

Calendar No. 510

111TH CONGRESS
2^D SESSION**H. R. 3534**

IN THE SENATE OF THE UNITED STATES

AUGUST 3, 2010

Received; read the first time

AUGUST 4, 2010

Read the second time and placed on the calendar

AN ACT

To provide greater efficiencies, transparency, returns, and accountability in the administration of Federal mineral and energy resources by consolidating administration of various Federal energy minerals management and leasing programs into one entity to be known as the Office of Federal Energy and Minerals Leasing of the Department of the Interior, 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,*

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

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Consolidated Land, Energy, and Aquatic Resources Act
6 of 2010”.

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

- Sec. 1. Short title; table of contents.
 Sec. 2. Definitions.

TITLE I—CREATION OF NEW DEPARTMENT OF THE INTERIOR
 AGENCIES

- Sec. 101. Bureau of Energy and Resource Management.
 Sec. 102. Bureau of Safety and Environmental Enforcement.
 Sec. 103. Office of Natural Resources Revenue.
 Sec. 104. Ethics.
 Sec. 105. References.
 Sec. 106. Abolishment of Minerals Management Service.
 Sec. 107. Conforming amendment.
 Sec. 108. Outer Continental Shelf Safety and Environmental Advisory Board.
 Sec. 109. Limitation on effect on development of ocean renewable energy resource facilities.

TITLE II—FEDERAL OIL AND GAS DEVELOPMENT

Subtitle A—Safety, Environmental, and Financial Reform of the Outer
 Continental Shelf Lands Act

- Sec. 201. Short title.
 Sec. 202. Definitions.
 Sec. 203. National policy for the Outer Continental Shelf.
 Sec. 204. Jurisdiction of laws on the Outer Continental Shelf.
 Sec. 205. Outer Continental Shelf leasing standard.
 Sec. 206. Leases, easements, and rights-of-way.
 Sec. 207. Disposition of revenues.
 Sec. 208. Exploration plans.
 Sec. 209. Outer Continental Shelf leasing program.
 Sec. 210. Environmental studies.
 Sec. 211. Safety regulations.
 Sec. 212. Enforcement of safety and environmental regulations.
 Sec. 213. Judicial review.
 Sec. 214. Remedies and penalties.
 Sec. 215. Uniform planning for Outer Continental Shelf.
 Sec. 216. Oil and gas information program.
 Sec. 217. Limitation on royalty-in-kind program.
 Sec. 218. Restrictions on employment.
 Sec. 219. Repeal of royalty relief provisions.
 Sec. 220. Manning and buy- and build-American requirements.
 Sec. 221. National Commission on the BP Deepwater Horizon Oil Spill and
 Offshore Drilling.
 Sec. 222. Coordination and consultation with affected State and local governments.
 Sec. 223. Implementation.
 Sec. 224. Report on environmental baseline studies.
 Sec. 225. Cumulative impacts on marine mammal species and stocks and subsistence use.

Subtitle B—Royalty Relief for American Consumers

- Sec. 231. Short title.
- Sec. 232. Eligibility for new leases and the transfer of leases.
- Sec. 233. Price thresholds for royalty suspension provisions.

Subtitle C—Limitation on Moratorium

- Sec. 241. Limitation of moratorium on certain permitting and drilling activities.

TITLE III—OIL AND GAS ROYALTY REFORM

- Sec. 301. Amendments to definitions.
- Sec. 302. Compliance reviews.
- Sec. 303. Clarification of liability for royalty payments.
- Sec. 304. Required recordkeeping.
- Sec. 305. Fines and penalties.
- Sec. 306. Interest on overpayments.
- Sec. 307. Adjustments and refunds.
- Sec. 308. Conforming amendment.
- Sec. 309. Obligation period.
- Sec. 310. Notice regarding tolling agreements and subpoenas.
- Sec. 311. Appeals and final agency action.
- Sec. 312. Assessments.
- Sec. 313. Collection and production accountability.
- Sec. 314. Natural gas reporting.
- Sec. 315. Penalty for late or incorrect reporting of data.
- Sec. 316. Required recordkeeping.
- Sec. 317. Shared civil penalties.
- Sec. 318. Applicability to other minerals.
- Sec. 319. Entitlements.
- Sec. 320. Limitation on royalty in-kind program.
- Sec. 321. Application of royalty to oil that is saved, removed, sold, or discharged under offshore oil and gas leases.

TITLE IV—FULL FUNDING FOR THE LAND AND WATER CONSERVATION AND HISTORIC PRESERVATION FUNDS

Subtitle A—Land and Water Conservation Fund

- Sec. 401. Amendments to the Land and Water Conservation Fund Act of 1965.
- Sec. 402. Extension of the Land and Water Conservation Fund.
- Sec. 403. Permanent funding.

Subtitle B—National Historic Preservation Fund

- Sec. 411. Permanent funding.

TITLE V—GULF OF MEXICO RESTORATION

- Sec. 501. Gulf of Mexico restoration program.
- Sec. 502. Gulf of Mexico long-term environmental monitoring and research program.
- Sec. 503. Gulf of Mexico emergency migratory species alternative habitat program.
- Sec. 504. Gulf of Mexico Restoration Account.

TITLE VI—COORDINATION AND PLANNING

- Sec. 601. Regional coordination.
- Sec. 602. Regional Coordination Councils.
- Sec. 603. Regional strategic plans.
- Sec. 604. Regulations and savings clause.
- Sec. 605. Ocean Resources Conservation and Assistance Fund.
- Sec. 606. Waiver.

TITLE VII—OIL SPILL ACCOUNTABILITY AND ENVIRONMENTAL PROTECTION

- Sec. 701. Short title.
- Sec. 702. Repeal of and adjustments to limitation on liability.
- Sec. 703. Evidence of financial responsibility for offshore facilities.
- Sec. 704. Damages to human health.
- Sec. 705. Clarification of liability for discharges from mobile offshore drilling units.
- Sec. 706. Standard of review for damage assessment.
- Sec. 707. Procedures for claims against Fund; Information on claims.
- Sec. 708. Additional amendments and clarifications to Oil Pollution Act of 1990.
- Sec. 709. Americanization of offshore operations in the Exclusive Economic Zone.
- Sec. 710. Safety management systems for mobile offshore drilling units.
- Sec. 711. Safety standards for mobile offshore drilling units.
- Sec. 712. Operational control of mobile offshore drilling units.
- Sec. 713. Single-hull tankers.
- Sec. 714. Repeal of response plan waiver.
- Sec. 715. National Contingency Plan.
- Sec. 716. Tracking Database.
- Sec. 717. Evaluation and approval of response plans; maximum penalties.
- Sec. 718. Oil and hazardous substance cleanup technologies.
- Sec. 719. Implementation of oil spill prevention and response authorities.
- Sec. 720. Impacts to Indian Tribes and public service damages.
- Sec. 721. Federal enforcement actions.
- Sec. 722. Time required before electing to proceed with judicial claim or against the Fund.
- Sec. 723. Authorized level of Coast Guard personnel.
- Sec. 724. Clarification of memorandums of understanding.
- Sec. 725. Build America requirement for offshore facilities.
- Sec. 726. Oil spill response vessel database.
- Sec. 727. Offshore sensing and monitoring systems.
- Sec. 728. Oil and gas exploration and production.
- Sec. 729. Leave retention authority.
- Sec. 730. Authorization of appropriations.
- Sec. 731. Extension of liability to persons having ownership interests in responsible parties.
- Sec. 732. Clarification of liability under Oil Pollution Act of 1990.
- Sec. 733. Salvage activities.
- Sec. 734. Requirement for redundancy in response plans.

TITLE VIII—MISCELLANEOUS PROVISIONS

- Sec. 801. Repeal of certain taxpayer subsidized royalty relief for the oil and gas industry.
- Sec. 802. Conservation fee.
- Sec. 803. Leasing on Indian lands.

- Sec. 804. Outer Continental Shelf State boundaries.
- Sec. 805. Liability for damages to national wildlife refuges.
- Sec. 806. Strengthening coastal State oil spill planning and response.
- Sec. 807. Information sharing.
- Sec. 808. Limitation on use of funds.
- Sec. 809. Environmental review.
- Sec. 810. Federal response to State proposals to protect State lands and waters.
- Sec. 811. Government Accountability Office evaluation.
- Sec. 812. Study on relief wells.

TITLE IX—STUDY OF ACTIONS TO IMPROVE THE ACCURACY OF
COLLECTION OF ROYALTIES

- Sec. 901. Short title.
- Sec. 902. Study of actions to improve the accuracy of collection of Federal oil, condensate, and natural gas royalties.
- Sec. 903. Definitions.

TITLE X—OFFSHORE OIL AND GAS WORKER WHISTLEBLOWER
PROTECTION

- Sec. 1001. Short title.
- Sec. 1002. Whistleblower protections; employee protection from other retaliation.
- Sec. 1003. Definitions.

1 SEC. 2. DEFINITIONS.

2 For the purposes of this Act:

3 (1) **AFFECTED INDIAN TRIBE.**—The term “af-
4 fected Indian tribe” means an Indian tribe that has
5 federally reserved rights that are affirmed by treaty,
6 statute, Executive order, Federal court order, or
7 other Federal law in the area at issue.

8 (2) **COASTAL STATE.**—The term “coastal
9 State” has the same meaning given the term “coast-
10 al state” in section 304 of the Coastal Zone Man-
11 agement Act of 1972 (16 U.S.C. 1453).

12 (3) **DEPARTMENT.**—The term “Department”
13 means the Department of the Interior, except as the
14 context indicates otherwise.

1 (4) FUNCTION.—The term “function”, with re-
2 spect to a function of an officer, employee, or agent
3 of the Federal Government, or of a Department,
4 agency, office, or other instrumentality of the Fed-
5 eral Government, includes authorities, powers,
6 rights, privileges, immunities, programs, projects,
7 activities, duties, and responsibilities.

8 (5) IMPORTANT ECOLOGICAL AREA.—The term
9 “important ecological area” means an area that con-
10 tributes significantly to local or larger marine eco-
11 system health or is an especially unique or sensitive
12 marine ecosystem.

13 (6) INDIAN LAND.—The term “Indian land”
14 has the meaning given the term in section 502(a) of
15 title V of Public Law 109–58 (25 U.S.C. 3501(2)).

16 (7) INDIAN TRIBE.—The term “Indian tribe”
17 has the same meaning given the term “Indian tribe”
18 has in section 4 of the Indian Self-Determination
19 and Education Assistance Act (25 U.S.C. 450b).

20 (8) MARINE ECOSYSTEM HEALTH.—The term
21 “marine ecosystem health” means the ability of an
22 ecosystem in ocean and coastal waters to support
23 and maintain patterns, important processes, and
24 productive, sustainable, and resilient communities of
25 organisms, having a species composition, diversity,

1 and functional organization resulting from the nat-
2 ural habitat of the region, such that it is capable of
3 supporting a variety of activities and providing a
4 complete range of ecological benefits. Such an eco-
5 system would be characterized by a variety of fac-
6 tors, including—

7 (A) a complete diversity of native species
8 and habitat wherein each native species is able
9 to maintain an abundance, population struc-
10 ture, and distribution supporting its ecological
11 and evolutionary functions, patterns, and proc-
12 esses; and

13 (B) a physical, chemical, geological, and
14 microbial environment that is necessary to
15 achieve such diversity.

16 (9) MINERAL.—The term “mineral” has the
17 same meaning that the term “minerals” has in sec-
18 tion 2(q) of the Outer Continental Shelf Lands Act
19 (43 U.S.C. 1331(q)).

20 (10) NONRENEWABLE ENERGY RESOURCE.—
21 The term “nonrenewable energy resource” means oil
22 and natural gas.

23 (11) OPERATOR.—The term “operator”
24 means—

25 (A) the lessee; or

1 (B) a person designated by the lessee as
2 having control or management of operations on
3 the leased area or a portion thereof, who is—

4 (i) approved by the Secretary, acting
5 through the Bureau of Energy and Re-
6 source Management; or

7 (ii) the holder of operating rights
8 under an assignment of operating rights
9 that is approved by the Secretary, acting
10 through the Bureau of Energy and Re-
11 source Management.

12 (12) OUTER CONTINENTAL SHELF.—The term
13 “Outer Continental Shelf” has the same meaning
14 given the term “outer Continental Shelf” has in the
15 Outer Continental Shelf Lands Act (43 U.S.C. 1331
16 et seq.).

17 (13) REGIONAL OCEAN PARTNERSHIP.—The
18 term “Regional Ocean Partnership” means vol-
19 untary, collaborative management initiatives devel-
20 oped and entered into by the Governors of two or
21 more coastal States or created by an interstate com-
22 pact for the purpose of addressing more than one
23 ocean, coastal, or Great Lakes issue and to imple-
24 ment policies and activities identified under special
25 area management plans under the Coastal Zone

1 Management Act of 1972 (16 U.S.C. 1451 et seq.)
2 or other agreements developed and signed by the
3 Governors.

4 (14) RENEWABLE ENERGY RESOURCE.—The
5 term “renewable energy resource” means each of the
6 following:

7 (A) Wind energy.

8 (B) Solar energy.

9 (C) Geothermal energy.

10 (D) Landfill gas.

11 (E) Marine and hydrokinetic renewable en-
12 ergy, as that term is defined in section 632 of
13 the Energy Independence and Security Act of
14 2007 (42 U.S.C. 17211).

15 (15) SECRETARIES.—The term “Secretaries”
16 means the Secretary of the Interior and the Sec-
17 retary of Commerce.

18 (16) SECRETARY.—The term “Secretary”
19 means the Secretary of the Interior, except as other-
20 wise provided in this Act.

21 (17) TERMS DEFINED IN OTHER LAW.—Each
22 of the terms “Federal land”, “lease”, and “mineral
23 leasing law” has the same meaning given the term
24 under the Federal Oil and Gas Royalty Management
25 Act of 1982 (30 U.S.C. 1701 et seq.), except that

1 such terms shall also apply to all minerals and re-
2 newable energy resources in addition to oil and gas.

3 **TITLE I—CREATION OF NEW DE-**
4 **PARTMENT OF THE INTERIOR**
5 **AGENCIES**

6 **SEC. 101. BUREAU OF ENERGY AND RESOURCE MANAGE-**
7 **MENT.**

8 (a) ESTABLISHMENT.—There is established in the
9 Department of the Interior a Bureau of Energy and Re-
10 source Management (referred to in this section as the
11 “Bureau”) to be headed by a Director of Energy and Re-
12 source Management (referred to in this section as the “Di-
13 rector”).

14 (b) DIRECTOR.—

15 (1) APPOINTMENT.—The Director shall be ap-
16 pointed by the President, by and with the advice and
17 consent of the Senate, on the basis of—

18 (A) professional background, demonstrated
19 competence, and ability; and

20 (B) capacity to—

21 (i) administer the provisions of this
22 Act; and

23 (ii) ensure that the fiduciary duties of
24 the United States Government on behalf of
25 the people of the United States, as they re-

1 late to development of nonrenewable and
2 renewable energy and mineral resources,
3 are duly met.

4 (2) COMPENSATION.—The Director shall be
5 compensated at the rate provided for Level V of the
6 Executive Schedule under section 5316 of title 5,
7 United States Code.

8 (c) DUTIES.—

9 (1) IN GENERAL.—Except as provided in para-
10 graph (4), the Secretary shall carry out through the
11 Bureau all functions, powers, and duties vested in
12 the Secretary relating to the administration of a
13 comprehensive program of nonrenewable and renew-
14 able energy and mineral resources management—

15 (A) on the Outer Continental Shelf, pursu-
16 ant to the Outer Continental Shelf Lands Act
17 as amended by this Act (43 U.S.C. 1331 et
18 seq.);

19 (B) on Federal public lands, pursuant to
20 the Mineral Leasing Act (30 U.S.C. 181 et
21 seq.) and the Geothermal Steam Act of 1970
22 (30 U.S.C. 1001 et seq.);

23 (C) on acquired Federal lands, pursuant to
24 the Mineral Leasing Act for Acquired Lands

1 (30 U.S.C. 351 et seq.) and the Geothermal
2 Steam Act of 1970 (30 U.S.C. 1001 et seq.);

3 (D) in the National Petroleum Reserve in
4 Alaska, pursuant to the Naval Petroleum Re-
5 serves Production Act of 1976 (42 U.S.C. 6501
6 et seq.);

7 (E) on any Federal land pursuant to any
8 mineral leasing law; and

9 (F) pursuant to this Act and all other ap-
10 plicable Federal laws, including the administra-
11 tion and approval of all instruments and agree-
12 ments required to ensure orderly, safe, and en-
13 vironmentally responsible nonrenewable and re-
14 newable energy and mineral resources develop-
15 ment activities.

16 (2) SPECIFIC AUTHORITIES.—The Director
17 shall promulgate and implement regulations for the
18 proper issuance of leases for the exploration, devel-
19 opment, and production of nonrenewable and renew-
20 able energy and mineral resources, and for the
21 issuance of permits under such leases, on the Outer
22 Continental Shelf and for nonrenewable and renew-
23 able energy and mineral resources managed by the
24 Bureau of Land Management on the date of enact-
25 ment of this Act, or any other Federal land manage-

1 ment agency, including regulations relating to re-
2 source identification, access, evaluation, and utiliza-
3 tion.

4 (3) INDEPENDENT ENVIRONMENTAL
5 SCIENCE.—

6 (A) IN GENERAL.—The Secretary shall
7 create an independent office within the Bureau
8 that—

9 (i) shall report to the Director;

10 (ii) shall be programmatically separate
11 and distinct from the leasing and permit-
12 ting activities of the Bureau; and

13 (iii) shall—

14 (I) carry out the environmental
15 studies program under section 20 of
16 the Outer Continental Shelf Lands
17 Act (43 U.S.C. 1346);

18 (II) conduct any environmental
19 analyses necessary for the programs
20 administered by the Bureau; and

21 (III) carry out other functions as
22 deemed necessary by the Secretary.

23 (B) CONSULTATION.—Studies and anal-
24 yses carried out by the office created under sub-
25 paragraph (A) shall be conducted in appro-

1 appropriate and timely consultation with other rel-
2 evant Federal agencies, including—

3 (i) the Bureau of Safety and Environ-
4 mental Enforcement;

5 (ii) the United States Fish and Wild-
6 life Service;

7 (iii) the United States Geological Sur-
8 vey; and

9 (iv) the National Oceanic and Atmos-
10 pheric Administration.

11 (4) LIMITATION.—The Secretary shall not carry
12 out through the Bureau any function, power, or duty
13 that is—

14 (A) required by section 102 to be carried
15 out through Bureau of Safety and Environ-
16 mental Enforcement; or

17 (B) required by section 103 to be carried
18 out through the Office of Natural Resources
19 Revenue.

20 (d) COMPREHENSIVE DATA AND ANALYSES ON
21 OUTER CONTINENTAL SHELF RESOURCES.—

22 (1) IN GENERAL.—

23 (A) PROGRAMS.—The Director shall de-
24 velop and carry out programs for the collection,
25 evaluation, assembly, analysis, and dissemina-

1 tion of data and information that is relevant to
2 carrying out the duties of the Bureau, including
3 studies under section 20 of the Outer Conti-
4 nental Shelf Lands Act (43 U.S.C. 1346).

5 (B) USE OF DATA AND INFORMATION.—

6 The Director shall, in carrying out functions
7 pursuant to the Outer Continental Lands Act
8 (43 U.S.C. 1331 et seq.), consider data and in-
9 formation referred to in subparagraph (A)
10 which shall inform the management functions
11 of the Bureau, and shall contribute to a broader
12 coordination of development activities within
13 the contexts of the best available science and
14 marine spatial planning.

15 (2) INTERAGENCY COOPERATION.—In carrying
16 out programs under this subsection, the Bureau
17 shall—

18 (A) utilize the authorities of subsection (g)
19 and (h) of section 18 of the Outer Continental
20 Shelf Lands Act (43 U.S.C. 1344);

21 (B) cooperate with appropriate offices in
22 the Department and in other Federal agencies;

23 (C) use existing inventories and mapping
24 of marine resources previously undertaken by
25 the Minerals Management Service, mapping un-

1 dertaken by the United States Geological Sur-
2 vey and the National Oceanographic and At-
3 mospheric Administration, and information pro-
4 vided by the Department of Defense and other
5 Federal and State agencies possessing relevant
6 data; and

7 (D) use any available data regarding re-
8 newable energy potential, navigation uses, fish-
9 eries, aquaculture uses, recreational uses, habi-
10 tat, conservation, and military uses of the
11 Outer Continental Shelf.

12 (e) **RESPONSIBILITIES OF LAND MANAGEMENT**
13 **AGENCIES.**—Nothing in this section shall affect the au-
14 thorities of the Bureau of Land Management under the
15 Federal Land Policy and Management Act of 1976 (43
16 U.S.C. 1701 et seq.) or of the Forest Service under the
17 National Forest Management Act of 1976 (Public Law
18 94–588).

19 **SEC. 102. BUREAU OF SAFETY AND ENVIRONMENTAL EN-**
20 **FORCEMENT.**

21 (a) **ESTABLISHMENT.**—There is established in the
22 Department a Bureau of Safety and Environmental En-
23 forcement (referred to in this section as the “Bureau”)
24 to be headed by a Director of Safety and Environmental

1 Enforcement (referred to in this section as the “Direc-
2 tor”).

3 (b) DIRECTOR.—

4 (1) APPOINTMENT.—The Director shall be ap-
5 pointed by the President, by and with the advice and
6 consent of the Senate, on the basis of—

7 (A) professional background, demonstrated
8 competence, and ability; and

9 (B) capacity to administer the provisions
10 of this Act.

11 (2) COMPENSATION.—The Director shall be
12 compensated at the rate provided for Level V of the
13 Executive Schedule under section 5316 of title 5,
14 United States Code.

15 (c) DUTIES.—

16 (1) IN GENERAL.—The Secretary shall carry
17 out through the Bureau all functions, powers, and
18 duties vested in the Secretary relating to the admin-
19 istration of safety and environmental enforcement
20 activities related to nonrenewable and renewable en-
21 ergy and mineral resources—

22 (A) on the Outer Continental Shelf pursu-
23 ant to the Outer Continental Shelf Lands Act
24 (43 U.S.C. 1331 et seq.);

1 (B) on Federal public lands, pursuant to
2 the Mineral Leasing Act (30 U.S.C. 181 et
3 seq.) and the Geothermal Steam Act of 1970
4 (30 U.S.C. 1001 et seq.);

5 (C) on acquired Federal lands, pursuant to
6 the Mineral Leasing Act for Acquired Lands
7 (30 U.S.C. 351 et seq.) and the Geothermal
8 Steam Act of 1970 (30 U.S.C. 1001 et seq.);

9 (D) in the National Petroleum Reserve in
10 Alaska, pursuant to the Naval Petroleum Re-
11 serves Production Act of 1976 (42 U.S.C. 6501
12 et seq.); and

13 (E) pursuant to—

14 (i) the Federal Oil and Gas Royalty
15 Management Act of 1982 (30 U.S.C. 1701
16 et seq.);

17 (ii) the Energy Policy Act of 2005
18 (Public Law 109–58);

19 (iii) the Federal Oil and Gas Royalty
20 Simplification and Fairness Act of 1996
21 (Public Law 104–185);

22 (iv) the Forest and Rangeland Renew-
23 able Resources Planning Act of 1974 (16
24 U.S.C. 1600 et seq.);

1 (v) the Federal Land Policy and Man-
2 agement Act of 1976 (43 U.S.C. 1701 et
3 seq.);
4 (vi) this Act; and
5 (vii) all other applicable Federal laws,
6 including the authority to develop, promulgate,
7 and enforce regulations to ensure the safe and
8 environmentally sound exploration, develop-
9 ment, and production of nonrenewable and re-
10 newable energy and mineral resources on the
11 Outer Continental Shelf and onshore federally
12 managed lands.

13 (d) AUTHORITIES.—In carrying out the duties under
14 this section, the Secretary’s authorities shall include—

15 (1) performing necessary oversight activities to
16 ensure the proper application of environmental re-
17 views, including those conducted pursuant to the
18 National Environmental Policy Act of 1969 (42
19 U.S.C. 4321 et seq.) by the Bureau of Energy and
20 Resource Management in the performance of its du-
21 ties under the Outer Continental Shelf Lands Act
22 (43 U.S.C. 1331 et seq.);

23 (2) suspending or prohibiting, on a temporary
24 basis, any operation or activity, including produc-
25 tion—

1 (A) on leases held on the Outer Conti-
2 nental Shelf, in accordance with section 5(a)(1)
3 of the Outer Continental Shelf Lands Act (43
4 U.S.C. 1334(a)(1)); or

5 (B) on leases or rights-of-way held on Fed-
6 eral lands under any other minerals or energy
7 leasing statute, in accordance with section
8 302(c) of the Federal Land Policy and Manage-
9 ment Act of 1976 (43 U.S.C. 1701 et seq.);

10 (3) cancelling any lease, permit, or right-of-
11 way—

12 (A) on the Outer Continental Shelf, in ac-
13 cordance with section 5(a)(2) of the Outer Con-
14 tinental Shelf Lands Act (43 U.S.C.
15 1334(a)(2)); or

16 (B) on onshore Federal lands, in accord-
17 ance with section 302(c) of the Federal Land
18 Policy and Management Act of 1976 (43 U.S.C.
19 1732(c));

20 (4) compelling compliance with applicable work-
21 er safety and environmental laws and regulations;

22 (5) requiring comprehensive safety and environ-
23 mental management programs for persons engaged
24 in activities connected with the exploration, develop-

1 ment, and production of energy or mineral re-
2 sources;

3 (6) developing and implementing regulations for
4 Federal employees to carry out any inspection or in-
5 vestigation to ascertain compliance with applicable
6 regulations, including health, safety, or environ-
7 mental regulations;

8 (7) collecting, evaluating, assembling, analyzing,
9 and publicly disseminating electronically data and
10 information that is relevant to inspections, failures,
11 or accidents involving equipment and systems used
12 for exploration and production of energy and min-
13 eral resources, including human factors associated
14 therewith;

15 (8) implementing the Offshore Technology Re-
16 search and Risk Assessment Program under section
17 21 of the Outer Continental Shelf Lands Act (43
18 U.S.C. 1347);

19 (9) summoning witnesses and directing the pro-
20 duction of evidence;

21 (10) levying fines and penalties and disquali-
22 fying operators; and

23 (11) carrying out any safety, response, and re-
24 moval preparedness functions.

25 (e) EMPLOYEES.—

1 (1) IN GENERAL.—The Secretary shall ensure
2 that the inspection force of the Bureau consists of
3 qualified, trained employees who meet qualification
4 requirements and adhere to the highest professional
5 and ethical standards.

6 (2) QUALIFICATIONS.—The qualification re-
7 quirements referred to in paragraph (1)—

8 (A) shall be determined by the Secretary,
9 subject to subparagraph (B); and

10 (B) shall include—

11 (i) three years of practical experience
12 in oil and gas exploration, development, or
13 production; or

14 (ii) a degree in an appropriate field of
15 engineering from an accredited institution
16 of higher learning.

17 (3) ASSIGNMENT.—In assigning oil and gas in-
18 spectors to the inspection and investigation of indi-
19 vidual operations, the Secretary shall give due con-
20 sideration to the extent possible to their previous ex-
21 perience in the particular type of oil and gas oper-
22 ation in which such inspections are to be made.

23 (4) TRAINING ACADEMY.—

24 (A) IN GENERAL.—The Secretary shall es-
25 tablish and maintain a National Oil and Gas

1 Health and Safety Academy (referred to in this
2 paragraph as the “Academy”) as an agency of
3 the Department of the Interior.

4 (B) FUNCTIONS OF ACADEMY.—The Sec-
5 retary, through the Academy, shall be respon-
6 sible for—

7 (i) the initial and continued training
8 of both newly hired and experienced oil
9 and gas inspectors in all aspects of health,
10 safety, environmental, and operational in-
11 spections;

12 (ii) the training of technical support
13 personnel of the Bureau;

14 (iii) any other training programs for
15 oil and gas inspectors, Bureau personnel,
16 Department personnel, or other persons as
17 the Secretary shall designate; and

18 (iv) certification of the successful
19 completion of training programs for newly
20 hired and experienced oil and gas inspec-
21 tors.

22 (C) COOPERATIVE AGREEMENTS.—

23 (i) IN GENERAL.—In performing func-
24 tions under this paragraph, and subject to
25 clause (ii), the Secretary may enter into

1 cooperative educational and training agree-
2 ments with educational institutions, related
3 Federal academies, other Federal agencies,
4 State governments, labor organizations,
5 safety training firms, and oil and gas oper-
6 ators and related industries.

7 (ii) TRAINING REQUIREMENT.—Such
8 training shall be conducted by the Acad-
9 emy in accordance with curriculum needs
10 and assignment of instructional personnel
11 established by the Secretary.

12 (D) USE OF DEPARTMENTAL PER-
13 SONNEL.—In performing functions under this
14 subsection, the Secretary shall use, to the ex-
15 tent practicable, the facilities and personnel of
16 the Department of the Interior. The Secretary
17 may appoint or assign to the Academy such of-
18 ficers and employees as the Secretary considers
19 necessary for the performance of the duties and
20 functions of the Academy.

21 (5) ADDITIONAL TRAINING PROGRAMS.—

22 (A) IN GENERAL.—The Secretary shall
23 work with appropriate educational institutions,
24 operators, and representatives of oil and gas
25 workers to develop and maintain adequate pro-

1 grams with educational institutions and oil and
2 gas operators, that are designed—

3 (i) to enable persons to qualify for po-
4 sitions in the administration of this Act;
5 and

6 (ii) to provide for the continuing edu-
7 cation of inspectors or other appropriate
8 Departmental personnel.

9 (B) FINANCIAL AND TECHNICAL ASSIST-
10 ANCE.—The Secretary may provide financial
11 and technical assistance to educational institu-
12 tions in carrying out this paragraph.

13 (6) ROLE OF OIL OR GAS OPERATORS AND RE-
14 LATED INDUSTRIES.—The Secretary shall ensure
15 that any cooperative agreement or other collabora-
16 tion with a representative of an oil or gas operator
17 or related industry in relation to a training program
18 established under paragraph (4) or paragraph (5) is
19 limited to consultation regarding curricula and does
20 not extend to the provision of instructional per-
21 sonnel.

22 **SEC. 103. OFFICE OF NATURAL RESOURCES REVENUE.**

23 (a) ESTABLISHMENT.—There is established in the
24 Department an Office of Natural Resources Revenue (re-
25 ferred to in this section as the “Office”) to be headed by

1 a Director of Natural Resources Revenue (referred to in
2 this section as the “Director”).

3 (b) APPOINTMENT AND COMPENSATION.—

4 (1) IN GENERAL.—The Director shall be ap-
5 pointed by the President, by and with the advice and
6 consent of the Senate, on the basis of—

7 (A) professional competence; and

8 (B) capacity to—

9 (i) administer the provisions of this
10 Act; and

11 (ii) ensure that the fiduciary duties of
12 the United States Government on behalf of
13 the American people, as they relate to de-
14 velopment of nonrenewable and renewable
15 energy and mineral resources, are duly
16 met.

17 (2) COMPENSATION.—The 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 (c) DUTIES.—

22 (1) IN GENERAL.—The Secretary shall carry
23 out, through the Office—

24 (A) all functions, powers, and duties vested
25 in the Secretary and relating to the administra-

1 tion of the royalty and revenue management
2 functions pursuant to—

3 (i) the Outer Continental Shelf Lands
4 Act (43 U.S.C. 1331 et seq.);

5 (ii) the Mineral Leasing Act (30
6 U.S.C. 181 et seq.);

7 (iii) the Mineral Leasing Act for Ac-
8 quired Lands (30 U.S.C. 351 et seq.);

9 (iv) the Geothermal Steam Act of
10 1970 (30 U.S.C. 1001 et seq.);

11 (v) the Naval Petroleum Reserves
12 Production Act of 1976 (42 U.S.C. 6501
13 et seq.);

14 (vi) the Federal Oil and Gas Royalty
15 Management Act of 1982 (30 U.S.C. 1701
16 et seq.);

17 (vii) the Federal Oil and Gas Royalty
18 Simplification and Fairness Act of 1996
19 (Public Law 104–185);

20 (viii) the Energy Policy Act of 2005
21 (Public Law 109–58);

22 (ix) the Forest and Rangeland Renew-
23 able Resources Planning Act of 1974 (16
24 U.S.C. 1600 et seq.);

1 (x) the Federal Land Policy and Man-
2 agement Act of 1976 (43 U.S.C. 1701 et
3 seq.); and

4 (xi) this Act and all other applicable
5 Federal laws; and

6 (B) all functions, powers, and duties pre-
7 viously assigned to the Minerals Management
8 Service (including the authority to develop, pro-
9 mulgate, and enforce regulations) regarding—

10 (i) royalty and revenue collection;

11 (ii) royalty and revenue distribution;

12 (iii) auditing and compliance;

13 (iv) investigation and enforcement of
14 royalty and revenue regulations; and

15 (v) asset management for onshore and
16 offshore activities.

17 (d) OVERSIGHT.—In order to provide transparency
18 and ensure strong oversight over the revenue program, the
19 Secretary shall—

20 (1) create within the Office an independent
21 audit and oversight program responsible for moni-
22 toring the performance of the Office with respect to
23 the duties and functions under subsection (c), and
24 conducting internal control audits of the operations
25 of the Office;

1 (2) facilitate the participation of those Indian
2 tribes and States operating pursuant to cooperative
3 agreements or delegations under the Federal Oil and
4 Gas Royalty Management Act of 1982 (30 U.S.C.
5 1701 et seq.) on all of the management teams, com-
6 mittees, councils, and other entities created by the
7 Office; and

8 (3) assure prior consultation with those Indian
9 tribes and States referred to in paragraph (2) in the
10 formulation all policies, procedures, guidance, stand-
11 ards, and rules relating to the functions referred to
12 in subsection (c).

13 **SEC. 104. ETHICS.**

14 (a) CERTIFICATION.—The Secretary shall certify an-
15 nually that all Department of the Interior officers and em-
16 ployees having regular, direct contact with lessees and op-
17 erators as a function of their official duties are in full com-
18 pliance with all Federal employee ethics laws and regula-
19 tions under the Ethics in Government Act of 1978 (5
20 U.S.C. App.) and part 2635 of title 5, Code of Federal
21 Regulations, and all guidance issued under subsection (b).

22 (b) GUIDANCE.—Not later than 90 days after the
23 date of enactment of this Act, the Secretary shall issue
24 supplementary ethics guidance for the employees for which
25 certification is required under subsection (a). The Sec-

1 retary shall update the supplementary ethics guidance not
2 less than once every 3 years thereafter.

3 **SEC. 105. REFERENCES.**

4 (a) BUREAU OF ENERGY AND RESOURCE MANAGE-
5 MENT.—Any reference in any law, rule, regulation, direc-
6 tive, instruction, certificate, or other official document, in
7 force immediately before the enactment of this Act—

8 (1) to the Minerals Management Service that
9 pertains to any of the duties and authorities referred
10 to in section 101 is deemed to refer and apply to the
11 Bureau of Energy and Resource Management estab-
12 lished by section 101;

13 (2) to the Director of the Minerals Management
14 Service that pertains to any of the duties and au-
15 thorities referred to in section 101 is deemed to
16 refer and apply to the Director of the Bureau of En-
17 ergy and Resource Management;

18 (3) to any other position in the Minerals Man-
19 agement Service that pertains to any of the duties
20 and authorities referred to in section 101 is deemed
21 to refer and apply to that same or equivalent posi-
22 tion in the Bureau of Energy and Resource Manage-
23 ment;

24 (4) to the Bureau of Land Management that
25 pertains to any of the duties and authorities referred

1 to in section 101 is deemed to refer and apply to the
2 Bureau of Energy and Resource Management;

3 (5) to the Director of the Bureau of Land Man-
4 agement that pertains to any of the duties and au-
5 thorities referred to in section 101 is deemed to
6 refer and apply to the Director of the Bureau of En-
7 ergy and Resource Management; and

8 (6) to any other position in the Bureau of Land
9 Management that pertains to any of the duties and
10 authorities referred to in section 101 is deemed to
11 refer and apply to that same or equivalent position
12 in the Bureau of Energy and Resource Management.

13 (b) BUREAU OF SAFETY AND ENVIRONMENTAL EN-
14 FORCEMENT.—Any reference in any law, rule, regulation,
15 directive, instruction, certificate, or other official docu-
16 ment in force immediately before the enactment of this
17 Act—

18 (1) to the Minerals Management Service that
19 pertains to any of the duties and authorities referred
20 to in section 102 is deemed to refer and apply to the
21 Bureau of Safety and Environmental Enforcement
22 established by section 102;

23 (2) to the Director of the Minerals Management
24 Service that pertains to any of the duties and au-
25 thorities referred to in section 102 is deemed to

1 refer and apply to the Director of the Bureau of
2 Safety and Environmental Enforcement;

3 (3) to any other position in the Minerals Man-
4 agement Service that pertains to any of the duties
5 and authorities referred to in section 102 is deemed
6 to refer and apply to that same or equivalent posi-
7 tion in the Bureau of Safety and Environmental En-
8 forcement;

9 (4) to the Bureau of Land Management that
10 pertains to any of the duties and authorities referred
11 to in section 102 is deemed to refer and apply to the
12 Bureau of Safety and Environmental Enforcement;

13 (5) to the Director of the Bureau of Land Man-
14 agement that pertains to any of the duties and au-
15 thorities referred to in section 102 is deemed to
16 refer and apply to the Director of the Bureau of
17 Safety and Environmental Enforcement; and

18 (6) to any other position in the Bureau of Land
19 Management that pertains to any of the duties and
20 authorities referred to in section 102 is deemed to
21 refer and apply to that same or equivalent position
22 in the Bureau of Safety and Environmental Enforce-
23 ment.

24 (c) OFFICE OF NATURAL RESOURCES REVENUE.—

25 Any reference in any law, rule, regulation, directive, or in-

1 instruction, or certificate or other official document, in force
2 immediately prior to enactment—

3 (1) to the Minerals Management Service that
4 pertains to any of the duties and authorities referred
5 to in section 103 is deemed to refer and apply to the
6 Office of Natural Resources Revenue established by
7 section 103;

8 (2) to the Director of the Minerals Management
9 Service that pertains to any of the duties and au-
10 thorities referred to in section 103 is deemed to
11 refer and apply to the Director of Natural Resources
12 Revenue; and

13 (3) to any other position in the Minerals Man-
14 agement Service that pertains to any of the duties
15 and authorities referred to in section 103 is deemed
16 to refer and apply to that same or equivalent posi-
17 tion in the Office of Natural Resources Revenue.

