CONSERVATION ROYALTY.—After making
12 distributions under paragraphs (1) and (2) and sec-
13 tion 31, the Secretary shall, without further appro-
14 priation or action, distribute a conservation royalty
15 equal to 12.5 percent of Federal royalty revenues de-
16 rived from an area leased under this section from all
17 areas leased under this section for any year, into the
18 land and water conservation fund established under
19 section 2 of the Land and Water Conservation Fund
20 Act of 1965 (16 U.S.C. 4601–5) to provide financial
21 assistance to States under section 6 of that Act (16
22 U.S.C. 4601–8).

23 “(5) DEFICIT REDUCTION.—

24 “(A) IN GENERAL.—After making distribu-
25 tions in accordance with paragraphs (1) and (2)

1 and in accordance with section 31, the Sec-
 2 retary shall, without further appropriation or
 3 action, distribute an amount equal to 50 per-
 4 cent of Federal royalty revenues derived from
 5 all areas leased under this section for any year,
 6 into direct Federal deficit reduction.

7 “(B) BUDGETARY TREATMENT.—Any
 8 amounts distributed into direct Federal deficit
 9 reduction under this paragraph shall not be in-
 10 cluded for purposes determining budget levels
 11 under section 201 of S. Con. Res. 21 (110th
 12 Congress).”.

13 **SEC. 232. REVENUE SHARING FROM AREAS IN ALASKA AD-**
 14 **JACENT ZONE.**

15 Section 18 of the Outer Continental Shelf Lands Act
 16 (43 U.S.C. 1344) (as amended by section 231) is amended
 17 by adding at the end the following:

18 “(j) REVENUE SHARING FROM AREAS IN ALASKA
 19 ADJACENT ZONE.—

20 “(1) IN GENERAL.—Except as provided in para-
 21 graph (2), effective beginning on the date that is 5
 22 years after the date of enactment of this subsection,
 23 revenues from production that derives from an area
 24 in the Alaska Adjacent Zone shall be distributed in

1 the same proportion and for the same uses as pro-
2 vided in subsection (i).

3 “(2) ALLOCATION AMONG REGIONAL CORPORA-
4 TIONS.—

5 “(A) IN GENERAL.—The Secretary shall
6 pay 33 percent of any allocable share of the
7 State of Alaska, as determined under this sec-
8 tion, directly to certain Regional Corporations
9 established under section 7(a) of the Alaska
10 Native Claims Settlement Act (43 U.S.C.
11 1606(a)).

12 “(B) ALLOCATION.—

13 “(i) IN GENERAL.—For each leased
14 tract used to calculate the allocation of the
15 State of Alaska, the Secretary shall pay
16 the Regional Corporations, after deter-
17 mining those Native villages within the re-
18 gion of the Regional Corporation which are
19 within 300 miles of the geographic center
20 of the leased tract based on the relative
21 distance of such villages from the leased
22 tract, in accordance with this paragraph.

23 “(ii) DISTANCES.—For each such vil-
24 lage, the Secretary shall determine the dis-
25 tance between the point in the village clos-

1 est to the geographic center of the leased
2 tract and the geographic center of the
3 tract.

4 “(iii) PAYMENTS.—The Secretary
5 shall divide and allocate the qualified outer
6 Continental Shelf revenues derived from
7 the leased tract among the qualifying Re-
8 gional Corporations in amounts that are
9 inversely proportional to the distances of
10 all of the Native villages within each quali-
11 fying region.

12 “(iv) REVENUES.—All revenues re-
13 ceived by each Regional Corporation shall
14 be—

15 “(I) treated by the Regional Cor-
16 poration as revenue subject to the dis-
17 tribution requirements of section
18 7(i)(1)(A) of the Alaska Native
19 Claims Settlement Act (43 U.S.C.
20 1606(i)(1)(A)); and

21 “(II) divided annually by the Re-
22 gional Corporation among all 12 Re-
23 gional Corporations in accordance
24 with section 7(i) of that Act.

1 “(v) FURTHER DISTRIBUTION.—A Re-
 2 gional Corporation receiving revenues
 3 under clause (iv)(II) shall further dis-
 4 tribute 50 percent of the revenues received
 5 in accordance with section 7(j) of the Alas-
 6 ka Native Claims Settlement Act (43
 7 U.S.C. 1606(j)).”.

