

AMENDMENT NO. _____ Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—112th Cong., 1st Sess.

S. 917

To amend the Outer Continental Shelf Lands Act to reform the management of energy and mineral resources on the Outer Continental Shelf, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended to be proposed by Mr. BINGAMAN (for himself and Ms. MURKOWSKI)

Viz:

1 Strike all after the enacting clause and insert the following:
2

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

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Outer Continental Shelf Reform Act of 2011”.

6 (b) **TABLE OF CONTENTS.**—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Purposes.

Sec. 3. Definitions.

Sec. 4. Structural reform of outer Continental Shelf program management.

Sec. 5. Safety and related reform of the Outer Continental Shelf Lands Act.

Sec. 6. Reform of other law.

Sec. 7. Safer oil and gas production.

Sec. 8. Savings provisions.

Sec. 9. Budgetary effects.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are—

3 (1) to rationalize and reform the responsibilities
4 of the Secretary of the Interior with respect to the
5 management of the outer Continental Shelf in order
6 to improve management, oversight, accountability,
7 and safety; and

8 (2) to provide independent enforcement of safe-
9 ty and environmental laws (including regulations)
10 and independent development of regulations gov-
11 erning—

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

15 (B) related offshore activities.

16 **SEC. 3. DEFINITIONS.**

17 In this Act:

18 (1) DEPARTMENT.—The term “Department”
19 means the Department of the Interior.

20 (2) OUTER CONTINENTAL SHELF.—The term
21 “outer Continental Shelf” has the meaning given the
22 term in section 2 of the Outer Continental Shelf
23 Lands Act (43 U.S.C. 1331).

1 (3) SECRETARY.—The term “Secretary” means
2 the Secretary of the Interior.

3 **SEC. 4. STRUCTURAL REFORM OF OUTER CONTINENTAL**
4 **SHELF PROGRAM MANAGEMENT.**

5 (a) IN GENERAL.—The Outer Continental Shelf
6 Lands Act (43 U.S.C. 1331 et seq.) is amended by adding
7 at the end the following:

8 **“SEC. 32. STRUCTURAL REFORM OF OUTER CONTINENTAL**
9 **SHELF PROGRAM MANAGEMENT.**

10 “(a) LEASING, PERMITTING, AND REGULATION BU-
11 REAUS.—

12 “(1) ESTABLISHMENT OF BUREAUS.—

13 “(A) IN GENERAL.—Subject to the discre-
14 tion granted by Reorganization Plan Number 3
15 of 1950 (64 Stat. 1262; 43 U.S.C. 1451 note),
16 the Secretary shall establish in the Department
17 of the Interior not more than 2 bureaus to
18 carry out the leasing, permitting, and safety
19 and environmental regulatory functions vested
20 in the Secretary by this Act and the Federal Oil
21 and Gas Royalty Management Act of 1982 (30
22 U.S.C. 1701 et seq.) related to the outer Conti-
23 nental Shelf.

24 “(B) CONFLICTS OF INTEREST.—In estab-
25 lishing the bureaus under subparagraph (A),

1 the Secretary shall ensure, to the maximum ex-
2 tent practicable, that any potential organiza-
3 tional conflicts of interest related to leasing,
4 revenue creation, environmental protection, and
5 safety are eliminated.

6 “(2) DIRECTOR.—Each bureau shall be headed
7 by a Director, who shall be appointed by the Presi-
8 dent, by and with the advice and consent of the Sen-
9 ate.

10 “(3) COMPENSATION.—Each Director shall be
11 compensated at the rate provided for level V of the
12 Executive Schedule under section 5316 of title 5,
13 United States Code.

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

18 “(b) ROYALTY AND REVENUE OFFICE.—

19 “(1) ESTABLISHMENT OF OFFICE.—Subject to
20 the discretion granted by Reorganization Plan Num-
21 ber 3 of 1950 (64 Stat. 1262; 43 U.S.C. 1451 note),
22 the Secretary shall establish in the Department of
23 the Interior an office to carry out the royalty and
24 revenue management functions vested in the Sec-
25 retary by this Act and the Federal Oil and Gas Roy-

1 alty Management Act of 1982 (30 U.S.C. 1701 et
2 seq.).

3 “(2) DIRECTOR.—The office established under
4 paragraph (1) shall be headed by a Director, who
5 shall be appointed by the President, by and with the
6 advice and consent of the Senate.

7 “(3) COMPENSATION.—The Director shall be
8 compensated at the rate provided for level V of the
9 Executive Schedule under section 5316 of title 5,
10 United States Code.

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

15 “(c) OCS SAFETY AND ENVIRONMENTAL ADVISORY
16 BOARD.—

17 “(1) ESTABLISHMENT.—The Secretary shall es-
18 tablish, under the Federal Advisory Committee Act
19 (5 U.S.C. App.), an Outer Continental Shelf Safety
20 and Environmental Advisory Board (referred to in
21 this subsection as the ‘Board’), to provide the Sec-
22 retary and the Directors of the bureaus established
23 under this section with independent peer-reviewed
24 scientific and technical advice regarding—

1 “(A) safe and responsible energy and min-
2 eral resource exploration, development, and pro-
3 duction activities; and

4 “(B) the selection of research priorities to
5 be undertaken under sections 20 and 21.

6 “(2) MEMBERSHIP.—

7 “(A) SIZE.—

8 “(i) IN GENERAL.—The Board shall
9 consist of not more than 15 members, cho-
10 sen to reflect a range of expertise in sci-
11 entific, engineering, management, and
12 other disciplines related to safe and re-
13 sponsible energy and mineral resource ex-
14 ploration, development, and production ac-
15 tivities.

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

21 “(B) TERM.—The Secretary shall appoint
22 Board members to staggered terms of not more
23 than 4 years, and shall not appoint a member
24 for more than 2 consecutive terms.

1 “(C) CHAIR.—The Secretary shall appoint
2 the Chair for the Board.

3 “(3) MEETINGS.—The Board shall—

4 “(A) meet not less than 3 times per year;
5 and

6 “(B) at least once per year, host a public
7 forum to review and assess the overall safety
8 and environmental performance of outer Conti-
9 nental Shelf energy and mineral resource activi-
10 ties.

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

12 “(A) be submitted to Congress; and

13 “(B) made available to the public in an
14 electronically accessible form.

15 “(5) TRAVEL EXPENSES.—Members of the
16 Board, other than full-time employees of the Federal
17 Government, while attending a meeting of the Board
18 or while otherwise serving at the request of the Sec-
19 retary or the Director while serving away from their
20 homes or regular places of business, may be allowed
21 travel expenses, including per diem in lieu of subsist-
22 ence, as authorized by section 5703 of title 5,
23 United States Code, for individuals in the Federal
24 Government serving without pay.

25 “(d) SPECIAL PERSONNEL AUTHORITIES.—

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

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

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

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

21 “(ii) complies with the public notice
22 requirements of section 3327 of title 5,
23 United States Code.