18 **SEC. 106. ABOLISHMENT OF MINERALS MANAGEMENT**

19 **SERVICE.**

20 (a) **ABOLISHMENT.**—The Minerals Management
21 Service (in this section referred to as the “Service”) is
22 abolished.

23 (b) **COMPLETED ADMINISTRATIVE ACTIONS.**—

24 (1) **IN GENERAL.**—Completed administrative
25 actions of the Service shall not be affected by the

1 enactment of this Act, but shall continue in effect
2 according to their terms until amended, modified,
3 superseded, terminated, set aside, or revoked in ac-
4 cordance with law by an officer of the United States
5 or a court of competent jurisdiction, or by operation
6 of law.

7 (2) COMPLETED ADMINISTRATIVE ACTION DE-
8 FINED.—For purposes of paragraph (1), the term
9 “completed administrative action” includes orders,
10 determinations, rules, regulations, personnel actions,
11 permits, agreements, grants, contracts, certificates,
12 licenses, registrations, and privileges.

13 (c) PENDING PROCEEDINGS.—Subject to the author-
14 ity of the Secretary of the Interior and the officers of the
15 Department of the Interior under this Act—

16 (1) pending proceedings in the Service, includ-
17 ing notices of proposed rulemaking, and applications
18 for licenses, permits, certificates, grants, and finan-
19 cial assistance, shall continue, notwithstanding the
20 enactment of this Act or the vesting of functions of
21 the Service in another agency, unless discontinued or
22 modified under the same terms and conditions and
23 to the same extent that such discontinuance or
24 modification could have occurred if this Act had not
25 been enacted; and

1 (2) orders issued in such proceedings, and ap-
2 peals therefrom, and payments made pursuant to
3 such orders, shall issue in the same manner and on
4 the same terms as if this Act had not been enacted,
5 and any such orders shall continue in effect until
6 amended, modified, superseded, terminated, set
7 aside, or revoked by an officer of the United States
8 or a court of competent jurisdiction, or by operation
9 of law.

10 (d) PENDING CIVIL ACTIONS.—Subject to the au-
11 thority of the Secretary of the Interior or any officer of
12 the Department of the Interior under this Act, pending
13 civil actions shall continue notwithstanding the enactment
14 of this Act, and in such civil actions, proceedings shall be
15 had, appeals taken, and judgments rendered and enforced
16 in the same manner and with the same effect as if such
17 enactment had not occurred.

18 (e) REFERENCES.—References relating to the Service
19 in statutes, Executive orders, rules, regulations, directives,
20 or delegations of authority that precede the effective date
21 of this Act are deemed to refer, as appropriate, to the De-
22 partment, to its officers, employees, or agents, or to its
23 corresponding organizational units or functions. Statutory
24 reporting requirements that applied in relation to the

1 Service immediately before the effective date of this Act
2 shall continue to apply.

3 **SEC. 107. CONFORMING AMENDMENT.**

4 Section 5316 of title 5, United States Code, is
5 amended by striking “Director, Bureau of Mines, Depart-
6 ment of the Interior.” and inserting the following new
7 items:

8 “Director, Bureau of Energy and Resource
9 Management, Department of the Interior.

10 “Director, Bureau of Safety and Environmental
11 Enforcement, Department of the Interior.

12 “Director, Office of Natural Resources Rev-
13 enue, Department of the Interior.”.

14 **SEC. 108. OUTER CONTINENTAL SHELF SAFETY AND ENVI-
15 RONMENTAL ADVISORY BOARD.**

16 (a) ESTABLISHMENT.—The Secretary shall establish,
17 under the Federal Advisory Committee Act, an Outer Con-
18 tinental Shelf Safety and Environmental Advisory Board
19 (referred to in this section as the “Board”), to provide
20 the Secretary and the Directors of the bureaus established
21 by this title with independent scientific and technical ad-
22 vice on safe and environmentally compliant nonrenewable
23 and renewable energy and mineral resource exploration,
24 development, and production activities.

25 (b) MEMBERSHIP.—

1 (1) SIZE.—The Board shall consist of not more
2 than 12 members, chosen to reflect a range of exper-
3 tise in scientific, engineering, management, environ-
4 mental, and other disciplines related to safe and en-
5 vironmentally compliant renewable and nonrenewable
6 energy and mineral resource exploration, develop-
7 ment, and production activities. The Secretary shall
8 consult with the National Academy of Sciences and
9 the National Academy of Engineering to identify po-
10 tential candidates for the Board.

11 (2) TERM.—The Secretary shall appoint Board
12 members to staggered terms of not more than 4
13 years, and shall not appoint a member for more
14 than 2 consecutive terms.

15 (3) BALANCE.—In appointing members to the
16 Board, the Secretary shall ensure a balanced rep-
17 resentation of industry- and nonindustry-related in-
18 terests.

19 (c) CHAIR.—The Secretary shall appoint the Chair
20 for the Board.

21 (d) MEETINGS.—The Board shall meet not less than
22 3 times per year and, at least once per year, shall host
23 a public forum to review and assess the overall safety and
24 environmental performance of Outer Continental Shelf

1 nonrenewable and renewable energy and mineral resource
2 activities.

3 (e) OFFSHORE DRILLING SAFETY ASSESSMENTS
4 AND RECOMMENDATIONS.—As part of its duties under
5 this section, the Board shall, by not later than 180 days
6 after the date of enactment of this section and every 5
7 years thereafter, submit to the Secretary a report that—

8 (1) assesses offshore oil and gas well control
9 technologies, practices, voluntary standards, and
10 regulations in the United States and elsewhere;

11 (2) assesses whether existing well control regu-
12 lations issued by the Secretary under the Outer Con-
13 tinental Shelf Lands Act (43 U.S.C. 1331 et seq.)
14 adequately protect safety and the environment; and

15 (3) as appropriate, recommends modifications
16 to the regulations issued under this Act to ensure
17 adequate protection of safety and the environment.

18 (f) REPORTS.—Reports of the Board shall be sub-
19 mitted to the Congress and made available to the public
20 in electronically accessible form.

21 (g) TRAVEL EXPENSES.—Members of the Board,
22 other than full-time employees of the Federal Government,
23 while attending meeting of the Board or while otherwise
24 serving at the request of the Secretary or the Director
25 while serving away from their homes or regular places of

1 business, may be allowed travel expenses, including per
2 diem in lieu of subsistence, as authorized by section 5703
3 of title 5, United States Code, for individuals in the Gov-
4 ernment serving without pay.

5 **SEC. 109. LIMITATION ON EFFECT ON DEVELOPMENT OF**
6 **OCEAN RENEWABLE ENERGY RESOURCE FA-**
7 **CILITIES.**

8 Nothing in this title shall delay development of ocean
9 renewable energy resource facilities including—

- 10 (1) promotion of offshore wind development;
11 (2) planning, leasing, licensing, and fee and
12 royalty collection for such development of ocean re-
13 newable energy resource facilities; and
14 (3) developing and administering an efficient
15 leasing and licensing process for ocean renewable en-
16 ergy resource facilities.

17 **TITLE II—FEDERAL OIL AND GAS**
18 **DEVELOPMENT**

19 **Subtitle A—Safety, Environmental,**
20 **and Financial Reform of the**
21 **Outer Continental Shelf Lands**
22 **Act**

23 **SEC. 201. SHORT TITLE.**

24 This subtitle may be cited as the “Outer Continental
25 Shelf Lands Act Amendments of 2010”.

1 **SEC. 202. DEFINITIONS.**

2 Section 2 of the Outer Continental Shelf Lands Act
3 (43 U.S.C. 1331) is amended by adding at the end the
4 following:

5 “(r) The term ‘safety case’ means a body of evidence
6 that provides a basis for determining whether a system
7 is adequately safe for a given application in a given oper-
8 ating environment.”.

9 **SEC. 203. NATIONAL POLICY FOR THE OUTER CONTI-**
10 **NENTAL SHELF.**

11 Section 3 of the Outer Continental Shelf Lands Act
12 (43 U.S.C. 1332) is amended—

13 (1) by striking paragraph (3) and inserting the
14 following:

15 “(3) the outer Continental Shelf is a vital na-
16 tional resource reserve held by the Federal Govern-
17 ment for the public, that should be managed in a
18 manner that—

19 “(A) recognizes the need of the United
20 States for domestic sources of energy, food,
21 minerals, and other resources;

22 “(B) minimizes the potential impacts of
23 development of those resources on the marine
24 and coastal environment and on safety; and

25 “(C) acknowledges the long-term economic
26 value to the United States of the balanced and

1 orderly management of those resources that
2 safeguards the environment and respects the
3 multiple values and uses of the outer Conti-
4 nental Shelf;”;

5 (2) in paragraph (4), by striking the period at
6 the end and inserting a semicolon;

7 (3) in paragraph (5), by striking “should be”
8 and inserting “shall be”, and striking “; and” and
9 inserting a semicolon;

10 (4) by redesignating paragraph (6) as para-
11 graph (7);

12 (5) by inserting after paragraph (5) the fol-
13 lowing:

14 “(6) exploration, development, and production
15 of energy and minerals on the outer Continental
16 Shelf should be allowed only when those activities
17 can be accomplished in a manner that minimizes—

18 “(A) harmful impacts to life (including fish
19 and other aquatic life) and health;

20 “(B) damage to the marine, coastal, and
21 human environments and to property; and

22 “(C) harm to other users of the waters,
23 seabed, or subsoil; and”;

24 (6) in paragraph (7) (as so redesignated), by—

1 (A) striking “should be” and inserting
2 “shall be”;

3 (B) inserting “best available” after
4 “using”; and

5 (C) striking “or minimize”.

6 **SEC. 204. JURISDICTION OF LAWS ON THE OUTER CONTI-**
7 **NENTAL SHELF.**

8 Section 4(a)(1) of the Outer Continental Shelf Lands
9 Act (43 U.S.C. 1333(a)(1)) is amended by—

10 (1) inserting “or producing or supporting pro-
11 duction of energy from sources other than oil and
12 gas” after “therefrom”;

13 (2) inserting “or transmitting such energy”
14 after “transporting such resources”; and

15 (3) inserting “and other energy” after “That
16 mineral”.

17 **SEC. 205. OUTER CONTINENTAL SHELF LEASING STAND-**
18 **ARD.**

19 (a) IN GENERAL.—Section 5 of the Outer Conti-
20 nental Shelf Lands Act (43 U.S.C. 1334) is amended—

21 (1) in subsection (a), by striking “The Sec-
22 retary may at any time” and inserting “The Sec-
23 retary shall”;

24 (2) in the second sentence of subsection (a), by
25 adding after “provide for” the following: “oper-

1 ational safety, the protection of the marine and
2 coastal environment, and”;

3 (3) in subsection (a), by inserting “and the Sec-
4 retary of Commerce with respect to matters that
5 may affect the marine and coastal environment”
6 after “which may affect competition”;

7 (4) in clause (ii) of subsection (a)(2)(A), by
8 striking “a reasonable period of time” and inserting
9 “30 days”;

10 (5) in subsection (a)(7), by inserting “in a
11 manner that minimizes harmful impacts to the ma-
12 rine and coastal environment” after “lease area”;

13 (6) in subsection (a), by striking “and” after
14 the semicolon at the end of paragraph (7), redesign-
15 ating paragraph (8) as paragraph (13), and insert-
16 ing after paragraph (7) the following:

17 “(8) for independent third-party certification
18 requirements of safety systems related to well con-
19 trol, such as blowout preventers;

20 “(9) for performance requirements for blowout
21 preventers, including quantitative risk assessment
22 standards, subsea testing, and secondary activation
23 methods;

1 “(10) for independent third-party certification
2 requirements of well casing and cementing programs
3 and procedures;

4 “(11) for the establishment of mandatory safety
5 and environmental management systems by opera-
6 tors on the Outer Continental Shelf;

7 “(12) for procedures and technologies to be
8 used during drilling operations to minimize the risk
9 of ignition and explosion of hydrocarbons;”;

10 (7) in subsection (a), by striking the period at
11 the end of paragraph (13), as so redesignated, and
12 inserting “; and”, and by adding at the end the fol-
13 lowing:

14 “(14) ensuring compliance with other applicable
15 environmental and natural resource conservation
16 laws.”; and

17 (8) by adding at the end the following new sub-
18 sections:

19 “(k) DOCUMENTS INCORPORATED BY REFERENCE.—
20 Any documents incorporated by reference in regulations
21 promulgated by the Secretary pursuant to this Act shall
22 be made available to the public, free of charge, on a
23 website maintained by the Secretary.

24 “(l) REGULATORY STANDARDS FOR BLOWOUT PRE-
25 VENTERS, WELL DESIGN, AND CEMENTING.—

1 “(1) IN GENERAL.—In promulgating regula-
2 tions under this Act related to blowout preventers,
3 well design, and cementing, the Secretary shall en-
4 sure that such regulations include the minimum
5 standards included in paragraphs (2), (3), and (4),
6 unless, after notice and an opportunity for public
7 comment, the Secretary determines that a standard
8 required under this subsection would be less effective
9 in ensuring safe operations than an available alter-
10 native technology or practice. Such regulations shall
11 require independent third-party certification, pursu-
12 ant to paragraph (5), of blowout preventers, well de-
13 sign, and cementing programs and procedures prior
14 to the commencement of drilling operations. Such
15 regulations shall also require re-certification by an
16 independent third-party certifier, pursuant to para-
17 graph (5), of a blowout preventer upon any material
18 modification to the blowout preventer or well design
19 and of a well design upon any material modification
20 to the well design.

21 “(2) BLOWOUT PREVENTERS.—Subject to para-
22 graph (1), regulations issued under this Act for
23 blowout preventers shall include at a minimum the
24 following requirements:

1 “(A) Two sets of blind shear rams appro-
2 priately spaced to prevent blowout preventer
3 failure if a drill pipe joint or drill tool is across
4 one set of blind shear rams during a situation
5 that threatens loss of well control.

6 “(B) Redundant emergency backup control
7 systems capable of activating the relevant com-
8 ponents of a blowout preventer, including when
9 the communications link or other critical links
10 between the drilling rig and the blowout pre-
11 venter are destroyed or inoperable.

12 “(C) Regular testing of the emergency
13 backup control systems, including testing dur-
14 ing deployment of the blowout preventer.

15 “(D) As appropriate, remotely operated ve-
16 hicle intervention capabilities for secondary con-
17 trol of all subsea blowout preventer functions,
18 including adequate hydraulic capacity to acti-
19 vate blind shear rams, casing shear rams, and
20 other critical blowout preventer components.

21 “(3) WELL DESIGN.—Subject to paragraph (1),
22 regulations issued under this Act for well design
23 standards shall include at a minimum the following
24 requirements:

1 “(A) In connection with the installation of
2 the final casing string, the installation of at
3 least two independent, tested mechanical bar-
4 riers, in addition to a cement barrier, across
5 each flow path between hydrocarbon bearing
6 formations and the blowout preventer.

7 “(B) That wells shall be designed so that
8 a failure of one barrier does not significantly in-
9 crease the likelihood of another barrier’s failure.

10 “(C) That the casing design is appropriate
11 for the purpose for which it is intended under
12 reasonably expected wellbore conditions.

13 “(D) The installation and verification with
14 a pressure test of a lockdown device at the time
15 the casing is installed in the wellhead.

16 “(4) CEMENTING.—Subject to paragraph (1),
17 regulations issued under this Act for cementing
18 standards shall include at a minimum the following
19 requirements:

20 “(A) Adequate centralization of the casing
21 to ensure proper distribution of cement.

22 “(B) A full circulation of drilling fluids
23 prior to cementing.

24 “(C) The use of an adequate volume of ce-
25 ment to prevent any unintended flow of hydro-

1 carbons between any hydrocarbon-bearing for-
2 mation zone and the wellhead.

3 “(D) Cement bond logs for all cementing
4 jobs intended to provide a barrier to hydro-
5 carbon flow.

6 “(E) Cement bond logs or such other in-
7 tegrity tests as the Secretary may prescribe for
8 cement jobs other than those identified in sub-
9 paragraph (D).

10 “(5) INDEPENDENT THIRD-PARTY CER-
11 TIFIERS.—The Secretary shall establish appropriate
12 standards for the approval of independent third-
13 party certifiers capable of exercising certification
14 functions for blowout preventers, well design, and ce-
15 menting. For any certification required for regula-
16 tions related to blowout preventers, well design, or
17 cementing, the operator shall use a qualified inde-
18 pendent third-party certifier chosen by the Sec-
19 retary. The costs of any certification shall be borne
20 by the operator.

21 “(6) APPLICATION TO INSHORE WATERS; STATE
22 IMPLEMENTATION.—

23 “(A) IN GENERAL.—Requirements estab-
24 lished under this subsection shall apply, as pro-
25 vided in subparagraph (B), to offshore drilling

1 operations that take place on lands that are
2 landward of the outer Continental Shelf and
3 seaward of the line of mean high tide, and that
4 the Secretary determines, based on criteria es-
5 tablished by rule, could, in the event of a blow-
6 out, lead to extensive and widespread harm to
7 safety or the environment.

8 “(B) SUBMISSION OF STATE REGULATORY
9 REGIME.—Any State may submit to the Sec-
10 retary a plan demonstrating that the State’s
11 regulatory regime for wells identified in sub-
12 paragraph (A) establishes requirements for
13 such wells that are comparable to, or alter-
14 native requirements providing an equal or
15 greater level of safety than, those established
16 under this section for wells on the outer Conti-
17 nental Shelf. The Secretary shall promptly de-
18 termine, after notice and an opportunity for
19 public comment, whether a State’s regulatory
20 regime meets the standard set forth in the pre-
21 ceding sentence. If the Secretary determines
22 that a State’s regulatory regime does not meet
23 such standard, the Secretary shall identify the
24 deficiencies that are the basis for such deter-
25 mination and provide a reasonable period of

1 time for the State to remedy the deficiencies. If
2 the State does not do so within such reasonable
3 period of time, the Secretary shall apply the re-
4 quirements established under this section to off-
5 shore drilling operations described in subpara-
6 graph (A) that are located in such State, until
7 such time as the Secretary determines that the
8 deficiencies have been remedied.

9 “(m) RULEMAKING DOCKETS.—

10 “(1) ESTABLISHMENT.—Not later than the
11 date of proposal of any regulation under this Act,
12 the Secretary shall establish a publicly available
13 rulemaking docket for such regulation.

14 “(2) DOCUMENTS TO BE INCLUDED.—The Sec-
15 retary shall include in the docket—

16 “(A) all written comments and documen-
17 tary information on the proposed rule received
18 from any person in the comment period for the
19 rulemaking, promptly upon receipt by the Sec-
20 retary;

21 “(B) the transcript of each public hearing,
22 if any, on the proposed rule, promptly upon re-
23 ceipt from the person who transcribed such
24 hearing; and

1 “(C) all documents that become available
2 after the proposed rule is published and that
3 the Secretary determines are of central rel-
4 evance to the rulemaking, by as soon as pos-
5 sible after their availability.

6 “(3) PROPOSED AND DRAFT FINAL RULE AND
7 ASSOCIATED MATERIAL.—The Secretary shall in-
8 clude in the docket—

9 “(A) each draft proposed rule submitted by
10 the Secretary to the Office of Management and
11 Budget for any interagency review process prior
12 to proposal of such rule, all documents accom-
13 panying such draft, all written comments there-
14 on by other agencies, and all written responses
15 to such written comments by the Secretary, by
16 no later than the date of proposal of the rule;
17 and

18 “(B) each draft final rule submitted by the
19 Secretary for such review process before
20 issuance of the final rule, all such written com-
21 ments thereon, all documents accompanying
22 such draft, and all written responses thereto, by
23 no later than the date of issuance of the final
24 rule.”.

1 (b) CONFORMING AMENDMENT.—Subsection (g) of
2 section 25 of the Outer Continental Shelf Lands Act (43
3 U.S.C. 1351), as redesignated by section 215(4) of this
4 Act, is further amended by striking “paragraph (8) of sec-
5 tion 5(a) of this Act” each place it appears and inserting
6 “paragraph (13) of section 5(a) of this Act”.

7 **SEC. 206. LEASES, EASEMENTS, AND RIGHTS-OF-WAY.**

8 (a) FINANCIAL ASSURANCE AND FISCAL RESPONS-
9 BILITY.—Section 8 of the Outer Continental Shelf Lands
10 Act (43 U.S.C. 1337) is amended by adding at the end
11 the following:

12 “(q) REVIEW OF BOND AND SURETY AMOUNTS.—
13 Not later than May 1, 2011, and every 5 years thereafter,
14 the Secretary shall review the minimum financial responsi-
15 bility requirements for leases issued under this section and
16 shall ensure that any bonds or surety required are ade-
17 quate to comply with the requirements of this Act or the
18 Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.).

19 “(r) PERIODIC FISCAL REVIEW AND REPORT.—

20 “(1) IN GENERAL.—Not later than 1 year after
21 the date of enactment of this subsection and every
22 3 years thereafter, the Secretary shall carry out a
23 review and prepare a report setting forth—

24 “(A)(i) the royalty and rental rates in-
25 cluded in new offshore oil and gas leases; and

1 “(ii) the rationale for the rates;

2 “(B) whether, in the view of the Secretary,
3 the royalty and rental rates described in sub-
4 paragraph (A) will yield a fair return to the
5 public while promoting the production of oil and
6 gas resources in a timely manner;

7 “(C)(i) the minimum bond or surety
8 amounts required pursuant to offshore oil and
9 gas leases; and

10 “(ii) the rationale for the minimum
11 amounts;

12 “(D) whether the bond or surety amounts
13 described in subparagraph (C) are adequate to
14 comply with subsection (q); and

15 “(E) whether the Secretary intends to
16 modify the royalty or rental rates, or bond or
17 surety amounts, based on the review.

18 “(2) PUBLIC PARTICIPATION.—In carrying out
19 a review and preparing a report under paragraph
20 (1), the Secretary shall provide to the public an op-
21 portunity to participate.

22 “(3) REPORT DEADLINE.—Not later than 30
23 days after the date on which the Secretary completes
24 a report under paragraph (1), the Secretary shall
25 transmit copies of the report to—

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

3 “(B) the Committee on Natural Resources
4 of the House of Representatives.

5 “(s) COMPARATIVE REVIEW OF FISCAL SYSTEM.—

6 “(1) IN GENERAL.—Not later than 2 years
7 after the date of enactment of this subsection and
8 every 5 years thereafter, the Secretary shall carry
9 out a comprehensive review of all components of the
10 Federal offshore oil and gas fiscal system, including
11 requirements for—

12 “(A) bonus bids;

13 “(B) rental rates; and

14 “(C) royalties.

15 “(2) REQUIREMENTS.—

16 “(A) CONTENTS; SCOPE.—A review under
17 paragraph (1) shall include—

18 “(i) the information and analyses nec-
19 essary to compare the offshore bonus bids,
20 rents, and royalties of the Federal Govern-
21 ment to the offshore bonus bids, rents, and
22 royalties of other resource owners, includ-
23 ing States and foreign countries; and

24 “(ii) an assessment of the overall off-
25 shore oil and gas fiscal system in the

1 United States, as compared to foreign
2 countries.

3 “(B) INDEPENDENT ADVISORY COM-
4 MITTEE.—In carrying out a review under para-
5 graph (1), the Secretary shall convene and seek
6 the advice of an independent advisory com-
7 mittee comprised of oil and gas and fiscal ex-
8 perts from States, Indian tribes, academia, the
9 energy industry, and appropriate nongovern-
10 mental organizations.

11 “(3) REPORT.—

12 “(A) IN GENERAL.—The Secretary shall
13 prepare a report that contains—

14 “(i) the contents and results of the re-
15 view carried out under paragraph (1) for
16 the period covered by the report; and

17 “(ii) any recommendations of the Sec-
18 retary based on the contents and results of
19 the review.

20 “(B) REPORT DEADLINE.—Not later than
21 30 days after the date on which the Secretary
22 completes a report under paragraph (1), the
23 Secretary shall transmit copies of the report to
24 the Committee on Natural Resources of the
25 House of Representatives and the Committee

1 on Energy and Natural Resources of the Sen-
2 ate.”.

3 (b) ENVIRONMENTAL DILIGENCE.—Section 8 of the
4 Outer Continental Shelf Lands Act (43 U.S.C. 1337) is
5 amended by striking subsection (d) and inserting the fol-
6 lowing:

7 “(d) REQUIREMENT FOR CERTIFICATION OF RE-
8 SPONSIBLE STEWARDSHIP.—

9 “(1) CERTIFICATION REQUIREMENT.—No bid
10 or request for a lease, easement, or right-of-way
11 under this section, or for a permit to drill under sec-
12 tion 11(d), may be submitted by any person unless
13 the person certifies to the Secretary that the person
14 (including any related person and any predecessor of
15 such person or related person) meets each of the fol-
16 lowing requirements:

17 “(A) The person is meeting due diligence,
18 safety, and environmental requirements on
19 other leases, easements, and rights-of-way.

20 “(B) In the case of a person that is a re-
21 sponsible party for a vessel or a facility from
22 which oil is discharged, for purposes of section
23 1002 of the Oil Pollution Act of 1990 (33
24 U.S.C. 2702), the person has met all of its obli-

1 gations under that Act to provide compensation
2 for covered removal costs and damages.

3 “(C) In the 7-year period ending on the
4 date of certification, the person, in connection
5 with activities in the oil industry (including ex-
6 ploration, development, production, transpor-
7 tation by pipeline, and refining)—

8 “(i) was not found to have committed
9 willful or repeated violations under the Oc-
10 cupational Safety and Health Act of 1970
11 (29 U.S.C. 651 et seq.) (including State
12 plans approved under section 18(c) of such
13 Act (29 U.S.C. 667(c))) at a rate that is
14 higher than five times the rate determined
15 by the Secretary to be the oil industry av-
16 erage for such violations for such period;

17 “(ii) was not convicted of a criminal
18 violation for death or serious bodily injury;

19 “(iii) did not have more than 10 fa-
20 talities at its exploration, development, and
21 production facilities and refineries as a re-
22 sult of violations of Federal or State
23 health, safety, or environmental laws;

24 “(iv) was not assessed, did not enter
25 into an agreement to pay, and was not oth-

1 otherwise required to pay, civil penalties and
2 criminal fines for violations the person was
3 found to have committed under the Fed-
4 eral Water Pollution Control Act (33
5 U.S.C. 1251 et seq.) (including State pro-
6 grams approved under sections 402 and
7 404 of such Act (33 U.S.C. 1342 and
8 1344)) in a total amount that is equal to
9 more than \$10,000,000; and

10 “(v) was not assessed, did not enter
11 into an agreement to pay, and was not oth-
12 erwise required to pay, civil penalties and
13 criminal fines for violations the person was
14 found to have committed under the Clean
15 Air Act (42 U.S.C. 7401 et seq.) (includ-
16 ing State plans approved under section
17 110 of such Act (42 U.S.C. 7410)) in a
18 total amount that is equal to more than
19 \$10,000,000.

20 “(2) ENFORCEMENT.—If the Secretary deter-
21 mines that a certification made under paragraph (1)
22 is false, the Secretary shall cancel any lease, ease-
23 ment, or right of way and shall revoke any permit
24 with respect to which the certification was required
25 under such paragraph.

1 “(3) DEFINITION OF RELATED PERSON.—For
2 purposes of this subsection, the term ‘related person’
3 includes a parent, subsidiary, affiliate, member of
4 the same controlled group, contractor, subcontractor,
5 a person holding a controlling interest or in which
6 a controlling interest is held, and a person with sub-
7 stantially the same board members, senior officers,
8 or investors.”.

9 (c) ALTERNATIVE ENERGY DEVELOPMENT.—

10 (1) CLARIFICATION RELATING TO ALTERNATIVE
11 ENERGY DEVELOPMENT.—Section 8(p) of the Outer
12 Continental Shelf Lands Act (43 U.S.C. 1337(p)) is
13 amended—

14 (A) in paragraph (1)—

15 (i) in the matter preceding subpara-
16 graph (A), by inserting “or” after “1501
17 et seq.),”, and by striking “or other appli-
18 cable law,”; and

19 (ii) by amending subparagraph (D) to
20 read as follows:

21 “(D) use, for energy-related purposes, fa-
22 cilities currently or previously used for activities
23 authorized under this Act, except that any oil
24 and gas energy-related uses shall not be author-
25 ized in areas in which oil and gas preleasing,

1 leasing, and related activities are prohibited by
2 a moratorium.”; and

3 (B) in paragraph (4)—

4 (i) in subparagraph (E), by striking
5 “coordination” and inserting “in consulta-
6 tion”; and

7 (ii) in subparagraph (J)(ii), by insert-
8 ing “a potential site for an alternative en-
9 ergy facility,” after “deepwater port,”.

10 (2) NONCOMPETITIVE ALTERNATIVE ENERGY
11 LEASE OPTIONS.—Section 8(p)(3) of such Act (43
12 U.S.C. 1337(p)(3)) is amended to read as follows:

13 “(3) COMPETITIVE OR NONCOMPETITIVE
14 BASIS.—Any lease, easement, right-of-way, or other
15 authorization granted under paragraph (1) shall be
16 issued on a competitive basis, unless—

17 “(A) the lease, easement, right-of-way, or
18 other authorization relates to a project that
19 meets the criteria established under section
20 388(d) of the Energy Policy Act of 2005 (43
21 U.S.C. 1337 note; Public Law 109–58);

22 “(B) the lease, easement, right-of-way, or
23 other authorization—

1 “(i) is for the placement and oper-
2 ation of a meteorological or marine data
3 collection facility; and

4 “(ii) has a term of not more than 5
5 years; or

6 “(C) the Secretary determines, after pro-
7 viding public notice of a proposed lease, ease-
8 ment, right-of-way, or other authorization, that
9 no competitive interest exists.”.

10 (d) REVIEW OF IMPACTS OF LEASE SALES ON THE
11 MARINE AND COASTAL ENVIRONMENT BY SECRETARY.—
12 Section 8 of the Outer Continental Shelf Lands Act (43
13 U.S.C. 1337) is amended by adding at the end of sub-
14 section (a) the following:

15 “(9) At least 60 days prior to any lease sale,
16 the Secretary shall request a review by the Secretary
17 of Commerce of the proposed sale with respect to
18 impacts on the marine and coastal environment. The
19 Secretary of Commerce shall complete and submit in
20 writing the results of that review within 60 days
21 after receipt of the Secretary of the Interior’s re-
22 quest. If the Secretary of Commerce makes specific
23 recommendations related to a proposed lease sale to
24 reduce impacts on the marine and coastal environ-
25 ment, and the Secretary rejects or modifies such rec-

1 ommendations, the Secretary shall provide in writing
2 justification for rejecting or modifying such rec-
3 ommendations.”.

4 (e) **LIMITATION ON LEASE TRACT SIZE.**—Section
5 8(b)(1) of the Outer Continental Shelf Lands Act (43
6 U.S.C. 1337(b)(1)) is amended by striking “, unless the
7 Secretary finds that a larger area is necessary to comprise
8 a reasonable economic production unit”.

9 (f) **SULPHUR LEASES.**—Section 8(i) of the Outer
10 Continental Shelf Lands Act (43 U.S.C. 1337(i)) is
11 amended by striking “meet the urgent need” and inserting
12 “allow”.

13 (g) **TERMS AND PROVISIONS.**—Section 8(b) of the
14 Outer Continental Shelf Lands Act (43 U.S.C. 1337(b))
15 is amended by striking “An oil and gas lease issued pursu-
16 ant to this section shall” and inserting “An oil and gas
17 lease may be issued pursuant to this section only if the
18 Secretary determines that activities under the lease are
19 not likely to result in any condition described in section
20 5(a)(2)(A)(i), and shall”.

21 **SEC. 207. DISPOSITION OF REVENUES.**

22 Section 9 of the Outer Continental Shelf Lands Act
23 (43 U.S.C. 1338) is amended to read as follows:

1 **“SEC. 9. DISPOSITION OF REVENUES.**

2 “(a) GENERAL.—Except as provided in subsections
3 (b), (c), and (d), all rentals, royalties, and other sums paid
4 to the Secretary or the Secretary of the Navy under any
5 lease on the outer Continental Shelf for the period from
6 June 5, 1950, to date, and thereafter shall be deposited
7 in the Treasury of the United States and credited to mis-
8 cellaneous receipts.

9 “(b) LAND AND WATER CONSERVATION FUND.—Ef-
10 fective for fiscal year 2011 and each fiscal year thereafter,
11 \$900,000,000 of the amounts referred to in subsection (a)
12 shall be deposited in the Treasury of the United States
13 and credited to the Land and Water Conservation Fund.
14 These sums shall be available to the Secretary, without
15 further appropriation or fiscal year limitation, for carrying
16 out the purposes of the Land and Water Conservation
17 Fund Act of 1965 (16 U.S.C. 460l–4 et seq.).

18 “(c) HISTORIC PRESERVATION FUND.—Effective for
19 fiscal year 2011 and each fiscal year thereafter,
20 \$150,000,000 of the amounts referred to in subsection (a)
21 shall be deposited in the Treasury of the United States
22 and credited to the Historic Preservation Fund. These
23 sums shall be available to the Secretary, without further
24 appropriation or fiscal year limitation, for carrying out the
25 purposes of the National Historic Preservation Fund Act
26 of 1966 (16 U.S.C. 470 et seq.).

1 “(d) OCEAN RESOURCES CONSERVATION AND AS-
2 SISTANCE FUND.—Effective for each fiscal year 2011 and
3 thereafter, 10 percent of the amounts referred to in sub-
4 section (a) shall be deposited in the Treasury of the
5 United States and credited to the Ocean Resources Con-
6 servation and Assistance Fund established by the Consoli-
7 dated Land, Energy, and Aquatic Resources Act of 2010.
8 These sums shall be available to the Secretary, subject to
9 appropriation, for carrying out the purposes of section 605
10 of the Consolidated Land, Energy, and Aquatic Resources
11 Act of 2010.

12 “(e) SAVINGS PROVISION.—Nothing in this section
13 shall decrease the amount any State shall receive pursuant
14 to section 8(g) of this Act or section 105 of the Gulf of
15 Mexico Energy Security Act (43 U.S.C. 1331 note).”.

16 **SEC. 208. EXPLORATION PLANS.**

17 (a) LIMITATION ON HARM FROM AGENCY EXPLO-
18 RATION.—Section 11(a)(1) of the Outer Continental Shelf
19 Lands Act (43 U.S.C. 1340(a)(1)) is amended by striking
20 “, which do not interfere with or endanger actual oper-
21 ations under any lease maintained or granted pursuant to
22 this Act, and which are not unduly harmful to aquatic life
23 in such area” and inserting “if a permit authorizing such
24 activity is issued by the Secretary under subsection (g)”.

1 (b) EXPLORATION PLAN REVIEW.—Section 11(c) of
2 the Outer Continental Shelf Lands Act (43 U.S.C.
3 1340(c)), is amended—

4 (1) by inserting “(A)” before the first sentence;

5 (2) in paragraph (1)(A), as designated by the
6 amendment made by paragraph (1) of this sub-
7 section—

8 (A) by striking “and the provisions of such
9 lease” and inserting “the provisions of such
10 lease, and other applicable environmental and
11 natural resource conservation laws”; and

12 (B) by striking the fourth sentence and in-
13 serting the following:

14 “(B) The Secretary shall approve such
15 plan, as submitted or modified, within 90 days
16 after its submission and it is made publicly ac-
17 cessible by the Secretary, or within such addi-
18 tional time as the Secretary determines is nec-
19 essary to complete any environmental, safety, or
20 other reviews, if the Secretary determines
21 that—

22 “(i) any proposed activity under such
23 plan is not likely to result in any condition
24 described in section 5(a)(2)(A)(i);

1 “(ii) the plan complies with other ap-
2 plicable environmental or natural resource
3 conservation laws;

4 “(iii) in the case of geophysical sur-
5 veys, the applicant will use the best avail-
6 able technologies and methods to minimize
7 impacts on marine life; and

8 “(iv) the applicant has demonstrated
9 the capability and technology to respond
10 immediately and effectively to a worst-case
11 oil spill in real-world conditions in the area
12 of the proposed activity.”; and

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

14 “(5) If the Secretary requires greater than 90
15 days to review an exploration plan submitted pursu-
16 ant to any oil and gas lease issued or maintained
17 under this Act, then the Secretary may provide for
18 a suspension of that lease pursuant to section 5
19 until the review of the exploration plan is com-
20 pleted.”.

21 (c) REQUIREMENTS.—Section 11(c) of the Outer
22 Continental Shelf Lands Act (43 U.S.C. 1340(c), is
23 amended by amending paragraph (3) to read as follows:

1 “(3) An exploration plan submitted under this
2 subsection shall include, in the degree of detail that
3 the Secretary may by regulation require—

4 “(A) a schedule of anticipated exploration
5 activities to be undertaken;

6 “(B) a detailed and accurate description of
7 equipment to be used for such activities, includ-
8 ing—

9 “(i) a description of each drilling unit;

10 “(ii) a statement of the design and
11 condition of major safety-related pieces of
12 equipment, including independent third
13 party certification of such equipment; and

14 “(iii) a description of any new tech-
15 nology to be used;

16 “(C) a map showing the location of each
17 well to be drilled;

18 “(D) a scenario for the potential blowout
19 of the well involving the highest potential vol-
20 ume of liquid hydrocarbons, along with a com-
21 plete description of a response plan to both con-
22 trol the blowout and manage the accompanying
23 discharge of hydrocarbons, including the likeli-
24 hood for surface intervention to stop the blow-
25 out, the availability of a rig to drill a relief well,

1 an estimate of the time it would take to drill a
2 relief well, a description of other technology
3 that may be used to regain control of the well
4 or capture escaping hydrocarbons and the po-
5 tential timeline for using that technology for its
6 intended purpose, and the strategy, organiza-
7 tion, and resources necessary to avoid harm to
8 the environment from hydrocarbons;

9 “(E) an analysis of the potential impacts
10 of the worst-case-scenario discharge of hydro-
11 carbons on the marine, coastal, and human en-
12 vironments for activities conducted pursuant to
13 the proposed exploration plan; and

14 “(F) such other information deemed perti-
15 nent by the Secretary.”.

