AMENDMENT NO. ________  Calendar No. ________

Purpose: In the nature of a substitute.


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:

3 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Outer Continental Shelf Reform Act of 2011”.

(b) Table of Contents.—The table of contents for 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. 2. PURPOSES.

The purposes of this Act are—

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

(2) to provide independent enforcement of safety and environmental laws (including regulations) and independent development of regulations governing—

(A) energy development and mineral extraction activities on the outer Continental Shelf; and

(B) related offshore activities.

SEC. 3. DEFINITIONS.

In this Act:

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

(2) OUTER CONTINENTAL SHELF.—The term “outer Continental Shelf” has the meaning given the term in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331).
(3) **SECRETARY.**—The term “Secretary” means the Secretary of the Interior.

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

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

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

“(a) **LEASING, PERMITTING, AND REGULATION BUREAUS.**—

“(1) **ESTABLISHMENT OF BUREAUS.**—

“(A) **IN GENERAL.**—Subject to the discretion granted by Reorganization Plan Number 3 of 1950 (64 Stat. 1262; 43 U.S.C. 1451 note), the Secretary shall establish in the Department of the Interior not more than 2 bureaus to carry out the leasing, permitting, and safety and environmental regulatory functions vested in the Secretary by this Act and the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 et seq.) related to the outer Continental Shelf.

“(B) **CONFLICTS OF INTEREST.**—In establishing the bureaus under subparagraph (A),

**(B) CONFLICTS OF INTEREST.**—In establishing the bureaus under subparagraph (A),
the Secretary shall ensure, to the maximum extent practicable, that any potential organizational conflicts of interest related to leasing, revenue creation, environmental protection, and safety are eliminated.

“(2) DIRECTOR.—Each bureau shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate.

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

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

“(b) ROYALTY AND REVENUE OFFICE.—

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

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

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

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

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

“(1) ESTABLISHMENT.—The Secretary shall establish, under the Federal Advisory Committee Act (5 U.S.C. App.), an Outer Continental Shelf Safety and Environmental Advisory Board (referred to in this subsection as the ‘Board’), to provide the Secretary and the Directors of the bureaus established under this section with independent peer-reviewed scientific and technical advice regarding—
“(A) safe and responsible energy and mineral resource exploration, development, and production activities; and

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

“(2) Membership.—

“(A) Size.—

“(i) In general.—The Board shall consist of not more than 15 members, chosen to reflect a range of expertise in scientific, engineering, management, and other disciplines related to safe and responsible energy and mineral resource exploration, development, and production activities.

“(ii) Consultation.—The Secretary shall consult with the National Academy of Sciences and the National Academy of Engineering to identify potential candidates for membership on the Board.

“(B) Term.—The Secretary shall appoint Board members to staggered terms of not more than 4 years, and shall not appoint a member for more than 2 consecutive terms.
“(C) CHAIR.—The Secretary shall appoint the Chair for the Board.

“(3) MEETINGS.—The Board shall—

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

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

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

“(A) be submitted to Congress; and

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

“(5) TRAVEL EXPENSES.—Members of the Board, other than full-time employees of the Federal Government, while attending a meeting of the Board or while otherwise serving at the request of the Secretary or the Director while serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for individuals in the Federal Government serving without pay.

“(d) SPECIAL PERSONNEL AUTHORITIES.—
“(1) Direct hiring authority for critical personnel.—

“(A) In general.—Notwithstanding sections 3104, 3304, and 3309 through 3318 of title 5, United States Code, the Secretary may, upon a determination that there is a severe shortage of candidates or a critical hiring need for particular positions, recruit and directly appoint highly qualified scientists, engineers, or critical technical personnel into the competitive service, as officers or employees of any of the organizational units established under this section.

“(B) Requirements.—In exercising the authority granted under subparagraph (A), the Secretary shall ensure that any action taken by the Secretary—

“(i) is consistent with the merit principles of chapter 23 of title 5, United States Code; and

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

“(2) Critical pay authority.—
“(A) IN GENERAL.—Notwithstanding section 5377 of title 5, United States Code, and without regard to the provisions of that title governing appointments in the competitive service or the Senior Executive Service and chapters 51 and 53 of that title (relating to classification and pay rates), the Secretary may establish, fix the compensation of, and appoint individuals to critical positions needed to carry out the functions of any of the organizational units established under this section, if the Secretary certifies that—

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

“(ii) any of the organizational units established in this section would not successfully accomplish an important mission without such an individual; and

“(iii) exercise of the authority is necessary to recruit an individual exceptionally well qualified for the position.

“(B) LIMITATIONS.—The authority granted under subparagraph (A) shall be subject to the following conditions:
“(i) The number of critical positions authorized by subparagraph (A) may not exceed 40 at any 1 time in either of the bureaus established under this section.