24 “(2) CRITICAL PAY AUTHORITY.—

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

13 “(i) the positions require expertise of
14 an extremely high level in a scientific or
15 technical field;

16 “(ii) any of the organizational units
17 established in this section would not suc-
18 cessfully accomplish an important mission
19 without such an individual; and

20 “(iii) exercise of the authority is nec-
21 essary to recruit an individual exceptionally
22 well qualified for the position.

23 “(B) LIMITATIONS.—The authority grant-
24 ed under subparagraph (A) shall be subject to
25 the following conditions:

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

5 “(ii) The term of an appointment
6 under subparagraph (A) may not exceed 4
7 years.

8 “(iii) Total annual compensation for
9 any individual appointed under subpara-
10 graph (A) may not exceed the highest total
11 annual compensation payable at the rate
12 determined under section 104 of title 3,
13 United States Code.

14 “(iv) An individual appointed under
15 subparagraph (A) may not be considered
16 to be an employee for purposes of sub-
17 chapter II of chapter 75 of title 5, United
18 States Code.

19 “(C) NOTIFICATION.—Each year, the Sec-
20 retary shall submit to Congress a notification
21 that lists each individual appointed under this
22 paragraph.

23 “(3) REEMPLOYMENT OF CIVILIAN RETIR-
24 EES.—

1 “(A) IN GENERAL.—Notwithstanding part
2 553 of title 5, Code of Federal Regulations (re-
3 lating to reemployment of civilian retirees to
4 meet exceptional employment needs), or suc-
5 cessor regulations, the Secretary may approve
6 the reemployment of an individual to a par-
7 ticular position without reduction or termi-
8 nation of annuity if the hiring of the individual
9 is necessary to carry out a critical function of
10 any of the organizational units established
11 under this section for which suitably qualified
12 candidates do not exist.

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

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

20 “(ii) may not elect to have retirement
21 contributions withheld from the pay of the
22 annuitant;

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

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

4 “(C) LIMITATION ON TERM.—The term of
5 employment of any individual hired under sub-
6 paragraph (A) may not exceed an initial term
7 of 2 years, with an additional 2-year appoint-
8 ment under exceptional circumstances.

9 “(e) CONTINUITY OF AUTHORITY.—Subject to the
10 discretion granted by Reorganization Plan Number 3 of
11 1950 (64 Stat. 1262; 43 U.S.C. 1451 note), any reference
12 in any law, rule, regulation, directive, or instruction, or
13 certificate or other official document, in force immediately
14 prior to the date of enactment of this section—

15 “(1) to the Minerals Management Service that
16 pertains to any of the duties and authorities de-
17 scribed in this section shall be deemed to refer and
18 apply to the appropriate bureaus and offices estab-
19 lished under this section;

20 “(2) to the Director of the Minerals Manage-
21 ment Service that pertains to any of the duties and
22 authorities described in this section shall be deemed
23 to refer and apply to the Director of the bureau or
24 office under this section to whom the Secretary has
25 assigned the respective duty or authority; and

1 “(3) to any other position in the Minerals Man-
2 agement Service that pertains to any of the duties
3 and authorities described in this section shall be
4 deemed to refer and apply to that same or equiva-
5 lent position in the appropriate bureau or office es-
6 tablished under this section.”.

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

11 “Bureau Directors, Department of the Interior
12 (2).

13 “Director, Royalty and Revenue Office, Depart-
14 ment of the Interior.”.

15 **SEC. 5. SAFETY AND RELATED REFORM OF THE OUTER**
16 **CONTINENTAL SHELF LANDS ACT.**

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

20 “(r) SAFETY CASE.—The term ‘safety case’ means
21 a complete set of safety documentation that—

22 “(1) identifies the hazards, risks, and con-
23 sequences of the activity; and

24 “(2) provides—

1 “(A) a plan for managing the risks identi-
2 fied under paragraph (1); and

3 “(B) a basis for determining whether a
4 system is adequately safe for a given applica-
5 tion in a given environment.”.

6 (b) ADMINISTRATION OF LEASING.—Section 5(a) of
7 the Outer Continental Shelf Lands Act (43 U.S.C.
8 1334(a)) is amended in the second sentence—

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

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

14 (c) LEASES, EASEMENTS, AND RIGHTS-OF-WAY.—
15 Section 8 of the Outer Continental Shelf Lands Act (43
16 U.S.C. 1337) is amended—

17 (1) by striking subsection (d) and inserting the
18 following:

19 “(d) DISQUALIFICATION FROM BIDDING.—No bid
20 for a lease may be submitted by an entity that the Sec-
21 retary finds, after prior public notice and an opportunity
22 for an evidentiary hearing—

23 “(1) is not meeting due diligence, safety, or en-
24 vironmental requirements on other leases; or

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

5 “(B) after consultation with the Attorney Gen-
6 eral, the Coast Guard, and the trustees designated
7 under section 1006(b) of the Oil Pollution Act of
8 1990 (33 U.S.C. 2706(b)), to have failed to meet
9 the obligations of the responsible party under that
10 Act to provide compensation for covered removal
11 costs and damages.”; and

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

13 “(q) REVIEW OF BOND AND SURETY AMOUNTS.—
14 Not later than May 1, 2012, and every 5 years thereafter,
15 the Secretary shall—

16 “(1) review the minimum financial responsi-
17 bility requirements (other than requirements under
18 subsection (a)(7)(A) or (p)(6)(A)) for mineral leases
19 authorized under this Act; and

20 “(2) adjust for inflation based on the Consumer
21 Price Index for all Urban Consumers published by
22 the Bureau of Labor Statistics of the Department of
23 Labor, and recommend to Congress any further
24 changes to existing financial responsibility require-
25 ments necessary to permit lessees to fulfill all obliga-

1 tions under this Act or the Oil Pollution Act of 1990
2 (33 U.S.C. 2701 et seq.).”.