8 **SEC. 233. ACCELERATED REVENUE SHARING TO PROMOTE**
 9 **COASTAL RESILIENCY AMONG GULF PRO-**
 10 **DUCING STATES.**

11 Section 105 of the Gulf of Mexico Energy Security
 12 Act of 2006 (43 U.S.C. 1331 note; Public Law 109–432)
 13 is amended—

14 (1) by striking subsection (b) and inserting the
 15 following:

16 “(b) ALLOCATION AMONG GULF PRODUCING STATES
 17 FOR FISCAL YEARS 2010 AND THEREAFTER.—

18 “(1) IN GENERAL.—Subject to the provisions of
 19 this subsection, for fiscal year 2010 and each fiscal
 20 year thereafter, the amount made available under
 21 subsection (a)(2)(A) from a covered lease described
 22 in paragraph (2) shall be allocated to each Gulf pro-
 23 ducing State in amounts that are inversely propor-
 24 tional to the respective distances between the point
 25 on the coastline of each Gulf producing State that

1 is closest to the geographic center of each historical
2 lease site and the geographic center of the historical
3 lease site, as determined by the Secretary.

4 “(2) COVERED LEASE.—A covered lease re-
5 ferred to in paragraph (1) means a lease entered
6 into for—

7 “(A) the 2002–2007 planning area;

8 “(B) the 181 Area; or

9 “(C) the 180 South Area.

10 “(3) MINIMUM ALLOCATION.—The amount allo-
11 cated to a Gulf producing State each fiscal year
12 under paragraph (1) shall be at least 10 percent of
13 the amounts available under subsection (a)(2)(A).

14 “(4) HISTORICAL LEASE SITES.—

15 “(A) IN GENERAL.—Subject to subpara-
16 graph (B), for purposes of this subsection, the
17 historical lease sites in the 2002–2007 planning
18 area shall include all leases entered into by the
19 Secretary for an area in the Gulf of Mexico
20 during the period beginning on October 1, 1982
21 (or an earlier date if practicable, as determined
22 by the Secretary), and ending on December 31,
23 2015.

24 “(B) ADJUSTMENT.—Effective January 1,
25 2022, and every 5 years thereafter, the ending

1 date described in subparagraph (A) shall be ex-
 2 tended for an additional 5 calendar years.

3 “(5) PAYMENTS TO COASTAL POLITICAL SUB-
 4 DIVISIONS.—

5 “(A) IN GENERAL.—The Secretary shall
 6 pay 20 percent of the allocable share of each
 7 Gulf producing State, as determined under
 8 paragraphs (1) and (3), to the coastal political
 9 subdivisions of the Gulf producing State.

10 “(B) ALLOCATION.—The amount paid by
 11 the Secretary to coastal political subdivisions
 12 shall be allocated to each coastal political sub-
 13 division in accordance with subparagraphs (B),
 14 (C), and (E) of section 31(b)(4) of the Outer
 15 Continental Shelf Lands Act (43 U.S.C.
 16 1356a(b)(4)).”; and
 17 (2) by striking subsection (f).

18 **SEC. 234. COASTAL IMPACT ASSISTANCE PROGRAM AMEND-**
 19 **MENTS.**

20 Section 31(c) of the Outer Continental Shelf Lands
 21 Act (43 U.S.C. 1356a(c)) is amended by adding at the
 22 end the following:

23 “(5) APPLICATION REQUIREMENTS; AVAIL-
 24 ABILITY OF FUNDING.—On approval of a State plan
 25 under this section, the Secretary shall—

1 “(A) immediately disburse payments allo-
2 cated under this section to the State or political
3 subdivision; and

4 “(B) other than requiring notification to
5 the Secretary of the projects being carried out
6 under the State plan, not subject a State or po-
7 litical subdivision to any additional require-
8 ments, including application requirements, to
9 receive payments under this section.”.