16 (d) DRILLING PERMITS.—Section 11(d) of the Outer
17 Continental Shelf Lands Act (43 U.S.C. 1340(d)) is
18 amended by to read as follows:

19 “(d) DRILLING PERMITS.—

20 “(1) IN GENERAL.—The Secretary shall, by
21 regulation, require that any lessee operating under
22 an approved exploration plan obtain a permit prior
23 to drilling any well in accordance with such plan,
24 and prior to any significant modification of the well
25 design as originally approved by the Secretary.

1 “(2) ENGINEERING REVIEW REQUIRED.—The
2 Secretary may not grant any drilling permit or
3 modification of the permit prior to completion of a
4 full engineering review of the well system, including
5 a determination that critical safety systems, includ-
6 ing blowout prevention, will utilize best available
7 technology and that blowout prevention systems will
8 include redundancy and remote triggering capability.

9 “(3) OPERATOR SAFETY AND ENVIRONMENTAL
10 MANAGEMENT REQUIRED.—The Secretary shall not
11 grant any drilling permit or modification of the per-
12 mit prior to completion of a safety and environ-
13 mental management plan to be utilized by the oper-
14 ator during all well operations.”.

15 (e) EXPLORATION PERMIT REQUIREMENTS.—Sec-
16 tion 11(g) of the Outer Continental Shelf Lands Act (43
17 U.S.C. 1340(g)) is amended by—

18 (1) striking “shall be issued” and inserting
19 “may be issued”;

20 (2) inserting “and after consultation with the
21 Secretary of Commerce,” after “in accordance with
22 regulations issued by the Secretary”;

23 (3) striking the “and” at the end of paragraph
24 (2);

1 (4) in paragraph (3) striking “will not be un-
2 duly harmful to” and inserting “is not likely to
3 harm”;

4 (5) striking the period at the end of paragraph
5 (3) and inserting a semicolon; and

6 (6) adding at the end the following:

7 “(4) the exploration will be conducted in ac-
8 cordance with other applicable environmental and
9 natural resource conservation laws;

10 “(5) in the case of geophysical surveys, the ap-
11 plicant will use the best available technologies and
12 methods to minimize impacts on marine life; and

13 “(6) in the case of drilling operations, the appli-
14 cant has available oil spill response and clean-up
15 equipment and technology that has been dem-
16 onstrated to be capable of effectively remediating a
17 worst-case release of oil.”.

18 (f) ENVIRONMENTAL REVIEW OF PLANS; DEEP-
19 WATER PLAN; PLAN DISAPPROVAL.—Section 11 of the
20 Outer Continental Shelf Lands Act (43 U.S.C. 1340) is
21 amended by adding at the end the following:

22 “(i) ENVIRONMENTAL REVIEW OF PLANS.—The Sec-
23 retary shall treat the approval of an exploration plan, or
24 a significant revision of such a plan, as an agency action
25 requiring preparation of an environmental assessment or

1 environmental impact statement in accordance with the
2 National Environmental Policy Act of 1969 (42 U.S.C.
3 4321 et seq.), and shall require that such plan—

4 “(1) be based on the best available technology
5 to ensure safety in carrying out both the drilling of
6 the well and any oil spill response; and

7 “(2) contain a technical systems analysis of the
8 safety of the proposed activity, the blowout preven-
9 tion technology, and the blowout and spill response
10 plans.

11 “(j) DISAPPROVAL OF PLAN.—

12 “(1) IN GENERAL.—The Secretary shall dis-
13 approve the plan if the Secretary determines, be-
14 cause of exceptional geological conditions in the
15 lease areas, exceptional resource values in the ma-
16 rine or coastal environment, or other exceptional cir-
17 cumstances, that—

18 “(A) implementation of the plan would
19 probably cause serious harm or damage to life
20 (including fish and other aquatic life), to prop-
21 erty, to any mineral deposits (in areas leased or
22 not leased), to the national security or defense,
23 or to the marine, coastal, or human environ-
24 ments;

1 “(B) the threat of harm or damage will
2 not disappear or decrease to an acceptable ex-
3 tent within a reasonable period of time; and

4 “(C) the advantages of disapproving the
5 plan outweigh the advantages of exploration.

6 “(2) CANCELLATION OF LEASE FOR DIS-
7 APPROVAL OF PLAN.—If a plan is disapproved under
8 this subsection, the Secretary may cancel such lease
9 in accordance with subsection (c)(1) of this sec-
10 tion.”.

11 **SEC. 209. OUTER CONTINENTAL SHELF LEASING PROGRAM.**

12 Section 18 of the Outer Continental Shelf Lands Act
13 (43 U.S.C. 1344) is amended—

14 (1) in subsection (a) in the second sentence by
15 striking “meet national energy needs” and inserting
16 “balance national energy needs and the protection of
17 the marine and coastal environment and all the re-
18 sources in that environment,”;

19 (2) in subsection (a)(1), by striking “considers”
20 and inserting “gives equal consideration to”;

21 (3) in subsection (a)(2)(A)—

22 (A) by striking “existing” and inserting
23 “the best available scientific”; and

24 (B) by inserting “, including at least three
25 consecutive years of data” after “information”;

1 (4) in subsection (a)(2)(D), by inserting “po-
2 tential and existing sites of renewable energy instal-
3 lations,” after “deepwater ports,”;

4 (5) in subsection (a)(2)(H), by inserting “in-
5 cluding the availability of infrastructure to support
6 oil spill response” before the period;

7 (6) in subsection (a)(3), by—

8 (A) striking “to the maximum extent prac-
9 ticable,”;

10 (B) striking “obtain a proper balance be-
11 tween” and inserting “minimize”; and

12 (C) striking “damage,” and all that follows
13 through the period and inserting “damage and
14 adverse impacts on the marine, coastal, and
15 human environments, and enhancing the poten-
16 tial for the discovery of oil and gas.”;

17 (7) in subsection (b)(1), by inserting “environ-
18 mental, marine, and energy” after “obtain”;

19 (8) in subsection (b)(2), by inserting “environ-
20 mental, marine, and” after “interpret the”;

21 (9) in subsection (b)(3), by striking “and” after
22 the semicolon at the end;

23 (10) by striking the period at the end of sub-
24 section (b)(4) and inserting a semicolon;

1 (11) by adding at the end of subsection (b) the
2 following:

3 “(5) provide technical review and oversight of
4 exploration plans and a systems review of the safety
5 of well designs and other operational decisions;

6 “(6) conduct regular and thorough safety re-
7 views and inspections; and

8 “(7) enforce all applicable laws and regula-
9 tions.”;

10 (12) in the first sentence of subsection (c)(1),
11 by inserting “the National Oceanic and Atmospheric
12 Administration and” after “including”;

13 (13) in subsection (c)(2)—

14 (A) by inserting after the first sentence the
15 following: “The Secretary shall also submit a
16 copy of such proposed program to the head of
17 each Federal agency referred to in, or that oth-
18 erwise provided suggestions under, paragraph
19 (1).”;

20 (B) in the third sentence, by inserting “or
21 head of a Federal agency” after “such Gov-
22 ernor”; and

23 (C) in the fourth sentence, by inserting “or
24 between the Secretary and the head of a Fed-
25 eral agency,” after “affected State,”;

1 (14) by redesignating subsection (c)(3) as sub-
2 section (c)(4) and by inserting before subsection
3 (c)(4) (as so redesignated) the following:

4 “(3) At least 60 days prior to the publication of a
5 proposed leasing program under this section, the Sec-
6 retary shall request a review by the Secretary of Com-
7 merce of the proposed leasing program with respect to im-
8 pacts on the marine and coastal environments. If the Sec-
9 retary rejects or modifies any of the recommendations
10 made by the Secretary of Commerce concerning the loca-
11 tion, timing, or conduct of leasing activities under the pro-
12 posed leasing program, the Secretary shall provide in writ-
13 ing justification for rejecting or modifying such rec-
14 ommendations.”.

15 (15) in the second sentence of subsection
16 (d)(2), by inserting “, the head of a Federal agen-
17 cy,” after “Attorney General”;

18 (16) in subsection (g), by inserting after the
19 first sentence the following: “Such information may
20 include existing inventories and mapping of marine
21 resources previously undertaken by the Department
22 of the Interior and the National Oceanic and Atmos-
23 pheric Administration, information provided by the
24 Department of Defense, and other available data re-
25 garding energy or mineral resource potential, navi-

1 gation uses, fisheries, aquaculture uses, recreational
2 uses, habitat, conservation, and military uses on the
3 outer Continental Shelf.”; and

4 (17) by adding at the end the following new
5 subsection:

6 “(i) RESEARCH AND DEVELOPMENT.—The Secretary
7 shall carry out a program of research and development
8 to ensure the continued improvement of methodologies for
9 characterizing resources of the outer Continental Shelf
10 and conditions that may affect the ability to develop and
11 use those resources in a safe, sound, and environmentally
12 responsible manner. Such research and development ac-
13 tivities may include activities to provide accurate estimates
14 of energy and mineral reserves and potential on the Outer
15 Continental Shelf and any activities that may assist in fill-
16 ing gaps in environmental data needed to develop each
17 leasing program under this section.”.

18 **SEC. 210. ENVIRONMENTAL STUDIES.**

19 (a) INFORMATION NEEDED FOR ASSESSMENT AND
20 MANAGEMENT OF ENVIRONMENTAL IMPACTS.—Section
21 20 of the Outer Continental Shelf Lands Act (43 U.S.C.
22 1346) is amended by striking so much as precedes “of
23 any area” in subsection (a)(1) and inserting the following:

1 **“SEC. 20. ENVIRONMENTAL STUDIES.**

2 “(a)(1) The Secretary, in cooperation with the Sec-
3 retary of Commerce, shall conduct a study no less than
4 once every three years”.

5 (b) IMPACTS OF DEEP WATER SPILLS.—Section 20
6 of the Outer Continental Shelf Lands Act (43 U.S.C.
7 1346) is amended by—

8 (1) redesignating subsections (e) through (f) as
9 (d) through (g); and

10 (2) inserting after subsection (b) the following
11 new subsection:

12 “(c) The Secretary shall conduct research to identify
13 and reduce data gaps related to impacts of deepwater hy-
14 drocarbon spills, including—

15 “(1) effects to benthic substrate communities
16 and species;

17 “(2) water column habitats and species;

18 “(3) surface and coastal impacts from spills
19 originating in deep waters; and

20 “(4) the use of dispersants.”.

21 **SEC. 211. SAFETY REGULATIONS.**

22 Section 21 of the Outer Continental Shelf Lands Act
23 (43 U.S.C. 1347) is amended—

24 (1) in subsection (a), by striking “Upon the
25 date of enactment of this section,” and inserting

26 “Within 6 months after the date of enactment of the

1 Outer Continental Shelf Lands Act Amendments of
2 2010 and every three years thereafter,”;

3 (2) in subsection (b) by—

4 (A) striking “for the artificial islands, in-
5 stallations, and other devices referred to in sec-
6 tion 4(a)(1) of” and inserting “under”;

7 (B) striking “which the Secretary deter-
8 mines to be economically feasible”; and

9 (C) adding at the end “Not later than 6
10 months after the date of enactment of the
11 Outer Continental Shelf Lands Act Amend-
12 ments of 2010 and every 3 years thereafter, the
13 Secretary shall, in consultation with the Outer
14 Continental Shelf Safety and Environmental
15 Advisory Board established under title I of the
16 Consolidated Land, Energy, and Aquatic Re-
17 sources Act of 2010, identify and publish an
18 updated list of (1) the best available tech-
19 nologies for key areas of well design and oper-
20 ation, including blowout prevention and blowout
21 and oil spill response and (2) technology needs
22 for which the Secretary intends to identify best
23 available technologies in the future.”; and

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

1 “(g) SAFETY CASE.—Not later than 6 months after
2 the date of enactment of the Outer Continental Shelf
3 Lands Act Amendments of 2010, the Secretary shall pro-
4 mulgate regulations requiring a safety case be submitted
5 along with each new application for a permit to drill on
6 the outer Continental Shelf. Not later than 5 years after
7 the date final regulations promulgated under this sub-
8 section go into effect, and not less than every 5 years
9 thereafter, the Secretary shall enter into an arrangement
10 with the National Academy of Engineering to conduct a
11 study to assess the effectiveness of these regulations and
12 to recommend improvements in their administration.

13 “(h) OFFSHORE TECHNOLOGY RESEARCH AND RISK
14 ASSESSMENT PROGRAM.—

15 “(1) IN GENERAL.—The Secretary shall carry
16 out a program of research, development, and risk as-
17 sessment to address technology and development
18 issues associated with exploration for, and develop-
19 ment and production of, energy and mineral re-
20 sources on the outer Continental Shelf, with the pri-
21 mary purpose of informing its role relating to safety,
22 environmental protection, and spill response.

23 “(2) SPECIFIC FOCUS AREAS.—The program
24 under this subsection shall include research and de-
25 velopment related to—

1 “(A) risk assessment, using all available
2 data from safety and compliance records both
3 within the United States and internationally;

4 “(B) analysis of industry trends in tech-
5 nology, investment, and frontier areas;

6 “(C) reviews of best available technologies,
7 including those associated with pipelines, blow-
8 out preventer mechanisms, casing, well design,
9 and other associated infrastructure related to
10 offshore energy development;

11 “(D) oil spill response and mitigation, in-
12 cluding reviews of the best available technology
13 for oil spill response and mitigation and the
14 availability and accessibility of such technology
15 in each region where leasing is taking place;

16 “(E) risk associated with human factors;

17 “(F) technologies and methods to reduce
18 the impact of geophysical exploration activities
19 on marine life; and

20 “(G) renewable energy operations.”.

21 **SEC. 212. ENFORCEMENT OF SAFETY AND ENVIRON-**
22 **MENTAL REGULATIONS.**

23 (a) IN GENERAL.—Section 22 of the Outer Conti-
24 nental Shelf Lands Act (43 U.S.C. 1348) is amended—

1 (1) by amending subsection (c) to read as fol-
2 lows:

3 “(c) INSPECTIONS.—The Secretary and the Secretary
4 of the department in which the Coast Guard is operating
5 shall individually, or jointly if they so agree, promulgate
6 regulations to provide for—

7 “(1) scheduled onsite inspection, at least once a
8 year, of each facility on the outer Continental Shelf
9 which is subject to any environmental or safety regu-
10 lation promulgated pursuant to this Act, which in-
11 spection shall include all safety equipment designed
12 to prevent or ameliorate blowouts, fires, spillages, or
13 other major accidents;

14 “(2) scheduled onsite inspection, at least once a
15 month, of each facility on the outer Continental
16 Shelf engaged in drilling operations and which is
17 subject to any environmental or safety regulation
18 promulgated pursuant to this Act, which inspection
19 shall include validation of the safety case required
20 for the facility under section 21(g) and identifica-
21 tions of deviations from the safety case, and shall in-
22 clude all safety equipment designed to prevent or
23 ameliorate blowouts, fires, spillages, or other major
24 accidents;

1 “(3) periodic onsite inspection without advance
2 notice to the operator of such facility to assure com-
3 pliance with such environmental or safety regula-
4 tions; and

5 “(4) periodic audits of each required safety and
6 environmental management plan, and any associated
7 safety case, both with respect to their implementa-
8 tion at each facility on the outer Continental Shelf
9 for which such a plan or safety case is required and
10 with respect to onshore management support for ac-
11 tivities at such a facility.”;

12 (2) in subsection (d)(1)—

13 (A) by striking “each major fire and each
14 major oil spillage” and inserting “each major
15 fire, each major oil spillage, each loss of well
16 control, and any other accident that presented
17 a serious risk to human or environmental safe-
18 ty”; and

19 (B) by inserting before the period at the
20 end the following: “, as a condition of the lease
21 or permit”;

22 (3) in subsection (d)(2), by inserting before the
23 period at the end the following: “as a condition of
24 the lease or permit”;

1 (4) in subsection (e), by adding at the end the
2 following: “Any such allegation from any employee
3 of the lessee or any subcontractor of the lessee shall
4 be investigated by the Secretary.”;

5 (5) in subsection (b)(1), by striking “recog-
6 nized” and inserting “uncontrolled”; and

7 (6) by adding at the end the following:

8 “(g) INFORMATION ON CAUSES AND CORRECTIVE
9 ACTIONS.—For any incident investigated under this sec-
10 tion, the Secretary shall promptly make available to all
11 lessees and the public technical information about the
12 causes and corrective actions taken. All data and reports
13 related to any such incident shall be maintained in a data
14 base available to the public.

15 “(h) OPERATOR’S ANNUAL CERTIFICATION.—

16 “(1) The Secretary, in cooperation with the
17 Secretary of the department in which the Coast
18 Guard is operating, shall require all operators of all
19 new and existing drilling and production operations
20 to annually certify that their operations are being
21 conducted in accordance with applicable law and reg-
22 ulations.

23 “(2) Each certification shall include, but, not be
24 limited to, statements that verify the operator has—

1 “(A) examined all well control system
2 equipment (both surface and subsea) being used
3 to ensure that it has been properly maintained
4 and is capable of shutting in the well during
5 emergency operations;

6 “(B) examined and conducted tests to en-
7 sure that the emergency equipment has been
8 function-tested and is capable of addressing
9 emergency situations;

10 “(C) reviewed all rig drilling, casing, ce-
11 menting, well abandonment (temporary and
12 permanent), completion, and workover practices
13 to ensure that well control is not compromised
14 at any point while emergency equipment is in-
15 stalled on the wellhead;

16 “(D) reviewed all emergency shutdown and
17 dynamic positioning procedures that interface
18 with emergency well control operations;

19 “(E) taken the necessary steps to ensure
20 that all personnel involved in well operations
21 are properly trained and capable of performing
22 their tasks under both normal drilling and
23 emergency well control operations; and

24 “(F) updated the operator’s response plan
25 required under section 25(e)(7) and exploration

1 plans required under section 11(c)(3) to reflect
2 the best available technology, including the
3 availability of such technology.

4 “(i) CEO STATEMENT.—

5 “(1) IN GENERAL.—The Secretary shall not ap-
6 prove any application for a permit to drill a well
7 under this Act unless such application is accom-
8 panied by a statement in which the chief executive
9 officer of the applicant attests, in writing, that—

10 “(A) the applicant is in compliance with all
11 applicable environmental and natural resource
12 conservation laws;

13 “(B) the applicant has the capability and
14 technology to respond immediately and effec-
15 tively to a worst-case oil spill in real-world con-
16 ditions in the area of the proposed activity
17 under the permit;

18 “(C) the applicant has an oil spill response
19 plan that ensures that the applicant has the ca-
20 pacity to promptly control and stop a blowout
21 in the event that well control measures fail;

22 “(D) the blowout preventer to be used dur-
23 ing the drilling of the well has redundant sys-
24 tems to prevent or stop a blowout for all fore-
25 seeable blowout scenarios and failure modes;

1 “(E) the well design is safe; and

2 “(F) the applicant has the capability to ex-
3 peditiously begin and complete a relief well if
4 necessary in the event of a blowout.

5 “(2) CIVIL PENALTY.—Any chief executive offi-
6 cer who makes a false certification under paragraph
7 (1) shall be liable for a civil penalty under section
8 24.

9 “(j) THIRD PARTY CERTIFICATION.—All operators
10 that modify or upgrade any emergency equipment placed
11 on any operation to prevent blow-outs or other well control
12 events, shall have an independent third party conduct a
13 detailed physical inspection and design review of such
14 equipment within 30 days of its installation. The inde-
15 pendent third party shall certify that the equipment will
16 operate as originally designed and any modifications or
17 upgrades conducted after delivery have not compromised
18 the design, performance, or functionality of the equip-
19 ment. Failure to comply with this subsection shall result
20 in suspension of the lease.”.

21 (b) APPLICATION.—Section 22(i) of the Outer Conti-
22 nental Shelf Lands Act, as added by the amendments
23 made by subsection (a), shall apply to approvals of appli-
24 cations for a permit to drill that are submitted after the

1 end of the 6-month period beginning on the date of enact-
2 ment of this Act.

3 **SEC. 213. JUDICIAL REVIEW.**

4 Section 23(c)(3) of the Outer Continental Shelf
5 Lands Act (43 U.S.C. 1349(c)(3)) is amended by striking
6 “sixty” and inserting “90”.

7 **SEC. 214. REMEDIES AND PENALTIES.**

8 (a) CIVIL PENALTY, GENERALLY.—Section 24(b) of
9 the Outer Continental Shelf Lands Act (43 U.S.C.
10 1350(b)) is amended to read as follows:

11 “(b)(1) Except as provided in paragraph (2), any per-
12 son who fails to comply with any provision of this Act,
13 or any term of a lease, license, or permit issued pursuant
14 to this Act, or any regulation or order issued under this
15 Act, shall be liable for a civil administrative penalty of not
16 more than \$75,000 for each day of the continuance of
17 such failure. The Secretary may assess, collect, and com-
18 promise any such penalty. No penalty shall be assessed
19 until the person charged with a violation has been given
20 an opportunity for a hearing. The Secretary shall, by regu-
21 lation at least every 3 years, adjust the penalty specified
22 in this paragraph to reflect any increases in the Consumer
23 Price Index (all items, United States city average) as pre-
24 pared by the Department of Labor.

1 “(2) If a failure described in paragraph (1) con-
2 stitutes or constituted a threat of harm or damage to life
3 (including fish and other aquatic life), property, any min-
4 eral deposit, or the marine, coastal, or human environ-
5 ment, a civil penalty of not more than \$150,000 shall be
6 assessed for each day of the continuance of the failure.”.

7 (b) KNOWING AND WILLFUL VIOLATIONS.—Section
8 24(c) of the Outer Continental Shelf Lands Act (43
9 U.S.C. 1350(c)) is amended in paragraph (4) by striking
10 “\$100,000” and inserting “\$10,000,000”.

11 (c) OFFICERS AND AGENTS OF CORPORATIONS.—
12 Section 24(d) of the Outer Continental Shelf Lands Act
13 (43 U.S.C. 1350(d)) is amended by inserting “, or with
14 willful disregard,” after “knowingly and willfully”.

15 **SEC. 215. UNIFORM PLANNING FOR OUTER CONTINENTAL**
16 **SHELF.**

17 Section 25 of the Outer Continental Shelf Lands Act
18 (43 U.S.C. 1351) is amended—

19 (1) by striking “other than the Gulf of Mexico,”
20 in each place it appears;

21 (2) in subsection (c), by striking “and” after
22 the semicolon at the end of paragraph (5), redesignig-
23 nating paragraph (6) as paragraph (11), and insert-
24 ing after paragraph (5) the following new para-
25 graphs:

1 “(6) a detailed and accurate description of
2 equipment to be used for the drilling of wells pursu-
3 ant to activities included in the development and
4 production plan, including—

5 “(A) a description of the drilling unit or
6 units;

7 “(B) a statement of the design and condi-
8 tion of major safety-related pieces of equip-
9 ment, including independent third-party certifi-
10 cation of such equipment; and

11 “(C) a description of any new technology
12 to be used;

13 “(7) a scenario for the potential blowout of
14 each well to be drilled as part of the plan involving
15 the highest potential volume of liquid hydrocarbons,
16 along with a complete description of a response plan
17 to both control the blowout and manage the accom-
18 panying discharge of hydrocarbons, including the
19 likelihood for surface intervention to stop the blow-
20 out, the availability of a rig to drill a relief well, an
21 estimate of the time it would take to drill a relief
22 well, a description of other technology that may be
23 used to regain control of the well or capture escap-
24 ing hydrocarbons and the potential timeline for
25 using that technology for its intended purpose, and

1 the strategy, organization, and resources necessary
2 to avoid harm to the environment from hydro-
3 carbons;

4 “(8) an analysis of the potential impacts of the
5 worst-case-scenario discharge on the marine and
6 coastal environments for activities conducted pursu-
7 ant to the proposed development and production
8 plan;

9 “(9) a comprehensive survey and characteriza-
10 tion of the coastal or marine environment within the
11 area of operation, including bathymetry, currents
12 and circulation patterns within the water column,
13 and descriptions of benthic and pelagic environ-
14 ments;

15 “(10) a description of the technologies to be de-
16 ployed on the facilities to routinely observe and mon-
17 itor in real time the marine environment throughout
18 the duration of operations, and a description of the
19 process by which such observation data and informa-
20 tion will be made available to Federal regulators and
21 to the System established under section 12304 of
22 Public Law 111–11 (33 U.S.C. 3603); and”;

23 (3) in subsection (e), by striking so much as
24 precedes paragraph (2) and inserting the following:

1 “(e)(1) The Secretary shall treat the approval of a
2 development and production plan, or a significant revision
3 of a development and production plan, as an agency action
4 requiring preparation of an environmental assessment or
5 environmental impact statement, in accordance with the
6 National Environmental Policy Act of 1969 (42 U.S.C.
7 4321 et seq.).”;

8 (4) by striking subsections (g) and (l), and re-
9 designating subsections (h) through (k) as sub-
10 sections (g) through and (j); and

11 (5) in subsection (g), as so redesignated, by re-
12 designating paragraphs (2) and (3) as paragraphs
13 (3) and (4), respectively, and inserting after para-
14 graph (1) the following:

15 “(2) The Secretary shall not approve a develop-
16 ment and production plan, or a significant revision
17 to such a plan, unless—

18 “(A) the plan is in compliance with all
19 other applicable environmental and natural re-
20 source conservation laws; and

21 “(B) the applicant has available oil spill re-
22 sponse and clean-up equipment and technology
23 that has been demonstrated to be capable of ef-
24 fectively remediating the projected worst-case

1 release of oil from activities conducted pursuant
2 to the development and production plan.”.

3 **SEC. 216. OIL AND GAS INFORMATION PROGRAM.**

4 Section 26(a)(1) of the Outer Continental Shelf
5 Lands Act (43 U.S.C. 1352(a)(1)) is amended by—

6 (1) striking the period at the end of subpara-
7 graph (A) and inserting “, provided that such data
8 shall be transmitted in electronic format either in
9 real-time or as quickly as practicable following the
10 generation of such data.”; and

11 (2) striking subparagraph (C) and inserting the
12 following:

13 “(C) Lessees engaged in drilling operations
14 shall provide to the Secretary—

15 “(i) all daily reports generated by the
16 lessee, or any daily reports generated by
17 contractors or subcontractors engaged in
18 or supporting drilling operations on the
19 lessee’s lease, no more than 24 hours after
20 the end of the day for which they should
21 have been generated;

22 “(ii) documentation of blowout pre-
23 venter maintenance and repair, and any
24 changes to design specifications of the

1 blowout preventer, within 24 hours after
2 such activity; and

3 “(iii) prompt or real-time trans-
4 mission of the electronic log from a blow-
5 out preventer control system.”.

6 **SEC. 217. LIMITATION ON ROYALTY-IN-KIND PROGRAM.**

7 Section 27(a) of the Outer Continental Shelf Lands
8 Act (43 U.S.C. 1353(a)) is amended by striking the period
9 at the end of paragraph (1) and inserting “, except that
10 the Secretary shall not conduct a regular program to take
11 oil and gas lease royalties in oil or gas.”.

12 **SEC. 218. RESTRICTIONS ON EMPLOYMENT.**

13 Section 29 of the Outer Continental Shelf Lands Act
14 (43 U.S.C. 1355) is amended—

15 (1) in the matter preceding paragraph (1)—

16 (A) by striking “SEC. 29” and all that fol-
17 lows through “No full-time” and inserting the
18 following:

19 **“SEC. 29. RESTRICTIONS ON EMPLOYMENT.**

20 “(a) IN GENERAL.—No full-time”; and

21 (B) by striking “, and who was at any
22 time during the twelve months preceding the
23 termination of his employment with the Depart-
24 ment compensated under the Executive Sched-
25 ule or compensated at or above the annual rate

1 of basic pay for grade GS-16 of the General
2 Schedule”;

3 (2) in paragraph (1)—

4 (A) in subparagraph (A), by inserting “or
5 advise” after “represent”;

6 (B) in subparagraph (B), by striking “with
7 the intent to influence, make” and inserting
8 “act with the intent to influence, directly or in-
9 directly, or make”; and

10 (C) in the matter following subparagraph
11 (C)—

12 (i) by inserting “inspection or enforce-
13 ment action,” before “or other particular
14 matter”; and

15 (ii) by striking “or” at the end;

16 (3) in paragraph (2)—

17 (A) in subparagraph (A), by inserting “or
18 advise” after “represent”;

19 (B) in subparagraph (B), by striking “with
20 the intent to influence, make” and inserting
21 “act with the intent to influence, directly or in-
22 directly, or make”; and

23 (C) by striking the period at the end and
24 inserting “; or”; and

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

1 “(3) during the 2-year period beginning on the
2 date on which the employment of the officer or em-
3 ployee ceased at the Department, accept employment
4 or compensation from any party that has a direct
5 and substantial interest—

6 “(A) that was pending under the official
7 responsibility of the officer or employee as an
8 officer at any point during the 2-year period
9 preceding the date of termination of the respon-
10 sibility; or

11 “(B) in which the officer or employee par-
12 ticipated personally and substantially as an offi-
13 cer or employee of the Department.

14 “(b) PRIOR DEALINGS.—No full-time officer or em-
15 ployee of the Department of the Interior who directly or
16 indirectly discharged duties or responsibilities under this
17 Act shall participate personally and substantially as a
18 Federal officer or employee, through decision, approval,
19 disapproval, recommendation, the rendering of advice, in-
20 vestigation, or otherwise, in a proceeding, application, re-
21 quest for a ruling or other determination, contract, claim,
22 controversy, charge, accusation, inspection, enforcement
23 action, or other particular matter in which, to the knowl-
24 edge of the officer or employee—

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

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

7 “(3) any person or organization with whom the
8 officer or employee is negotiating or has any ar-
9 rangement concerning prospective employment has a
10 financial interest; or

11 “(4) any person or organization in which the of-
12 ficer or employee has, within the preceding 1-year
13 period, served as an officer, director, trustee, general
14 partner, agent, attorney, consultant, contractor, or
15 employee.

16 “(c) GIFTS FROM OUTSIDE SOURCES.—No full-time
17 officer or employee of the Department of the Interior who
18 directly or indirectly discharges duties or responsibilities
19 under this Act shall, directly or indirectly, solicit or accept
20 any gift in violation of subpart B of part 2635 of title
21 5, Code of Federal Regulations (or successor regulations).

22 “(d) PENALTY.—Any person that violates subsection
23 (a) or (b) shall be punished in accordance with section
24 216 of title 18, United States Code.”.

1 **SEC. 219. REPEAL OF ROYALTY RELIEF PROVISIONS.**

2 (a) REPEAL OF PROVISIONS OF ENERGY POLICY ACT
3 OF 2005.—The following provisions of the Energy Policy
4 Act of 2005 (Public Law 109–58) are repealed:

5 (1) Section 344 (42 U.S.C. 15904; relating to
6 incentives for natural gas production from deep wells
7 in shallow waters of the Gulf of Mexico).

8 (2) Section 345 (42 U.S.C. 15905; relating to
9 royalty relief for deep water production in the Gulf
10 of Mexico).

11 (b) REPEAL OF PROVISIONS RELATING TO PLAN-
12 NING AREAS OFFSHORE ALASKA.—Section 8(a)(3)(B) of
13 the Outer Continental Shelf Lands Act (43 U.S.C.
14 1337(a)(3)(B)) is amended by striking “and in the Plan-
15 ning Areas offshore Alaska”.

16 **SEC. 220. MANNING AND BUY- AND BUILD-AMERICAN RE-**
17 **QUIREMENTS.**

18 Section 30 of the Outer Continental Shelf Lands Act
19 (43 U.S.C. 1356) is amended—

20 (1) in subsection (a), by striking “shall issue
21 regulations which” and inserting “shall issue regula-
22 tions that shall be supplemental to and complemen-
23 tary with and under no circumstances a substitution
24 for the provisions of the Constitution and laws of the
25 United States extended to the subsoil and seabed of
26 the outer Continental Shelf pursuant to section

1 4(a)(1) of this Act, except insofar as such laws
2 would otherwise apply to individuals who have ex-
3 traordinary ability in the sciences, arts, education,
4 or business, which has been demonstrated by sus-
5 tained national or international acclaim, and that”;
6 and

7 (2) by adding at the end the following:

8 “(d) BUY AND BUILD AMERICAN.—It is the intention
9 of the Congress that this Act, among other things, result
10 in a healthy and growing American industrial, manufac-
11 turing, transportation, and service sector employing the
12 vast talents of America’s workforce to assist in the devel-
13 opment of energy from the outer Continental Shelf. More-
14 over, the Congress intends to monitor the deployment of
15 personnel and material on the outer Continental Shelf to
16 encourage the development of American technology and
17 manufacturing to enable United States workers to benefit
18 from this Act by good jobs and careers, as well as the
19 establishment of important industrial facilities to support
20 expanded access to American resources.”.

21 **SEC. 221. NATIONAL COMMISSION ON THE BP DEEPWATER**
22 **HORIZON OIL SPILL AND OFFSHORE DRILL-**
23 **ING.**

24 (a) TECHNICAL EXPERTISE.—

1 (1) NATIONAL ACADEMY OF ENGINEERING AND
2 NATIONAL RESEARCH COUNCIL.—The National
3 Commission on the BP Deepwater Horizon Oil Spill
4 and Offshore Drilling established under Executive
5 Order No. 13543 of May 21, 2010 (referred to in
6 this section as the “Commission”) shall consult reg-
7 ularly, and in any event no less frequently than once
8 per month, with the engineering and technology ex-
9 perts who are conducting the “Analysis of Causes of
10 the Deepwater Horizon Explosion, Fire, and Oil
11 Spill to Identify Measures to Prevent Similar Acci-
12 dents in the Future” for the National Academy of
13 Engineering and the National Research Council.

14 (2) OTHER TECHNICAL EXPERTS.—The Com-
15 mission also shall consult with other United States
16 citizens with experience and expertise in such areas
17 as—

18 (A) engineering;

19 (B) environmental compliance;

20 (C) health and safety law (particularly oil
21 spill legislation);

22 (D) oil spill insurance policies;

23 (E) public administration;

24 (F) oil and gas exploration and production;

25 (G) environmental cleanup;

1 (H) fisheries and wildlife management;

2 (I) marine safety; and

3 (J) human factors affecting safety.

4 (3) COMMISSION STAFF AND TECHNICAL EX-
5 PERTISE.—The Commission shall retain, as either a
6 full-time employee or a contractor, one or more
7 science and technology expert-advisors with experi-
8 ence and expertise in petroleum engineering, rig
9 safety, or drilling.

10 (b) SUBPOENAS.—

11 (1) SUBPOENA POWER.—The Commission may
12 issue subpoenas in accordance with this subsection
13 to compel the attendance and testimony of witnesses
14 and the production of books, records, correspond-
15 ence, memoranda, and other documents.

16 (2) ISSUANCE.—

17 (A) AUTHORIZATION.—A subpoena may be
18 issued under this subsection only by—

19 (i) agreement of the Co-Chairs of the
20 Commission; or

21 (ii) the affirmative vote of a majority
22 of the members of the Commission.

23 (B) JUSTICE DEPARTMENT COORDINA-
24 TION.—

1 (i) NOTIFICATION.—The Commission
2 shall notify the Attorney General or the
3 Attorney General’s designee of the Com-
4 mission’s intent to issue a subpoena under
5 this subsection, the identity of the recipi-
6 ent, and the nature of the testimony, docu-
7 ments, or other evidence (described in sub-
8 paragraph (A)) sought before issuing such
9 a subpoena. The form and content of such
10 notice shall be set forth in the guidelines
11 issued under clause (iv).

12 (ii) CONDITIONS FOR OBJECTION TO
13 ISSUANCE.—The Commission may not
14 issue a subpoena under authority of this
15 Act if the Attorney General objects to the
16 issuance of the subpoena on the basis that
17 the subpoena is likely to interfere with
18 any—

19 (I) Federal or State criminal in-
20 vestigation or prosecution;

21 (II) pending investigation under
22 sections 3729 through 3732 of title
23 31, United States Code (commonly
24 known as the “Civil False Claims
25 Act”);

1 (III) pending investigation under
2 any other Federal statute providing
3 for civil remedies; or

4 (IV) civil litigation to which the
5 United States or any of its agencies is
6 or is likely to be a party.

7 (iii) NOTIFICATION OF OBJECTION.—

8 The Attorney General or relevant United
9 States Attorney shall notify the Commis-
10 sion of an objection raised under this sub-
11 paragraph without unnecessary delay and
12 as set forth in the guidelines issued under
13 clause (iv).

14 (iv) GUIDELINES.—As soon as prac-
15 ticable, but no later than 30 days after the
16 date of the enactment of this Act, the At-
17 torney General, after consultation with the
18 Commission, shall issue guidelines to carry
19 out this paragraph.

20 (C) SIGNATURE AND SERVICE.—A sub-
21 poena issued under this subsection may be—

22 (i) issued under the signature of ei-
23 ther Co-Chair of the Commission or any
24 member designated by a majority of the
25 Commission; and

1 (ii) served by any person designated
2 by the Co-Chairs or a member designated
3 by a majority of the Commission.

4 (3) ENFORCEMENT.—

5 (A) REQUIRED PROCEDURES.—In the case
6 of contumacy of any person issued a subpoena
7 under this subsection or refusal by such person
8 to comply with the subpoena, the Commission
9 may request the Attorney General to seek en-
10 forcement of the subpoena. Upon such request,
11 the Attorney General may seek enforcement of
12 the subpoena in a court described in subpara-
13 graph (B). The court in which the Attorney
14 General seeks enforcement of the subpoena may
15 issue an order requiring the subpoenaed person
16 to appear at any designated place to testify or
17 to produce documentary or other evidence de-
18 scribed in subparagraph (A) of paragraph (2),
19 and may punish any failure to obey the order
20 as a contempt of that court.

21 (B) JURISDICTION FOR ENFORCEMENT.—
22 Any United States district court for a judicial
23 district in which a person issued a subpoena
24 under this subsection resides, is served, or may
25 be found, or where the subpoena is returnable,

1 upon application of the Attorney General, shall
2 have jurisdiction to enforce the subpoena as
3 provided in subparagraph (A).

4 (c) RECOMMENDATIONS AND PURPOSES.—

5 (1) IN GENERAL.—The Commission shall de-
6 velop recommendations for—

7 (A) improvements to Federal laws, regula-
8 tions, and industry practices applicable to off-
9 shore drilling that would—

10 (i) ensure the effective oversight, in-
11 spection, monitoring, and response capa-
12 bilities; and

13 (ii) protect the environment and nat-
14 ural resources; and

15 (B) organizational or other reforms of
16 Federal agencies or processes, including the
17 creation of new agencies, as necessary, to en-
18 sure that the improvements described in para-
19 graph (1) are implemented and maintained.