3 (d) EXPLORATION PLANS.—Section 11 of the Outer
4 Continental Shelf Lands Act (43 U.S.C. 1340) is amend-
5 ed—

6 (1) in subsection (c)—

7 (A) in paragraph (1)—

8 (i) by inserting after the third sen-
9 tence the following: “If the Secretary re-
10 jects or returns the plan for modifications
11 or as incomplete, the Secretary shall ac-
12 company such return with a written state-
13 ment or electronic communication identi-
14 fying, in appropriate detail, the issues to
15 be addressed, modifications to be made, or
16 information required.”; and

17 (ii) in the fourth sentence, by striking
18 “thirty days” and inserting “60 days”; and

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

21 “(3) MINIMUM REQUIREMENTS.—

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

1 “(i) a complete description and sched-
2 ule of the exploration activities to be un-
3 dertaken;

4 “(ii) a description of the equipment to
5 be used for the exploration activities, in-
6 cluding—

7 “(I) a description of the drilling
8 unit;

9 “(II) a statement of the design
10 and condition of major safety-related
11 pieces of equipment;

12 “(III) a description of any new
13 equipment and systems to be used;
14 and

15 “(IV) a statement demonstrating
16 that the equipment to be used meets
17 the best commercially available tech-
18 nology requirements under section
19 21(b);

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

22 “(iv)(I) a scenario for the potential
23 blowout of the well involving the worst case
24 discharge of liquid hydrocarbons, including
25 a detailed description of the assumptions

1 and calculations used to estimate the worst
2 case discharge; and

3 “(II) a complete description of a re-
4 sponse plan to control the blowout and
5 manage the accompanying discharge of hy-
6 drocarbons, including—

7 “(aa) the demonstrated avail-
8 ability of the equipment and systems
9 at all times during the operation and
10 timeline for regaining control of the
11 well; and

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

16 “(v) any other information determined
17 to be relevant by the Secretary.

18 “(B) DEEPWATER WELLS.—

19 “(i) IN GENERAL.—Before conducting
20 exploration activities in water depths
21 greater than 400 feet or that use non-
22 conventional technology, the holder of a
23 lease shall submit to the Secretary for ap-
24 proval a deepwater exploration plan pre-

1 pared by the lessee in accordance with this
2 subparagraph.

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

9 “(iii) SYSTEMS ANALYSIS AND EQUIP-
10 MENT CERTIFICATION REQUIRED.—The
11 Secretary shall not approve a deepwater
12 exploration plan under this subparagraph
13 unless the plan includes a technical sys-
14 tems analysis and a third party certifi-
15 cation of—

16 “(I) the safety of the proposed
17 equipment and activity;

18 “(II) the blowout prevention
19 equipment; and

20 “(III) the blowout containment
21 equipment and spill response plans.”;

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

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

1 “(d) DRILLING PERMITS.—

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

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

7 “(B) before the lessee significantly modi-
8 fies the well design originally approved by the
9 Secretary.

10 “(2) ENGINEERING REVIEW REQUIRED.—The
11 Secretary may not grant any drilling permit until
12 the date of completion of a full review of the well
13 system (including safety equipment) by not less than
14 2 agency engineers and a third-party engineer or
15 equivalent certification of the safety of the equip-
16 ment and systems, including a written determination
17 that—

18 “(A) critical safety systems (including
19 blowout prevention) will use best commercially
20 available technology, appropriate redundancy,
21 and other critical components, as defined by the
22 Secretary; and

23 “(B) blowout prevention systems will in-
24 clude redundancy remote triggering capability
25 and sensors to obtain accurate diagnostic infor-

1 operation will be brought to the attention
2 of the operator and any contractor oper-
3 ating the rig;

4 “(ii) the expertise and experience level
5 of crew members who will be present on
6 the rig; and

7 “(iii) designation of at least 2 envi-
8 ronmental and safety managers that—

9 “(I) are employees of the oper-
10 ator;

11 “(II) would be present on the rig
12 at all times; and

13 “(III) are responsible for ensur-
14 ing compliance with the management
15 plan described in clause (i); and

16 “(C) not later than May 1, 2013, requires
17 that all employees on the rig meet the training
18 and experience requirements under section
19 21(b)(4).

20 “(e) DISAPPROVAL OF EXPLORATION PLAN.—

21 “(1) IN GENERAL.—The Secretary shall dis-
22 approve an exploration plan submitted under this
23 section if the Secretary determines that, because of
24 exceptional geological conditions in the lease areas,
25 exceptional resource values in the marine or coastal

1 environment, or other exceptional circumstances,
2 that—

3 “(A) implementation of the exploration
4 plan would probably cause serious harm or
5 damage to life (including fish and other aquatic
6 life), property, mineral deposits, national secu-
7 rity or defense, or the marine, coastal or human
8 environments;

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

12 “(C) the advantages of disapproving the
13 exploration plan outweigh the advantages of ex-
14 ploration.

15 “(2) COMPENSATION.—If an exploration plan is
16 disapproved under this subsection, the provisions of
17 subparagraphs (B) and (C) of section 25(h)(2) shall
18 apply to the lease and the plan or any modified plan,
19 except that the reference in section 25(h)(2)(C) to a
20 development and production plan shall be considered
21 to be a reference to an exploration plan.”.

22 (e) OUTER CONTINENTAL SHELF LEASING PRO-
23 GRAM.—Section 18 of the Outer Continental Shelf Lands
24 Act (43 U.S.C. 1344) is amended—

25 (1) in subsection (b)—

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

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

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

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

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

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

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

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

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

3 (f) OIL SPILL AND OTHER ENVIRONMENTAL RE-
4 SEARCH.—Section 20 of the Outer Continental Shelf
5 Lands Act (43 U.S.C. 1346) is amended—

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

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

10 “(a) COMPREHENSIVE AND INDEPENDENT STUDIES
11 AND DEMONSTRATION PROJECTS.—

12 “(1) IN GENERAL.—The Secretary shall develop
13 and carry out programs for research, development,
14 and technology demonstration, and the collection,
15 evaluation, assembly, analysis, and dissemination of
16 environmental and other resource data that are rel-
17 evant to carrying out the purposes of this Act.

18 “(2) SCOPE OF RESEARCH.—In addition to the
19 requirements under subsections (b) through (g), the
20 research programs under this subsection shall in-
21 clude—

22 “(A) the gathering of baseline and subse-
23 quent data in areas before, during, and fol-
24 lowing energy or mineral resource development
25 activities; and

1 “(B) the improvement of scientific under-
2 standing of oil spills and oil spill response, in-
3 cluding an improvement of the understanding
4 of—

5 “(i) the behavior of oil and natural
6 gas in water, including miscibility, plume
7 behavior, emulsification, physical separa-
8 tion, and chemical and biological degrada-
9 tion;

10 “(ii) the modeling, simulation, and
11 prediction of oil flows from releases in
12 water, including releases on the surface
13 and in the subsurface of water;

14 “(iii) the methods of detection of the
15 release of hydrocarbons and characteriza-
16 tion of the rates of flow from exploration
17 or production equipment; and

18 “(iv) the response to and clean up of
19 oil spills, including scenarios involving
20 worst case discharge amounts in all fore-
21 seeable ocean conditions.