10 **SEC. 235. PRODUCTION OF OIL FROM CERTAIN ARCTIC**
11 **OFFSHORE LEASES.**

12 Section 5 of the Outer Continental Shelf Lands Act
13 (43 U.S.C. 1334) is amended by adding at the end the
14 following:

15 “(k) OIL TRANSPORTATION IN ARCTIC WATERS.—
16 The Secretary shall—

17 “(1) require that oil produced from Federal
18 leases in Arctic waters in the Chukchi Sea planning
19 area, Beaufort Sea planning area, or Hope Basin
20 planning area be transported by pipeline to the
21 Trans-Alaska Pipeline System; and

22 “(2) provide for, and issue appropriate permits
23 for, the transportation of oil from Federal leases in
24 Arctic waters in preproduction phases (including ex-
25 ploration) by means other than pipeline.”.

1 **SEC. 236. USE OF STIMULUS FUNDS TO OFFSET SPENDING.**

2 (a) IN GENERAL.—The unobligated balance of each
3 amount appropriated or made available under the Amer-
4 ican Recovery and Reinvestment Act of 2009 (Public Law
5 111–5; 123 Stat. 115) (other than under title X of division
6 A of that Act) is rescinded, on a pro rata basis, by an
7 aggregate amount that equals the amounts necessary to
8 offset any net increase in spending or foregone revenues
9 resulting from this subtitle and the amendments made by
10 this subtitle.

11 (b) REPORT.—The Director of the Office of Manage-
12 ment and Budget shall submit to each congressional com-
13 mittee the amounts rescinded under subsection (a) that
14 are within the jurisdiction of the committee.

15 **TITLE III—GUIDANCE ON MORA-**
16 **TORIUM ON OUTER CONTI-**
17 **NENTAL SHELF DRILLING**

18 **SEC. 301. LIMITATION OF MORATORIUM ON CERTAIN PER-**
19 **MITTING AND DRILLING ACTIVITIES.**

20 (a) IN GENERAL.—The moratorium set forth in the
21 decision memorandum of the Secretary of the Interior en-
22 titled “Decision memorandum regarding the suspension of
23 certain offshore permitting and drilling activities on the
24 Outer Continental Shelf” and dated July 12, 2010, and
25 any suspension of operations issued in connection with the

1 moratorium, shall not apply to an applicant for a permit
2 to drill if the Secretary determines that the applicant—

3 (1) has complied with the notice entitled “Na-
4 tional Notice to Lessees and Operators of Federal
5 Oil and Gas Leases, Outer Continental Shelf
6 (OCS)” dated June 8, 2010 (NTL No. 2010–N05)
7 and the notice entitled “National Notice to Lessees
8 and Operators of Federal Oil and Gas Leases, Outer
9 Continental Shelf (OCS)” dated June 18, 2010
10 (NTL No. 2010–N06); and

11 (2) has completed all required safety inspec-
12 tions.

13 (b) DETERMINATION ON PERMIT.—Not later than 30
14 days after the date on which the Secretary makes a deter-
15 mination that an applicant has complied with paragraphs
16 (1) and (2) of subsection (a), the Secretary shall make
17 a determination on whether to issue the permit.

18 (c) NO SUSPENSION OF CONSIDERATION.—No Fed-
19 eral entity shall suspend the active consideration of, or
20 preparatory work for, permits required to resume or ad-
21 vance activities suspended in connection with the morato-
22 rium.

23 **SEC. 302. DEEPWATER HORIZON INCIDENT.**

24 Not later than 60 days after the date of enactment
25 of this Act, the Secretary shall develop, and expeditiously

1 begin implementation of, a plan to ensure that onshore
2 oil and natural gas development on Federal land would
3 provide full energy resource compensation for offshore oil
4 and natural gas resources not being developed and Federal
5 revenues not being generated for the benefit of the United
6 States Treasury during such time as any offshore morato-
7 rium is in place in response to the incident involving the
8 mobile offshore drilling unit *Deepwater Horizon*.

Calendar No. 483

11TH CONGRESS
2^D SESSION
S. 3643

A BILL

To amend the Outer Continental Shelf Lands Act to reform the management of energy and mineral resources on the Outer Continental Shelf, to improve oil spill compensation, to terminate the moratorium on deepwater drilling, and for other purposes.

JULY 26, 2010

Read the second time and place on the calendar