20 (2) GOALS.—In developing recommendations
21 under paragraph (1), the Commission shall ensure
22 that the following goals are met:

23 (A) Ensuring the safe operation and main-
24 tenance of offshore drilling platforms or vessels.

1 (B) Protecting the overall environment and
2 natural resources surrounding ongoing and po-
3 tential offshore drilling sites.

4 (C) Developing and maintaining Federal
5 agency expertise on the safe and effective use of
6 offshore drilling technologies, including tech-
7 nologies to minimize the risk of release of oil
8 from offshore drilling platforms or vessels.

9 (D) Encouraging the development and im-
10 plementation of efficient and effective oil spill
11 response techniques and technologies that mini-
12 mize or eliminate any adverse effects on natural
13 resources or the environment that result from
14 response activities.

15 (E) Ensuring that the Federal agencies
16 regulating offshore drilling are staffed with, and
17 managed by, career professionals, who are—

18 (i) permitted to exercise independent
19 professional judgments and make safety
20 the highest priority in carrying out their
21 responsibilities;

22 (ii) not subject to undue influence
23 from regulated interests or political ap-
24 pointees; and

1 (iii) subject to strict regulation to pre-
2 vent improper relationships with regulated
3 interests and to eliminate real or perceived
4 conflicts of interests.

5 (3) REPORT TO CONGRESS.—In coordination
6 with its final public report to the President, the
7 Commission shall submit to Congress a report con-
8 taining the recommendations developed under para-
9 graph (1).

10 **SEC. 222. COORDINATION AND CONSULTATION WITH AF-**
11 **FECTED STATE AND LOCAL GOVERNMENTS.**

12 Section 19 of the Outer Continental Shelf Lands Act
13 (43 U.S.C. 1345) is amended—

14 (1) by inserting “exploration plan or” before
15 “development and production plan” in each place it
16 appears; and

17 (2) by amending subsection (c) to read as fol-
18 lows:

19 “(c) ACCEPTANCE OR REJECTION OF RECOMMENDA-
20 TIONS.—The Secretary shall accept recommendations of
21 the Governor and may accept recommendations of the ex-
22 ecutive of any affected local government if the Secretary
23 determines, after having provided the opportunity for con-
24 sultation, that they provide for a reasonable balance be-
25 tween the national interest and the well-being of the citi-

1 zens of the affected State. For purposes of this subsection,
2 a determination of the national interest shall be based on
3 the desirability of obtaining oil and gas supplies in a bal-
4 anced manner and on protecting coastal and marine eco-
5 systems and the economies dependent on those eco-
6 systems. The Secretary shall provide an explanation to the
7 Governor, in writing, of the reasons for his determination
8 to accept or reject such Governor's recommendations, or
9 to implement any alternative identified in consultation
10 with the Governor.”.

11 **SEC. 223. IMPLEMENTATION.**

12 (a) NEW LEASES.—The provisions of this title and
13 title VII shall apply to any lease that is issued under the
14 Outer Continental Shelf Lands Act (43 U.S.C. 1331 et
15 seq.) after the effective date of this Act.

16 (b) EXISTING LEASES.—For all leases that were
17 issued under the Outer Continental Shelf Lands Act (43
18 U.S.C. 1331 et seq.) that are in effect on the effective
19 date of this Act, the Secretary shall take action, consistent
20 with the terms of those leases, to apply the requirements
21 of this title and title VII to those leases. Such action may
22 include, but is not limited to, promulgating regulations,
23 renegotiating such existing leases, conditioning future
24 leases on bringing such existing leases into full or partial

1 compliance with this title and title VII, or taking any other
2 actions authorized by law.

3 **SEC. 224. REPORT ON ENVIRONMENTAL BASELINE STUD-**
4 **IES.**

5 The Secretary of the Interior shall report to Congress
6 within 6 months after the date of enactment of this Act
7 on the costs of baseline environmental studies to gather,
8 analyze, and characterize resource data necessary to im-
9 plement the Outer Continental Shelf Lands Act (43
10 U.S.C. 1331 et seq.). The Secretary shall include in the
11 report proposals of fees or other ways to recoup such costs
12 from persons engaging or seeking to engage in activities
13 on the Outer Continental Shelf to which that Act applies.

14 **SEC. 225. CUMULATIVE IMPACTS ON MARINE MAMMAL SPE-**
15 **CIES AND STOCKS AND SUBSISTENCE USE.**

16 Section 20 of the Outer Continental Shelf Lands Act
17 (43 U.S.C. 1346) is further amended by adding at the
18 end the following:

19 “(h) CUMULATIVE IMPACTS ON MARINE MAMMAL
20 SPECIES AND STOCKS AND SUBSISTENCE USE.—In deter-
21 mining, pursuant to subparagraphs (A)(i) and (D)(i) of
22 section 101(a)(5) of the Marine Mammal Protection Act
23 of 1972 (16 U.S.C.1371(a)(5)), whether takings from
24 specified activities administered under this title will have
25 a negligible impact on a marine mammal species or stock,

1 and not have an unmitigable adverse impact on the avail-
2 ability of such species or stock for taking for subsistence
3 uses, the Secretary of Commerce or Interior shall incor-
4 porate any takings of such species or stock from any other
5 reasonably foreseeable activities administered under this
6 Act.”.

7 **Subtitle B—Royalty Relief for** 8 **American Consumers**

9 **SEC. 231. SHORT TITLE.**

10 This subtitle may be cited as the “Royalty Relief for
11 American Consumers Act of 2010”.

12 **SEC. 232. ELIGIBILITY FOR NEW LEASES AND THE TRANS-** 13 **FER OF LEASES.**

14 (a) ISSUANCE OF NEW LEASES.—

15 (1) IN GENERAL.—The Secretary shall not
16 issue any new lease that authorizes the production
17 of oil or natural gas under the Outer Continental
18 Shelf Lands Act (43 U.S.C. 1331 et seq.) to a per-
19 son described in paragraph (2) unless the person has
20 renegotiated each covered lease with respect to which
21 the person is a lessee, to modify the payment re-
22 sponsibilities of the person to require the payment of
23 royalties if the price of oil and natural gas is greater
24 than or equal to the price thresholds described in
25 clauses (v) through (vii) of section 8(a)(3)(C) of the

1 Outer Continental Shelf Lands Act (43 U.S.C.
2 1337(a)(3)(C)).

3 (2) PERSONS DESCRIBED.—A person referred
4 to in paragraph (1) is a person that—

5 (A) is a lessee that—

6 (i) holds a covered lease on the date
7 on which the Secretary considers the
8 issuance of the new lease; or

9 (ii) was issued a covered lease before
10 the date of enactment of this Act, but
11 transferred the covered lease to another
12 person or entity (including a subsidiary or
13 affiliate of the lessee) after the date of en-
14 actment of this Act; or

15 (B) any other person that has any direct
16 or indirect interest in, or that derives any ben-
17 efit from, a covered lease.

18 (3) MULTIPLE LESSEES.—

19 (A) IN GENERAL.—For purposes of para-
20 graph (1), if there are multiple lessees that own
21 a share of a covered lease, the Secretary may
22 implement separate agreements with any lessee
23 with a share of the covered lease that modifies
24 the payment responsibilities with respect to the
25 share of the lessee to include price thresholds

1 that are equal to or less than the price thresh-
2 olds described in clauses (v) through (vii) of
3 section 8(a)(3)(C) of the Outer Continental
4 Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).

5 (B) TREATMENT OF SHARE AS COVERED
6 LEASE.—Beginning on the effective date of an
7 agreement under subparagraph (A), any share
8 subject to the agreement shall not constitute a
9 covered lease with respect to any lessees that
10 entered into the agreement.

11 (b) TRANSFERS.—A lessee or any other person who
12 has any direct or indirect interest in, or who derives a
13 benefit from, a lease shall not be eligible to obtain by sale
14 or other transfer (including through a swap, spinoff, serv-
15 icing, or other agreement) any covered lease, the economic
16 benefit of any covered lease, or any other lease for the
17 production of oil or natural gas in the Gulf of Mexico
18 under the Outer Continental Shelf Lands Act (43 U.S.C.
19 1331 et seq.), unless the lessee or other person has—

20 (1) renegotiated each covered lease with respect
21 to which the lessee or person is a lessee, to modify
22 the payment responsibilities of the lessee or person
23 to include price thresholds that are equal to or less
24 than the price thresholds described in clauses (v)
25 through (vii) of section 8(a)(3)(C) of the Outer Con-

1 tinal Shelf Lands Act (43 U.S.C. 1337(a)(3)(C));
2 or

3 (2) entered into an agreement with the Sec-
4 retary to modify the terms of all covered leases of
5 the lessee or other person to include limitations on
6 royalty relief based on market prices that are equal
7 to or less than the price thresholds described in
8 clauses (v) through (vii) of section 8(a)(3)(C) of the
9 Outer Continental Shelf Lands Act (43 U.S.C.
10 1337(a)(3)(C)).

11 (c) USE OF AMOUNTS FOR DEFICIT REDUCTION.—
12 Notwithstanding any other provision of law, any amounts
13 received by the United States as rentals or royalties under
14 covered leases shall be deposited in the Treasury and used
15 for Federal budget deficit reduction or, if there is no Fed-
16 eral budget deficit, for reducing the Federal debt in such
17 manner as the Secretary of the Treasury considers appro-
18 priate.

19 (d) DEFINITIONS.—In this section—

20 (1) COVERED LEASE.—The term “covered
21 lease” means a lease for oil or gas production in the
22 Gulf of Mexico that is—

23 (A) in existence on the date of enactment
24 of this Act;

1 (B) issued by the Department of the Inte-
2 rior under section 304 of the Outer Continental
3 Shelf Deep Water Royalty Relief Act (43
4 U.S.C. 1337 note; Public Law 104–58); and

5 (C) not subject to limitations on royalty re-
6 lief based on market price that are equal to or
7 less than the price thresholds described in
8 clauses (v) through (vii) of section 8(a)(3)(C) of
9 the Outer Continental Shelf Lands Act (43
10 U.S.C. 1337(a)(3)(C)).

11 (2) LESSEE.—The term “lessee” includes any
12 person or other entity that controls, is controlled by,
13 or is in or under common control with, a lessee.

14 (3) SECRETARY.—The term “Secretary” means
15 the Secretary of the Interior.

16 **SEC. 233. PRICE THRESHOLDS FOR ROYALTY SUSPENSION**
17 **PROVISIONS.**

18 The Secretary of the Interior shall agree to a request
19 by any lessee to amend any lease issued for any Central
20 and Western Gulf of Mexico tract in the period of January
21 1, 1996, through November 28, 2000, to incorporate price
22 thresholds applicable to royalty suspension provisions, that
23 are equal to or less than the price thresholds described
24 in clauses (v) through (vii) of section 8(a)(3)(C) of the
25 Outer Continental Shelf Lands Act (43 U.S.C.

1 1337(a)(3)(C)). Any amended lease shall impose the new
2 or revised price thresholds effective October 1, 2010. Ex-
3 isting lease provisions shall prevail through September 30,
4 2010.

5 **Subtitle C—Limitation on** 6 **Moratorium**

7 **SEC. 241. LIMITATION OF MORATORIUM ON CERTAIN PER-** 8 **MITTING AND DRILLING ACTIVITIES.**

9 (a) IN GENERAL.—The moratorium set forth in the
10 decision memorandum of the Secretary of the Interior en-
11 titled “Decision memorandum regarding the suspension of
12 certain offshore permitting and drilling activities on the
13 Outer Continental Shelf” and dated July 12, 2010, and
14 any suspension of operations issued in connection with the
15 moratorium, shall not apply to an application for a permit
16 to drill submitted on or after the effective date of this Act
17 if the Secretary determines that the applicant—

18 (1) has complied with the notice entitled “Na-
19 tional Notice to Lessees and Operators of Federal
20 Oil and Gas Leases, Outer Continental Shelf
21 (OCS)” dated June 8, 2010 (NTL No. 2010–N05)
22 and the notice entitled “National Notice to Lessees
23 and Operators of Federal Oil and Gas Leases, Outer
24 Continental Shelf (OCS)” dated June 18, 2010
25 (NTL No. 2010–N06);

1 (2) has complied with additional safety meas-
2 ures recommended by the Secretary as of the date
3 of the enactment of this Act; and

4 (3) has completed all required safety inspec-
5 tions.

6 (b) DETERMINATION ON PERMIT.—Not later than 30
7 days after the date on which the Secretary makes a deter-
8 mination that an applicant has complied with paragraphs
9 (1), (2), and (3) of subsection (a), the Secretary shall
10 make a determination on whether to issue the permit.

11 (c) NO SUSPENSION OF CONSIDERATION.—No Fed-
12 eral entity shall suspend the active consideration of, or
13 preparatory work for, permits required to resume or ad-
14 vance activities suspended in connection with the morato-
15 rium.

16 (d) REPORT TO CONGRESS.—Not later than October
17 31, 2010, the Secretary shall report to the House Com-
18 mittee on Natural Resources and the Senate Committee
19 on Energy and Natural Resources on the status of: (1)
20 the collection and analysis of evidence regarding the poten-
21 tial causes of the April 20, 2010 explosion and sinking
22 of the Deepwater Horizon offshore drilling rig, including
23 information collected by the Presidential Commission and
24 other investigations; (2) implementation of safety reforms
25 described in the May 27, 2010, Departmental report enti-

1 tled “Increased Safety Measures for Energy Development
2 on the Outer Continental Shelf,”; (3) the ability of opera-
3 tors in the Gulf of Mexico to respond effectively to an oil
4 spill in light of the Deepwater Horizon incident; and (4)
5 industry and government efforts to engineer, design, con-
6 struct and assemble wild well intervention and blowout
7 containment resources necessary to contain an uncon-
8 trolled release of hydrocarbons in deep water should an-
9 other blowout occur.

10 (e) SAVINGS CLAUSE.—Nothing herein affects the
11 Secretary’s authority to suspend offshore drilling permit-
12 ting and drilling operations based on the threat of signifi-
13 cant, irreparable or immediate harm or damage to life,
14 property, or the marine, coastal or human environment
15 pursuant to the Outer Continental Shelf Lands Act (43
16 U.S.C. 133 et seq.).

17 **TITLE III—OIL AND GAS** 18 **ROYALTY REFORM**

19 **SEC. 301. AMENDMENTS TO DEFINITIONS.**

20 Section 3 of the Federal Oil and Gas Royalty Man-
21 agement Act of 1982 (30 U.S.C. 1702) is amended—

22 (1) in paragraph (8), by striking the semicolon
23 and inserting “including but not limited to the Act
24 of October 20, 1914 (38 Stat. 741); the Act of Feb-
25 ruary 25, 1920 (41 Stat. 437); the Act of April 17,

1 1926 (44 Stat. 301); the Act of February 7, 1927
2 (44 Stat. 1057); and all Acts heretofore or hereafter
3 enacted that are amendatory of or supplementary to
4 any of the foregoing Acts;”;

5 (2) in paragraph (20)(A), by striking “: *Pro-*
6 *vided, That*” and all that follows through “subject of
7 the judicial proceeding”;

8 (3) in paragraph (20)(B), by striking “(with
9 written notice to the lessee who designated the des-
10 ignee)”;

11 (4) in paragraph (23)(A), by striking “(with
12 written notice to the lessee who designated the des-
13 ignee)”;

14 (5) by striking paragraph (24) and inserting
15 the following:

16 “(24) ‘designee’ means a person who pays, off-
17 sets, or credits monies, makes adjustments, requests
18 and receives refunds, or submits reports with respect
19 to payments a lessee must make pursuant to section
20 102(a);”;

21 (6) in paragraph (25)(B)—

22 (A) by striking “(subject to the provisions
23 of section 102(a) of this Act)”; and

24 (B) in clause (ii) by striking the matter
25 after subclause (IV) and inserting the following:

1 “that arises from or relates to any lease, easement, right-
2 of-way, permit, or other agreement regardless of form ad-
3 ministered by the Secretary for, or any mineral leasing
4 law related to, the exploration, production, and develop-
5 ment of oil and gas or other energy resource on Federal
6 lands or the Outer Continental Shelf;”.

7 (7) in paragraph (29), by inserting “or permit”
8 after “lease”; and

9 (8) by striking “and” after the semicolon at the
10 end of paragraph (32), by striking the period at the
11 end of paragraph (33) and inserting a semicolon,
12 and by adding at the end the following new para-
13 graphs:

14 “(34) ‘compliance review’ means a full-scope or
15 a limited-scope examination of a lessee’s lease ac-
16 counts to compare one or all elements of the royalty
17 equation (volume, value, royalty rate, and allow-
18 ances) against anticipated elements of the royalty
19 equation to test for variances; and

20 “(35) ‘marketing affiliate’ means an affiliate of
21 a lessee whose function is to acquire the lessee’s pro-
22 duction and to market that production.”.

1 **SEC. 302. COMPLIANCE REVIEWS.**

2 Section 101 of the Federal Oil and Gas Royalty Man-
3 agement Act of 1982 (30 U.S.C. 1711) is amended by
4 adding at the end the following new subsection:

5 “(d) The Secretary may, as an adjunct to audits of
6 accounts for leases, utilize compliance reviews of accounts.
7 Such reviews shall not constitute nor substitute for audits
8 of lease accounts. Any disparity uncovered in such a com-
9 pliance review shall be immediately referred to a program
10 auditor. The Secretary shall, before completion of a com-
11 pliance review, provide notice of the review to designees
12 whose obligations are the subject of the review.”.

13 **SEC. 303. CLARIFICATION OF LIABILITY FOR ROYALTY PAY-**
14 **MENTS.**

15 Section 102(a) of the Federal Oil and Gas Royalty
16 Management Act of 1982 (30 U.S.C. 1712(a)) is amended
17 to read as follows:

18 “(a) In order to increase receipts and achieve effec-
19 tive collections of royalty and other payments, a lessee who
20 is required to make any royalty or other payment under
21 a lease, easement, right-of-way, permit, or other agree-
22 ment, regardless of form, or under the mineral leasing
23 laws, shall make such payment in the time and manner
24 as may be specified by the Secretary or the applicable dele-
25 gated State. Any person who pays, offsets, or credits mon-
26 ies, makes adjustments, requests and receives refunds, or

1 submits reports with respect to payments the lessee must
2 make is the lessee's designee under this Act. Notwith-
3 standing any other provision of this Act to the contrary,
4 a designee shall be liable for any payment obligation of
5 any lessee on whose behalf the designee pays royalty under
6 the lease. The person owning operating rights in a lease
7 and a person owning legal record title in a lease shall be
8 liable for that person's pro rata share of payment obliga-
9 tions under the lease.”.

10 **SEC. 304. REQUIRED RECORDKEEPING.**

11 Section 103(b) of the Federal Oil and Gas Royalty
12 Management Act of 1982 (30 U.S.C. 1712(a)) is amended
13 by striking “6” and inserting “7”.

14 **SEC. 305. FINES AND PENALTIES.**

15 Section 109 of the Federal Oil and Gas Royalty Man-
16 agement Act of 1982 (30 U.S.C. 1719) is amended—

17 (1) in subsection (a) in the matter following
18 paragraph (2), by striking “\$500” and inserting
19 “\$1,000”;

20 (2) in subsection (a)(2)(B), by inserting “(i)”
21 after “such person”, and by striking the period at
22 the end and inserting “; and (ii) has not received no-
23 tice, pursuant to paragraph (1), of more than two
24 prior violations in the current calendar year.”;

1 (3) in subsection (b), by striking “\$5,000” and
2 inserting “\$10,000”;

3 (4) in subsection (c)—

4 (A) in paragraph (2), by striking “; or”
5 and inserting “, including any failure or refusal
6 to promptly tender requested documents;”;

7 (B) in the text following paragraph (3)—

8 (i) by striking “\$10,000” and insert-
9 ing “\$20,000”; and

10 (ii) by striking the comma at the end
11 and inserting a semicolon; and

12 (C) by adding at the end the following new
13 paragraphs:

14 “(4) knowingly or willfully fails to make any
15 royalty payment in the amount or value as specified
16 by statute, regulation, order, or terms of the lease;
17 or

18 “(5) fails to correctly report and timely provide
19 operations or financial records necessary for the Sec-
20 retary or any authorized designee of the Secretary to
21 accomplish lease management responsibilities,”;

22 (5) in subsection (d), by striking “\$25,000”
23 and inserting “\$50,000”;

1 (6) in subsection (h), by striking “by registered
2 mail” and inserting “a common carrier that provides
3 proof of delivery”; and

4 (7) by adding at the end the following sub-
5 section:

6 “(m)(1) Any determination by the Secretary or a des-
7 ignee of the Secretary that a person has committed a vio-
8 lation under subsection (a), (c), or (d)(1) shall toll any
9 applicable statute of limitations for all oil and gas leases
10 held or operated by such person, until the later of—

11 “(A) the date on which the person corrects the
12 violation and certifies that all violations of a like na-
13 ture have been corrected for all of the oil and gas
14 leases held or operated by such person; or

15 “(B) the date a final, nonappealable order has
16 been issued by the Secretary or a court of competent
17 jurisdiction.

18 “(2) A person determined by the Secretary or a des-
19 ignee of the Secretary to have violated subsection (a), (c),
20 or (d)(1) shall maintain all records with respect to the per-
21 son’s oil and gas leases until the later of—

22 “(A) the date the Secretary releases the person
23 from the obligation to maintain such records; and

1 “(B) the expiration of the period during which
2 the records must be maintained under section
3 103(b).”.

4 **SEC. 306. INTEREST ON OVERPAYMENTS.**

5 Section 111 of the Federal Oil and Gas Royalty Man-
6 agement Act of 1982 (30 U.S.C. 1721) is amended—

7 (1) by amending subsections (h) and (i) to read
8 as follows:

9 “(h) Interest shall not be allowed nor paid nor cred-
10 ited on any overpayment, and no interest shall accrue from
11 the date such overpayment was made.

12 “(i) A lessee or its designee may make a payment
13 for the approximate amount of royalties (hereinafter in
14 this subsection referred to as the ‘estimated payment’)
15 that would otherwise be due for such lease by the date
16 royalties are due for that lease. When an estimated pay-
17 ment is made, actual royalties are payable at the end of
18 the month following the month in which the estimated
19 payment is made. If the estimated payment was less than
20 the amount of actual royalties due, interest is owed on
21 the underpaid amount. If the lessee or its designee makes
22 a payment for such actual royalties, the lessee or its des-
23 ignee may apply the estimated payment to future royal-
24 ties. Any estimated payment may be adjusted, recouped,
25 or reinstated by the lessee or its designee provided such

1 adjustment, recoupment, or reinstatement is made within
2 the limitation period for which the date royalties were due
3 for that lease.”;

4 (2) by striking subsection (j); and

5 (3) in subsection (k)(4)—

6 (A) by striking “or overpaid royalties and
7 associated interest”; and

8 (B) by striking “, refunded, or credited”.

9 **SEC. 307. ADJUSTMENTS AND REFUNDS.**

10 Section 111A of the Federal Oil and Gas Royalty
11 Management Act of 1982 (30 U.S.C. 1721a) is amend-
12 ed—

13 (1) in subsection (a)(3), by inserting “(A)”
14 after “(3)”, and by striking the last sentence and in-
15 serting the following:

16 “(B) Except as provided in subparagraph
17 (C), no adjustment may be made with respect
18 to an obligation that is the subject of an audit
19 or compliance review after completion of the
20 audit or compliance review, respectively, unless
21 such adjustment is approved by the Secretary
22 or the applicable delegated State, as appro-
23 priate.

1 “(C) If an overpayment is identified during
2 an audit, the Secretary shall allow a credit in
3 the amount of the overpayment.”;

4 (2) in subsection (a)(4)—

5 (A) by striking “six” and inserting “four”;
6 and

7 (B) by striking “shall” the second place it
8 appears and inserting “may”; and

9 (3) in subsection (b)(1) by striking “and” after
10 the semicolon at the end of subparagraph (C), by
11 striking the period at the end of subparagraph (D)
12 and inserting “; and”, and by adding at the end the
13 following:

14 “(E) is made within the adjustment period
15 for that obligation.”.

16 **SEC. 308. CONFORMING AMENDMENT.**

17 Section 114 of the Federal Oil and Gas Royalty Man-
18 agement Act of 1982 is repealed.

19 **SEC. 309. OBLIGATION PERIOD.**

20 Section 115(c) of the Federal Oil and Gas Royalty
21 Management Act of 1982 (30 U.S.C. 1724(c)) is amended
22 by adding at the end the following new paragraph:

23 “(3) ADJUSTMENTS.—In the case of an adjust-
24 ment under section 111A(a) in which a recoupment
25 by the lessee results in an underpayment of an obli-

1 gation, for purposes of this Act the obligation be-
2 comes due on the date the lessee or its designee
3 makes the adjustment.”.

4 **SEC. 310. NOTICE REGARDING TOLLING AGREEMENTS AND**
5 **SUBPOENAS.**

6 (a) TOLLING AGREEMENTS.—Section 115(d)(1) of
7 the Federal Oil and Gas Royalty Management Act of 1982
8 (30 U.S.C. 1724(d)(1)) is amended by striking “(with no-
9 tice to the lessee who designated the designee)”.

10 (b) SUBPOENAS.—Section 115(d)(2)(A) of the Fed-
11 eral Oil and Gas Royalty Management Act of 1982 (30
12 U.S.C. 1724(d)(2)(A)) is amended by striking “(with no-
13 tice to the lessee who designated the designee, which notice
14 shall not constitute a subpoena to the lessee)”.

15 **SEC. 311. APPEALS AND FINAL AGENCY ACTION.**

16 Paragraphs (1) and (2) of section 115(h) the Federal
17 Oil and Gas Royalty Management Act of 1982 (30 U.S.C.
18 1724(h)) are amended by striking “33” each place it ap-
19 pears and inserting “48”.

20 **SEC. 312. ASSESSMENTS.**

21 Section 116 of the Federal Oil and Gas Royalty Man-
22 agement Act of 1982 (30 U.S.C. 1724) is repealed.

1 **SEC. 313. COLLECTION AND PRODUCTION ACCOUNT-**
2 **ABILITY.**

3 (a) PILOT PROJECT.—Within 2 years after the date
4 of enactment of this Act, the Secretary shall complete a
5 pilot project with willing operators of oil and gas leases
6 on the Outer Continental Shelf that assesses the costs and
7 benefits of automatic transmission of oil and gas volume
8 and quality data produced under Federal leases on the
9 Outer Continental Shelf in order to improve the produc-
10 tion verification systems used to ensure accurate royalty
11 collection and audit.

12 (b) REPORT.—The Secretary shall submit to Con-
13 gress a report on findings and recommendations of the
14 pilot project within 3 years after the date of enactment
15 of this Act.

16 **SEC. 314. NATURAL GAS REPORTING.**

17 The Secretary shall, within 180 days after the date
18 of enactment of this Act, implement the steps necessary
19 to ensure accurate determination and reporting of BTU
20 values of natural gas from all Federal oil and gas leases
21 to ensure accurate royalty payments to the United States.
22 Such steps shall include, but not be limited to—

23 (1) establishment of consistent guidelines for
24 onshore and offshore BTU information from gas
25 producers;

1 (2) development of a procedure to determine
2 the potential BTU variability of produced natural
3 gas on a by-reservoir or by-lease basis;

4 (3) development of a procedure to adjust BTU
5 frequency requirements for sampling and reporting
6 on a case-by-case basis;

7 (4) systematic and regular verification of BTU
8 information; and

9 (5) revision of the “MMS–2014” reporting
10 form to record, in addition to other information al-
11 ready required, the natural gas BTU values that
12 form the basis for the required royalty payments.

13 **SEC. 315. PENALTY FOR LATE OR INCORRECT REPORTING**
14 **OF DATA.**

15 (a) **IN GENERAL.**—The Secretary shall issue regula-
16 tions by not later than 1 year after the date of enactment
17 of this Act that establish a civil penalty for late or incor-
18 rect reporting of data under the Federal Oil and Gas Roy-
19 alty Management Act of 1982 (30 U.S.C. 1701 et seq.).

20 (b) **AMOUNT.**—The amount of the civil penalty shall
21 be—

22 (1) an amount (subject to paragraph (2)) that
23 the Secretary determines is sufficient to ensure filing
24 of data in accordance with that Act; and

1 (2) not less than \$10 for each failure to file
2 correct data in accordance with that Act.

3 (c) **CONTENT OF REGULATIONS.**—Except as provided
4 in subsection (b), the regulations issued under this section
5 shall be substantially similar to part 216.40 of title 30,
6 Code of Federal Regulations, as most recently in effect
7 before the date of enactment of this Act.

8 **SEC. 316. REQUIRED RECORDKEEPING.**

9 Within 1 year after the date of enactment of this Act,
10 the Secretary shall publish final regulations concerning re-
11 quired recordkeeping of natural gas measurement data as
12 set forth in part 250.1203 of title 30, Code of Federal
13 Regulations (as in effect on the date of enactment of this
14 Act), to include operators and other persons involved in
15 the transporting, purchasing, or selling of gas under the
16 requirements of that rule, under the authority provided
17 in section 103 of the Federal Oil and Gas Royalty Man-
18 agement Act of 1982 (30 U.S.C. 1713).

19 **SEC. 317. SHARED CIVIL PENALTIES.**

20 Section 206 of the Federal Oil and Gas Royalty Man-
21 agement Act of 1982 (30 U.S.C. 1736) is amended by
22 striking “Such amount shall be deducted from any com-
23 pensation due such State or Indian Tribe under section
24 202 or section 205 or such State under section 205.”.

1 **SEC. 318. APPLICABILITY TO OTHER MINERALS.**

2 Section 304 of the Federal Oil and Gas Royalty Man-
3 agement Act of 1982 (30 U.S.C. 1753) is amended by
4 adding at the end the following new subsection:

5 “(e) APPLICABILITY TO OTHER MINERALS.—

6 “(1) Notwithstanding any other provision of
7 law, sections 107, 109, and 110 of this Act and the
8 regulations duly promulgated with respect thereto
9 shall apply to any lease authorizing the development
10 of coal or any other solid mineral on any Federal
11 lands or Indian lands, to the same extent as if such
12 lease were an oil and gas lease, on the same terms
13 and conditions as those authorized for oil and gas
14 leases.

15 “(2) Notwithstanding any other provision of
16 law, sections 107, 109, and 110 of this Act and the
17 regulations duly promulgated with respect thereto
18 shall apply with respect to any lease, easement,
19 right-of-way, or other agreement, regardless of form
20 (including any royalty, rent, or other payment due
21 thereunder)—

22 “(A) under section 8(k) or 8(p) of the
23 Outer Continental Shelf Lands Act (43 U.S.C.
24 1337(k) and 1337(p)); or

25 “(B) under the Geothermal Steam Act (30
26 U.S.C. 1001 et seq.), to the same extent as if

1 such lease, easement, right-of-way, or other
2 agreement were an oil and gas lease on the
3 same terms and conditions as those authorized
4 for oil and gas leases.

5 “(3) For the purposes of this subsection, the
6 term ‘solid mineral’ means any mineral other than
7 oil, gas, and geo-pressured-geothermal resources,
8 that is authorized by an Act of Congress to be pro-
9 duced from public lands (as that term is defined in
10 section 103 of the Federal Land Policy and Manage-
11 ment Act of 1976 (43 U.S.C. 1702)).”.

12 **SEC. 319. ENTITLEMENTS.**

13 Not later than 180 days after the date of enactment
14 of this Act, the Secretary shall publish final regulations
15 prescribing when a Federal lessee or designee must report
16 and pay royalties on the volume of oil and gas it takes
17 under either a Federal or Indian lease or on the volume
18 to which it is entitled to based upon its ownership interest
19 in the Federal or Indian lease. The Secretary shall give
20 consideration to requiring 100 percent entitlement report-
21 ing and paying based upon the lease ownership.

22 **SEC. 320. LIMITATION ON ROYALTY IN-KIND PROGRAM.**

23 Section 36 of the Mineral Leasing Act (30 U.S.C.
24 192) is amended by inserting before the period at the end
25 of the first sentence the following: “, except that the Sec-

1 retary shall not conduct a regular program to take oil and
2 gas lease royalties in oil or gas”.

3 **SEC. 321. APPLICATION OF ROYALTY TO OIL THAT IS**
4 **SAVED, REMOVED, SOLD, OR DISCHARGED**
5 **UNDER OFFSHORE OIL AND GAS LEASES.**

6 Section 8(a) of the Outer Continental Shelf Lands
7 Act (43 U.S.C. 1337(a)) is further amended by adding
8 at the end the following new paragraph:

9 “(10)(A) Any royalty under a lease under this section
10 shall apply to all oil that is saved, removed, sold, or dis-
11 charged, without regard to whether any of the oil is un-
12 avoidably lost or used on, or for the benefit of, the lease.

13 “(B) In this paragraph the term ‘discharged’ means
14 any emission (other than natural seepage), intentional or
15 unintentional, and includes, but is not limited to, spilling,
16 leaking, pumping, pouring, emitting, emptying, or dump-
17 ing.”.

1 **TITLE IV—FULL FUNDING FOR**
2 **THE LAND AND WATER CON-**
3 **SERVATION AND HISTORIC**
4 **PRESERVATION FUNDS**

5 **Subtitle A—Land and Water**
6 **Conservation Fund**

7 **SEC. 401. AMENDMENTS TO THE LAND AND WATER CON-**
8 **SERVATION FUND ACT OF 1965.**

9 Except as otherwise expressly provided, whenever in
10 this subtitle an amendment or repeal is expressed in terms
11 of an amendment to, or repeal of, a section or other provi-
12 sion, the reference shall be considered to be made to a
13 section or other provision of the Land and Water Con-
14 servation Fund Act of 1965 (16 U.S.C. 460l–4 et seq.).

15 **SEC. 402. EXTENSION OF THE LAND AND WATER CON-**
16 **SERVATION FUND.**

17 Section 2 (16 U.S.C. 460l–5) is amended by striking
18 “September 30, 2015” both places it appears and insert-
19 ing “September 30, 2040”.

20 **SEC. 403. PERMANENT FUNDING.**

21 (a) IN GENERAL.—The text of section 3 (16 U.S.C.
22 460l–6) is amended to read as follows:

23 “(a) PERMANENT FUNDING.—Of the moneys covered
24 into the fund, \$900,000,000 shall be available each fiscal

1 year for expenditure for the purposes of this Act without
2 further appropriation.

3 “(b) ALLOCATION AUTHORITY.—The Committees on
4 Appropriations of the House of Representatives and the
5 Senate may provide by law for the allocation of moneys
6 in the fund to eligible activities under this Act.

7 “(c) RECREATIONAL ACCESS FUNDING.—Notwith-
8 standing subsection (b), not less than 1.5 percent of the
9 amounts made available under subsection (a) for each fis-
10 cal year shall be made available for projects that secure
11 recreational public access to Federal land under the juris-
12 diction of the Secretary of the Interior for hunting, fish-
13 ing, and other recreational purposes through easements,
14 rights-of-way, or fee title acquisitions, from willing sell-
15 ers.”.

16 (b) CONFORMING AMENDMENTS.—

17 (1) Section 2(c)(2) (16 U.S.C. 4601–5(c)(2)) is
18 amended by striking “: *Provided*” and all that fol-
19 lows through the end of the sentence and inserting
20 a period.

21 (2) Section 7(a) (16 U.S.C. 4601–9) is amended
22 to read as follows: “Moneys from the fund for Fed-
23 eral purposes shall, unless allocated pursuant to sec-
24 tion 3(b) of this Act, be allotted by the President to
25 the following purposes and subpurposes:”.

1 **Subtitle B—National Historic**
2 **Preservation Fund**

3 **SEC. 411. PERMANENT FUNDING.**

4 The text of section 108 of the National Historic Pres-
5 ervation Act (16 U.S.C. 470h) is amended to read as fol-
6 lows:

7 “(a) PERMANENT FUNDING.—To carry out the provi-
8 sions of this Act, there is hereby established the Historic
9 Preservation Fund (hereinafter referred to as the ‘fund’)
10 in the Treasury of the United States. There shall be cov-
11 ered into the fund \$150,000,000 for each of fiscal years
12 1982 through 2040 from revenues due and payable to the
13 United States under the Outer Continental Shelf Lands
14 Act (67 Stat. 462, 469), as amended (43 U.S.C. 1338)
15 and/or under the Act of June 4, 1920 (41 Stat. 813), as
16 amended (30 U.S.C.191), notwithstanding any provision
17 of law that such proceeds shall be credited to miscella-
18 neous receipts of the Treasury. Such moneys shall be used
19 only to carry out the purposes of this Act and shall be
20 available for expenditure without further appropriation.

21 “(b) ALLOCATION AUTHORITY.—The Committees on
22 Appropriations of the House of Representatives and the
23 Senate may provide by law for the allocation of moneys
24 in the fund to eligible activities under this Act.”.

1 **TITLE V—GULF OF MEXICO**
2 **RESTORATION**

3 **SEC. 501. GULF OF MEXICO RESTORATION PROGRAM.**

4 (a) PROGRAM.—There is established a Gulf of Mexico
5 Restoration Program for the purposes of coordinating
6 Federal, State, and local restoration programs and
7 projects to maximize efforts in restoring biological integ-
8 rity, productivity and ecosystem functions in the Gulf of
9 Mexico.

10 (b) GULF OF MEXICO RESTORATION TASK FORCE.—

11 (1) ESTABLISHMENT.—There is established a
12 task force to be known as the Gulf of Mexico Res-
13 toration Task Force (in this section referred to as
14 the “Restoration Task Force”).

15 (2) MEMBERSHIP.—The Restoration Task
16 Force shall consist of the Governors of each of the
17 Gulf Coast States and the heads of appropriate Fed-
18 eral agencies selected by the President. The chair-
19 person of the Restoration Task Force (in this sub-
20 section referred to as the “Chair”) shall be ap-
21 pointed by the President. The Chair shall be a per-
22 son who, as the result of experience and training, is
23 exceptionally well-qualified to manage the work of
24 the Restoration Task Force. The Chair shall serve
25 in the Executive Office of the President.

1 (3) ADVISORY COMMITTEES.—The Restoration
2 Task Force may establish advisory committees and
3 working groups as necessary to carry out its du-
4 ties under this Act.

5 (4) CITIZEN ADVISORY COUNCIL.—

6 (A) IN GENERAL.—The Gulf Coast Res-
7 toration Task Force shall create a Citizen Advi-
8 sory Council made up of individuals who—

9 (i) are local residents of the Gulf of
10 Mexico region;

11 (ii) are stakeholders who are not from
12 the oil and gas industry or scientific com-
13 munity;

14 (iii) include business owners, home-
15 owners, and local decisionmakers; and

16 (iv) are a balanced representation geo-
17 graphically and in diversity among the in-
18 terests of its members.