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

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

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

9 “(4) INDEPENDENCE.—To carry out the re-
10 search required by this section, the Secretary shall
11 establish within the appropriate bureau established
12 under section 32 an institute, to be known as the
13 ‘Ocean Energy Safety Institute’, that shall—

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

16 “(B) carry out the studies required under
17 this section and section 21;

18 “(C) coordinate with and use, to the max-
19 imum extent practicable, the expertise of other
20 Federal agencies and institutions of higher edu-
21 cation;

22 “(D) not later than 1 year after the date
23 of enactment of the Outer Continental Shelf
24 Reform Act of 2011 and every 3 years there-

1 after, prepare a research and technology plan
2 that—

3 “(i) identifies gaps in existing re-
4 search and technology; and

5 “(ii) establishes research priorities for
6 the institute established under this para-
7 graph, including estimates of—

8 “(I) the resources needed to
9 achieve those priorities; and

10 “(II) the timelines for achieving
11 those priorities;

12 “(E) provide for external scientific review
13 of studies under this section, including through
14 appropriate arrangements with the National
15 Academy of Sciences; and

16 “(F) subject to the restrictions of sub-
17 sections (g) and (h) of section 18, make avail-
18 able to the public the research and technology
19 plan prepared under subparagraph (D) and the
20 studies conducted and data gathered under this
21 section.”; and

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

1 (g) SAFETY RESEARCH AND REGULATIONS.—Section
2 21 of the Outer Continental Shelf Lands Act (43 U.S.C.
3 1347) is amended—

4 (1) in the first sentence of subsection (a), by
5 striking “Upon the date of enactment of this sec-
6 tion,” and inserting “Not later than 180 days after
7 the date of enactment of the Outer Continental Shelf
8 Reform Act of 2011, and every 3 years thereafter,”;

9 (2) by striking subsection (b) and inserting the
10 following:

11 “(b) BEST AVAILABLE TECHNOLOGIES AND PRAC-
12 TICES.—

13 “(1) IN GENERAL.—In exercising respective re-
14 sponsibilities under this Act, the Secretary, and the
15 Secretary of the Department in which the Coast
16 Guard is operating, shall require, on all new drilling
17 and production operations and, to the maximum ex-
18 tent practicable, on existing operations, the use of
19 the best commercially available and safest tech-
20 nologies and practices, in areas in which the failure
21 of equipment would have a significant effect on safe-
22 ty, health, or the environment.

23 “(2) IDENTIFICATION OF BEST COMMERCIALY
24 AVAILABLE TECHNOLOGIES.—

1 “(A) IN GENERAL.—Not later than 180
2 days after the date of enactment of the Outer
3 Continental Shelf Reform Act of 2011, and not
4 later than every 3 years thereafter, the Sec-
5 retary shall identify and publish an updated list
6 of best commercially available technologies for
7 key areas of well design and operation, includ-
8 ing blowout prevention and blowout and oil spill
9 response.

10 “(B) EFFECT.—Nothing in this paragraph
11 prohibits the use of new technologies that are
12 not included on the list of best commercially
13 available technologies published under subpara-
14 graph (A), but are approved by the Secretary
15 during the permitting process as providing en-
16 hanced safety, blowout prevention, or spill re-
17 sponse as compared to the technologies on the
18 published list.

19 “(3) SAFETY CASE.—

20 “(A) IN GENERAL.—Not later than 180
21 days after the date of enactment of the Outer
22 Continental Shelf Reform Act of 2011, the Sec-
23 retary shall promulgate regulations requiring a
24 safety case to be submitted along with each ap-

1 plication for a permit to drill a new exploratory
2 well on the outer Continental Shelf.

3 “(B) CONSIDERATIONS.—In promulgating
4 regulations under subparagraph (A), the Sec-
5 retary shall—

6 “(i) consider the need for a safety
7 case on other wells drilled on the outer
8 Continental Shelf; and

9 “(ii) require a safety case for any of
10 the wells considered under clause (i) for
11 which the Secretary determines a safety
12 case to be necessary to ensure the safety of
13 the wells.

14 “(4) EMPLOYEE TRAINING.—

15 “(A) IN GENERAL.—Not later than 180
16 days after the date of enactment of the Outer
17 Continental Shelf Reform Act of 2011, the Sec-
18 retary shall promulgate regulations setting
19 standards for training for all workers on off-
20 shore facilities (including mobile offshore drill-
21 ing units) conducting energy and mineral re-
22 source exploration, development, and production
23 operations on the outer Continental Shelf.

24 “(B) REQUIREMENTS.—The training
25 standards under this paragraph shall require

1 that employers of workers described in subpara-
2 graph (A)—

3 “(i) establish training programs ap-
4 proved by the Secretary; and

5 “(ii) demonstrate that employees in-
6 volved in the offshore operations meet
7 standards that demonstrate the appro-
8 priate aptitude of the employees in critical
9 technical skills.

10 “(C) EXPERIENCE.—The training stand-
11 ards under this section shall require that—

12 “(i) any offshore worker with less
13 than 5 years of applied experience in off-
14 shore facilities operations pass a certifi-
15 cation requirement after receiving the ap-
16 propriate training; and

17 “(ii) all employees receive rig orienta-
18 tion training not later than 24 hours after
19 arriving on the rig for the first time.

20 “(D) MONITORING TRAINING COURSES.—

21 The Secretary shall ensure that Department
22 employees responsible for inspecting offshore fa-
23 cilities monitor, observe, and report on training
24 courses required under this paragraph, includ-
25 ing a representative number of industrial and

1 academic training sessions, as determined by
2 the Secretary.”; and

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

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

6 “(1) IN GENERAL.—The Secretary shall carry
7 out a program of research, development, and risk as-
8 sessment to monitor and address technology and de-
9 velopment issues associated with outer Continental
10 Shelf energy and mineral resource activities, with
11 the primary purpose of informing the regulatory ac-
12 tivities and research relating to safety, including
13 well-control, intervention, and containment, environ-
14 mental protection, and spill response, as required by
15 this Act.

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

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

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

1 “(C) analysis of incidents investigated
2 under section 22;

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

9 “(E) technologies, materials, and practices
10 to prevent the loss of well control, particularly
11 in deep water;

12 “(F) well intervention and containment at
13 the surface and subsurface of the water;

14 “(G) development and assessment of new
15 technologies;

16 “(H) risks associated with human factors;
17 and

18 “(I) risks associated with offshore renew-
19 able energy operations.

20 “(3) INFORMATION SHARING ACTIVITIES.—

21 “(A) DOMESTIC ACTIVITIES.—The Sec-
22 retary shall carry out programs to facilitate the
23 exchange and dissemination of scientific and
24 technical information and best practices related
25 to the management of safety and environmental

1 issues associated with offshore energy and min-
2 eral resource exploration, development, and pro-
3 duction.

4 “(B) INTERNATIONAL COOPERATION.—
5 The Secretary shall carry out programs to co-
6 operate with international organizations and
7 foreign governments to share information and
8 best practices related to the management of
9 safety and environmental issues associated with
10 offshore energy and mineral resource explo-
11 ration, development, and production.

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

16 “(A) developments in each of the areas
17 under paragraph (2); and

18 “(B)(i) any accidents that have occurred in
19 the previous quarter; and

20 “(ii) appropriate responses to the acci-
21 dents.