19 (B) FUNCTION.—The Council shall provide
20 recommendations to the Task Force regarding
21 its work.

22 (c) GULF OF MEXICO RESTORATION PLAN.—

23 (1) IN GENERAL.—Not later than nine months
24 after the date of enactment of this Act, the Restora-
25 tion Task Force shall issue a proposed comprehen-

1 sive, multi-jurisdictional plan for long-term restora-
2 tion of the Gulf of Mexico that incorporates, to the
3 greatest extent possible, existing restoration plans.
4 Not later than 12 months after the date of enact-
5 ment and after notice and opportunity for public
6 comment, the Restoration Task Force shall publish
7 a final plan. The Plan shall be updated every five
8 years in the same manner.

9 (2) ELEMENTS OF RESTORATION PLAN.—The
10 Plan shall—

11 (A) identify processes and strategies for
12 coordinating Federal, State, and local restora-
13 tion programs and projects to maximize efforts
14 in restoring biological integrity, productivity
15 and ecosystem functions in the Gulf of Mexico
16 region;

17 (B) identify mechanisms for scientific re-
18 view and input to evaluate the benefits and
19 long-term effectiveness of restoration programs
20 and projects;

21 (C) identify, using the best science avail-
22 able, strategies for implementing restoration
23 programs and projects for natural resources in-
24 cluding—

1 (i) restoring species population and
2 habitat including oyster reefs, sea grass
3 beds, coral reefs, tidal marshes and other
4 coastal wetlands and barrier islands and
5 beaches;

6 (ii) restoring fish passage and improv-
7 ing migratory pathways for wildlife;

8 (iii) research that directly supports
9 restoration programs and projects;

10 (iv) restoring the biological produc-
11 tivity and ecosystem function in the Gulf
12 of Mexico region;

13 (v) improving the resilience of natural
14 resources to withstand the impacts of cli-
15 mate change and ocean acidification to en-
16 sure the long-term effectiveness of the res-
17 toration program; and

18 (vi) restoring fisheries resources in
19 the Gulf of Mexico that benefit the com-
20 mercial and recreational fishing industries
21 and seafood processing industries through-
22 out the United States.

23 (3) REPORT.—The Task Force shall annually
24 provide a report to Congress about the progress in
25 implementing the Plan.

1 (d) DEFINITIONS.—For purposes of this section, the
2 term—

3 (1) “Gulf Coast State” means each of the
4 States of Texas, Louisiana, Mississippi, Alabama,
5 and Florida; and

6 (2) “restoration programs and projects” means
7 activities that support the restoration, rehabilitation,
8 replacement, or acquisition of the equivalent, of in-
9 jured or lost natural resources including the ecologi-
10 cal services and benefits provided by such resources.

11 (e) RELATIONSHIP TO OTHER LAW.—Nothing in this
12 section affects the ability or authority of the Federal Gov-
13 ernment to recover costs of removal or damages from a
14 person determined to be a responsible party pursuant to
15 the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.)
16 or other law.

17 **SEC. 502. GULF OF MEXICO LONG-TERM ENVIRONMENTAL**
18 **MONITORING AND RESEARCH PROGRAM.**

19 (a) IN GENERAL.—To ensure that the Federal Gov-
20 ernment has independent, peer-reviewed scientific data
21 and information to assess long-term direct and indirect
22 impacts on trust resources located in the Gulf of Mexico
23 and Southeast region resulting from the Deepwater Hori-
24 zon oil spill, the Secretary, through the National Oceanic
25 and Atmospheric Administration, shall establish as soon

1 as practicable after the date of enactment of this Act, a
2 long-term, comprehensive marine environmental moni-
3 toring and research program for the marine and coastal
4 environment of the Gulf of Mexico. The program shall re-
5 main in effect for a minimum of 10 years, and the Sec-
6 retary may extend the program beyond this initial period
7 based upon a determination that additional monitoring
8 and research is warranted.

9 (b) SCOPE OF PROGRAM.—The program established
10 under subsection (a) shall at a minimum include moni-
11 toring and research of the physical, chemical, and biologi-
12 cal characteristics of the affected marine, coastal, and es-
13 tuarine areas of the Gulf of Mexico and other regions of
14 the exclusive economic zone of the United States affected
15 by the Deepwater Horizon oil spill, and shall include spe-
16 cifically the following elements:

17 (1) The fate, transport, and persistence of oil
18 released during the spill and spatial distribution
19 throughout the water column.

20 (2) The fate, transport, and persistence of
21 chemical dispersants applied in-situ or on surface
22 waters.

23 (3) Identification of lethal and sub-lethal im-
24 pacts to fish and wildlife resources that utilize habi-
25 tats located within the affected region.

1 (4) Impacts to regional, State, and local econo-
2 mies that depend on the natural resources of the af-
3 fected area, including commercial and recreational
4 fisheries, and other wildlife-dependent recreation.

5 (5) Other elements considered necessary by the
6 Secretary to ensure a comprehensive marine re-
7 search and monitoring program to comprehend and
8 understand the implications to trust resources
9 caused by the Deepwater Horizon oil spill.

10 (c) COOPERATION AND CONSULTATION.—In devel-
11 oping the research and monitoring program established
12 under subsection (a), the Secretary shall cooperate with
13 the United States Geological Survey, and shall consult
14 with—

15 (1) the Council authorized under subtitle E of
16 title II of Public Law 104–201;

17 (2) appropriate representatives from the Gulf
18 Coast States;

19 (3) academic institutions and other research or-
20 ganizations; and

21 (4) other experts with expertise in long-term
22 environmental monitoring and research of the ma-
23 rine environment.

24 (d) AVAILABILITY OF DATA.—Data and information
25 generated through the program established under sub-

1 section (a) shall be managed and archived to ensure that
2 it is accessible and available to governmental and non-
3 governmental personnel and to the general public for their
4 use and information.

5 (e) REPORT.—No later than 1 year after the estab-
6 lishment of the program under subsection (a), and bienni-
7 ally thereafter, the Secretary shall forward to the Con-
8 gress a comprehensive report summarizing the activities
9 and findings of the program and detailing areas and issues
10 requiring future monitoring and research.

11 (f) DEFINITIONS.—For the purposes of this section,
12 the term—

13 (1) “trust resources” means the living and non-
14 living natural resources belonging to, managed by,
15 held in trust by, appertaining to, or otherwise con-
16 trolled by the United States, any State, an Indian
17 tribe, or a local government;

18 (2) “Gulf coast State” means each of the states
19 of Texas, Louisiana, Mississippi, Alabama and Flor-
20 ida; and

21 (3) “Secretary” means the Secretary of Com-
22 merce.

1 **SEC. 503. GULF OF MEXICO EMERGENCY MIGRATORY SPE-**
2 **CIES ALTERNATIVE HABITAT PROGRAM.**

3 (a) IN GENERAL.—In order to reduce the injury or
4 death of many populations of migratory species of fish and
5 wildlife, including threatened and endangered species and
6 other species of critical conservation concern, that utilize
7 estuarine, coastal, and marine habitats of the Gulf of Mex-
8 ico that have been impacted, or are likely to be impacted,
9 by the Deepwater Horizon oil spill, and to ensure that mi-
10 gratory species upon their annual return to the Gulf of
11 Mexico find viable, healthy, and environmentally-safe habi-
12 tats to utilize for resting, feeding, nesting and roosting,
13 and breeding, the Secretary of the Interior shall establish
14 as soon as practicable after date of enactment of this Act,
15 an emergency migratory species alternative habitat pro-
16 gram.

17 (b) SCOPE OF PROGRAM.—The program established
18 under subsection (a) shall at a minimum support projects
19 along the Northern coast of the Gulf of Mexico to—

- 20 (1) improve wetland water quality and forage;
- 21 (2) restore and refurbish diked impoundments;
- 22 (3) improve riparian habitats to increase fish
23 passage and breeding habitat;
- 24 (4) encourage conversion of agricultural lands
25 to provide alternative migratory habitat for water
26 fowl and other migratory birds;

1 (5) transplant, relocate, or rehabilitate fish and
2 wildlife; and

3 (6) conduct other activities considered nec-
4 essary by the Secretary to ensure that migratory
5 species have alternative habitat available for their
6 use outside of habitat impacted by the oil spill.

7 (c) NATIONAL FISH AND WILDLIFE FOUNDATION.—
8 In implementing this section the Secretary may enter into
9 an agreement with the National Fish and Wildlife Foun-
10 dation to administer the program.

11 **SEC. 504. GULF OF MEXICO RESTORATION ACCOUNT.**

12 (a) ESTABLISHMENT OF SPECIAL ACCOUNT.—There
13 is established in the Treasury of the United States a sepa-
14 rate account to be known as the “Gulf of Mexico Restora-
15 tion Account”.

16 (b) FUNDING.—The Gulf of Mexico Restoration Ac-
17 count shall consist of such amounts as may be appro-
18 priated or credited to such Account by section 311A of
19 the Federal Water Pollution Control Act.

20 (c) EXPENDITURES.—Amounts in the Gulf of Mexico
21 Restoration Account shall be available, as provided in ap-
22 propriations Acts, to carry out projects, programs, and ac-
23 tivities as recommended by the Gulf of Mexico Restoration
24 Task Force established in this title.

1 (d) AMENDMENT TO THE FEDERAL WATER POLLU-
2 TION CONTROL ACT.—

3 (1) IN GENERAL.—Title III of the Federal
4 Water Pollution Control Act is amended by inserting
5 after section 311 the following:

6 **“SEC. 311A. ADDITIONAL PENALTIES FOR LARGE SPILLS IN**
7 **THE GULF OF MEXICO.**

8 “(a) IN GENERAL.—In the case of an offshore facility
9 from which more than 1,000,000 barrels of oil or a haz-
10 ardous substance is discharged into the Gulf of Mexico
11 in violation of section 311(b)(3), any person who is the
12 owner or operator of the facility shall be subject to a civil
13 penalty of \$200,000,000 for each 1,000,000 barrels dis-
14 charged.

15 “(b) RELATIONSHIP TO OTHER PENALTIES.—The
16 civil penalty under subsection (a) shall be in addition to
17 any other penalties to which the owner or operator of the
18 facility is subject, including those under section 311.”.

19 (2) EFFECTIVE DATE.—The amendment made
20 by paragraph (1) takes effect on April 1, 2010.

21 **TITLE VI—COORDINATION AND**
22 **PLANNING**

23 **SEC. 601. REGIONAL COORDINATION.**

24 (a) IN GENERAL.—The purpose of this title is to pro-
25 mote—

1 (1) better coordination, communication, and
2 collaboration between Federal agencies with authori-
3 ties for ocean, coastal, and Great Lakes manage-
4 ment; and

5 (2) coordinated and collaborative regional plan-
6 ning efforts using the best available science, and to
7 ensure the protection and maintenance of marine
8 ecosystem health, in decisions affecting the sustain-
9 able development and use of Federal renewable and
10 nonrenewable resources on, in, or above the ocean
11 (including the Outer Continental Shelf) and the
12 Great Lakes for the long-term economic and envi-
13 ronmental benefit of the United States.

14 (b) OBJECTIVES OF REGIONAL EFFORTS.—Such re-
15 gional efforts shall achieve the following objectives:

16 (1) Greater systematic communication and co-
17 ordination among Federal, coastal State, and af-
18 fected tribal governments concerned with the con-
19 servation of and the sustainable development and
20 use of Federal renewable and nonrenewable re-
21 sources of the oceans, coasts, and Great Lakes.

22 (2) Greater reliance on a multiobjective,
23 science- and ecosystem-based, spatially explicit man-
24 agement approach that integrates regional economic,
25 ecological, affected tribal, and social objectives into

1 ocean, coastal, and Great Lakes management deci-
2 sions.

3 (3) Identification and prioritization of shared
4 State and Federal ocean, coastal, and Great Lakes
5 management issues.

6 (4) Identification of data and information need-
7 ed by the Regional Coordination Councils established
8 under section 602.

9 (c) REGIONS.—There are hereby designated the fol-
10 lowing Coordination Regions:

11 (1) PACIFIC REGION.—The Pacific Coordination
12 Region, which shall consist of the coastal waters and
13 Exclusive Economic Zone adjacent to the States of
14 Washington, Oregon, and California.

15 (2) GULF OF MEXICO REGION.—The Gulf of
16 Mexico Coordination Region, which shall consist of
17 the coastal waters and Exclusive Economic Zone ad-
18 jacent to the States of Texas, Louisiana, Mississippi,
19 and Alabama, and the west coast of Florida.

20 (3) NORTH ATLANTIC REGION.—The North At-
21 lantic Coordination Region, which shall consist of
22 the coastal waters and Exclusive Economic Zone ad-
23 jacent to the States of Maine, New Hampshire, Mas-
24 sachusetts, Rhode Island, and Connecticut.

1 (4) MID ATLANTIC REGION.—The Mid Atlantic
2 Coordination Region, which shall consist of the
3 coastal waters and Exclusive Economic Zone adja-
4 cent to the States of New York, New Jersey, Penn-
5 sylvania, Delaware, Maryland, and Virginia.

6 (5) SOUTH ATLANTIC REGION.—The South At-
7 lantic Coordination Region, which shall consist of
8 the coastal waters and Exclusive Economic Zone ad-
9 jacent to the States of North Carolina, South Caro-
10 lina, Georgia, the east coast of Florida, and the
11 Straits of Florida Planning Area.

12 (6) ALASKA REGION.—The Alaska Coordination
13 Region, which shall consist of the coastal waters and
14 Exclusive Economic Zone adjacent to the State of
15 Alaska.

16 (7) PACIFIC ISLANDS REGION.—The Pacific Is-
17 lands Coordination Region, which shall consist of the
18 coastal waters and Exclusive Economic Zone adja-
19 cent to the State of Hawaii, the Commonwealth of
20 the Northern Mariana Islands, American Samoa,
21 and Guam.

22 (8) CARIBBEAN REGION.—The Caribbean Co-
23 ordination Region, which shall consist of the coastal
24 waters and Exclusive Economic Zone adjacent to
25 Puerto Rico and the United States Virgin Islands.

1 (9) GREAT LAKES REGION.—The Great Lakes
2 Coordination Region, which shall consist of waters of
3 the Great Lakes in the States of Illinois, Indiana,
4 Michigan, Minnesota, New York, Ohio, Pennsyl-
5 vania, and Wisconsin.

6 **SEC. 602. REGIONAL COORDINATION COUNCILS.**

7 (a) IN GENERAL.—Within 180 days after the date
8 of enactment of this Act, the Chairman of the Council on
9 Environmental Quality, in consultation with the affected
10 coastal States and affected Indian tribes, shall establish
11 or designate a Regional Coordination Council for each of
12 the Coordination Regions designated by section 601(c).

13 (b) MEMBERSHIP.—

14 (1) FEDERAL REPRESENTATIVES.—Within 90
15 days after the date of enactment of this Act, the
16 Chairman of the Council on Environmental Quality
17 shall publish the titles of the officials of each Fed-
18 eral agency and department that shall participate in
19 each Council. The Councils shall include representa-
20 tives of each Federal agency and department that
21 has authorities related to the development of ocean,
22 coastal, or Great Lakes policies or engages in plan-
23 ning, management, or scientific activities that sig-
24 nificantly affect or inform the use of ocean, coastal,
25 or Great Lakes resources. The Chairman of the

1 Council on Environmental Quality shall determine
2 which Federal agency representative shall serve as
3 the chairperson of each Council.

4 (2) COASTAL STATE REPRESENTATIVES.—

5 (A) NOTICE OF INTENT TO PARTICI-
6 PATE.—The Governor of each coastal State
7 within each Coordination Region designated by
8 section 601(c) shall within 3 months after the
9 date of enactment of this Act, inform the Chair-
10 man of the Council on Environmental Quality
11 whether or not the State intends to participate
12 in the Regional Coordination Council for the
13 Region.

14 (B) APPOINTMENT OF RESPONSIBLE
15 STATE OFFICIAL.—If a coastal State intends to
16 participate in such Council, the Governor of the
17 coastal State shall appoint an officer or em-
18 ployee of the coastal State agency with primary
19 responsibility for overseeing ocean and coastal
20 policy or resource management to that Council.

21 (C) ALASKA REGIONAL COORDINATION
22 COUNCIL.—The Regional Coordination Council
23 for the Alaska Coordination Region shall in-
24 clude representation from each of the States of
25 Alaska, Washington, and Oregon, if appointed

1 by the Governor of that State in accordance
2 with this paragraph.

3 (3) REGIONAL FISHERY MANAGEMENT COUNCIL
4 REPRESENTATION.—A representative of each Re-
5 gional Fishery Management Council with jurisdiction
6 in the Coordination Region of a Regional Coordina-
7 tion Council (who is selected by the Regional Fish-
8 ery Management Council) and the executive director
9 of the interstate marine fisheries commission with
10 jurisdiction in the Coordination Region of a Regional
11 Coordination Council shall each serve as a member
12 of the Council.

13 (4) REGIONAL OCEAN PARTNERSHIP REP-
14 RESENTATION.—A representative of any Regional
15 Ocean Partnership that has been established for any
16 part of the Coordination Region of a Regional Co-
17 ordination Council may appoint a representative to
18 serve on the Council in addition to any Federal or
19 State appointments.

20 (5) TRIBAL REPRESENTATION.—An appropriate
21 tribal official selected by affected Indian tribes situ-
22 ated in the affected Coordination Region may elect
23 to appoint a representative of such tribes collectively
24 to serve as a member of the Regional Coordination
25 Council for that Region.

1 (6) LOCAL REPRESENTATION.—The Chairman
2 of the Council on Environmental Quality shall, in
3 consultation with the Governors of the coastal States
4 within each Coordination Region, identify and ap-
5 point representatives of county and local govern-
6 ments, as appropriate, to serve as members of the
7 Regional Coordination Council for that Region.

8 (c) ADVISORY COMMITTEE.—Each Regional Coordi-
9 nation Council shall establish advisory committees for the
10 purposes of public and stakeholder input and scientific ad-
11 vice, made up of a balanced representation from the en-
12 ergy, shipping, transportation, commercial and rec-
13 reational fishing, and recreation industries, from marine
14 environmental nongovernmental organizations, and from
15 scientific and educational authorities with expertise in the
16 conservation and management of ocean, coastal, and
17 Great Lakes resources to advise the Council during the
18 development of Regional Assessments and Regional Stra-
19 tegic Plans and in its other activities.

20 (d) COORDINATION WITH EXISTING PROGRAMS.—
21 Each Regional Coordination Council shall build upon and
22 complement current State, multistate, and regional capac-
23 ity and governance and institutional mechanisms to man-
24 age and protect ocean waters, coastal waters, and ocean
25 resources.

1 **SEC. 603. REGIONAL STRATEGIC PLANS.**

2 (a) INITIAL REGIONAL ASSESSMENT.—

3 (1) IN GENERAL.—Each Regional Coordination
4 Council, shall, within one year after the date of en-
5 actment of this Act, prepare an initial assessment of
6 its Coordination Region that shall identify defi-
7 ciencies in data and information necessary to in-
8 formed decisionmaking by Federal, State, and af-
9 fected tribal governments concerned with the con-
10 servation of and management of the oceans, coasts,
11 and Great Lakes. Each initial assessment shall to
12 the extent feasible—

13 (A) identify the Coordination Region’s re-
14 newable and non renewable resources, including
15 current and potential energy resources, except
16 for the assessment for the Great Lakes Coordi-
17 nation Region, for which the Regional Coordi-
18 nation Council for such Coordination Region
19 shall only identify the Great Lakes Coordina-
20 tion Region’s renewable energy resources, in-
21 cluding current and potential renewable energy
22 resources;

23 (B) identify and include a spatially and
24 temporally explicit inventory of existing and po-
25 tential uses of the Coordination Region, includ-

1 ing fishing and fish habitat, recreation, and en-
2 ergy development;

3 (C) document the health and relative envi-
4 ronmental sensitivity of the marine ecosystem
5 within the Coordination Region, including a
6 comprehensive survey and status assessment of
7 species, habitats, and indicators of ecosystem
8 health;

9 (D) identify marine habitat types and im-
10 portant ecological areas within the Coordination
11 Region;

12 (E) assess the Coordination Region's ma-
13 rine economy and cultural attributes and in-
14 clude regionally-specific ecological and socio-
15 economic baseline data;

16 (F) identify and prioritize additional sci-
17 entific and economic data necessary to inform
18 the development of Strategic Plans; and

19 (G) include other information to improve
20 decision making as determined by the Regional
21 Coordination Council.

22 (2) DATA.—Each initial assessment shall—

23 (A) use the best available data;

24 (B) collect and provide data in a spatially
25 explicit manner wherever practicable and pro-

1 vide such data to the interagency comprehensive
2 digital mapping initiative as described in section
3 2 of Public Law 109–58 (42 U.S.C. 15801);
4 and

5 (C) make publicly available any such data
6 that is not classified information.

7 (3) PUBLIC PARTICIPATION.—Each Regional
8 Coordination Council shall provide adequate oppor-
9 tunity for review and input by stakeholders and the
10 general public during the preparation of the initial
11 assessment and any revised assessments.

12 (b) REGIONAL STRATEGIC PLANS.—

13 (1) REQUIREMENT.—Each Regional Coordina-
14 tion Council shall, within 3 years after the comple-
15 tion of the initial regional assessment, prepare and
16 submit to the Chairman of the Council on Environ-
17 mental Quality a multiobjective, science- and eco-
18 system-based, spatially explicit, integrated Strategic
19 Plan in accordance with this subsection for the
20 Council’s Coordination Region.

21 (2) OBJECTIVE AND GOALS.—The objective of
22 the Strategic Plans under this subsection shall be to
23 foster comprehensive, integrated, and sustainable de-
24 velopment and use of ocean, coastal, and Great
25 Lakes resources, while protecting marine ecosystem

1 health and sustaining the long-term economic and
2 ecosystem values of the oceans, coasts, and Great
3 Lakes.

4 (3) CONTENTS.—Each Strategic Plan prepared
5 by a Regional Coordination Council shall—

6 (A) be based on the initial regional assess-
7 ment and updates for the Coordination Region
8 under subsections (a) and (c), respectively;

9 (B) foster the sustainable and integrated
10 development and use of ocean, coastal, and
11 Great Lakes resources in a manner that pro-
12 tects the health of marine ecosystems;

13 (C) identify areas with potential for siting
14 and developing renewable and nonrenewable en-
15 ergy resources in the Coordination Region cov-
16 ered by the Strategic Plan, except for the Stra-
17 tegic Plan for the Great Lakes Coordination
18 Region which shall identify only areas with po-
19 tential for siting and developing renewable en-
20 ergy resources in the Great Lakes Coordination
21 Region;

22 (D) identify other current and potential
23 uses of the ocean and coastal resources in the
24 Coordination Region;

1 (E) identify and recommend long-term
2 monitoring needs for ecosystem health and so-
3 cioeconomic variables within the Coordination
4 Region covered by the Strategic Plan;

5 (F) identify existing State and Federal
6 regulating authorities within the Coordination
7 Region covered by the Strategic Plan and meas-
8 ures to assist those authorities in carrying out
9 their responsibilities;

10 (G) identify best available technologies to
11 minimize adverse environmental impacts and
12 use conflicts in the development of ocean and
13 coastal resources in the Coordination Region;

14 (H) identify additional research, informa-
15 tion, and data needed to carry out the Strategic
16 Plan;

17 (I) identify performance measures and
18 benchmarks for purposes of fulfilling the re-
19 sponsibilities under this section to be used to
20 evaluate the Strategic Plan's effectiveness;

21 (J) define responsibilities and include an
22 analysis of the gaps in authority, coordination,
23 and resources, including funding, that must be
24 filled in order to fully achieve those perform-
25 ance measures and benchmarks; and

1 (K) include such other information at the
2 Chairman of the Council on Environmental
3 Quality determines is appropriate.

4 (4) PUBLIC PARTICIPATION.—Each Regional
5 Coordination Council shall provide adequate oppor-
6 tunities for review and input by stakeholders and the
7 general public during the development of the Stra-
8 tegic Plan and any Strategic Plan revisions.

9 (c) UPDATED REGIONAL ASSESSMENTS.—Each Re-
10 gional Coordination Council shall update the initial re-
11 gional assessment prepared under subsection (a) in coordi-
12 nation with each Strategic Plan revision under subsection
13 (e), to provide more detailed information regarding the re-
14 quired elements of the assessment and to include any rel-
15 evant new information that has become available in the
16 interim.

17 (d) REVIEW AND APPROVAL.—

18 (1) COMMENCEMENT OF REVIEW.—Within 10
19 days after receipt of a Strategic Plan under this sec-
20 tion, or any revision to such a Strategic Plan, from
21 a Regional Coordination Council, the Chairman of
22 the Council of Environmental Quality shall com-
23 mence a review of the Strategic Plan or the revised
24 Strategic Plan, respectively.

1 (2) PUBLIC NOTICE AND COMMENT.—Imme-
2 diately after receipt of such a Strategic Plan or revi-
3 sion, the Chairman of the Council of Environmental
4 Quality shall publish the Strategic Plan or revision
5 in the Federal Register and provide an opportunity
6 for the submission of public comment for a 90-day
7 period beginning on the date of such publication.

8 (3) REQUIREMENTS FOR APPROVAL.—Before
9 approving a Strategic Plan, or any revision to a
10 Strategic Plan, the Chairman of the Council on En-
11 vironmental Quality must find that the Strategic
12 Plan or revision—

13 (A) complies with subsection (b); and

14 (B) complies with the purposes of this title
15 as identified in section 601(a) and the objec-
16 tives identified in section 601(b).

17 (4) DEADLINE FOR COMPLETION.—Within 180
18 days after the receipt of a Strategic Plan, or a revi-
19 sion to a Strategic Plan, the Chairman of the Coun-
20 cil of Environmental Quality shall approve or dis-
21 approve the Strategic Plan or revision. If the Chair-
22 man disapproves the Strategic Plan or revision, the
23 Chairman shall transmit to the Regional Coordina-
24 tion Council that submitted the Strategic Plan or re-
25 vision, an identification of the deficiencies and rec-

1 ommendations to improve it. The Council shall sub-
2 mit a revised Strategic Plan or revision to such plan
3 with 180 days after receiving the recommendations
4 from the Chairman.

5 (e) PLAN REVISION.—Each Strategic Plan shall be
6 reviewed and revised by the relevant Regional Coordina-
7 tion Council at least once every 5 years. Such review and
8 revision shall be based on the most recently updated re-
9 gional assessment. Any proposed revisions to the Strategic
10 Plan shall be submitted to the Chairman of the Council
11 on Environmental Quality for review and approval pursu-
12 ant to this section.

13 **SEC. 604. REGULATIONS AND SAVINGS CLAUSE.**

14 (a) REGULATIONS.—The Chairman of the Council on
15 Environmental Quality may issue such regulations as the
16 Chairman considers necessary to implement sections 601
17 through 603.

18 (b) SAVINGS CLAUSE.—Nothing in this title shall be
19 construed to affect existing authorities under Federal law.

20 **SEC. 605. OCEAN RESOURCES CONSERVATION AND ASSIST-**
21 **ANCE FUND.**

22 (a) ESTABLISHMENT.—

23 (1) IN GENERAL.—There is established in the
24 Treasury of the United States a separate account to

1 be known as the Ocean Resources Conservation and
2 Assistance Fund.

3 (2) CREDITS.—The ORCA Fund shall be cred-
4 ited with amounts as specified in section 9 of the
5 Outer Continental Shelf Lands Act (43 U.S.C.
6 1338), as amended by section 207 of this Act.

7 (3) ALLOCATION OF THE ORCA FUND.—Of the
8 amounts appropriated from the ORCA Fund each
9 fiscal year—

10 (A) 70 percent shall be allocated to the
11 Secretary, of which—

12 (i) one-half shall be used to make
13 grants to coastal States and affected In-
14 dian tribes under subsection (b); and

15 (ii) one-half shall be used for the
16 ocean, coastal, and Great Lakes grants
17 program established by subsection (c);

18 (B) 20 percent shall be allocated to the
19 Secretary to carry out the purposes of sub-
20 section (e); and

21 (C) 10 percent shall be allocated to the
22 Secretary to make grants to Regional Ocean
23 Partnerships under subsection (d) and the Re-
24 gional Coordination Councils established under
25 section 602.

1 (4) PROCEDURES.—The Secretary shall estab-
2 lish application, review, oversight, financial account-
3 ability, and performance accountability procedures
4 for each grant program for which funds are allo-
5 cated under this subsection.

6 (b) GRANTS TO COASTAL STATES.—

7 (1) GRANT AUTHORITY.—The Secretary may
8 use amounts allocated under subsection
9 (a)(3)(A)(I)(I) to make grants to—

10 (A) coastal States pursuant to the formula
11 established under section 306(c) of the Coastal
12 Zone Management Act of 1972 (16 U.S.C.
13 1455(c)); and

14 (B) affected Indian tribes based on and
15 proportional to any specific coastal and ocean
16 management authority granted to an affected
17 tribe pursuant to affirmation of a Federal re-
18 served right.

19 (2) ELIGIBILITY.—To be eligible to receive a
20 grant under this subsection, a coastal State or af-
21 fected Indian tribe must prepare and revise a 5-year
22 plan and annual work plans that—

23 (A) demonstrate that activities for which
24 the coastal State or affected Indian tribe will
25 use the funds are consistent with the eligible

1 uses of the Fund described in subsection (f);
2 and

3 (B) provide mechanisms to ensure that
4 funding is made available to government, non-
5 government, and academic entities to carry out
6 eligible activities at the county and local level.

7 (3) APPROVAL OF STATE AND AFFECTED TRIB-
8 AL PLANS.—

9 (A) IN GENERAL.—Plans required under
10 paragraph (2) must be submitted to and ap-
11 proved by the Secretary.

12 (B) PUBLIC INPUT AND COMMENT.—In de-
13 termining whether to approve such plans, the
14 Secretary shall provide opportunity for, and
15 take into consideration, public input and com-
16 ment on the plans from stakeholders and the
17 general public.

18 (5) ENERGY PLANNING GRANTS.—For each of
19 the fiscal years 2011 through 2015, the Secretary
20 may use funds allocated for grants under this sub-
21 section to make grants to coastal States and affected
22 tribes under section 320 of the Coastal Zone Man-
23 agement Act of 1972 (16 U.S.C. 1451 et seq.), as
24 amended by this Act.

1 (6) USE OF FUNDS.—Any amounts provided as
2 a grant under this subsection, other than as a
3 grants under paragraph (5), may only be used for
4 activities described in subsection (f).

5 (c) OCEAN AND COASTAL COMPETITIVE GRANTS
6 PROGRAM.—

7 (1) ESTABLISHMENT.—The Secretary shall use
8 amounts allocated under subsection (a)(3)(A)(I)(II)
9 to make competitive grants for conservation and
10 management of ocean, coastal, and Great Lakes eco-
11 systems and marine resources.

12 (2) OCEAN, COASTAL, AND GREAT LAKES RE-
13 VIEW PANEL.—

14 (A) IN GENERAL.—The Secretary shall es-
15 tablish an Ocean, Coastal, and Great Lakes Re-
16 view Panel (in this subsection referred to as the
17 “Panel”), which shall consist of 12 members
18 appointed by the Secretary with expertise in the
19 conservation and management of ocean, coastal,
20 and Great Lakes ecosystems and marine re-
21 sources. In appointing members to the Council,
22 the Secretary shall include a balanced diversity
23 of representatives of relevant Federal agencies,
24 the private sector, nonprofit organizations, and
25 academia.

1 (B) FUNCTIONS.—The Panel shall—

2 (i) review, in accordance with the pro-
3 cedures and criteria established under
4 paragraph (3), grant applications under
5 this subsection;

6 (ii) make recommendations to the
7 Secretary regarding which grant applica-
8 tions should be funded and the amount of
9 each grant; and

10 (iii) establish any specific require-
11 ments, conditions, or limitations on a grant
12 application recommended for funding.

13 (3) PROCEDURES AND ELIGIBILITY CRITERIA
14 FOR GRANTS.—

15 (A) IN GENERAL.—The Secretary shall es-
16 tablish—

17 (i) procedures for applying for a grant
18 under this subsection and criteria for eval-
19 uating applications for such grants; and

20 (ii) criteria, in consultation with the
21 Panel, to determine what persons are eligi-
22 ble for grants under the program.

23 (B) ELIGIBLE PERSONS.—Persons eligible
24 under the criteria under subparagraph (A)(ii)
25 shall include Federal, State, affected tribal, and

1 local agencies, fishery or wildlife management
2 organizations, nonprofit organizations, and aca-
3 demic institutions.

4 (4) APPROVAL OF GRANTS.—In making grants
5 under this subsection the Secretary shall give the
6 highest priority to the recommendations of the
7 Panel. If the Secretary disapproves a grant rec-
8 ommended by the Panel, the Secretary shall explain
9 that disapproval in writing.

10 (5) USE OF GRANT FUNDS.—Any amounts pro-
11 vided as a grant under this subsection may only be
12 used for activities described in subsection (f).

13 (d) GRANTS TO REGIONAL OCEAN PARTNERSHIPS.—

14 (1) GRANT AUTHORITY.—The Secretary may
15 use amounts allocated under subsection (a)(3)(A)(iii)
16 to make grants to Regional Ocean Partnerships.

17 (2) ELIGIBILITY.—In order to be eligible to re-
18 ceive a grant, a Regional Ocean Partnership must
19 prepare and annually revise a plan that—

20 (A) identifies regional science and informa-
21 tion needs, regional goals and priorities, and
22 mechanisms for facilitating coordinated and col-
23 laborative responses to regional issues;

24 (B) establishes a process for coordinating
25 and collaborating with the Regional Coordina-

1 tion Councils established under section 602 to
2 address regional issues and information needs
3 and achieve regional goals and priorities; and

4 (C) demonstrates that activities to be car-
5 ried out with such funds are eligible uses of the
6 funds identified in subsection (f).

7 (3) APPROVAL BY SECRETARY.—Such plans
8 must be submitted to and approved by the Sec-
9 retary.

10 (4) PUBLIC INPUT AND COMMENT.—In deter-
11 mining whether to approve such plans, the Secretary
12 shall provide opportunity for, and take into consider-
13 ation, input and comment on the plans from stake-
14 holders and the general public.

15 (5) USE OF FUNDS.—Any amounts provided as
16 a grant under this subsection may only be used for
17 activities described in subsection (f).

18 (e) LONG-TERM OCEAN AND COASTAL OBSERVA-
19 TIONS.—

20 (1) IN GENERAL.—The Secretary shall use the
21 amounts allocated under subsection (a)(3)(A)(ii) to
22 build, operate, and maintain the system established
23 under section 12304 of Public Law 111–11 (33
24 U.S.C. 3603), in accordance with the purposes and
25 policies for which the system was established.

1 (2) ADMINISTRATION OF FUNDS.—The Sec-
2 retary shall administer and distribute funds under
3 this subsection based upon comprehensive system
4 budgets adopted by the Council referred to in section
5 12304(c)(1)(A) of the Integrated Coastal and Ocean
6 Observation System Act of 2009 (33 U.S.C.
7 3603(c)(1)(A)).

8 (f) ELIGIBLE USE OF FUNDS.—Any funds made
9 available under this section may only be used for activities
10 that contribute to the conservation, protection, mainte-
11 nance, and restoration of ocean, coastal, and Great Lakes
12 ecosystems in a manner that is consistent with Federal
13 environmental laws and that avoids environmental deg-
14 radation, including—

15 (1) activities to conserve, protect, maintain, and
16 restore coastal, marine, and Great Lakes ecosystem
17 health;

18 (2) activities to protect marine biodiversity and
19 living marine and coastal resources and their habi-
20 tats, including fish populations;

21 (3) the development and implementation of
22 multiobjective, science- and ecosystem-based plans
23 for monitoring and managing the wide variety of
24 uses affecting ocean, coastal, and Great Lakes eco-

1 systems and resources that consider cumulative im-
2 pacts and are spatially explicit where appropriate;

3 (4) activities to improve the resiliency of those
4 ecosystems;

5 (5) activities to improve the ability of those eco-
6 systems to become more resilient, and to adapt to
7 and withstand the impacts of climate change and
8 ocean acidification;

9 (6) planning for and managing coastal develop-
10 ment to minimize the loss of life and property asso-
11 ciated with sea level rise and the coastal hazards re-
12 sulting from it;

13 (7) research, education, assessment, monitoring,
14 and dissemination of information that contributes to
15 the achievement of these purposes;

16 (8) research of, protection of, enhancement to,
17 and activities to improve the resiliency of culturally
18 significant areas and resources; and

19 (9) activities designed to rescue, rehabilitate,
20 and recover injured marine mammals, marine birds,
21 and sea turtles.

22 (g) DEFINITIONS.—In this section:

23 (1) ORCA FUND.—The term “ORCA Fund”
24 means the Ocean Resources Conservation and As-
25 sistance Fund established by this section.

1 (2) SECRETARY.—Notwithstanding section 3,
2 the term “Secretary” means the Secretary of Com-
3 merce.

4 **SEC. 606. WAIVER.**

5 The Federal Advisory Committee Act (5 U.S.C. App.)
6 shall not apply to the Regional Coordination Councils es-
7 tablished under section 602.

8 **TITLE VII—OIL SPILL ACCOUNT-**
9 **ABILITY AND ENVIRON-**
10 **MENTAL PROTECTION**

11 **SEC. 701. SHORT TITLE.**

12 This title may be cited as the “Oil Spill Account-
13 ability and Environmental Protection Act of 2010”.

14 **SEC. 702. REPEAL OF AND ADJUSTMENTS TO LIMITATION**
15 **ON LIABILITY.**

16 (a) IN GENERAL.—Section 1004 of the Oil Pollution
17 Act of 1990 (33 U.S.C. 2704) is amended—

18 (1) in subsection (a)—

19 (A) in paragraph (2)—

20 (i) by striking “\$800,000,,” and in-
21 serting “\$800,000,”; and

22 (ii) by adding “and” after the semi-
23 colon at the end;

24 (B) by striking paragraph (3); and

1 (C) by redesignating paragraph (4) as
2 paragraph (3);

3 (2) in subsection (b)(2) by striking the second
4 sentence; and

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

7 “(4) ADJUSTMENT OF LIMITS ON LIABILITY.—
8 Not later than 3 years after the date of enactment
9 of the Oil Spill Accountability and Environmental
10 Protection Act of 2010, and at least once every 3
11 years thereafter, the President shall review the limits
12 on liability specified in subsection (a) and shall by
13 regulation revise such limits upward to reflect either
14 the amount of liability that the President determines
15 is commensurate with the risk of discharge of oil
16 presented by a particular category of vessel, facility,
17 or port or any increase in the Consumer Price Index,
18 whichever is greater.”.