22 “(5) INDEPENDENCE.—To carry out the re-
23 search required by this section, the Secretary shall
24 use the Ocean Energy Safety Institute established

1 under section 20(a)(4), subject to the restrictions
2 and mandates under that section.

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

8 (h) ENFORCEMENT.—Section 22 of the Outer Conti-
9 nental Shelf Lands Act (43 U.S.C. 1348) is amended—

10 (1) in subsection (d)—

11 (A) in paragraph (1)—

12 (i) in the first sentence, by inserting
13 “, each loss of well control, blowout, activa-
14 tion of the blowout preventer in connection
15 with a loss of well control or blowout, and
16 other accident that presented a serious risk
17 to human or environmental safety,” after
18 “fire”; and

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

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

25 (2) in subsection (e)—

1 (A) by striking “(e) The” and inserting the
2 following:

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

4 “(1) IN GENERAL.—The”; and

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

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

10 (3) by adding at the end of the section the fol-
11 lowing:

12 “(g) INDEPENDENT INVESTIGATION.—

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

21 “(2) CERTAIN DISCHARGES.—With respect to
22 any discharge that poses a substantial threat to the
23 public health or welfare of the United States (as de-
24 scribed in section 311(c)(2) of the Federal Water

1 Pollution Control Act (33 U.S.C. 1321(c)(2))), the
2 Secretary—

3 “(A) shall require an independent inves-
4 tigation; and

5 “(B) may seek the assistance of other
6 qualified entities with appropriate expertise, in-
7 cluding the National Academy of Sciences.

8 “(3) TRANSPORTATION ACCIDENT.—For pur-
9 poses of an investigation under this subsection, the
10 accident that is the subject of the request by the
11 Secretary shall be determined to be a transportation
12 accident within the meaning of that term in chapter
13 11 of title 49, United States Code.

14 “(h) INFORMATION ON CAUSES AND CORRECTIVE
15 ACTIONS.—

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

21 “(2) PUBLIC DATABASE.—All data and reports
22 related to an incident described in paragraph (1)
23 shall be maintained in a database that is available
24 to the public.

25 “(i) INSPECTIONS AND FEES.—

1 “(1) IN GENERAL.—To the extent necessary to
2 fund the inspections described in this paragraph, the
3 Secretary shall collect non-refundable inspection
4 fees, as established under paragraph (2), which shall
5 be deposited in the Ocean Energy Enforcement
6 Fund established under paragraph (3), from the des-
7 ignated operator for facilities subject to inspection
8 under subsection (c).

9 “(2) ESTABLISHMENT.—The Secretary shall es-
10 tablish, by rule—

11 “(A) inspection fees at an aggregate level
12 equal to the amount necessary to offset the an-
13 nual expenses of inspections of outer Conti-
14 nental Shelf facilities (including mobile offshore
15 drilling units) by the Department of the Inte-
16 rior; and

17 “(B) a fee schedule that reflects the dif-
18 ferences in complexity among the classes of fa-
19 cilities to be inspected.

20 “(3) OCEAN ENERGY ENFORCEMENT FUND.—
21 There is established in the Treasury a fund, to be
22 known as the ‘Ocean Energy Enforcement Fund’
23 (referred to in this subsection as the ‘Fund’), into
24 which shall be deposited amounts collected under

1 paragraph (1) and which shall be available as pro-
2 vided under paragraph (4).

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

7 “(A) shall be credited as offsetting collec-
8 tions;

9 “(B) shall be available for expenditure only
10 for purposes of carrying out inspections of
11 outer Continental Shelf activities or facilities
12 (including mobile offshore drilling units) and
13 the administration of the inspection program;

14 “(C) shall be available only to the extent
15 provided for in advance in an appropriations
16 Act;

17 “(D) shall not exceed—

18 “(i) a total of \$200,000,000 in the
19 first fiscal year after the date of enactment
20 of the Outer Continental Shelf Reform Act
21 of 2011; and

22 “(ii) for each subsequent year, a total
23 of \$200,000,000, as adjusted for inflation
24 in accordance with changes in the Con-
25 sumer Price Index for all Urban Con-

1 sumers published by the Bureau of Labor
2 Statistics of the Department of Labor; and
3 “(E) shall remain available until expended.

4 “(5) REPORTS.—

5 “(A) OCEAN ENERGY ENFORCEMENT
6 FUND.—

7 “(i) IN GENERAL.—Not later than 60
8 days after the end of each fiscal year be-
9 ginning with fiscal year 2011, the Sec-
10 retary shall submit to the Committee on
11 Energy and Natural Resources of the Sen-
12 ate and the Committee on Natural Re-
13 sources of the House of Representatives a
14 report on the operation of the Fund during
15 the fiscal year.

16 “(ii) CONTENTS.—Each report sub-
17 mitted under clause (i) shall include, for
18 the fiscal year covered by the report, the
19 following:

20 “(I) A statement of the amounts
21 deposited into the Fund.

22 “(II) A description of the ex-
23 penditures made from the Fund for
24 the fiscal year, including the purpose
25 of the expenditures.

1 “(III) Recommendations for ad-
2 ditional authorities to fulfill the pur-
3 pose of the Fund.

4 “(IV) A statement of the balance
5 remaining in the Fund at the end of
6 the fiscal year.

7 “(B) PERMITTING COSTS AND FEES.—

8 “(i) IN GENERAL.—Not later than
9 180 days after the date of enactment of
10 the Outer Continental Shelf Reform Act of
11 2011, the Secretary shall submit to the
12 Committee on Energy and Natural Re-
13 sources of the Senate and the Committee
14 on Natural Resources of the House of Rep-
15 resentatives a report that considers, and
16 makes recommendations regarding, the use
17 of fees to cover the costs of processing ex-
18 ploration plans and applications for per-
19 mits to drill under this Act.

20 “(ii) CONTENTS.—The report required
21 under clause (i) shall include—

22 “(I) estimates of the annual costs
23 required to thoroughly and efficiently
24 process plans and permits;

1 “(II) recommendations on the
2 best means of ensuring adequate
3 funding to achieve thorough and effi-
4 cient processing of plans and permits;

5 “(III) an analysis of the impacts
6 of funding permitting costs through
7 fees from lessees; and

8 “(IV) a review of, and rec-
9 ommendations for, the appropriate fee
10 schedule and aggregate amount of
11 fees necessary to fully fund thorough
12 and efficient processing of plans and
13 permits.

14 “(6) INSPECTIONS.—

15 “(A) COST-EFFECTIVE HELICOPTER
16 TRANSPORT FOR INSPECTORS.—

17 “(i) IN GENERAL.—In carrying out in-
18 spections under this Act, the Secretary
19 shall seek opportunities to reduce the cost
20 of helicopter transport for inspections of
21 offshore facilities by accepting transport, if
22 feasible and consistent with applicable law,
23 on helicopters otherwise transporting non-
24 governmental personnel to and from the
25 offshore facility.