19 (b) APPLICABILITY.—The amendments made by this
20 section apply to—

21 (1) any claim arising from an event occurring
22 after the date of enactment of this Act; and

23 (2) any claim arising from an event occurring
24 before such date of enactment, if the claim is

1 brought within the limitations period applicable to
2 the claim.

3 **SEC. 703. EVIDENCE OF FINANCIAL RESPONSIBILITY FOR**
4 **OFFSHORE FACILITIES.**

5 Section 1016 of the Oil Pollution Act of 1990 (33
6 U.S.C. 2716) is amended—

7 (1) in subsection (c)(1)—

8 (A) in subparagraph (B) by striking “sub-
9 paragraph (A) is” and all that follows before
10 the period and inserting “subparagraph (A) is
11 \$300,000,000”; and

12 (B) by striking subparagraph (C) and in-
13 serting the following:

14 “(C) ALTERNATE AMOUNT.—

15 “(i) SPECIFIC FACILITIES.—

16 “(I) IN GENERAL.—If the Presi-
17 dent determines that an amount of fi-
18 nancial responsibility for a responsible
19 party that is less than the amount re-
20 quired by subparagraph (B) is justi-
21 fied based on the criteria established
22 under clause (ii), the evidence of fi-
23 nancial responsibility required shall be
24 for an amount determined by the
25 President.

1 “(II) MINIMUM AMOUNTS.—In
2 no case shall the evidence of financial
3 responsibility required under this sec-
4 tion be less than—

5 “(aa) \$105,000,000 for an
6 offshore facility located seaward
7 of the seaward boundary of a
8 State; or

9 “(bb) \$30,000,000 for an
10 offshore facility located landward
11 of the seaward boundary of a
12 State.

13 “(ii) CRITERIA FOR DETERMINATION
14 OF FINANCIAL RESPONSIBILITY.—The
15 President shall prescribe the amount of fi-
16 nancial responsibility required under clause
17 (i)(I) based on the following:

18 “(I) The market capacity of the
19 insurance industry to issue such in-
20 struments.

21 “(II) The operational risk of a
22 discharge and the effects of that dis-
23 charge on the environment and the re-
24 gion.

1 “(III) The quantity and location
2 of the oil and gas that is explored for,
3 drilled for, produced, or transported
4 by the responsible party.

5 “(IV) The asset value of the
6 owner of the offshore facility, includ-
7 ing the combined asset value of all
8 partners that own the facility.

9 “(V) The cost of all removal
10 costs and damages for which the
11 owner may be liable under this Act
12 based on a worst-case-scenario.

13 “(VI) The safety history of the
14 owner of the offshore facility.

15 “(VII) Any other factors that the
16 President considers appropriate.

17 “(iii) ADJUSTMENT FOR ALL OFF-
18 SHORE FACILITIES.—

19 “(I) IN GENERAL.—Not later
20 than 3 years after the date of enact-
21 ment of the Oil Spill Accountability
22 and Environmental Protection Act of
23 2010, and at least once every 3 years
24 thereafter, the President shall review
25 the levels of financial responsibility

1 specified in this subsection and the
2 limit on liability specified in sub-
3 section (f)(4) and may by regulation
4 revise such levels and limit upward to
5 the levels and limit that the President
6 determines are justified based on the
7 relative operational, environmental,
8 and other risks posed by the quantity,
9 quality, or location of oil that is ex-
10 plored for, drilled for, produced, or
11 transported by the responsible party.

12 “(II) NOTICE TO CONGRESS.—

13 Upon completion of a review specified
14 in subclause (I), the President shall
15 notify Congress as to whether the
16 President will revise the levels of fi-
17 nancial responsibility and limit on li-
18 ability referred to in subclause (I) and
19 the factors used in making such deter-
20 mination.”;

21 (2) in subsection (e) by striking “self-insurer,”
22 and inserting “self-insurer, participation in coopera-
23 tive arrangements such as pooling or joint insur-
24 ance,”; and

25 (3) in subsection (f)—

1 (A) in paragraph (1) by striking “Subject”
2 and inserting “Except as provided in paragraph
3 (4) and subject”; and

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

5 “(4) MAXIMUM LIABILITY.—The maximum li-
6 ability of a guarantor of an offshore facility under
7 this subsection is \$300,000,000.”.

8 **SEC. 704. DAMAGES TO HUMAN HEALTH.**

9 (a) IN GENERAL.—Section 1002(b)(2) of the Oil Pol-
10 lution Act of 1990 (33 U.S.C. 2702(b)(2)) is amended by
11 adding at the end the following:

12 “(G) HUMAN HEALTH.—

13 “(i) IN GENERAL.—Damages to
14 human health, including fatal injuries,
15 which shall be recoverable by any claimant
16 who has a demonstrable, adverse impact to
17 human health or, in the case of a fatal in-
18 jury to an individual, a claimant filing a
19 claim on behalf of such individual.

20 “(ii) INCLUSION.—For purposes of
21 clause (i), the term ‘human health’ in-
22 cludes mental health.”.

23 (b) APPLICABILITY.—The amendments made by this
24 section apply to—

1 (1) any claim arising from an event occurring
2 after the date of enactment of this Act; and

3 (2) any claim arising from an event occurring
4 before such date of enactment, if the claim is
5 brought within the limitations period applicable to
6 the claim.

7 **SEC. 705. CLARIFICATION OF LIABILITY FOR DISCHARGES**
8 **FROM MOBILE OFFSHORE DRILLING UNITS.**

9 (a) IN GENERAL.—Section 1004(b)(2) of the Oil Pol-
10 lution Act of 1990 (33 U.S.C. 2704(b)(2)) is amended—

11 (1) by striking “from any incident described in
12 paragraph (1)” and inserting “from any discharge of
13 oil, or substantial threat of a discharge of oil, into
14 or upon the water”; and

15 (2) by striking “liable” and inserting “liable as
16 described in paragraph (1)”.

17 (b) APPLICABILITY.—The amendments made by this
18 section shall apply to—

19 (1) any claim arising from an event occurring
20 after the date of enactment of this Act; and

21 (2) any claim arising from an event occurring
22 before such date of enactment, if the claim is
23 brought within the limitations period applicable to
24 the claim.

1 **SEC. 706. STANDARD OF REVIEW FOR DAMAGE ASSESS-**
2 **MENT.**

3 Section 1006(e)(2) of the Oil Pollution Act of 1990
4 (33 U.S.C. 2706(e)(2)) is amended—

5 (1) in the heading by striking “REBUTTABLE
6 PRESUMPTION” and inserting “JUDICIAL REVIEW OF
7 ASSESSMENTS”; and

8 (2) by striking “have the force and effect” and
9 all that follows before the period and inserting the
10 following: “be subject to judicial review under sub-
11 chapter II of chapter 5 of title 5, United States
12 Code (commonly known as the Administrative Proce-
13 dure Act), on the basis of the administrative record
14 developed by the lead Federal trustee as provided in
15 such regulations”.

16 **SEC. 707. PROCEDURES FOR CLAIMS AGAINST FUND; IN-**
17 **FORMATION ON CLAIMS.**

18 (a) PROCEDURES FOR CLAIMS AGAINST FUND.—
19 Section 1013(e) of the Oil Pollution Act of 1990 (33
20 U.S.C. 2713(e)) is amended by adding at the end the fol-
21 lowing: “In the event of a spill of national significance,
22 the President may exercise the authorities under this sec-
23 tion to ensure that the presentation, filing, processing, set-
24 tlement, and adjudication of claims occurs within the
25 States and local governments affected by such spill to the
26 greatest extent practicable.”.

1 (b) INFORMATION ON CLAIMS.—Title I of the Oil
2 Pollution Act of 1990 (33 U.S.C. 2701 et seq.) is amended
3 by inserting after section 1013 the following:

4 **“SEC. 1013A. INFORMATION ON CLAIMS.**

5 “In the event of a spill of national significance, the
6 President may require a responsible party or a guarantor
7 of a source designated under section 1014(a) to provide
8 to the President any information on or related to claims,
9 either individually, in the aggregate, or both, that the
10 President requests, including—

11 “(1) the transaction date or dates of such
12 claims, including processing times; and

13 “(2) any other data pertaining to such claims
14 necessary to ensure the performance of the respon-
15 sible party or the guarantor with regard to the proc-
16 essing and adjudication of such claims.”.

17 (c) CONFORMING AMENDMENT.—The table of con-
18 tents contained in section 2 of such Act is amended by
19 inserting after the item relating to section 1013 the fol-
20 lowing:

“Sec. 1013A. Information on claims.”.

21 (d) APPLICABILITY.—The amendments made by this
22 section apply to—

23 (1) any claim arising from an event occurring
24 after the date of enactment of this Act; and

1 (2) any claim arising from an event occurring
2 before such date of enactment, if the claim is
3 brought within the limitations period applicable to
4 the claim.

5 **SEC. 708. ADDITIONAL AMENDMENTS AND CLARIFICATIONS**
6 **TO OIL POLLUTION ACT OF 1990.**

7 (a) DEFINITIONS.—

8 (1) REMOVAL COSTS.—Section 1001(31) of the
9 Oil Pollution Act of 1990 (33 U.S.C. 2701(31)) is
10 amended by inserting before the semicolon the fol-
11 lowing: “and includes all costs of Federal enforce-
12 ment activities related thereto”.

13 (2) RESPONSIBLE PARTY.—Section
14 1001(32)(B) of such Act (33 U.S.C. 2701(32)(B))
15 is amended by inserting before “, except a” the fol-
16 lowing: “any person who owns or who has a lease-
17 hold interest or other property interest in the land
18 or in the minerals beneath the land on which the fa-
19 cility is located, and any person who is the assignor
20 of a property interest in the land or in the minerals
21 beneath the land on which the facility is located,”.

22 (b) ELEMENTS OF LIABILITY.—Section
23 1002(b)(1)(A) of such Act (33 U.S.C. 2702(b)(1)(A)) is
24 amended by inserting before the semicolon the following:

1 “, including all costs of Federal enforcement activities re-
2 lated thereto”.

3 (c) SUBROGATION.—Section 1015(c) of such Act (33
4 U.S.C. 2715(c)) is amended by adding at the end the fol-
5 lowing: “In such actions, the Fund shall recover all costs
6 and damages paid from the Fund unless the decision to
7 make the payment is found to be arbitrary or capricious.”.

8 (d) FINANCIAL RESPONSIBILITY.—Section
9 1016(f)(1) of such Act (33 U.S.C. 2717(f)(1)) is amend-
10 ed—

11 (1) by inserting “and” at the end of subpara-
12 graph (A);

13 (2) by striking “; and” at the end of subpara-
14 graph (B) and inserting a period; and

15 (3) by striking subparagraph (C).

16 (e) CONSIDERATIONS OF TRUSTEES.—Section
17 1006(d) of such Act (33 U.S.C. 2706(d)) is amended by
18 adding at the end the following:

19 “(4) CONSIDERATIONS OF TRUSTEES.—

20 “(A) EQUAL AND FULL CONSIDERATION.—
21 Trustees shall—

22 “(i) give equal and full consideration
23 to restoration, rehabilitation, replacement,
24 and the acquisition of the equivalent of the

1 natural resources under their trusteeship;
2 and

3 “(ii) consider restoration, rehabilita-
4 tion, replacement, and the acquisition of
5 the equivalent of the natural resources
6 under their trusteeship in a holistic eco-
7 system context and using, where available,
8 eco-regional or natural resource plans.

9 “(B) SPECIAL RULE ON ACQUISITION.—
10 Acquisition shall only be given full and equal
11 consideration under subparagraph (A) if it pro-
12 vides a substantially greater likelihood of im-
13 proving the resilience of the lost or damaged re-
14 source and supports local ecological processes.”.

15 (f) APPLICABILITY.—The amendments made by this
16 section apply to—

17 (1) any claim arising from an event occurring
18 after the date of enactment of this Act; and

19 (2) any claim arising from an event occurring
20 before such date of enactment, if the claim is
21 brought within the limitations period applicable to
22 the claim.

23 **SEC. 709. AMERICANIZATION OF OFFSHORE OPERATIONS**
24 **IN THE EXCLUSIVE ECONOMIC ZONE.**

25 (a) REGISTRY ENDORSEMENT REQUIRED.—

1 (1) IN GENERAL.—Section 12111 of title 46,
2 United States Code, is amended by adding at the
3 end the following:

4 “(e) RESOURCE ACTIVITIES IN THE EEZ.—Except
5 for activities requiring an endorsement under sections
6 12112 or 12113, only a vessel for which a certificate of
7 documentation with a registry endorsement is issued and
8 that is owned by a citizen of the United States (as deter-
9 mined under section 50501(d)) may engage in support of
10 exploration, development, or production of resources in,
11 on, above, or below the exclusive economic zone or any
12 other activity in the exclusive economic zone to the extent
13 that the regulation of such activity is not prohibited under
14 customary international law.”.

15 (2) APPLICABILITY.—The amendment made by
16 paragraph (1) applies only with respect to explo-
17 ration, development, production, and support activi-
18 ties that commence on or after July 1, 2011.

19 (b) LEGAL AUTHORITY.—Section 2301 of title 46,
20 United States Code, is amended—

21 (1) by striking “chapter” and inserting “title”;
22 and

23 (2) by inserting after “1988” the following:
24 “and the exclusive economic zone to the extent that

1 the regulation of such operation is not prohibited
2 under customary international law”.

3 (c) TRAINING FOR COAST GUARD PERSONNEL.—Not
4 later than 180 days after the date of enactment of this
5 Act, the Secretary of the department in which the Coast
6 Guard is operating shall establish a program to provide
7 Coast Guard personnel with the training necessary for the
8 implementation of the amendments made by this section.

9 **SEC. 710. SAFETY MANAGEMENT SYSTEMS FOR MOBILE**
10 **OFFSHORE DRILLING UNITS.**

11 Section 3203 of title 46, United States Code, is
12 amended—

13 (1) by redesignating subsection (b) as sub-
14 section (c); and

15 (2) by inserting after subsection (a) the fol-
16 lowing:

17 “(b) MOBILE OFFSHORE DRILLING UNITS.—The
18 safety management system described in subsection (a) for
19 a mobile offshore drilling unit operating in waters subject
20 to the jurisdiction of the United States (including the ex-
21 clusive economic zone) shall include processes, procedures,
22 and policies related to the safe operation and maintenance
23 of the machinery and systems on board the vessel that
24 may affect the seaworthiness of the vessel in a worst-case
25 event.”.

1 **SEC. 711. SAFETY STANDARDS FOR MOBILE OFFSHORE**
2 **DRILLING UNITS.**

3 Section 3306 of title 46, United States Code, is
4 amended by adding at the end the following:

5 “(k) In prescribing regulations for mobile offshore
6 drilling units, the Secretary shall develop standards to ad-
7 dress a worst-case event on the vessel.”.

8 **SEC. 712. OPERATIONAL CONTROL OF MOBILE OFFSHORE**
9 **DRILLING UNITS.**

10 (a) **LICENSES FOR MASTERS OF MOBILE OFFSHORE**
11 **DRILLING UNITS.—**

12 (1) **IN GENERAL.—**Chapter 71 of title 46,
13 United States Code, is amended by redesignating
14 sections 7104 through 7114 as sections 7105
15 through 7115, respectively, and by inserting after
16 section 7103 the following:

17 **“§ 7104. Licenses for masters of mobile offshore drill-**
18 **ing units**

19 “A license as master of a mobile offshore drilling unit
20 may be issued only to an applicant who has been issued
21 a license as master under section 7101(c)(1) and has dem-
22 onstrated the knowledge, understanding, proficiency, and
23 sea service for all industrial business or functions of a mo-
24 bile offshore drilling unit.”.

25 (2) **CONFORMING AMENDMENT.—**Section 7109
26 of such title, as so redesignated, is amended by

1 striking “section 7106 or 7107” and inserting “sec-
2 tion 7107 or 7108”.

3 (3) CLERICAL AMENDMENT.—The analysis at
4 the beginning of such chapter is amended by strik-
5 ing the items relating to sections 7104 through 7114
6 and inserting the following:

“7104. Licenses for masters of mobile offshore drilling units.

“7105. Certificates for medical doctors and nurses.

“7106. Oaths.

“7107. Duration of licenses.

“7108. Duration of certificates of registry.

“7109. Termination of licenses and certificates of registry.

“7110. Review of criminal records.

“7111. Exhibiting licenses.

“7112. Oral examinations for licenses.

“7113. Licenses of masters or mates as pilots.

“7114. Exemption from draft.

“7115. Fees.”.

7 (b) REQUIREMENT FOR CERTIFICATE OF INSPEC-
8 TION.—Section 8101(a)(2) of title 46, United States
9 Code, is amended by inserting before the semicolon the
10 following: “and shall at all times be under the command
11 of a master licensed under section 7104”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall take effect 6 months after the date of
14 enactment of this Act.

15 **SEC. 713. SINGLE-HULL TANKERS.**

16 (a) APPLICATION OF TANK VESSEL CONSTRUCTION
17 STANDARDS.—Section 3703a(b) of title 46, United States
18 Code, is amended by striking paragraph (3), and redesign-
19 ating paragraphs (4) through (6) as paragraphs (3)
20 through (5), respectively.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) takes effect on January 1, 2011.

3 **SEC. 714. REPEAL OF RESPONSE PLAN WAIVER.**

4 Section 311(j)(5)(G) of the Federal Water Pollution
5 Control Act (33 U.S.C. 1321(j)(5)(G)) is amended—

6 (1) by striking “a tank vessel, nontank vessel,
7 offshore facility, or onshore facility” and inserting
8 “a nontank vessel”;

9 (2) by striking “tank vessel, nontank vessel, or
10 facility” and inserting “nontank vessel”; and

11 (3) by adding at the end the following: “A mo-
12 bile offshore drilling unit, as such term is defined in
13 section 1001 of the Oil Pollution Act of 1990 (33
14 U.S.C. 2701), is not eligible to operate without a re-
15 sponse plan approved under this section.”.

16 **SEC. 715. NATIONAL CONTINGENCY PLAN.**

17 (a) GUIDELINES FOR CONTAINMENT BOOMS.—Sec-
18 tion 311(d)(2) of the Federal Water Pollution Control Act
19 (33 U.S.C. 1321(d)(2)) is amended by adding at the end
20 the following:

21 “(N) Guidelines regarding the use of con-
22 tainment booms to contain a discharge of oil or
23 a hazardous substance, including identification
24 of quantities of containment booms likely to be
25 needed, available sources of containment booms,

1 and best practices for containment boom place-
2 ment, monitoring, and maintenance.”.

3 (b) SCHEDULE, CRITERIA, AND FEES.—Section
4 311(d) of the Federal Water Pollution Control Act (33
5 U.S.C. 1321(d)) is amended by adding at the end the fol-
6 lowing:

7 “(5) SCHEDULE FOR USE OF DISPERSANTS,
8 OTHER CHEMICALS, AND OTHER SPILL MITIGATING
9 DEVICES AND SUBSTANCES.—

10 “(A) RULEMAKING.—Not later than 2
11 years after the date of enactment of this para-
12 graph, the President, acting through the Ad-
13 ministrator, after providing notice and an op-
14 portunity for public comment, shall issue a re-
15 vised regulation for the development of the
16 schedule for the use of dispersants, other
17 chemicals, and other spill mitigating devices
18 and substances developed under paragraph
19 (2)(G) in a manner that is consistent with the
20 requirements of this paragraph and shall mod-
21 ify the existing schedule to take into account
22 the requirements of the revised regulation.

23 “(B) SCHEDULE LISTING REQUIRE-
24 MENTS.—In issuing the regulation under sub-
25 paragraph (A), the Administrator shall—

1 “(i) with respect to dispersants, other
2 chemicals, and other spill mitigating sub-
3 stances included or proposed to be included
4 on the schedule under paragraph (2)(G)—

5 “(I) establish minimum toxicity
6 and efficacy testing criteria, taking
7 into account the results of the study
8 carried out under subparagraph (D);

9 “(II) provide for testing or other
10 verification (independent from the in-
11 formation provided by an applicant
12 seeking the inclusion of such dispers-
13 ant, chemical, or substance on the
14 schedule) related to the toxicity and
15 effectiveness of such dispersant, chem-
16 ical, or substance;

17 “(III) establish a framework for
18 the application of any such dispersant,
19 chemical, or substance, including—

20 “(aa) application conditions;

21 “(bb) the quantity thresh-
22 olds for which approval by the
23 Administrator is required;

24 “(cc) the criteria to be used
25 to develop the appropriate max-

1 imum quantity of any such dis-
2 persant, chemical, or substance
3 that the Administrator deter-
4 mines may be used, both on a
5 daily and cumulative basis; and

6 “(dd) a ranking, by geo-
7 graphic area, of any such dis-
8 persant, chemical, or substance
9 based on a combination of its ef-
10 fectiveness for each type of oil
11 and its level of toxicity;

12 “(IV) establish a requirement
13 that the volume of oil or hazardous
14 substance discharged, and the volume
15 and location of any such dispersant,
16 chemical, or substance used, be meas-
17 ured and made publicly available, in-
18 cluding on the Internet;

19 “(V) require the public disclosure
20 of all ingredients, including the chem-
21 ical and common name of such ingre-
22 dients, contained in any such dispers-
23 ant, chemical, or substance; and

24 “(VI) in addition to existing au-
25 thority, expressly provide a mecha-

1 nism for the delisting of any such dis-
2 persant, chemical, or substance that
3 the Administrator determines poses a
4 significant risk or impact to water
5 quality, the environment, or any other
6 factor the Administrator determines
7 appropriate;

8 “(ii) with respect to a dispersant,
9 other chemical, and other spill mitigating
10 substance not specifically identified on the
11 schedule, and prior to the use of such dis-
12 persant, chemical, or substance in accord-
13 ance with paragraph (2)(G)—

14 “(I) establish the minimum tox-
15 icity and efficacy levels for such dis-
16 persant, chemical, or substance;

17 “(II) require the public disclosure
18 of all ingredients, including the chem-
19 ical and common name of such ingre-
20 dients, contained in any such dispers-
21 ant, chemical, or substance; and

22 “(III) require the provision of
23 such additional information as the Ad-
24 ministrator determines necessary; and

1 “(iii) with respect to other spill miti-
2 gating devices included or proposed to be
3 included on the schedule under paragraph
4 (2)(G)—

5 “(I) require the manufacturer of
6 such device to carry out a study of the
7 risks and effectiveness of the device
8 according to guidelines developed and
9 published by the Administrator; and

10 “(II) in addition to existing au-
11 thority, expressly provide a mecha-
12 nism for the delisting of any such de-
13 vice based on any information made
14 available to the Administrator that
15 demonstrates that such device poses a
16 significant risk or impact to water
17 quality, the environment, or any other
18 factor the Administrator determines
19 appropriate.

20 “(C) DELISTING.—In carrying out sub-
21 paragraphs (B)(i)(VI) and (B)(iii)(II), the Ad-
22 ministrator, after posting a notice in the Fed-
23 eral Register and providing an opportunity for
24 public comment, shall initiate a formal review
25 of the potential risks and impacts associated

1 with a dispersant, chemical, substance, or de-
2 vice prior to delisting the dispersant, chemical,
3 substance, or device.

4 “(D) STUDY.—

5 “(i) IN GENERAL.—Not later than 3
6 months after the date of enactment of this
7 paragraph, the Administrator shall initiate
8 a study of the potential risks and impacts
9 to water quality, the environment, or any
10 other factor the Administrator determines
11 appropriate, including acute and chronic
12 risks, from the use of dispersants, other
13 chemicals, and other spill mitigating sub-
14 stances, if any, that may be used to carry
15 out the National Contingency Plan, includ-
16 ing an assessment of such risks and im-
17 pacts—

18 “(I) on a representative sample
19 of biota and types of oil from loca-
20 tions where such dispersants, chemi-
21 cals, or substances may potentially be
22 used; and

23 “(II) that result from any by-
24 products created from the use of such
25 dispersants, chemicals, or substances.

1 “(ii) INFORMATION FROM MANUFAC-
2 TURERS.—

3 “(I) IN GENERAL.—In conjunc-
4 tion with the study authorized by
5 clause (i), the Administrator shall de-
6 termine the requirements for manu-
7 facturers of dispersants, chemicals, or
8 substances to evaluate the potential
9 risks and impacts to water quality,
10 the environment, or any other factor
11 the Administrator determines appro-
12 priate, including acute and chronic
13 risks, associated with the use of the
14 dispersants, chemicals, or substances
15 and any byproducts generated by such
16 use and to provide the details of such
17 evaluation as a condition for listing on
18 the schedule, or approving for use
19 under this section, according to guide-
20 lines developed and published by the
21 Administrator.

22 “(II) MINIMUM REQUIREMENTS
23 FOR EVALUATION.—In carrying out
24 this clause, the Administrator shall re-
25 quire a manufacturer to include—

1 “(aa) information on the oils
2 and locations where such
3 dispersants, chemicals, or sub-
4 stances may potentially be used;
5 and

6 “(bb) if appropriate, an as-
7 sessment of application and im-
8 pacts from subsea use of the dis-
9 persant, chemical, or substance,
10 including the potential long term
11 effects of such use on water qual-
12 ity and the environment.

13 “(E) PERIODIC REVISIONS.—

14 “(i) IN GENERAL.—Not later than 5
15 years after the date of the issuance of the
16 regulation under this paragraph, and on an
17 ongoing basis thereafter (and at least once
18 every 5 years), the Administrator shall re-
19 view the schedule for the use of
20 dispersants, other chemicals, and other
21 spill mitigating devices and substances that
22 may be used to carry out the National
23 Contingency Plan and update or revise the
24 schedule, as necessary, to ensure the pro-
25 tection of water quality, the environment,

1 and any other factor the Administrator de-
2 termines appropriate.

3 “(ii) EFFECTIVENESS.—The Adminis-
4 trator shall ensure, to the maximum extent
5 practicable, that each update or revision to
6 the schedule increases the minimum effec-
7 tiveness value necessary for listing a dis-
8 persant, other chemical, or other spill miti-
9 gating device or substance on the schedule.

10 “(F) APPROVAL OF USE AND APPLICATION
11 OF DISPERSANTS.—

12 “(i) IN GENERAL.—In issuing the reg-
13 ulation under subparagraph (A), the Ad-
14 ministrator shall require the approval of
15 the Federal On-Scene Coordinator, in co-
16 ordination with the Administrator, for all
17 uses of a dispersant, other chemical, or
18 other spill mitigating substance in any re-
19 moval action, including—

20 “(I) any such dispersant, chem-
21 ical, or substance that is included on
22 the schedule developed pursuant to
23 this subsection; or

24 “(II) any dispersant, chemical, or
25 other substance that is included as

1 part an approved area contingency
2 plan or response plan developed under
3 this section.

4 “(ii) REPEAL.—Any part of section
5 300.910 of title 40, Code of Federal Regu-
6 lations, that is inconsistent with this para-
7 graph is hereby repealed.

8 “(G) TOXICITY DEFINITION.—In this sec-
9 tion, the term ‘toxicity’ is used in reference to
10 the potential impacts of a dispersant, sub-
11 stance, or device on water quality or the envi-
12 ronment.

13 “(6) REVIEW OF AND DEVELOPMENT OF CRI-
14 TERIA FOR EVALUATING RESPONSE PLANS.—

15 “(A) REVIEW.—Not later than 6 months
16 after the date of enactment of this paragraph,
17 the President shall review the procedures and
18 standards developed under paragraph (2)(J) to
19 determine their sufficiency in ceasing and re-
20 moving a worst case discharge of oil or haz-
21 ardous substances, and for mitigating or pre-
22 venting a substantial threat of such a dis-
23 charge.

24 “(B) RULEMAKING.—Not later than 2
25 years after the date of enactment of this para-

1 graph, the President, after providing notice and
2 an opportunity for public comment, shall issue
3 a final rule to—

4 “(i) revise the procedures and stand-
5 ards for ceasing and removing a worst case
6 discharge of oil or hazardous substances,
7 and for mitigating or preventing a substan-
8 tial threat of such a discharge; and

9 “(ii) develop a metric for evaluating
10 the National Contingency Plan, Area Con-
11 tingency Plans, and tank vessel, nontank
12 vessel, and facility response plans con-
13 sistent with the procedures and standards
14 developed pursuant to this paragraph.

15 “(7) FEES.—

16 “(A) GENERAL AUTHORITY AND FEES.—
17 Subject to subparagraph (B), the Administrator
18 shall establish a schedule of fees to be collected
19 from the manufacturer of a dispersant, chem-
20 ical, or spill mitigating substance or device to
21 offset the costs of the Administrator associated
22 with evaluating the use of the dispersant, chem-
23 ical, substance, or device in accordance with
24 this subsection and listing the dispersant, chem-

1 ical, substance, or device on the schedule under
2 paragraph (2)(G).

3 “(B) LIMITATION ON COLLECTION.—No
4 fee may be collected under this subsection un-
5 less the expenditure of the fee to pay the costs
6 of activities and services for which the fee is im-
7 posed is provided for in advance in an appro-
8 priations Act.

9 “(C) FEES CREDITED AS OFFSETTING
10 COLLECTIONS.—

11 “(i) IN GENERAL.—Notwithstanding
12 section 3302 of title 31, United States
13 Code, any fee authorized to be collected
14 under this paragraph shall—

15 “(I) be credited as offsetting col-
16 lections to the account that finances
17 the activities and services for which
18 the fee is imposed;

19 “(II) be available for expenditure
20 only to pay the costs of activities and
21 services for which the fee is imposed,
22 including all costs associated with col-
23 lecting such fees; and

24 “(III) remain available until ex-
25 pended.

1 “(ii) CONTINUING APPROPRIATIONS.—

2 The Administrator may continue to assess,
3 collect, and spend fees established under
4 this section during any period in which the
5 funding for the Environmental Protection
6 Agency is provided under an Act providing
7 continuing appropriations in lieu of the
8 Administration’s regular appropriations.

9 “(iii) ADJUSTMENTS.—The Adminis-
10 trator shall adjust the fees established by
11 subparagraph (A) periodically to ensure
12 that each of the fees required by subpara-
13 graph (A) is reasonably related to the Ad-
14 ministration’s costs, as determined by the
15 Administrator, of performing the activity
16 for which the fee is imposed.”.

17 (c) TEMPORARY MORATORIUM ON APPROVAL OF USE
18 OF DISPERSANTS.—

19 (1) IN GENERAL.—Subject to paragraph (2),
20 the Administrator of the Environmental Protection
21 Agency may not approve the use of a dispersant
22 under section 311(d) of the Oil Pollution Act of
23 1990 (33 U.S.C. 1321(d)), and shall withdraw any
24 approval of such use made before the date of enact-
25 ment of this Act, until the date on which the rule-

1 making and study required by subparagraphs (A)
2 and (D) of section 311(d)(5) of such Act (as added
3 by subsection (b) of this section) are complete.

4 (2) **CONDITIONAL APPROVAL.**—The Adminis-
5 trator may approve the use of a dispersant under
6 section 311(d) of such Act (33 U.S.C. 1321(d)) for
7 the period of time before the date on which the rule-
8 making and study required by subparagraphs (A)
9 and (D) of section 311(d)(5) of such Act (as added
10 by subsection (b) of this section) are complete if the
11 Administrator determines that such use will not
12 have a negative impact on water quality, the envi-
13 ronment, or any other factor the Administrator de-
14 termines appropriate.

15 (3) **INFORMATION.**—In approving the use of a
16 dispersant under paragraph (2), the Administrator
17 may require the manufacturer of the dispersant to
18 provide such information as the Administrator deter-
19 mines necessary to satisfy the requirements of that
20 paragraph.

21 (d) **INCLUSION OF CONTAINMENT BOOMS IN AREA**
22 **CONTINGENCY PLANS.**—Section 311(j)(4)(C)(iv) of such
23 Act (33 U.S.C. 1321(j)(4)(C)(iv)) is amended by striking
24 “(including firefighting equipment)” and inserting “(in-
25 cluding firefighting equipment and containment booms)”.

1 **SEC. 716. TRACKING DATABASE.**

2 Section 311(b) of the Federal Water Pollution Con-
3 trol Act (33 U.S.C. 1321(b)) is amended by adding at the
4 end the following:

5 “(13) TRACKING DATABASE.—

6 “(A) IN GENERAL.—The President shall
7 create a database to track all discharges of oil
8 or hazardous substances—

9 “(i) into the waters of the United
10 States, onto adjoining shorelines, or into or
11 upon the waters of the contiguous zone;

12 “(ii) in connection with activities
13 under the Outer Continental Shelf Lands
14 Act (43 U.S.C. 1331 et seq.) or the Deep-
15 water Port Act of 1974 (33 U.S.C. 1501
16 et seq.); or

17 “(iii) which may affect natural re-
18 sources belonging to, appertaining to, or
19 under the exclusive management authority
20 of the United States (including resources
21 under the Fishery Conservation and Man-
22 agement Act of 1976 (16 U.S.C. 1801 et
23 seq.)).

24 “(B) REQUIREMENTS.—The database
25 shall—

26 “(i) include—

1 “(I) the name of the vessel or fa-
2 cility;

3 “(II) the name of the owner, op-
4 erator, or person in charge of the ves-
5 sel or facility;

6 “(III) the date of the discharge;

7 “(IV) the volume of the dis-
8 charge;

9 “(V) the location of the dis-
10 charge, including an identification of
11 any receiving waters that are or could
12 be affected by the discharge;

13 “(VI) the type, volume, and loca-
14 tion of the use of any dispersant,
15 other chemical, or other spill miti-
16 gating substance used in any removal
17 action;

18 “(VII) a record of any deter-
19 mination of a violation of this section
20 or liability under section 1002 of the
21 Oil Pollution Act of 1990 (33 U.S.C.
22 2702);

23 “(VIII) a record of any enforce-
24 ment action taken against the owner,
25 operator, or person in charge; and

1 “(IX) any additional information
2 that the President determines nec-
3 essary;

4 “(ii) use data provided by the Envi-
5 ronmental Protection Agency, the Coast
6 Guard, and other appropriate Federal
7 agencies;

8 “(iii) use data protocols developed and
9 managed by the Environmental Protection
10 Agency; and

11 “(iv) be publicly accessible, including
12 by electronic means.”.

13 **SEC. 717. EVALUATION AND APPROVAL OF RESPONSE**
14 **PLANS; MAXIMUM PENALTIES.**

15 (a) AGENCY REVIEW OF RESPONSE PLANS.—

16 (1) LEAD FEDERAL AGENCY FOR REVIEW OF
17 RESPONSE PLANS.—Section 311(j)(5)(A) of the Fed-
18 eral Water Pollution Control Act (33 U.S.C.
19 1321(j)(5)(A)) is amended by adding at the end the
20 following:

21 “(iii) In issuing the regulations under this para-
22 graph, the President shall ensure that—

23 “(I) the owner, operator, or person in
24 charge of a tank vessel, nontank vessel, or off-
25 shore facility described in subparagraph (C) will

1 not be considered to have complied with this
2 paragraph until the owner, operator, or person
3 in charge submits a plan under clause (i) or
4 (ii), as appropriate, to the Secretary of the de-
5 partment in which the Coast Guard is oper-
6 ating, the Secretary of the Interior, or the Ad-
7 ministrator, with respect to such offshore facili-
8 ties as the President may designate, and the
9 Secretary or Administrator, as appropriate, de-
10 termines and notifies the owner, operator, or
11 person in charge that the plan, if implemented,
12 will provide an adequate response to a worst
13 case discharge of oil or a hazardous substance
14 or a substantial threat of such a discharge; and

15 “(II) the owner, operator, or person in
16 charge of an onshore facility described in sub-
17 paragraph (C)(iv) will not be considered to have
18 complied with this paragraph until the owner,
19 operator, or person in charge submits a plan
20 under clause (i) either to the Secretary of
21 Transportation, with respect to transportation-
22 related onshore facilities, or the Administrator,
23 with respect to all other onshore facilities, and
24 the Secretary or Administrator, as appropriate,
25 determines and notifies the owner, operator, or

1 person in charge that the plan, if implemented,
2 will provide an adequate response to a worst-
3 case discharge of oil or a hazardous substance
4 or a substantial threat of such a discharge.

5 “(iv)(I) The Secretary of the department in
6 which the Coast Guard is operating, the Secretary of
7 the Interior, the Secretary of Transportation, or the
8 Administrator, as appropriate, shall require that a
9 plan submitted to the Secretary or Administrator for
10 a vessel or facility under clause (iii)(I) or (iii)(II) by
11 an owner, operator, or person in charge—

12 “(aa) contain a probabilistic risk analysis
13 for all critical engineered systems of the vessel
14 or facility; and

15 “(bb) adequately address all risks identi-
16 fied in the risk analysis.

17 “(II) The Secretary or Administrator, as appro-
18 priate, shall require that a risk analysis developed
19 under subclause (I) include, at a minimum, the fol-
20 lowing:

21 “(aa) An analysis of human factors risks,
22 including both organizational and management
23 failure risks.

1 “(bb) An analysis of technical failure risks,
2 including both component technologies and inte-
3 grated systems risks.

4 “(cc) An analysis of interactions between
5 humans and critical engineered systems.

6 “(dd) Quantification of the likelihood of
7 modes of failure and potential consequences.

8 “(ee) A description of methods for reduc-
9 ing known risks.

10 “(III) The Secretary or Administrator, as ap-
11 propriate, shall require an owner, operator, or per-
12 son in charge that develops a risk analysis under
13 subclause (I) to make the risk analysis available to
14 the public.”.

15 (2) REVIEW AND APPROVAL OF RESPONSE
16 PLANS.—Section 311(j)(5)(E) of such Act (33
17 U.S.C. 1321(j)(5)(E)) is amended to read as follows:

18 “(E) With respect to any response plan sub-
19 mitted under this paragraph for an onshore facility
20 that, because of its location, could reasonably be ex-
21 pected to cause significant and substantial harm to
22 the environment by discharging into or on the navi-
23 gable waters or adjoining shorelines or the exclusive
24 economic zone, and with respect to each response
25 plan submitted under this paragraph for a tank ves-

1 sel, nontank vessel, or offshore facility, the President
2 shall—

3 “(i) promptly review the response plan;

4 “(ii) verify that the response plan complies
5 with subparagraph (A)(iv), relating to risk anal-
6 yses;

7 “(iii) with respect to a plan for an offshore
8 or onshore facility or a tank vessel that carries
9 liquefied natural gas, provide an opportunity for
10 public notice and comment on the response
11 plan;

12 “(iv) taking into consideration any public
13 comments received and other appropriate fac-
14 tors, as determined by the President, require
15 revisions to the response plan;

16 “(v) approve, approve with revisions, or
17 disapprove the response plan;

18 “(vi) review the response plan periodically
19 thereafter, and if applicable requirements are
20 not met, acting through the head of the appro-
21 priate Federal department or agency—

22 “(I) issue administrative orders di-
23 recting the owner, operator, or person in
24 charge to comply with the response plan or
25 any regulation issued under this section; or

1 “(II) assess civil penalties or conduct
2 other appropriate enforcement actions in
3 accordance with subsections (b)(6), (b)(7),
4 and (b)(8) for failure to develop, submit,
5 receive approval of, adhere to, or maintain
6 the capability to implement the response
7 plan, or failure to comply with any other
8 requirement of this section;

9 “(vii) acting through the head of the ap-
10 propriate Federal department or agency, con-
11 duct, at a minimum, biennial inspections of the
12 tank vessel, nontank vessel, or facility to ensure
13 compliance with the response plan or identify
14 deficiencies in such plan;

15 “(viii) acting through the head of the ap-
16 propriate Federal department or agency, make
17 the response plan available to the public, includ-
18 ing on the Internet; and

19 “(ix) in the case of a plan for a nontank
20 vessel, consider any applicable State-mandated
21 response plan in effect on the date of enactment
22 of the Coast Guard and Maritime Transpor-
23 tation Act of 2004 and ensure consistency to
24 the extent practicable.”.

1 (3) BIENNIAL REPORT.—Section 311(j)(5) of
2 such Act (33 U.S.C. 1321(j)(5)) is amended by add-
3 ing at the end the following:

4 “(J) Not later than 2 years after the date of
5 enactment of this subparagraph, and biennially
6 thereafter, the President, acting through the Admin-
7 istrator, the Secretary of the department in which
8 the Coast Guard is operating, and the Secretary of
9 Transportation, shall submit to Congress a report
10 containing the following information for each owner,
11 operator, or person in charge that submitted a re-
12 sponse plan for a tank vessel, nontank vessel, or fa-
13 cility under this paragraph:

14 “(i) The number of response plans ap-
15 proved, disapproved, or approved with revisions
16 under subparagraph (E) annually for tank ves-
17 sels, nontank vessels, and facilities of the
18 owner, operator, or person in charge.

19 “(ii) The number of inspections conducted
20 under subparagraph (E) annually for tank ves-
21 sels, nontank vessels, and facilities of the
22 owner, operator, or person in charge.

23 “(iii) A summary of each administrative or
24 enforcement action concluded with respect each
25 tank vessel, nontank vessel, and facility of the

1 owner, operator, or person in charge, including
2 a description of the violation, the date of viola-
3 tion, the amount of each penalty proposed, and
4 the final assessment of each penalty and an ex-
5 planation for any reduction in a penalty.”.

6 (4) ADMINISTRATIVE PROVISIONS FOR FACILI-
7 TIES.—Section 311(m)(2) of such Act (33 U.S.C.
8 1321(m)(2)) is amended in each of subparagraphs
9 (A) and (B) by inserting “, the Secretary of Trans-
10 portation,” before “or the Secretary of the depart-
11 ment in which the Coast Guard is operating”.

12 (b) PENALTIES.—

13 (1) ADMINISTRATIVE PENALTIES.—

14 (A) AUTHORITY OF SECRETARY OF TRANS-
15 PORTATION TO ASSESS PENALTIES.—Section
16 311(b)(6)(A) of such Act (33 U.S.C.
17 1321(b)(6)(A)) is amended by inserting “, the
18 Secretary of Transportation,” before “or the
19 Administrator”.

20 (B) ADMINISTRATIVE PENALTIES FOR
21 FAILURE TO PROVIDE NOTICE.—Section
22 311(b)(6)(A) of such Act (33 U.S.C.
23 1321(b)(6)(A)) is further amended—

1 (i) in clause (i) by striking “para-
2 graph (3), or” and inserting “paragraph
3 (3),”;

4 (ii) in clause (ii) by striking “any reg-
5 ulation issued under subsection (j)” and
6 inserting “any order or action required by
7 the President under subsection (c) or (e)
8 or any regulation issued under subsection
9 (d) or (j)”;

10 (iii) by redesignating clause (ii) as
11 clause (iii);

12 (iv) by inserting after clause (i) the
13 following:

14 “(ii) who fails to provide notice to the
15 appropriate Federal agency pursuant to
16 paragraph (5), or”; and

17 (v) by adding at the end the following:
18 “Whenever the President delegates the au-
19 thority to issue regulations under sub-
20 section (j), the head of the agency who
21 issues regulations pursuant to that author-
22 ity shall have the authority to assess a civil
23 penalty in accordance with this section for
24 violations of such regulations.”.

1 (C) PENALTY AMOUNTS.—Section
2 311(b)(6)(B) of such Act (33 U.S.C.
3 1321(b)(6)(B)) is amended—

4 (i) in clause (i)—

5 (I) by striking “\$10,000” and in-
6 serting “\$100,000”; and

7 (II) by striking “\$25,000” and
8 inserting “\$250,000”; and

9 (ii) in clause (ii)—

10 (I) by striking “\$10,000” and in-
11 serting “\$100,000”; and

12 (II) by striking “\$125,000” and
13 inserting “\$1,000,000”.

14 (2) CIVIL PENALTIES.—Section 311(b)(7) of
15 such Act (33 U.S.C. 1321(b)(7)) is amended—

16 (A) in subparagraph (A)—

17 (i) by striking “\$25,000” and insert-
18 ing “\$100,000”; and

19 (ii) by striking “\$1,000” and insert-
20 ing “\$2,500”;

21 (B) in subparagraph (B)—

22 (i) by striking “described in subpara-
23 graph (A)”;

24 (ii) in clause (i) by striking “carry out
25 removal of the discharge under an order of

1 the President pursuant to subsection (c);
2 or” and inserting “comply with any order
3 or action required by the President pursu-
4 ant to subsection (c),”;

5 (iii) in clause (ii) by striking
6 “(1)(B)”;

7 (iv) by redesignating clause (ii) as
8 clause (iii);

9 (v) by inserting after clause (i) the
10 following:

11 “(ii) fails to provide notice to the ap-
12 propriate Federal agency pursuant to para-
13 graph (5), or”; and

14 (vi) by striking “\$25,000” and insert-
15 ing “\$100,000”;

16 (C) in subparagraph (C)—

17 (i) by striking “(j)” and inserting “(d)
18 or (j)”;

19 (ii) by striking “\$25,000” and insert-
20 ing “\$100,000”; and

21 (iii) by adding at the end the fol-
22 lowing: “Whenever the President delegates
23 the authority to issue regulations under
24 subsection (j), the head of the agency who
25 issues regulations pursuant to that author-

1 ity shall have the authority to seek injunc-
2 tive relief or assess a civil penalty in ac-
3 cordance with this section for violations of
4 such regulations and the authority to refer
5 the matter to the Attorney General for ac-
6 tion under subparagraph (E).”;

7 (D) in subparagraph (D)—

8 (i) by striking “\$100,000” and insert-
9 ing “\$300,000”; and

10 (ii) by striking “\$3,000” and insert-
11 ing “\$7,500”; and

12 (E) in subparagraph (E) by adding at the
13 end the following: “The court may award ap-
14 propriate relief, including a temporary or per-
15 manent injunction, civil penalties, and punitive
16 damages.”.

17 (3) APPLICABILITY.—The amendments made
18 by this subsection apply to—

19 (A) any claim arising from an event occur-
20 ring after the date of enactment of this Act;
21 and

22 (B) any claim arising from an event occur-
23 ring before such date of enactment, if the claim
24 is brought within the limitations period applica-
25 ble to the claim.

1 (c) CLARIFICATION OF FEDERAL REMOVAL AUTHOR-
2 ITY.—Section 311(c)(1)(B)(ii) of such Act (33 U.S.C.
3 1321(c)(1)(B)(ii)) is amended by striking “direct” and in-
4 serting “direct, including through the use of an adminis-
5 trative order,”.

6 **SEC. 718. OIL AND HAZARDOUS SUBSTANCE CLEANUP**
7 **TECHNOLOGIES.**

8 Section 311(j) of the Federal Water Pollution Control
9 Act (33 U.S.C. 1321(j)) is amended by adding at the end
10 the following:

11 “(9) OIL AND HAZARDOUS SUBSTANCE CLEAN-
12 UP TECHNOLOGIES.—The President, acting through
13 the Secretary of the department in which the Coast
14 Guard is operating, shall—

15 “(A) in coordination with the Secretary of
16 the Interior and the heads of other appropriate
17 Federal agencies, establish a process for—

18 “(i) quickly and effectively soliciting,
19 assessing, and deploying offshore oil and
20 hazardous substance cleanup technologies
21 in the event of a discharge or substantial
22 threat of a discharge of oil or a hazardous
23 substance; and

24 “(ii) effectively coordinating with
25 other appropriate agencies, industry, aca-

1 demia, small businesses, and others to en-
2 sure the best technology available is imple-
3 mented in the event of such a discharge or
4 threat; and

5 “(B) in coordination with the Secretary of
6 the Interior and the heads of other appropriate
7 Federal agencies, maintain a database on best
8 available oil and hazardous substance cleanup
9 technologies in the event of a discharge or sub-
10 stantial threat of a discharge of oil or a haz-
11 ardous substance.”.

12 **SEC. 719. IMPLEMENTATION OF OIL SPILL PREVENTION**
13 **AND RESPONSE AUTHORITIES.**

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

16 (1) by striking “(l) The President” and insert-
17 ing the following:

18 “(l) DELEGATION AND IMPLEMENTATION.—

19 “(1) DELEGATION.—The President”; and

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

21 “(2) ENVIRONMENTAL PROTECTION AGENCY.—

22 “(A) IN GENERAL.—The President shall
23 delegate the responsibilities under subparagraph
24 (B) to the Administrator.

1 “(B) RESPONSIBILITIES.—With respect to
2 onshore facilities (other than transportation-re-
3 lated facilities) and such offshore facilities as
4 the President may designate, the Administrator
5 shall ensure that Environmental Protection
6 Agency personnel develop and maintain oper-
7 ational capability—

8 “(i) for effective inspection, moni-
9 toring, prevention, preparedness, and re-
10 sponse authorities related to the discharge
11 or substantial threat of a discharge of oil
12 or a hazardous substance;

13 “(ii) to protect water quality and the
14 environment from impacts of a discharge
15 or substantial threat of a discharge of oil
16 or a hazardous substance; and

17 “(iii) to review and approve of, dis-
18 approve of, or require revisions (if nec-
19 essary) to facility response plans and to
20 carry out all other responsibilities under
21 subsection (j)(5)(E).

22 “(3) COAST GUARD.—

23 “(A) IN GENERAL.—The President shall
24 delegate the responsibilities under subparagraph

1 (B) to the Secretary of the department in which
2 the Coast Guard is operating.

3 “(B) RESPONSIBILITIES.—The Secretary
4 shall ensure that Coast Guard personnel de-
5 velop and maintain operational capability—

6 “(i) to establish and enforce regula-
7 tions and standards for procedures, meth-
8 ods, equipment, and other requirements to
9 prevent and to contain a discharge of oil or
10 a hazardous substance from a tank vessel
11 or nontank vessel or such an offshore facil-
12 ity as the President may designate;

13 “(ii) to establish and enforce regula-
14 tions, and to carry out all other respon-
15 sibilities, under subsection (j)(5) with re-
16 spect to such vessels and offshore facilities
17 as the President may designate; and

18 “(iii) to protect the environment and
19 natural resources from impacts of a dis-
20 charge or substantial threat of a discharge
21 of oil or a hazardous substance from such
22 vessels and offshore facilities as the Presi-
23 dent may designate.

24 “(C) ROLE AS FIRST RESPONDER.—

1 “(i) IN GENERAL.—The responsibil-
2 ities delegated to the Secretary under sub-
3 paragraph (B) shall be sufficient to allow
4 the Coast Guard to act as a first responder
5 to a discharge or substantial threat of a
6 discharge of oil or a hazardous substance
7 from a tank vessel, nontank vessel, or off-
8 shore facility.

9 “(ii) CAPABILITIES.—The President
10 shall ensure that the Coast Guard has suf-
11 ficient personnel and resources to act as a
12 first responder as described in clause (i),
13 including the resources necessary for on-
14 going training of personnel, acquisition of
15 equipment (including containment booms,
16 dispersants, and skimmers), and
17 prepositioning of equipment.

18 “(D) CONTRACTS.—The Secretary may
19 enter into contracts with private and nonprofit
20 organizations for personnel and equipment in
21 carrying out the responsibilities delegated to the
22 Secretary under subparagraph (B).

23 “(4) DEPARTMENT OF TRANSPORTATION.—

1 “(A) IN GENERAL.—The President shall
2 delegate the responsibilities under subparagraph
3 (B) to the Secretary of Transportation.

4 “(B) RESPONSIBILITIES.—The Secretary
5 of Transportation shall—

6 “(i) establish and enforce regulations
7 and standards for procedures, methods,
8 equipment, and other requirements to pre-
9 vent and to contain discharges of oil and
10 hazardous substances from transportation-
11 related onshore facilities;

12 “(ii) have the authority to review and
13 approve of, disapprove of, or require revi-
14 sions (if necessary) to transportation-re-
15 lated onshore facility response plans and to
16 carry out all other responsibilities under
17 subsection (j)(5)(E); and

18 “(iii) ensure that Department of
19 Transportation personnel develop and
20 maintain operational capability—

21 “(I) for effective inspection, mon-
22 itoring, prevention, preparedness, and
23 response authorities related to the dis-
24 charge or substantial threat of a dis-
25 charge of oil or a hazardous substance

1 from a transportation-related onshore
2 facility; and

3 “(II) to protect the environment
4 and natural resources from the im-
5 pacts of a discharge or substantial
6 threat of a discharge of oil or a haz-
7 ardous substance from a transpor-
8 tation-related onshore facility.

9 “(5) DEPARTMENT OF THE INTERIOR.—

10 “(A) IN GENERAL.—The President shall
11 delegate the responsibilities under subparagraph
12 (B) to the Secretary of the Interior.

13 “(B) RESPONSIBILITIES.—The Secretary
14 of the Interior shall—

15 “(i) establish and enforce regulations
16 and standards for procedures, methods,
17 equipment, and other requirements to pre-
18 vent and to contain discharges of oil and
19 hazardous substances from such offshore
20 facilities as the President may designate;

21 “(ii) establish and enforce regulations
22 to carry out all other responsibilities under
23 subsection (j)(5) for such offshore facilities
24 as the President may designate;

1 “(iii) have the authority to review and
2 approve of, disapprove of, or require revi-
3 sions (if necessary) to offshore facility re-
4 sponse plans under subsection (j)(5) for
5 such offshore facilities as the President
6 may designate; and

7 “(iv) ensure that Department of the
8 Interior personnel develop and maintain
9 operational capability for effective inspec-
10 tion, monitoring, prevention, and prepared-
11 ness authorities related to the discharge or
12 a substantial threat of a discharge of oil or
13 hazardous material from such offshore fa-
14 cilities as the President may designate.”.

15 **SEC. 720. IMPACTS TO INDIAN TRIBES AND PUBLIC SERV-**
16 **ICE DAMAGES.**

17 (a) IN GENERAL.—Section 1002(b)(2) of the Oil Pol-
18 lution Act of 1990 (33 U.S.C. 2702(b)(2)) is amended—

19 (1) in subparagraph (D) by striking “or a polit-
20 ical subdivision thereof” and inserting “a political
21 subdivision of a State, or an Indian tribe”; and

22 (2) in subparagraph (F) by striking “by a
23 State” and all that follows before the period and in-
24 serting “the United States, a State, a political sub-
25 division of a State, or an Indian tribe”.

1 (b) APPLICABILITY.—The amendments made by this
2 section apply to—

3 (1) any claim arising from an event occurring
4 after the date of enactment of this Act; and

5 (2) any claim arising from an event occurring
6 before such date of enactment, if the claim is
7 brought within the limitations period applicable to
8 the claim.

9 **SEC. 721. FEDERAL ENFORCEMENT ACTIONS.**

10 Section 309(g)(6)(A) of the Federal Water Pollution
11 Control Act (33 U.S.C. 1319(g)(6)(A)) is amended by
12 striking “or section 311(b)”.

13 **SEC. 722. TIME REQUIRED BEFORE ELECTING TO PROCEED**
14 **WITH JUDICIAL CLAIM OR AGAINST THE**
15 **FUND.**

16 Paragraph (2) of section 1013(c) of the Oil Pollution
17 Act of 1990 (33 U.S.C. 2713(c)) is amended by striking
18 “90” and inserting “45”.

19 **SEC. 723. AUTHORIZED LEVEL OF COAST GUARD PER-**
20 **SONNEL.**

21 The authorized end-of-year strength for active duty
22 personnel of the Coast Guard for fiscal year 2011 is here-
23 by increased by 300 personnel, above any other level au-
24 thorized by law, for implementing the activities of the

1 Coast Guard under this title, including the amendments
2 made by this title.

3 **SEC. 724. CLARIFICATION OF MEMORANDUMS OF UNDER-**
4 **STANDING.**

5 Not later than September 30, 2011, the President
6 (acting through the head of the appropriate Federal de-
7 partment or agency) shall implement or revise, as appro-
8 priate, memorandums of understanding to clarify the roles
9 and jurisdictional responsibilities of the Environmental
10 Protection Agency, the Coast Guard, the Department of
11 the Interior, the Department of Transportation, and other
12 Federal agencies relating to the prevention of oil dis-
13 charges from tank vessels, nontank vessels, and facilities
14 subject to the Oil Pollution Act of 1990.

15 **SEC. 725. BUILD AMERICA REQUIREMENT FOR OFFSHORE**
16 **FACILITIES.**

17 (a) IN GENERAL.—Title VI of the Oil Pollution Act
18 of 1990 (33 U.S.C. 2751 et seq.) is amended by adding
19 at the end the following:

20 **“SEC. 6005. BUILD AMERICA REQUIREMENT FOR OFFSHORE**
21 **FACILITIES.**

22 “(a) BUILD AMERICA REQUIREMENT.—Except as
23 provided by subsection (b), a person may not use an off-
24 shore facility to engage in support of exploration, develop-
25 ment, or production of oil or natural gas in, on, above,

1 or below the exclusive economic zone unless the facility
2 was built in the United States, including construction of
3 any major component of the hull or superstructure of the
4 facility.

5 “(b) WAIVER AUTHORITY.—A person seeking to
6 charter an offshore facility in the exclusive economic zone
7 may seek a waiver of subsection (a). The Secretary may
8 waive subsection (a) if the Secretary, in consultation with
9 the Secretary of the Interior and the Secretary of Trans-
10 portation, finds that—

11 “(1) the offshore facility was built in a foreign
12 country and is under contract, on the date of enact-
13 ment of this section, in support of exploration, devel-
14 opment, or production of oil or natural gas in, on,
15 above, or below the exclusive economic zone;

16 “(2) an offshore facility built in the United
17 States is not available within a reasonable period of
18 time, as defined in subsection (e), or of sufficient
19 quality to perform drilling operations required under
20 a contract; or

21 “(3) an emergency requires the use of an off-
22 shore facility built in a foreign country.

23 “(c) WRITTEN JUSTIFICATION AND PUBLIC NOTICE
24 OF NONAVAILABILITY WAIVER.—When issuing a waiver
25 based on a determination under subsection (b)(2), the Sec-

1 retary shall issue a detailed written justification as to why
2 the waiver meets the requirement of such subsection. The
3 Secretary shall publish the justification in the Federal
4 Register and provide the public with 45 days for notice
5 and comment.

6 “(d) FINAL DECISION.—The Secretary shall approve
7 or deny any waiver request submitted under subsection (b)
8 not later than 90 days after the date of receipt of the re-
9 quest.

10 “(e) REASONABLE PERIOD OF TIME DEFINED.—For
11 purposes of subsection (b)(2), the term ‘reasonable period
12 of time’ means the time needed for a person seeking to
13 charter an offshore facility in the exclusive economic zone
14 to meet the requirements in the primary term of the per-
15 son’s lease.”.

16 (b) CLERICAL AMENDMENT.—The table of contents
17 contained in section 2 of such Act is amended by inserting
18 after the item relating to section 6004 the following:

“Sec. 6005. Build America requirement for offshore facilities.”.

19 **SEC. 726. OIL SPILL RESPONSE VESSEL DATABASE.**

20 (a) REQUIREMENT.—Not later than 90 days after the
21 date of enactment of this Act, the Commandant of the
22 Coast Guard shall complete an inventory of all vessels op-
23 erating in the waters of the United States that are capable
24 of meeting oil spill response needs designated in the Na-
25 tional Contingency Plan authorized by section 311(d) of

1 the Federal Water Pollution Control Act (33 U.S.C.
2 1321(d)).

3 (b) CATEGORIZATION.—The inventory required under
4 subsection (a) shall categorize such vessels by capabilities,
5 type, function, and location.

6 (c) MAINTENANCE OF DATABASE.—The Com-
7 mandant shall maintain a database containing the results
8 of the inventory required under subsection (a) and update
9 the information in the database on no less than a quar-
10 terly basis.

11 (d) AVAILABILITY.—The Commandant may make in-
12 formation regarding the location and capabilities of oil
13 spill response vessels available to a Federal On-Scene Co-
14 ordinator designated under section 311 of such Act (33
15 U.S.C. 1321) to assist in the response to an oil spill or
16 other incident in the waters of the United States.

17 **SEC. 727. OFFSHORE SENSING AND MONITORING SYSTEMS.**

18 (a) REQUIREMENT.—Subtitle A of title IV of the Oil
19 Pollution Act of 1990 is amended by adding at the end
20 the following new section:

21 **“SEC. 4119. OFFSHORE SENSING AND MONITORING SYS-**
22 **TEMS.**

23 “(a) IN GENERAL.—The equipment required to be
24 available under section 311(j)(5)(D)(iii) of the Federal
25 Water Pollution Control Act for facilities listed in section

1 311(j)(5)(C)(iii) of such Act and located in more than 500
2 feet of water includes sensing and monitoring systems that
3 meet the requirements of this section.

4 “(b) SYSTEMS REQUIREMENTS.—Sensing and moni-
5 toring systems required under subsection (a) shall—

6 “(1) use an integrated, modular, expandable,
7 multi-sensor, open-architecture design and tech-
8 nology with interoperable capability;

9 “(2) be capable of—

10 “(A) operating for at least 25 years;

11 “(B) real-time physical, biological, geologi-
12 cal, and environmental monitoring;

13 “(C) providing alerts in the event of anom-
14 alous circumstances;

15 “(D) providing docking bases to accommo-
16 date spatial sensors for remote inspection and
17 monitoring; and

18 “(E) collecting chemical boundary condi-
19 tion data for drift and flow modeling; and

20 “(3) include—

21 “(A) an uninterruptible power source;

22 “(B) a spatial sensor;

23 “(C) secure Internet access to real-time
24 physical, biological, geological, and environ-

1 mental monitoring data gathered by the system
2 sensors; and

3 “(D) a process by which such observation
4 data and information will be made available to
5 Federal Regulators and to the system estab-
6 lished under section 12304 of Public Law 111-
7 11 (33 U.S.C. 3603).”.

8 (b) REQUEST FOR INFORMATION.—Within 60 days
9 after the date of enactment of this Act, the Secretary of
10 the department in which the Coast Guard is operating
11 shall issue a request for information to determine the most
12 capable and efficient domestic systems that meet the re-
13 quirements under section 4119 of the Oil Pollution Act
14 of 1990, as amended by this section.

15 (c) IMPLEMENTING REGULATIONS.—Within 180
16 days after the date of enactment of this Act, the Secretary
17 of the department in which the Coast Guard is operating
18 shall issue regulations to implement section 4119 of the
19 Oil Pollution Act of 1990 as amended by this section.

20 (d) CLERICAL AMENDMENT.—The table of contents
21 in section 2 of the Oil Pollution Act of 1990 is amended
22 by adding at the end of the items relating to such subtitle
23 the following new item:

“Sec. 4119. Offshore sensing and monitoring systems.”.

1 **SEC. 728. OIL AND GAS EXPLORATION AND PRODUCTION.**

2 Section 502 of the Federal Water Pollution Control
3 Act (33 U.S.C. 1362) is amended—

4 (1) by striking paragraph (24); and

5 (2) by redesignating paragraph (25) as para-
6 graph (24).

7 **SEC. 729. LEAVE RETENTION AUTHORITY.**

8 (a) IN GENERAL.—Chapter 11 of title 14, United
9 States Code, is amended by inserting after section 425 the
10 following:

11 **“§ 426. Emergency leave retention authority**

12 “(a) IN GENERAL.—A duty assignment for an active
13 duty member of the Coast Guard in support of a declara-
14 tion of a major disaster or emergency by the President
15 under the Robert T. Stafford Disaster Relief and Emer-
16 gency Assistance Act (42 U.S.C. 5121 et seq.) or in re-
17 sponse to a spill of national significance shall be treated,
18 for the purpose of section 701(f)(2) of title 10, as a duty
19 assignment in support of a contingency operation.

20 “(b) DEFINITIONS.—In this section:

21 “(1) SPILL OF NATIONAL SIGNIFICANCE.—The
22 term ‘spill of national significance’ means a dis-
23 charge of oil or a hazardous substance that is de-
24 clared by the Commandant to be a spill of national
25 significance.

1 “(2) DISCHARGE.—The term ‘discharge’ has
2 the meaning given that term in section 1001 of the
3 Oil Pollution Act of 1990 (33 U.S.C. 2701).”.

4 (b) CLERICAL AMENDMENT.—The analysis for such
5 chapter is amended by inserting after the item relating
6 to section 425 the following:

 “426. Emergency leave retention authority.”.

7 **SEC. 730. AUTHORIZATION OF APPROPRIATIONS.**

8 (a) COAST GUARD.—In addition to amounts made
9 available pursuant to section 1012(a)(5)(A) of the Oil Pol-
10 lution Act of 1990 (33 U.S.C. 2712(a)(5)(A)), there is au-
11 thorized to be appropriated to the Secretary of the depart-
12 ment in which the Coast Guard is operating from the Oil
13 Spill Liability Trust Fund established by section 9509 of
14 the Internal Revenue Code of 1986 (26 U.S.C. 9509) to
15 carry out the purposes of this title and the amendments
16 made by this title the following:

17 (1) For fiscal year 2011, \$30,000,000.

18 (2) For each of fiscal years 2012 through 2015,
19 \$32,000,000.

20 (b) ENVIRONMENTAL PROTECTION AGENCY.—In ad-
21 dition to amounts made available pursuant to section 1012
22 of the Oil Pollution Act of 1990 (33 U.S.C. 2712), there
23 is authorized to be appropriated to the Administrator of
24 the Environmental Protection Agency from the Oil Spill
25 Liability Trust Fund to implement this title and the

1 amendments made by this title \$10,000,000 for each of
2 fiscal years 2011 through 2015.

3 (c) DEPARTMENT OF TRANSPORTATION.—In addi-
4 tion to amounts made available pursuant to section 60125
5 of title 49, United States Code, there is authorized to be
6 appropriated to the Secretary of Transportation from the
7 Oil Spill Liability Trust Fund to carry out the purposes
8 of this title and the amendments made by this title the
9 following:

10 (1) For each of fiscal years 2011 through 2013,
11 \$7,000,000.

12 (2) For each of fiscal years 2014 and 2015,
13 \$6,000,000.

14 **SEC. 731. EXTENSION OF LIABILITY TO PERSONS HAVING**
15 **OWNERSHIP INTERESTS IN RESPONSIBLE**
16 **PARTIES.**

17 (a) DEFINITION OF RESPONSIBLE PARTY.—Section
18 1001(32) of the Oil Pollution Act of 1990 (33 U.S.C.
19 2701(32)) is amended by adding at the end the following:

20 “(G) PERSON HAVING OWNERSHIP INTER-
21 EST.—Any person, other than an individual,
22 having an ownership interest (directly or indi-
23 rectly) in any entity described in any of sub-
24 paragraphs (A) through (F) of more than 25
25 percent, in the aggregate, of the total ownership

1 interests in such entity, if the assets of such en-
2 tity are insufficient to pay the claims owed by
3 such entity as a responsible party under this
4 Act.”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 this section shall apply to an incident occurring on or after
7 January 1, 2010.

8 **SEC. 732. CLARIFICATION OF LIABILITY UNDER OIL POLLU-**
9 **TION ACT OF 1990.**

10 The Oil Pollution Act of 1990 is amended—

11 (1) in section 1013 (33 U.S.C. 2713), by insert-
12 ing after subsection (d) the following:

13 “(e) LIMITATION ON RELEASE OF LIABILITY.—No
14 release of liability in connection with compensation re-
15 ceived by a claimant under this Act shall apply to liability
16 for any tope of harm unless—

17 “(1) the claimant presented a claim under sub-
18 section (a) with respect to such type of harm; and

19 “(2) the claimant received compensation for
20 such type of harm, from the responsible party or
21 from guarantor of the source designated under sec-
22 tion 1014(a), in connection with such release.”; and

23 (2) in section 1018 (33 U.S.C. 2718), by—

24 (A) striking “or” at the end of paragraph

25 (1);

1 (B) striking the period at the end of para-
2 graph (2) and inserting “; and”; and

3 (C) inserting after paragraph (2) the fol-
4 lowing:

5 “(3) with respect to a claim described in section
6 1013(e), affect, or be construed or interpreted to af-
7 fect or modify in any way, the obligations or liabil-
8 ities of any person under other Federal law.”.

9 **SEC. 733. SALVAGE ACTIVITIES.**

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

12 (1) in subsection (a)(2)(D) by inserting “or sal-
13 vage activities” after “removal”; and

14 (2) in subsection (c)(4)(A) by inserting “or con-
15 ducting salvage activities” after “advice”.

16 **SEC. 734. REQUIREMENT FOR REDUNDANCY IN RESPONSE**
17 **PLANS.**

18 (a) REQUIREMENT.—Section 311(j)(5)(D) of the
19 Federal Water Pollution Control Act (33 U.S.C.
20 1331(j)(5)(D)) is amended by redesignating clauses (v)
21 and (vi) as clauses (vii) and (viii), and by inserting after
22 clause (iv) the following new clauses:

23 “(v) include redundancies that specify
24 response actions that will be taken if other
25 response actions specified in the plan fail;

1 “(vi) be vetted by impartial experts;”.

2 (b) **CONDITION OF PERMIT.**—The Outer Continental
3 Shelf Lands Act (43 U.S.C. 1331 et seq.) is amended by
4 adding at the end the following new section:

5 **“SEC. 32. RESPONSE PLAN REQUIRED FOR PERMIT OR LI-**
6 **CENSE AUTHORIZING DRILLING FOR OIL AND**
7 **GAS.**

8 “The Secretary may not issue any license or permit
9 authorizing drilling for oil and gas on the Outer Conti-
10 nental Shelf unless the applicant for the license or permit
11 has a response plan approved under section 311(j)(5)(D)
12 of the Federal Water Pollution Control Act (33 U.S.C.
13 1331(j)(5)(D)) for the vessel or facility that will be used
14 to conduct such drilling.”.

15 **TITLE VIII—MISCELLANEOUS**
16 **PROVISIONS**

17 **SEC. 801. REPEAL OF CERTAIN TAXPAYER SUBSIDIZED**
18 **ROYALTY RELIEF FOR THE OIL AND GAS IN-**
19 **DUSTRY.**

20 (a) **PROVISIONS RELATING TO PLANNING AREAS**
21 **OFFSHORE ALASKA.**—Section 8(a)(3)(B) of the Outer
22 Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(B))
23 is amended by striking “and in the Planning Areas off-
24 shore Alaska” after “West longitude”.

1 (b) PROVISIONS RELATING TO NAVAL PETROLEUM
2 RESERVE IN ALASKA.—Section 107 of the Naval Petro-
3 leum Reserves Production Act of 1976 (as transferred, re-
4 designated, moved, and amended by section 347 of the En-
5 ergy Policy Act of 2005 (119 Stat. 704)) is amended—

6 (1) in subsection (i) by striking paragraphs (2)
7 through (6); and

8 (2) by striking subsection (k).

9 **SEC. 802. CONSERVATION FEE.**

10 (a) ESTABLISHMENT.—The Secretary shall, within
11 180 days after the date of enactment of this Act, issue
12 regulations to establish an annual conservation fee for all
13 oil and gas leases on Federal onshore and offshore lands.

14 (b) AMOUNT.—The amount of the fee shall be, for
15 each barrel or barrel equivalent produced from land that
16 is subject to a lease from which oil or natural gas is pro-
17 duced in a calendar year, \$2 per barrel of oil and 20 cents
18 per million BTU of natural gas in 2010 dollars.

19 (c) ASSESSMENT AND COLLECTION.—The Secretary
20 shall assess and collect the fee established under this sec-
21 tion.

22 (d) REGULATIONS.—The Secretary may issue regula-
23 tions to prevent evasion of the fee under this section.

24 (e) SUNSET.—This section and the fee established
25 under this section shall expire on December 31, 2021.

1 **SEC. 803. LEASING ON INDIAN LANDS.**

2 Nothing in this Act modifies, amends, or affects leas-
3 ing on Indian lands as currently carried out by the Bureau
4 of Indian Affairs.

5 **SEC. 804. OUTER CONTINENTAL SHELF STATE BOUND-**
6 **ARIES.**

7 (a) GENERAL.—Not later than 2 years after the date
8 of enactment of this Act, the President, acting through
9 the Secretary of the Interior, shall publish a final deter-
10 mination under section 4(a)(2) of the Outer Continental
11 Shelf Lands Act (43 U.S.C. 1333(a)(2)) of the boundaries
12 of coastal States projected seaward to the outer margin
13 of the Outer Continental Shelf.

14 (b) NOTICE AND COMMENT.—In determining the
15 projected boundaries specified in subsection (a), the Sec-
16 retary shall comply with the notice and comment require-
17 ments under chapter 5 of title 5, United States Code.

18 (c) SAVINGS CLAUSE.—The determination and publi-
19 cation of projected boundaries under subsection (a) shall
20 not be construed to alter, limit, or modify the jurisdiction,
21 control, or any other authority of the United States over
22 the Outer Continental Shelf.

1 **SEC. 805. LIABILITY FOR DAMAGES TO NATIONAL WILDLIFE**
2 **REFUGES.**

3 Section 4 of the National Wildlife Refuge System Ad-
4 ministration Act of 1966 (16 U.S.C. 668dd) is amended
5 by adding at the end the following new subsection:

6 “(p) DESTRUCTION OR LOSS OF, OR INJURY TO,
7 REFUGE RESOURCES.—

8 “(1) LIABILITY.—

9 “(A) LIABILITY TO UNITED STATES.—Any
10 person who destroys, causes the loss of, or in-
11 jures any refuge resource is liable to the United
12 States for an amount equal to the sum of—

13 “(i) the amount of the response costs
14 and damages resulting from the destruc-
15 tion, loss, or injury; and

16 “(ii) interest on that amount cal-
17 culated in the manner described under sec-
18 tion 1005 of the Oil Pollution Act of 1990
19 (33 U.S.C. 2705).

20 “(B) LIABILITY IN REM.—Any instrumen-
21 tality, including a vessel, vehicle, aircraft, or
22 other equipment, that destroys, causes the loss
23 of, or injures any refuge resource shall be liable
24 in rem to the United States for response costs
25 and damages resulting from such destruction,

1 loss, or injury to the same extent as a person
2 is liable under subparagraph (A).

3 “(C) DEFENSES.—A person is not liable
4 under this paragraph if that person establishes
5 that—

6 “(i) the destruction or loss of, or in-
7 jury to, the refuge resource was caused
8 solely by an act of God, an act of war, or
9 an act or omission of a third party, and
10 the person acted with due care;

11 “(ii) the destruction, loss, or injury
12 was caused by an activity authorized by
13 Federal or State law; or

14 “(iii) the destruction, loss, or injury
15 was negligible.

16 “(D) LIMITS TO LIABILITY.—Nothing in
17 sections 30501 to 30512 or section 30706 of
18 title 46, United States Code, shall limit the li-
19 ability of any person under this section.

20 “(2) RESPONSE ACTIONS.—The Secretary may
21 undertake or authorize all necessary actions to pre-
22 vent or minimize the destruction or loss of, or injury
23 to, refuge resources, or to minimize the imminent
24 risk of such destruction, loss, or injury.

1 “(3) CIVIL ACTIONS FOR RESPONSE COSTS AND
2 DAMAGES.—

3 “(A) IN GENERAL.—The Attorney General,
4 upon request of the Secretary, may commence
5 a civil action against any person or instrumen-
6 tality who may be liable under paragraph (1)
7 for response costs and damages. The Secretary,
8 acting as trustee for refuge resources for the
9 United States, shall submit a request for such
10 an action to the Attorney General whenever a
11 person may be liable for such costs or damages.

12 “(B) JURISDICTION AND VENUE.—An ac-
13 tion under this subsection may be brought in
14 the United States district court for any district
15 in which—

16 “(i) the defendant is located, resides,
17 or is doing business, in the case of an ac-
18 tion against a person;

19 “(ii) the instrumentality is located, in
20 the case of an action against an instru-
21 mentality; or

22 “(iii) the destruction of, loss of, or in-
23 jury to a refuge resource occurred.

24 “(4) USE OF RECOVERED AMOUNTS.—Response
25 costs and damages recovered by the Secretary under

1 this subsection shall be retained by the Secretary in
2 the manner provided for in section 107(f)(1) of the
3 Comprehensive Environmental Response, Compensation,
4 and Liability Act of 1980 (42 U.S.C.
5 9607(f)(1)) and used as follows:

6 “(A) RESPONSE COSTS.—Amounts recov-
7 ered by the United States for costs of response
8 actions and damage assessments under this
9 subsection shall be used, as the Secretary con-
10 siders appropriate—

11 “(i) to reimburse the Secretary or any
12 other Federal or State agency that con-
13 ducted those activities; and

14 “(ii) after reimbursement of such
15 costs, to restore, replace, or acquire the
16 equivalent of any refuge resource.