1 “(ii) PROHIBITION.—Helicopters
2 owned by or leased to operators of offshore
3 facilities or contractors of the operators of
4 offshore facilities shall not be used for
5 transport of Federal inspectors if the use
6 could impede the ability of an inspector to
7 carry out the duties required under this
8 Act.

9 “(B) REAL-TIME DATA INSPECTIONS.—

10 “(i) IN GENERAL.—The Secretary
11 shall establish, by regulation, a supple-
12 mental inspection program in which the
13 use of real-time data transmitted from off-
14 shore facilities (including mobile drilling
15 units) may be monitored, examined, and
16 assessed by inspectors onshore.

17 “(ii) REQUIREMENT.—The program
18 established under clause (i) shall include a
19 requirement that facilities maintained by
20 offshore operators obtaining real-time data
21 transmitted onshore from offshore facilities
22 make the data available simultaneously to
23 appropriate officials under this Act.

24 “(C) REPORT.—Not later than 1 year
25 after the date of enactment of the Outer Conti-

1 mental Shelf Reform Act of 2011, the Secretary
2 shall submit to the Committee on Energy and
3 Natural Resources of the Senate and the Com-
4 mittee on Natural Resources of the House of
5 Representatives a report that describes the im-
6 plementation of this paragraph, including—

7 “(i) a description of the scheduling
8 and cost of helicopter transport for agency
9 inspectors;

10 “(ii) any recommendations for reduc-
11 tions in the cost of helicopter transport of
12 inspectors; and

13 “(iii) a description of the impacts, if
14 any, of the use of real-time data inspec-
15 tions on the need for, and the effectiveness
16 and cost of, onsite inspections of offshore
17 facilities.”.

18 (i) REMEDIES AND PENALTIES.—Section 24 of the
19 Outer Continental Shelf Lands Act (43 U.S.C. 1350) is
20 amended—

21 (1) by striking subsection (b) and inserting the
22 following:

23 “(b) CIVIL PENALTY.—

24 “(1) IN GENERAL.—Subject to paragraphs (2)
25 through (3), if any person fails to comply with this

1 Act, any term of a lease or permit issued under this
2 Act, or any regulation or order issued under this
3 Act, the person shall be liable for a civil administra-
4 tive penalty of not more than \$75,000 for each day
5 of continuance of each failure.

6 “(2) ADMINISTRATION.—The Secretary may as-
7 sess, collect, and compromise any penalty under
8 paragraph (1).

9 “(3) HEARING.—No penalty shall be assessed
10 under this subsection until the person charged with
11 a violation has been given the opportunity for a
12 hearing.

13 “(4) ADJUSTMENT.—The penalty amount speci-
14 fied in this subsection shall increase each year to re-
15 flect any increases in the Consumer Price Index for
16 All Urban Consumers published by the Bureau of
17 Labor Statistics of the Department of Labor.

18 “(5) IMMINENT THREAT.—If a failure described
19 in paragraph (1) constitutes a threat of serious, ir-
20 reparable, or immediate harm or damage to life (in-
21 cluding fish and other aquatic life), property, min-
22 eral deposits, or the marine, coastal, or human envi-
23 ronment, a civil penalty may be assessed without re-
24 gard to the requirement of expiration of any period
25 allowed for corrective action.”;

1 (2) in subsection (c)—

2 (A) in the first sentence, by striking
3 “\$100,000” and inserting “\$2,500,000”; and

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

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

10 and

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

13 (j) OIL AND GAS DEVELOPMENT AND PRODUC-
14 TION.—Section 25 of the Outer Continental Shelf Lands
15 Act (43 U.S.C. 1351) is amended—

16 (1) by striking “, other than the Gulf of Mex-
17 ico,” each place it appears in subsections (a)(1), (b),
18 and (e)(1); and

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

20 “(m) DEEPWATER OPERATIONS PLANS.—

21 “(1) IN GENERAL.—The Secretary shall, by
22 regulation, require that any lessee planning oper-
23 ations in water depths greater than 400 meters or
24 in which the lessee will use nonconventional produc-
25 tion or completion technology, submit and obtain ap-

1 proval for a deepwater operations plan before begin-
2 ning production.

3 “(2) REQUIREMENTS.—A plan submitted under
4 paragraph (1) shall be subject to the requirements
5 applicable to deepwater exploration plans under sec-
6 tion 11(3)(B).

7 “(n) DRILLING PERMITS.—

8 “(1) IN GENERAL.—The Secretary shall, by
9 regulation, require that any lessee operating under
10 an approved development and production plan obtain
11 a permit—

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

14 “(B) before the lessee significantly modi-
15 fies the well design originally approved by the
16 Secretary.

17 “(2) REQUIREMENTS.—A permit obtained
18 under paragraph (1) shall be subject to the require-
19 ments applicable to drilling permits under section
20 11(d).”.

21 (k) CONFLICTS OF INTEREST.—Section 29 of the
22 Outer Continental Shelf Lands Act (43 U.S.C. 1355) is
23 amended to read as follows:

1 **“SEC. 29. RESTRICTIONS ON EMPLOYMENT OF FORMER OF-**
2 **FICERS OR EMPLOYEES OF THE DEPART-**
3 **MENT OF THE INTERIOR.**

4 “(a) POST-EMPLOYMENT RESTRICTIONS FOR CER-
5 TAIN EMPLOYEES.—

6 “(1) IN GENERAL.—No former employee of the
7 Department of the Interior who performed any func-
8 tion or duty under this Act shall, during the 2-year
9 period beginning on the date on which the employ-
10 ment of the employee with the Department of the
11 Interior is terminated, knowingly make, with the in-
12 tent to influence, any communication to, or appear-
13 ance before, any officer or employee of, any depart-
14 ment, agency, or court of the United States, on be-
15 half of any other person (other than the United
16 States) in connection with a particular matter—

17 “(A) that involved a specific party or spe-
18 cific parties at the time the matter was pend-
19 ing;

20 “(B) in which the United States is a party
21 or has a direct and substantial interest; and

22 “(C) that the former employee knows or
23 reasonably should know was actually pending
24 under the official responsibility of the former
25 employee during the 1-year period ending on
26 the termination of the service or employment of

1 the former employee with the Department of
2 the Interior.

3 “(2) PENALTIES.—

4 “(A) FORMER EMPLOYEES.—Any former
5 employee described in paragraph (1) who vio-
6 lates that paragraph shall be punished in ac-
7 cordance with section 216 of title 18, United
8 States Code.

9 “(B) LEASE OR PERMIT HOLDER.—The
10 Secretary may—

11 “(i) review any allegation that the
12 lease or permit holder was involved in a
13 violation of paragraph (1); and

14 “(ii) seek remedies or penalties
15 against the lease or permit holder under
16 section 24.

17 “(3) EXCEPTIONS.—The exceptions under sec-
18 tion 207(j) of title 18, United States Code, shall
19 apply to paragraph (1).

20 “(b) RESTRICTIONS FOR EMPLOYEES DIRECTLY IN-
21 VOLVED IN INSPECTIONS.—

22 “(1) PROHIBITION.—No former employee of the
23 Department of the Interior who was directly involved
24 in environmental or safety inspections under section
25 22(c) shall, during the 1-year period beginning on

1 the date on which the employment of the inspector
2 is terminated, knowingly make, with the intent to in-
3 fluence, any communication to, or appearance be-
4 fore, an employee of the Department of Interior on
5 behalf of a designated operator, contract operator,
6 drilling contractor, or lease or permit holder in con-
7 nection with any particular matter—

8 “(A) that involves a specific party or spe-
9 cific parties who had any operations that were
10 inspected under section 22(e) by the former in-
11 spector during the 1-year period ending on the
12 termination of employment of the inspector
13 with the Department of the Interior; and

14 “(B) with respect to which the former in-
15 spector seeks official action by any employee of
16 the Department of the Interior.

17 “(2) LEASE OR PERMIT HOLDER PENALTIES.—

18 The Secretary may—

19 “(A) review any allegation that the lease or
20 permit holder was involved in a violation of this
21 subsection; and

22 “(B) seek remedies or penalties against the
23 lease or permit holder under section 24.

1 “(3) EXCEPTIONS.—The exceptions under sec-
2 tion 207(j) of title 18, United States Code, shall
3 apply to paragraph (1).

4 “(c) IMPLEMENTING REGULATIONS.—

5 “(1) IN GENERAL.—The Secretary, in consulta-
6 tion with the Director of the Office of Government
7 Ethics, shall issue regulations and guidance for the
8 implementation of this section as necessary, includ-
9 ing a conflict of interest recusal policy relating to
10 employees of the Department of the Interior per-
11 forming duties and functions under this Act.

12 “(2) CONFLICT OF INTEREST RECUSAL POL-
13 ICY.—The regulations issued under paragraph (1)
14 shall include a conflict of interest recusal policy that
15 provides that, unless authorized by the Department
16 in accordance with the regulations for the implemen-
17 tation of this section, an employee of the Depart-
18 ment of the Interior who performs any function or
19 duty under this Act shall be recused from—

20 “(A) the performance of any duty or func-
21 tion under this Act that relates to a particular
22 matter involving a specific party or specific par-
23 ties in which a former employer who is a des-
24 ignated operator, contract operator, drilling
25 contractor, or lease or permit holder is a party

1 to the matter for a period of 2 years beginning
2 on the date on which the employee of the De-
3 partment ceased to be employed by the former
4 employer; and

5 “(B) the performance of any duty or func-
6 tion under this Act that relates to a particular
7 matter involving a specific party or specific par-
8 ties in which a designated operator, contract
9 operator, drilling contractor, or lease or permit
10 holder employs a person who is a relative with
11 whom the employee has a close personal rela-
12 tionship or is a close personal friend of the em-
13 ployee.”.

14 **SEC. 6. REFORM OF OTHER LAW.**

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

18 “(4) FEDERAL AGENCIES.—Any head of a Fed-
19 eral department or agency shall, on request of the
20 Secretary, provide to the Secretary all data, reports,
21 memoranda, and other information that the Sec-
22 retary determines to be necessary for the purpose of
23 including the data and information in the mapping
24 initiative, except that no Federal department or

1 “(5) Spill containment and response research
2 performed by the Department of the Interior.”; and

3 (3) in subsection (d)—

4 (A) in the subsection heading, by striking
5 “NATIONAL ENERGY TECHNOLOGY LABORA-
6 TORY” and inserting “OFFICE OF FOSSIL EN-
7 ERGY OF THE DEPARTMENT”; and

8 (B) by striking “National Energy Tech-
9 nology Laboratory” and inserting “Office of
10 Fossil Energy of the Department”.

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

15 (1) in the section heading, by striking “**ULTRA-**
16 **DEEPWATER AND UNCONVENTIONAL ONSHORE**
17 **NATURAL GAS AND OTHER PETROLEUM**” and
18 inserting “**SAFE OIL AND GAS PRODUCTION AND**
19 **ACCIDENT PREVENTION**”;

20 (2) in subsection (a), by striking “, by increas-
21 ing” and all that follows through the period at the
22 end and inserting “and the safe and environmentally
23 responsible exploration, development, and production
24 of hydrocarbon resources, with the exception of those
25 aspects addressed by section 999H(d)(5).”;

1 (3) in subsection (c)(1)—

2 (A) by redesignating subparagraphs (D)
3 and (E) as subparagraphs (E) and (F), respec-
4 tively; and

5 (B) by inserting after subparagraph (C)
6 the following:

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

9 (4) in subsection (d)—

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

12 (B) in paragraph (7)—

13 (i) in subparagraph (A)—

14 (I) in the subparagraph heading,
15 by striking “ULTRA-DEEPWATER” and
16 inserting “DEEPWATER”;

17 (II) by striking “development
18 and” and inserting “research, develop-
19 ment, and”; and

20 (III) by striking “as well as” and
21 all that follows through the period at
22 the end and inserting “aimed at im-
23 proving operational safety of drilling
24 activities, including well integrity sys-
25 tems, well control, blowout prevention,

1 the use of non-toxic materials, and in-
2 tegrated systems approach-based
3 management for exploration and pro-
4 duction in deepwater.”;

5 (ii) in subparagraph (B), by striking
6 “and environmental mitigation” and in-
7 serting “use of non-toxic materials, drilling
8 safety, and environmental mitigation and
9 accident prevention”;

10 (iii) in subparagraph (C), by inserting
11 “safety and accident prevention, well con-
12 trol and systems integrity,” after “includ-
13 ing”; and

14 (iv) by adding at the end the fol-
15 lowing:

16 “(D) SAFETY AND ACCIDENT PREVENTION
17 TECHNOLOGY RESEARCH AND DEVELOP-
18 MENT.—Awards from allocations under section
19 999H(d)(4) shall be expended on areas includ-
20 ing—

21 “(i) development of improved cement-
22 ing and casing technologies;

23 “(ii) best management practices for
24 cementing, casing, and other well control
25 activities and technologies; and

1 “(iii) development of integrity and
2 stewardship guidelines for—

3 “(I) well-plugging and abandon-
4 ment;

5 “(II) development of wellbore
6 sealant technologies; and

7 “(III) improvement and stand-
8 ardization of blowout prevention de-
9 vices.”; and

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

11 “(8) STUDY; REPORT.—

12 “(A) STUDY.—As soon as practicable after
13 the date of enactment of this paragraph, the
14 Secretary shall enter into an arrangement with
15 the National Academy of Sciences under which
16 the Academy shall conduct a study to deter-
17 mine—

18 “(i) whether the benefits provided
19 through each award under this subsection
20 during calendar year 2012 have been maxi-
21 mized; and

22 “(ii) the new areas of research that
23 could be carried out to meet the overall ob-
24 jectives of the program.