17 “(B) OTHER AMOUNTS.—All other
18 amounts recovered shall be used, in order of
19 priority—

20 “(i) to restore, replace, or acquire the
21 equivalent of the refuge resources that
22 were the subject of the action, including
23 the costs of monitoring the refuge re-
24 sources;

1 “(ii) to restore degraded refuge re-
2 sources of the refuge that was the subject
3 of the action, giving priority to refuge re-
4 sources that are comparable to the refuge
5 resources that were the subject of the ac-
6 tion; and

7 “(iii) to restore degraded refuge re-
8 sources of other refuges.

9 “(5) DEFINITIONS.—In this subsection, the
10 term—

11 “(A) ‘damages’ includes—

12 “(i) compensation for—

13 “(I)(aa) the cost of replacing, re-
14 storing, or acquiring the equivalent of
15 a refuge resource; and

16 “(bb) the value of the lost use of
17 a refuge resource pending its restora-
18 tion or replacement or the acquisition
19 of an equivalent refuge resource; or

20 “(II) the value of a refuge re-
21 source if the refuge resource cannot
22 be restored or replaced or if the equiv-
23 alent of such resource cannot be ac-
24 quired;

1 “(ii) the cost of conducting damage
2 assessments;

3 “(iii) the reasonable cost of moni-
4 toring appropriate to the injured, restored,
5 or replaced refuge resource; and

6 “(iv) the cost of enforcement actions
7 undertaken by the Secretary in response to
8 the destruction or loss of, or injury to, a
9 refuge resource;

10 “(B) ‘response costs’ means the costs of
11 actions taken or authorized by the Secretary to
12 minimize destruction or loss of, or injury to,
13 refuge resources, or to minimize the imminent
14 risks of such destruction, loss, or injury, includ-
15 ing costs related to seizure, forfeiture, storage,
16 or disposal arising from liability, or to monitor
17 ongoing effects of incidents causing such de-
18 struction, loss, or injury under this subsection;
19 and

20 “(C) ‘refuge resource’ means any living or
21 nonliving resource of a refuge that contributes
22 to the conservation, management, and restora-
23 tion mission of the System, including living or
24 nonliving resources of a marine national monu-

1 ment that may be managed as a unit of the
2 System.”.

3 **SEC. 806. STRENGTHENING COASTAL STATE OIL SPILL**
4 **PLANNING AND RESPONSE.**

5 The Coastal Zone Management Act of 1972 (16
6 U.S.C. 1451 et seq.) is amended adding at the end the
7 following new section:

8 **“SEC. 320. STRENGTHENING COASTAL STATE OIL SPILL RE-**
9 **SPONSE AND PLANNING.**

10 “(a) GRANTS TO STATES.—The Secretary may make
11 grants to eligible coastal States—

12 “(1) to revise management programs approved
13 under section 306 (16 U.S.C. 1455) to identify and
14 implement new enforceable policies and procedures
15 to ensure sufficient response capabilities at the State
16 level to address the environmental, economic, and so-
17 cial impacts of oil spills or other accidents resulting
18 from Outer Continental Shelf energy activities with
19 the potential to affect any land or water use or nat-
20 ural resource of the coastal zone; and

21 “(2) to review and revise where necessary appli-
22 cable enforceable policies within approved State
23 management programs affecting coastal energy ac-
24 tivities and energy to ensure that these policies are
25 consistent with—

1 “(A) other emergency response plans and
2 policies developed under Federal or State law;
3 and

4 “(B) new policies and procedures developed
5 under paragraph (1); and

6 “(3) after a State has adopted new or revised
7 enforceable policies and procedures under para-
8 graphs (1) and (2)—

9 “(A) the State shall submit the policies
10 and procedures to the Secretary; and

11 “(B) the Secretary shall notify the State
12 whether the Secretary approves or disapproves
13 the incorporation of the policies and procedures
14 into the State’s management program pursuant
15 to section 306(e).

16 “(b) ELEMENTS.—New enforceable policies and pro-
17 cedures developed by coastal States with grants awarded
18 under this section shall consider, but not be limited to—

19 “(1) other existing emergency response plans,
20 procedures and enforceable policies developed under
21 other Federal or State law that affect the coastal
22 zone;

23 “(2) identification of critical infrastructure es-
24 sential to facilitate spill or accident response activi-
25 ties;

1 “(3) identification of coordination, logistics and
2 communication networks between Federal and State
3 government agencies, and between State agencies
4 and affected local communities, to ensure the effi-
5 cient and timely dissemination of data and other in-
6 formation;

7 “(4) inventories of shore locations and infra-
8 structure and equipment necessary to respond to oil
9 spills or other accidents resulting from Outer Conti-
10 nental Shelf energy activities;

11 “(5) identification and characterization of sig-
12 nificant or sensitive marine ecosystems or other
13 areas possessing important conservation, rec-
14 reational, ecological, historic, or aesthetic values;

15 “(6) inventories and surveys of shore locations
16 and infrastructure capable of supporting alternative
17 energy development; and

18 “(7) other information or actions as may be
19 necessary.

20 “(c) GUIDELINES.—The Secretary shall, within 180
21 days after the date of enactment of this section and after
22 consultation with the coastal states, publish guidelines for
23 the application for and use of grants under this section.

24 “(d) PARTICIPATION.—A coastal state shall provide
25 opportunity for public participation in developing new en-

1 forceable policies and procedures under this section pursu-
2 ant to sections 306(d)(1) and 306(e), especially by rel-
3 evant Federal agencies, other coastal state agencies, local
4 governments, regional organizations, port authorities, and
5 other interested parties and stakeholders, public and pri-
6 vate, that are related to, or affected by Outer Continental
7 Shelf energy activities.

8 “(e) ANNUAL GRANTS.—

9 “(1) IN GENERAL.—For each of fiscal years
10 2011 through 2015, the Secretary may make a
11 grant to a coastal state to develop new enforceable
12 polices and procedures as required under this sec-
13 tion.

14 “(2) GRANT AMOUNTS AND LIMIT ON
15 AWARDS.—The amount of any grant to any one
16 coastal State under this section shall not exceed
17 \$750,000 for any fiscal year. No coastal state may
18 receive more than two grants under this section.

19 “(3) NO STATE MATCHING CONTRIBUTION RE-
20 QUIRED.—As it is in the national interest to be able
21 to respond efficiently and effectively at all levels of
22 government to oil spills and other accidents resulting
23 from Outer Continental Shelf energy activities, a
24 coastal state shall not be required to contribute any

1 portion of the cost of a grant awarded under this
2 section.

3 “(4) SECRETARIAL REVIEW AND LIMIT ON
4 AWARDS.—After an initial grant is made to a coastal
5 state under this section, no subsequent grant may be
6 made to that coastal state under this section unless
7 the Secretary finds that the coastal state is satisfac-
8 torily developing revisions to address offshore energy
9 impacts. No coastal state is eligible to receive grants
10 under this section for more than 2 fiscal years.

11 “(f) APPLICABILITY.—The requirements of this sec-
12 tion shall only apply if appropriations are provided to the
13 Secretary to make grants under this section. This section
14 shall not be construed to convey any new authority to any
15 coastal state, or repeal or supersede any existing authority
16 of any coastal state, to regulate the siting, licensing, leas-
17 ing, or permitting of energy facilities in areas of the Outer
18 Continental Shelf under the administration of the Federal
19 Government. Nothing in this section repeals or supersedes
20 any existing coastal state authority.

21 “(g) ASSISTANCE BY THE SECRETARY.—The Sec-
22 retary as authorized under section 310(a) and to the ex-
23 tent practicable, shall make available to coastal states the
24 resources and capabilities of the National Oceanic and At-
25 mospheric Administration to provide technical assistance

1 to the coastal states to prepare revisions to approved man-
2 agement programs to meet the requirements under this
3 section.”.

4 **SEC. 807. INFORMATION SHARING.**

5 Section 388(b) of the Energy Policy Act of 2005 (43
6 U.S.C. 1337 note) is amended by adding at the end the
7 following:

8 “(4) AVAILABILITY OF DATA AND INFORMA-
9 TION.—All heads of departments and agencies of the
10 Federal Government shall, upon request of the Sec-
11 retary, provide to the Secretary all data and infor-
12 mation that the Secretary deems necessary for the
13 purpose of including such data and information in
14 the mapping initiative, except that no department or
15 agency of the Federal Government shall be required
16 to provide any data or information that is privileged
17 or proprietary.”.

18 **SEC. 808. LIMITATION ON USE OF FUNDS.**

19 None of the funds authorized or made available by
20 this Act may be used to carry out any activity or pay any
21 costs for removal or damages for which a responsible party
22 (as such term is defined in section 1001 of the Oil Pollu-
23 tion Act of 1990 (33 U.S.C. 2701)) is liable under the
24 Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.) or
25 other law.

1 **SEC. 809. ENVIRONMENTAL REVIEW.**

2 Section 390 of the Energy Policy Act of 2005 (Public
3 Law 109–58; 42 U.S.C. 15942) is repealed.

4 **SEC. 810. FEDERAL RESPONSE TO STATE PROPOSALS TO**
5 **PROTECT STATE LANDS AND WATERS.**

6 Any State shall be entitled to timely decisions regard-
7 ing permit applications or other approvals from any Fed-
8 eral official, including the Secretary of the Interior or the
9 Secretary of Commerce, for any State or local government
10 response activity to protect State lands and waters that
11 is directly related to the discharge of oil determined to
12 be a spill of national significance. Within 48 hours of the
13 receipt of the State application or request for approval,
14 the Federal official shall provide a clear determination on
15 the permit application or approval request to the State,
16 or provide a definite date by which the determination shall
17 be made to the State. If the Federal official fails to meet
18 either of these deadlines, the permit application is pre-
19 sumed to be approved or other approval granted.

20 **SEC. 811. GOVERNMENT ACCOUNTABILITY OFFICE EVALUA-**
21 **TION.**

22 (a) **EVALUATION.**—The Comptroller General shall
23 conduct an evaluation of the Department of the Interior
24 to determine—

25 (1) whether the reforms carried out under this
26 Act and the amendments made by this Act address

1 concerns of the Government Accountability Office
2 and the Inspector General expressed before the date
3 of enactment of this Act;

4 (2) whether the increased hiring authority given
5 to the Secretary of the Interior under this Act and
6 the amendments made by this Act has resulted in
7 the Department of the Interior being more effective
8 in addressing its oversight missions; and

9 (3) whether there has been a sufficient reduc-
10 tion in the conflict between mission and interest
11 within the Department of the Interior.

12 (b) REPORT.—Not later than 3 years after the date
13 of enactment of this Act, the Comptroller General shall
14 submit to Congress a report containing the results of the
15 evaluation conducted under subsection (a).

16 **SEC. 812. STUDY ON RELIEF WELLS.**

17 Not later than 60 days after the date of enactment
18 of this Act, the Secretary shall enter into an arrangement
19 with the National Academy of Engineering under which
20 the Academy shall, not later than 1 year after such ar-
21 rangement is entered into, submit to the Secretary and
22 to Congress a report that assesses the economic, safety,
23 and environmental impacts of requiring that 1 or more
24 relief wells be drilled in tandem with the drilling of some

1 or all wells subject to the requirements of this Act and
2 the amendments made by this Act.

3 **TITLE IX—STUDY OF ACTIONS**
4 **TO IMPROVE THE ACCURACY**
5 **OF COLLECTION OF ROYAL-**
6 **TIES**

7 **SEC. 901. SHORT TITLE.**

8 This title may be cited as the “Study of Ways to Im-
9 prove the Accuracy of the Collection of Federal Oil, Con-
10 densate, and Natural Gas Royalties Act of 2010”.

11 **SEC. 902. STUDY OF ACTIONS TO IMPROVE THE ACCURACY**
12 **OF COLLECTION OF FEDERAL OIL, CONDEN-**
13 **SATE, AND NATURAL GAS ROYALTIES.**

14 The Secretary of the Interior shall seek to enter into
15 an arrangement with the National Academy of Engineer-
16 ing under which the Academy, by not later than six
17 months after the date of the enactment of this Act, shall
18 study and report to the Secretary regarding whether the
19 accuracy of collection of royalties on production of oil, con-
20 densate, and natural gas under leases of Federal lands (in-
21 cluding submerged and deep water lands) and Indian
22 lands would be improved by any of the following:

- 23 (1) Requiring the installation of digital meters,
24 calibrated at least monthly to an absolute zero value,

1 for all lands from which natural gas (including con-
2 densate) is produced under such leases.

3 (2) Requiring that—

4 (A) the size of every orifice plate on each
5 natural gas well operated under such leases be
6 inspected at least quarterly by the Secretary;
7 and

8 (B) chipped orifice plates and wrong-sized
9 orifice plates be replaced immediately after
10 those inspections and reported to the Secretary
11 for retroactive volume measurement corrections
12 and royalty payments with interest of 8 percent
13 compounded monthly.

14 (3) Requiring that any plug valves that are in
15 natural gas gathering lines be removed and replaced
16 with ball valves.

17 (4) Requiring that—

18 (A) all meter runs should be opened for in-
19 spection by the Secretary and the producer at
20 all times; and

21 (B) any welding or closing of the meter
22 runs leading to the orifice plates should be pro-
23 hibited unless authorized by the Secretary.

24 (5) Requiring the installation of straightening
25 vanes approximately 10 feet before natural gas en-

1 ters each orifice meter, including each master meter
2 and each sales meter.

3 (6) Requiring that all master meters be in-
4 spected and the results of such inspections be made
5 available to the Secretary and the producers imme-
6 diately.

7 (7) Requiring that—

8 (A) all sampling of natural gas for heating
9 content analysis be performed monthly up-
10 stream of each natural gas meter, including up-
11 stream of each master meter;

12 (B) records of such sampling and heating
13 content analysis be maintained by the pur-
14 chaser and made available to the Secretary and
15 to the producer monthly;

16 (C) probes for such upstream sampling be
17 installed upstream within three feet of each
18 natural gas meter;

19 (D) any oil and natural gas lease for which
20 heat content analysis is falsified shall be subject
21 to cancellation;

22 (E) natural gas sampling probes be lo-
23 cated—

24 (i) upstream of the natural gas meter
25 at all times;

1 (ii) within a few feet of the natural
2 gas meter; and

3 (iii) after the natural gas goes
4 through a Welker or Y-Z vanishing cham-
5 ber; and

6 (F) temperature probes and testing probes
7 be located between the natural gas sampling
8 probe and the orifice of the natural gas meter.

9 (8) Prohibiting the dilution of natural gas with
10 inert nitrogen or inert carbon dioxide gas for royalty
11 determination, sale, or resale at any point.

12 (9) Requiring that both the measurement of the
13 volume of natural gas and the heating content anal-
14 yses be reported only on the basis of 14.73 PSI and
15 60 degrees Fahrenheit, regardless of the elevation
16 above sea level of such volume measurement and
17 heating content analysis, for both purchases and
18 sales of natural gas.

19 (10) Prohibiting the construction of bypass
20 pipes that go around the natural gas meter, and im-
21 posing criminal penalties for any such construction
22 or subsequent removal including, but not limited to,
23 automatic cancellation of the lease.

24 (11) Requiring that all natural gas sold to con-
25 sumers have a minimum BTU content of 960 at an

1 atmospheric pressure of 14.73 PSI and be at a tem-
2 perature of 60 degrees Fahrenheit, as required by
3 the State of Wyoming Public Utilities Commission.

4 (12) Requiring that all natural gas sold in the
5 USA will be on a MMBTU basis with the BTU con-
6 tent adjusted for elevation above sea level in higher
7 altitudes. Thus all natural gas meters must correct
8 for BTU content in higher elevations (altitudes).

9 (13) Issuance by the Secretary of rules for the
10 measurement at the wellhead of the standard volume
11 of natural gas produced, based on independent in-
12 dustry standards such as those suggested by the
13 American Society of Testing Materials (ASTM).

14 (14) Requiring use of the fundamental orifice
15 meter mass flow equation, as revised in 1990, for
16 calculating the standard volume of natural gas pro-
17 duced.

18 (15) Requiring the use of F_{pv} in standard vol-
19 ume measurement computations as described in the
20 1992 American Gas Association Report No. 8 enti-
21 tled Compressibility Factor of Natural Gas and
22 Other Related Hydrocarbon Gases.

23 (16) Requiring that gathering lines must be
24 constructed so as to have as few angles and turns

1 as possible, with a maximum of three angles, before
2 they connect with the natural gas meter.

3 (17) Requiring that for purposes of reporting
4 the royalty value of natural gas, condensate, oil, and
5 associated natural gases, such royalty value must be
6 based upon the natural gas' condensate's, oil's, and
7 associated natural gases' arm's length, independent
8 market value, as reported in independent, respected
9 market reports such as Platts or Bloomburys, and
10 not based upon industry controlled posted prices,
11 such as Koch's.

12 (18) Requiring that royalties be paid on all the
13 condensate recovered through purging gathering
14 lines and pipelines with a cone-shaped device to push
15 out condensate (popularly referred to as a pig) and
16 on condensate recovered from separators, dehydra-
17 tors, and processing plants.

18 (19) Requiring that all royalty deductions for
19 dehydration, treating, natural gas gathering, com-
20 pression, transportation, marketing, removal of im-
21 purities such as carbon dioxide (CO₂), nitrogen (N₂),
22 hydrogen sulphide (H₂S), mercaptain (HS), helium
23 (He), and other similar charges on natural gas, con-
24 densate, and oil produced under such leases that are
25 now in existence be eliminated.

1 (20) Requiring that at all times—

2 (A) the quantity, quality, and value ob-
3 tained for natural gas liquids (condensate) be
4 reported to the Secretary; and

5 (B) such reported value be based on fair
6 independent arm's length market value.

7 (21) Issuance by the Secretary of regulations
8 that prohibit venting or flaring (or both) of natural
9 gas in cases for which technology exists to reason-
10 ably prevent it, strict enforcement of such prohibi-
11 tions, and cancellation of leases for violations.

12 (22) Requiring lessees to pay full royalties on
13 any natural gas that is vented, flared, or otherwise
14 avoidably lost.

15 (23)(A) Requiring payment of royalties on car-
16 bon dioxide at the wellhead used for tertiary oil re-
17 covery from depleted oil fields on the basis of 5 per-
18 cent of the West Texas Intermediate crude oil fair
19 market price to be used for one MCF (1,000 cubic
20 feet) of carbon dioxide gas.

21 (B) Requiring that—

22 (i) carbon dioxide used for edible purposes
23 should be subjected to a royalty per thousand
24 cubic feet (MCF) on the basis of the sales price
25 at the downstream delivery point without de-

1 ducting for removal of impurities, processing,
2 transportation, and marketing costs;

3 (ii) such price to apply with respect to gas-
4 eous forms, liquid forms, and solid (dry ice)
5 forms of carbon dioxide converted to equivalent
6 MCF; and

7 (iii) such royalty to apply with respect to
8 both a direct producer of carbon dioxide and
9 purchases of carbon dioxide from another per-
10 son that is either affiliated or not affiliated with
11 the purchaser.

12 (24) Requiring that—

13 (A) royalties be paid on the fair market
14 value of nitrogen extracted from such leases
15 that is used industrially for well stimulation,
16 helium recovery, or other uses; and

17 (B) royalties be paid on the fair market
18 value of ultimately processed helium recovered
19 from such leases.

20 (25) Allowing only 5 percent of the value of the
21 elemental sulfur recovered during processing of hy-
22 drogen sulfide gas from such leases to be deducted
23 for processing costs in determining royalty pay-
24 ments.

1 (26) Requiring that all heating content analysis
2 of natural gas be conducted to a minimum level of
3 C₁₅.

4 (27) Eliminating artificial conversion from dry
5 BTU to wet BTU, and requiring that natural gas be
6 analyzed and royalties paid for at all times on the
7 basis of dry BTU only.

8 (28) Requiring that natural gas sampling be
9 performed at all times with a floating piston cylinder
10 container at the same pressure intake as the pres-
11 sure of the natural gas gathering line.

12 (29) Requiring use of natural gas filters with a
13 minimum of 10 microns, and preferably 15 microns,
14 both in the intake to natural gas sampling con-
15 tainers and in the exit from the natural gas sam-
16 pling containers into the chromatograph.

17 (30) Mandate the use of a Quad Unit for both
18 portable and stationary chromatographs in order to
19 correct for the presence of nitrogen and oxygen, if
20 any, in certain natural gas streams.

21 (31) Require the calibration of all chro-
22 matograph equipment every three months and the
23 use of only American Gas Association-approved
24 standard comparison containers for such calibration.

1 (32) Requiring payment of royalties on any
2 such natural gas stored on Federal or Indian lands
3 on the basis of corresponding storage charges for the
4 use of Federal or Indian lands, respectively, for such
5 storage service.

6 (33) Imposing penalties for the intentional non-
7 payment of royalties for natural gas liquids recov-
8 ered—

9 (A) from purging of natural gas gathering
10 lines and natural gas pipelines; or

11 (B) from field separators, dehydrators, and
12 processing plants,

13 including cancellation of oil and natural gas leases
14 and criminal penalties.

15 (34) Requiring that the separator, dehydrator,
16 and natural gas meter be located within 100 feet of
17 each natural gas wellhead.

18 (35) Requiring that BTU heating content anal-
19 ysis be performed when the natural gas is at a tem-
20 perature of 140 to 150 degrees Fahrenheit at all
21 times, as required by the American Gas Association
22 (AGA) regulations.

23 (36) Requiring that heating content analysis
24 and volume measurements are identical at the sales
25 point to what they are at the purchase point, after

1 allowing for a small volume for leakage in old pipes,
2 but with no allowance for heating content discrep-
3 ancy.

4 (37) Verification by the Secretary that the spe-
5 cific gravity of natural gas produced under such
6 leases, as measured at the meter run, corresponds to
7 the heating content analysis data for such natural
8 gas, in accordance with the Natural Gas Processors
9 Association Publication 2145–71(1), entitled “Phys-
10 ical Constants Of Paraffin Hydrocarbons And Other
11 Components Of Natural Gas”, and reporting of all
12 discrepancies immediately.

13 (38) Prohibiting all deductions on royalty pay-
14 ments for marketing of natural gas, condensate, and
15 oil by an affiliate or agent.

16 (39) Requiring that all standards of the Amer-
17 ican Petroleum Institute, the American Gas Associa-
18 tion, the Gas Processors Association, and the Amer-
19 ican Society of Testing Materials, Minerals Manage-
20 ment Service Order No. 5, and all other Minerals
21 Management Service orders be faithfully observed
22 and applied, and willful misconduct of such stand-
23 ards and orders be subject to oil and gas lease can-
24 cellation.

1 **SEC. 903. DEFINITIONS.**

2 In this title:

3 (1) COVERED LANDS.—The term “covered
4 lands” means—

5 (A) all Federal onshore lands and offshore
6 lands that are under the administrative jurisdic-
7 tion of the Department of the Interior for pur-
8 poses of oil and gas leasing; and

9 (B) Indian onshore lands.

10 (2) SECRETARY.—The term “Secretary” means
11 the Secretary of the Interior.

12 **TITLE X—OFFSHORE OIL AND**
13 **GAS WORKER WHISTLE-**
14 **BLOWER PROTECTION**

15 **SEC. 1001. SHORT TITLE.**

16 This title may be cited as the “Offshore Oil and Gas
17 Worker Whistleblower Protection Act of 2010”.

18 **SEC. 1002. WHISTLEBLOWER PROTECTIONS; EMPLOYEE**
19 **PROTECTION FROM OTHER RETALIATION.**

20 (a) PROHIBITION AGAINST RETALIATION.—

21 (1) IN GENERAL.—No employer may discharge
22 or otherwise discriminate against a covered employee
23 because the covered employee, whether at the cov-
24 ered employee’s initiative or in the ordinary course
25 of the covered employee’s duties—

1 (A) provided, caused to be provided, or is
2 about to provide or cause to be provided to the
3 employer or to a Federal or State Government
4 official, information relating to any violation of,
5 or any act or omission the covered employee
6 reasonably believes to be a violation of, any pro-
7 vision of the Outer Continental Shelf Lands Act
8 (43 U.S.C. 1301 et seq.), or any order, rule,
9 regulation, standard, or prohibition under that
10 Act, or exercised any rights provided to employ-
11 ees under that Act;

12 (B) testified or is about to testify in a pro-
13 ceeding concerning such violation;

14 (C) assisted or participated or is about to
15 assist or participate in such a proceeding;

16 (D) testified or is about to testify before
17 Congress on any matter covered by such Act;

18 (E) objected to, or refused to participate in
19 any activity, policy, practice, or assigned task
20 that the covered employee reasonably believed
21 to be in violation of any provision of such Act,
22 or any order, rule, regulation, standard, or ban
23 under such Act;

24 (F) reported to the employer or a State or
25 Federal Government official any of the fol-

1 lowing related to the employer’s activities de-
2 scribed in section 1003(1): an illness, injury,
3 unsafe condition, or information regarding the
4 adequacy of any oil spill response plan required
5 by law; or

6 (G) refused to perform the covered employ-
7 ee’s duties, or exercised stop work authority, re-
8 lated to the employer’s activities described in
9 section 1003(1) if the covered employee had a
10 good faith belief that performing such duties
11 could result in injury to or impairment of the
12 health of the covered employee or other employ-
13 ees, or cause an oil spill to the environment.

14 (2) GOOD FAITH BELIEF.—For purposes of
15 paragraph (1)(E), the circumstances causing the
16 covered employee’s good faith belief that performing
17 such duties would pose a health and safety hazard
18 shall be of such a nature that a reasonable person
19 under circumstances confronting the covered em-
20 ployee would conclude there is such a hazard.

21 (b) PROCESS.—

22 (1) IN GENERAL.—A covered employee who be-
23 lieves that he or she has been discharged or other-
24 wise discriminated against (hereafter referred to as
25 the “complainant”) by any employer in violation of

1 subsection (a)(1) may, not later than 180 days after
2 the date on which such alleged violation occurs or
3 the date on which the covered employee knows or
4 should reasonably have known that such alleged vio-
5 lation occurred, file (or have any person file on his
6 or her behalf) a complaint with the Secretary of
7 Labor (referred to in this section as the “Sec-
8 retary”) alleging such discharge or discrimination
9 and identifying employer or employers responsible
10 for such act. Upon receipt of such a complaint, the
11 Secretary shall notify, in writing, the employer or
12 employers named in the complaint of the filing of
13 the complaint, of the allegations contained in the
14 complaint, of the substance of evidence supporting
15 the complaint, and of the opportunities that will be
16 afforded to such person under paragraph (2).

17 (2) INVESTIGATION.—

18 (A) IN GENERAL.—Not later than 90 days
19 after the date of receipt of a complaint filed
20 under paragraph (1) the Secretary shall initiate
21 an investigation and determine whether there is
22 reasonable cause to believe that the complaint
23 has merit and notify, in writing, the complain-
24 ant and the employer or employers alleged to
25 have committed a violation of subsection (a)(1)

1 of the Secretary's findings. The Secretary shall,
2 during such investigation afford the complain-
3 ant and the employer or employers named in
4 the complaint an opportunity to submit to the
5 Secretary a written response to the complaint
6 and an opportunity to meet with a representa-
7 tive of the Secretary to present statements from
8 witnesses. The complainant shall be provided
9 with an opportunity to review the information
10 and evidence provided by employer or employers
11 to the Secretary, and to review any response or
12 rebuttal by such the complaint, as part of such
13 investigation.

14 (B) REASONABLE CAUSE FOUND; PRELIMI-
15 NARY ORDER.—If the Secretary concludes that
16 there is reasonable cause to believe that a viola-
17 tion of subsection (a)(1) has occurred, the Sec-
18 retary shall accompany the Secretary's findings
19 with a preliminary order providing the relief
20 prescribed by paragraph (3)(B). Not later than
21 30 days after the date of notification of find-
22 ings under this paragraph, the employer or em-
23 ployers alleged to have committed the violation
24 or the complainant may file objections to the
25 findings or preliminary order, or both, and re-

1 quest a hearing on the record before an admin-
2 istrative law judge of the Department of Labor.
3 The filing of such objections shall not operate
4 to stay any reinstatement remedy contained in
5 the preliminary order. Any such hearing shall
6 be conducted expeditiously. If a hearing is not
7 requested in such 30-day period, the prelimi-
8 nary order shall be deemed a final order that is
9 not subject to judicial review. The Secretary of
10 Labor is authorized to enforce preliminary rein-
11 statement orders in the United States district
12 court for the district in which the violation was
13 found to occur, or in the United States district
14 court for the District of Columbia.

15 (C) DISMISSAL OF COMPLAINT.—

16 (i) STANDARD FOR COMPLAINANT.—

17 The Secretary shall dismiss a complaint
18 filed under this subsection and shall not
19 conduct an investigation otherwise required
20 under subparagraph (A) unless the com-
21 plainant makes a prima facie showing that
22 any behavior described in subparagraphs
23 (A) through (G) of subsection (a)(1) was a
24 contributing factor in the adverse action
25 alleged in the complaint.

1 (ii) STANDARD FOR EMPLOYER.—Not-
2 withstanding a finding by the Secretary
3 that the complainant has made the show-
4 ing required under clause (i), no investiga-
5 tion otherwise required under subpara-
6 graph (A) shall be conducted if the em-
7 ployer demonstrates, by clear and con-
8 vincing evidence, that the employer would
9 have taken the same adverse action in the
10 absence of that behavior.

11 (iii) VIOLATION STANDARD.—The
12 Secretary may determine that a violation
13 of subsection (a)(1) has occurred only if
14 the complainant demonstrates that any be-
15 havior described in subparagraphs (A)
16 through (G) of such subsection was a con-
17 tributing factor in the adverse action al-
18 leged in the complaint.

19 (iv) RELIEF STANDARD.—Relief may
20 not be ordered under subparagraph (A) if
21 the employer demonstrates by clear and
22 convincing evidence that the employer
23 would have taken the same adverse action
24 in the absence of that behavior.

25 (3) ORDERS.—

1 (A) IN GENERAL.—Not later than 90 days
2 after the receipt of a request for a hearing
3 under subsection (b)(2)(B), the administrative
4 law judge shall issue findings of fact and order
5 the relief provided under this paragraph or
6 deny the complaint. At any time before issuance
7 of an order, a proceeding under this subsection
8 may be terminated on the basis of a settlement
9 agreement entered into by the Secretary, the
10 complainant, and the person alleged to have
11 committed the violation. Such a settlement may
12 not be agreed by such parties if it contains con-
13 ditions which conflict with rights protected
14 under this title, are contrary to public policy, or
15 include a restriction on a complainant's right to
16 future employment with employers other than
17 the specific employers named in the complaint.

18 (B) CONTENT OF ORDER.—If, in response
19 to a complaint filed under paragraph (1), the
20 administrative law judge determines that a vio-
21 lation of subsection (a)(1) has occurred, the ad-
22 ministrative law judge shall order the employer
23 or employers who committed such violation—

24 (i) to take affirmative action to abate
25 the violation;

1 (ii) to reinstate the complainant to his
2 or her former position together with com-
3 pensation (including back pay and prejudg-
4 ment interest) and restore the terms, con-
5 ditions, and privileges associated with his
6 or her employment; and

7 (iii) to provide compensatory and con-
8 sequential damages, and, as appropriate,
9 exemplary damages to the complainant.

10 (C) ATTORNEY FEES.—If such an order is
11 issued under this paragraph, the Secretary, at
12 the request of the complainant, shall assess
13 against the employer or employers a sum equal
14 to the aggregate amount of all costs and ex-
15 penses (including attorneys' and expert witness
16 fees) reasonably incurred by the complainant
17 for, or in connection with, the bringing of the
18 complaint upon which the order was issued at
19 the conclusion of any stage of the proceeding.

20 (D) BAD FAITH CLAIM.—If the Secretary
21 finds that a complaint under paragraph (1) is
22 frivolous or has been brought in bad faith, the
23 Secretary may award to the prevailing employer
24 reasonable attorneys' fees, not exceeding
25 \$1,000, to be paid by the complainant.

1 (E) ADMINISTRATIVE APPEAL.—Not later
2 than 30 days after the receipt of findings of
3 fact or an order under subparagraph (B), the
4 employer or employers alleged to have com-
5 mitted the violation or the complainant may
6 file, with objections, an administrative appeal
7 with the Secretary, who may designate such ap-
8 peal to a review board. In reviewing a decision
9 and order of the administrative law judge, the
10 Secretary shall affirm the decision and order if
11 it is determined that the factual findings set
12 forth therein are supported by substantial evi-
13 dence and the decision and order are made in
14 accordance with applicable law. The Secretary
15 shall issue a final decision and order affirming,
16 or reversing, in whole or in part, the decision
17 under review within 90 days after receipt of the
18 administrative appeal under this subparagraph.
19 If it is determined that a violation of subsection
20 (a)(1) has occurred, the Secretary shall order
21 relief provided under subparagraphs (B) and
22 (C). Such decision shall constitute a final agen-
23 cy action with respect to the matter appealed.
24 (4) ACTION IN COURT.—

1 (A) IN GENERAL.—If the Secretary has
2 not issued a final decision within 300 days after
3 the filing of the complaint, the complainant
4 may bring an action at law or equity for de
5 novo review in the appropriate district court of
6 the United States, which action shall, at the re-
7 quest of either party to such action, be tried by
8 the court with a jury. The proceedings shall be
9 governed by the same legal burdens of proof
10 specified in paragraph (2)(C).

11 (B) RELIEF.—The court may award all
12 appropriate relief including injunctive relief,
13 compensatory and consequential damages, in-
14 cluding—

15 (i) reinstatement with the same se-
16 niority status that the covered employee
17 would have had, but for the discharge or
18 discrimination;

19 (ii) the amount of back pay sufficient
20 to make the covered employee whole, with
21 prejudgment interest;

22 (iii) exemplary damages, as appro-
23 priate; and

24 (iv) litigation costs, including reason-
25 able attorney fees and expert witness fees.

1 (5) REVIEW.—

2 (A) IN GENERAL.—Any person aggrieved
3 by a final order issued under paragraph (3) or
4 a judgment or order under paragraph (4) may
5 obtain review of the order in the appropriate
6 United States Court of Appeals. The petition
7 for review must be filed not later than 60 days
8 after the date of the issuance of the final order
9 of the Secretary. Review shall be in accordance
10 with chapter 7 of title 5, United States Code.
11 The commencement of proceedings under this
12 subparagraph shall not, unless ordered by the
13 court, operate as a stay of the order.

14 (B) NO OTHER JUDICIAL REVIEW.—An
15 order of the Secretary with respect to which re-
16 view could have been obtained under subpara-
17 graph (A) shall not be subject to judicial review
18 in any other proceeding.

19 (6) FAILURE TO COMPLY WITH ORDER.—When-
20 ever any employer has failed to comply with an order
21 issued under paragraph (3), the Secretary may ob-
22 tain in a civil action in the United States district
23 court for the district in which the violation was
24 found to occur, or in the United States district court
25 for the District of Columbia, all appropriate relief

1 including, but not limited to, injunctive relief and
2 compensatory damages.

3 (7) CIVIL ACTION TO REQUIRE COMPLIANCE.—

4 (A) IN GENERAL.—Whenever an employer
5 has failed to comply with an order issued under
6 paragraph (3), the complainant on whose behalf
7 the order was issued may obtain in a civil ac-
8 tion in an appropriate United States district
9 court against the employer to whom the order
10 was issued, all appropriate relief.

11 (B) AWARD.—The court, in issuing any
12 final order under this paragraph, may award
13 costs of litigation (including reasonable attor-
14 neys' and expert witness fees) to any party
15 whenever the court determines such award is
16 appropriate.

17 (c) CONSTRUCTION.—

18 (1) EFFECT ON OTHER LAWS.—Nothing in this
19 section preempts or diminishes any other safeguards
20 against discrimination, demotion, discharge, suspen-
21 sion, threats, harassment, reprimand, retaliation, or
22 any other manner of discrimination provided by Fed-
23 eral or State law.

24 (2) RIGHTS OF EMPLOYEES.—Nothing in this
25 section shall be construed to diminish the rights,

1 privileges, or remedies of any employee under any
2 Federal or State law or under any collective bar-
3 gaining agreement. The rights and remedies in this
4 section may not be waived by any agreement, policy,
5 form, or condition of employment.

6 (d) ENFORCEMENT OF NONDISCRETIONARY DU-
7 TIES.—Any nondiscretionary duty imposed by this section
8 shall be enforceable in a mandamus proceeding brought
9 under section 1361 of title 28, United States Code.

10 (e) POSTING OF NOTICE AND TRAINING.—All em-
11 ployers shall post a notice which has been approved as to
12 form and content by the Secretary of Labor in a con-
13 spicuous location in the place of employment where cov-
14 ered employees frequent which explains employee rights
15 and remedies under this section. Each employer shall pro-
16 vide training to covered employees of their rights under
17 this section within 30 days of employment, and at not less
18 than once every 12 months thereafter, and provide covered
19 employees with a card which contains a toll free telephone
20 number at the Department of Labor which covered em-
21 ployees can call to get information or file a complaint
22 under this section.

23 (f) DESIGNATION BY THE SECRETARY.—The Sec-
24 retary of Labor shall, within 30 days of the date of enact-
25 ment of this Act, designate by order the appropriate agen-

1 cy officials to receive, investigate, and adjudicate com-
2 plaints of violations of subsection (a)(1).

3 **SEC. 1003. DEFINITIONS.**

4 As used in this title the following definitions apply:

5 (1) The term “covered employee”—

6 (A) means an individual performing serv-
7 ices on behalf of an employer that is engaged
8 in activities on or in waters above the Outer
9 Continental Shelf related to—

10 (i) supporting, or carrying out explo-
11 ration, development, production, proce-
12 ssing, or transportation of oil or gas; or

13 (ii) oil spill cleanup, emergency re-
14 sponse, environmental surveillance, protec-
15 tion, or restoration, or other oil spill activi-
16 ties related to occupational safety and
17 health; and

18 (B) includes an applicant for such employ-
19 ment.

20 (2) The term “employer” means one or more
21 individuals, partnerships, associations, corporations,
22 trusts, unincorporated organizations, nongovern-
23 mental organizations, or trustees, and includes any
24 agent, contractor, subcontractor, grantee or consult-
25 ant of such employer.

Calendar No. 510

11TH CONGRESS
2^D SESSION

H. R. 3534

AN ACT

To provide greater efficiencies, transparency, returns, and accountability in the administration of Federal mineral and energy resources by consolidating administration of various Federal energy minerals management and leasing programs into one entity to be known as the Office of Federal Energy and Minerals Leasing of the Department of the Interior, and for other purposes.