1 “(B) REPORT.—Not later than January 1,
2 2013, the Secretary shall submit to the appro-
3 priate committees of Congress a report that
4 contains a description of the results of the
5 study conducted under subparagraph (A).

6 “(C) OPTIONAL UPDATES.—The Secretary
7 may update the report described in subpara-
8 graph (B) for the 5-year period beginning on
9 the date described in that subparagraph and
10 each 5-year period thereafter.”;

11 (5) in subsection (e)—

12 (A) in paragraph (2)—

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

16 (ii) in the first sentence of subpara-
17 graph (B), by striking “Ultra-Deepwater”
18 and all that follows through “and such Ad-
19 visory Committees” and inserting “Pro-
20 gram Advisory Committee established
21 under section 999D(a), and the Advisory
22 Committee”; and

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

24 “(6) RESEARCH FINDINGS AND RECOMMENDA-
25 TIONS FOR IMPLEMENTATION.—The Secretary, in

1 consultation with the Secretary of the Interior and
2 the Administrator of the Environmental Protection
3 Agency, shall publish in the Federal Register an an-
4 nual report on the research findings of the program
5 carried out under this section and any recommenda-
6 tions for implementation that the Secretary, in con-
7 sultation with the Secretary of the Interior and the
8 Administrator of the Environmental Protection
9 Agency, determines to be necessary.”;

10 (6) in subsection (i)—

11 (A) in the subsection heading, by striking
12 “UNITED STATES GEOLOGICAL SURVEY” and
13 inserting “DEPARTMENT OF THE INTERIOR”;
14 and

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

17 (7) in the first sentence of subsection (j), by
18 striking “National Energy Technology Laboratory”
19 and inserting “Office of Fossil Energy of the De-
20 partment”.

21 (c) ADDITIONAL REQUIREMENTS FOR AWARDS.—

22 Section 999C(b) of the Energy Policy Act of 2005 (42
23 U.S.C. 16373(b)) is amended by striking “an ultra-deep-
24 water technology or an ultra-deepwater architecture” and
25 inserting “a deepwater technology”.

1 (d) PROGRAM ADVISORY COMMITTEE.—Section
2 999D of the Energy Policy Act of 2005 (42 U.S.C. 16374)
3 is amended to read as follows:

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

5 “(a) ESTABLISHMENT.—Not later than 270 days
6 after the date of enactment of the Safe and Responsible
7 Energy Production Improvement Act of 2010, the Sec-
8 retary shall establish an advisory committee to be known
9 as the ‘Program Advisory Committee’ (referred to in this
10 section as the ‘Advisory Committee’).

11 “(b) MEMBERSHIP.—

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

15 “(A) individuals with extensive research
16 experience or operational knowledge of hydro-
17 carbon exploration and production;

18 “(B) individuals broadly representative of
19 the affected interests in hydrocarbon produc-
20 tion, including interests in resources manage-
21 ment and protection and safe operations;

22 “(C) representatives of Federal agencies,
23 including the Environmental Protection Agency
24 and the Department of the Interior;

1 “(D) State regulatory agency representa-
2 tives; and

3 “(E) other individuals, as determined by
4 the Secretary.

5 “(2) LIMITATIONS.—

6 “(A) IN GENERAL.—The Advisory Com-
7 mittee shall not include individuals who are
8 board members, officers, or employees of the
9 program consortium.

10 “(B) CATEGORICAL REPRESENTATION.—In
11 appointing members of the Advisory Committee,
12 the Secretary shall ensure that no class of indi-
13 viduals described in any of subparagraphs (A),
14 (B), (D), or (E) of paragraph (1) comprises
15 more than $\frac{1}{3}$ of the membership of the Advi-
16 sory Committee.

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

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

21 “(1) advise the Secretary on the development
22 and implementation of programs under this subtitle;
23 and

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

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

5 “(f) PROHIBITION.—The Advisory Committee shall
6 not make recommendations on funding awards to par-
7 ticular consortia or other entities, or for specific
8 projects.”.

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

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

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

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

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

19 “(2) DEEPWATER ARCHITECTURE.—The term
20 ‘deepwater architecture’ means the integration of
21 technologies for the exploration for, or production of,
22 natural gas or other petroleum resources located at
23 deepwater depths.

24 “(3) DEEPWATER TECHNOLOGY.—The term
25 ‘deepwater technology’ means a discrete technology

1 that is specially suited to address 1 or more chal-
2 lenges associated with the exploration for, or produc-
3 tion of, natural gas or other petroleum resources lo-
4 cated at deepwater depths.”; and

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

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

11 (1) in the first sentence of subsection (a) by
12 striking “Ultra-Deepwater and Unconventional Nat-
13 ural Gas and Other Petroleum Research Fund” and
14 inserting “Safe and Responsible Energy Production
15 Research Fund”;

16 (2) in subsection (d)—

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

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

21 (C) in paragraph (4)—

22 (i) by striking “25 percent” and in-
23 sserting “30 percent”;

1 (ii) by striking “complementary re-
2 search” and inserting “safety technology
3 research and development”; and

4 (iii) by striking “contract manage-
5 ment,” and all that follows through the pe-
6 riod at the end and inserting “and contract
7 management.”; and

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

9 “(5) 20 percent shall be used by the Secretary
10 of the Interior for research activities required under
11 sections 18, 20, and 21 of the Outer Continental
12 Shelf Lands Act (43 U.S.C. 1346, 1347).”.

13 (3) in subsection (f), by striking “Ultra-Deep-
14 water and Unconventional Natural Gas and Other
15 Petroleum Research Fund” and inserting “Safer Oil
16 and Gas Production and Accident Prevention Re-
17 search Fund”.

18 (g) CONFORMING AMENDMENT.—Subtitle J of title
19 IX of the Energy Policy Act of 2005 (42 U.S.C. 16371
20 et seq.) is amended in the subtitle heading by striking
21 “**Ultra-Deepwater and Unconventional Nat-
22 ural Gas and Other Petroleum Resources**” and
23 inserting “**Safer Oil and Gas Production and Ac-
24 cident Prevention**”.

1 **SEC. 8. SAVINGS PROVISIONS.**

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

18 (b) **EFFECT ON OTHER AUTHORITIES.**—This Act
19 does not amend or alter the provisions of other applicable
20 laws, unless otherwise noted.

21 **SEC. 9. BUDGETARY EFFECTS.**

22 The budgetary effects of this Act, for the purpose of
23 complying with the Statutory Pay-As-You-Go Act of 2010,
24 shall be determined by reference to the latest statement
25 titled “Budgetary Effects of PAYGO Legislation” for this
26 Act, submitted for printing in the Congressional Record

1 by the Chairman of the Senate Budget Committee, pro-
2 vided that such statement has been submitted prior to the
3 vote on passage.