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

“(iii) Total annual compensation for any individual appointed under subparagraph (A) may not exceed the highest total annual compensation payable at the rate determined under section 104 of title 3, United States Code.

“(iv) An individual appointed under subparagraph (A) may not be considered to be an employee for purposes of subchapter II of chapter 75 of title 5, United States Code.

“(C) Notification.—Each year, the Secretary shall submit to Congress a notification that lists each individual appointed under this paragraph.

“(3) Reemployment of civilian retirees.—
“(A) IN GENERAL.—Notwithstanding part 553 of title 5, Code of Federal Regulations (relating to reemployment of civilian retirees to meet exceptional employment needs), or successor regulations, the Secretary may approve the reemployment of an individual to a particular position without reduction or termination of annuity if the hiring of the individual is necessary to carry out a critical function of any of the organizational units established under this section for which suitably qualified candidates do not exist.

“(B) LIMITATIONS.—An annuitant hired with full salary and annuities under the authority granted by subparagraph (A)—

“(i) shall not be considered an employee for purposes of subchapter III of chapter 83 and chapter 84 of title 5, United States Code;

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

“(iii) may not use any employment under this paragraph as a basis for a supplemental or recomputed annuity; and
“(iv) may not participate in the Thrift Savings Plan under subchapter III of chapter 84 of title 5, United States Code.

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

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

“(1) to the Minerals Management Service that pertains to any of the duties and authorities described in this section shall be deemed to refer and apply to the appropriate bureaus and offices established under this section;

“(2) to the Director of the Minerals Management Service that pertains to any of the duties and authorities described in this section shall be deemed to refer and apply to the Director of the bureau or office under this section to whom the Secretary has assigned the respective duty or authority; and
“(3) to any other position in the Minerals Management Service that pertains to any of the duties and authorities described in this section shall be deemed to refer and apply to that same or equivalent position in the appropriate bureau or office established under this section.”.

(b) CONFORMING AMENDMENT.—Section 5316 of title 5, United States Code, is amended by striking “Director, Bureau of Mines, Department of the Interior” and inserting the following:

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

“Director, Royalty and Revenue Office, Department of the Interior.”.

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

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

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

“(1) identifies the hazards, risks, and consequences of the activity; and

“(2) provides—
“(A) a plan for managing the risks identified under paragraph (1); and

“(B) a basis for determining whether a system is adequately safe for a given application in a given environment.”.

(b) Administration of Leasing.—Section 5(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(a)) is amended in the second sentence—

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

(2) by inserting after “provide for” the following: “operational safety, the protection of the marine and coastal environment,.”.

(c) Leases, Easements, and Rights-of-Way.—Section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337) is amended—

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

“(d) Disqualification from Bidding.—No bid for a lease may be submitted by an entity that the Secretary finds, after prior public notice and an opportunity for an evidentiary hearing—

“(1) is not meeting due diligence, safety, or environmental requirements on other leases; or
“(2)(A) is a responsible party for a vessel or a facility from which oil is discharged, for purposes of section 1002 of the Oil Pollution Act of 1990 (33 U.S.C. 2702); and

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

(2) by adding at the end the following:

“(q) Review of Bond and Surety Amounts.—Not later than May 1, 2012, and every 5 years thereafter, the Secretary shall—

“(1) review the minimum financial responsibility requirements (other than requirements under subsection (a)(7)(A) or (p)(6)(A)) for mineral leases authorized under this Act; and

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

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

(1) in subsection (c)—

(A) in paragraph (1)—

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

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

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

“(3) MINIMUM REQUIREMENTS.—

“(A) IN GENERAL.—An exploration plan
submitted under this subsection shall include,
in such degree of detail as the Secretary by reg-
ulation may require—
“(i) a complete description and schedule of the exploration activities to be undertaken;

“(ii) a description of the equipment to be used for the exploration activities, including—

“(I) a description of the drilling unit;

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

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

“(IV) a statement demonstrating that the equipment to be used meets the best commercially available technology requirements under section 21(b);

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

“(iv)(I) a scenario for the potential blowout of the well involving the worst case discharge of liquid hydrocarbons, including a detailed description of the assumptions
and calculations used to estimate the worst
case discharge; and

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

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

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

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

“(B) DEEPWATER WELLS.—

“(i) IN GENERAL.—Before conducting
exploration activities in water depths
greater than 400 feet or that use non-
conventional technology, the holder of a
lease shall submit to the Secretary for ap-
proval a deepwater exploration plan pre-
pared by the lessee in accordance with this subparagraph.

“(ii) Technology Requirements.—A deepwater exploration plan under this subparagraph shall be based on the best commercially available technology to ensure safety in carrying out the exploration activity and the blowout response plan.

“(iii) Systems Analysis and Equipment Certification Required.—The Secretary shall not approve a deepwater exploration plan under this subparagraph unless the plan includes a technical systems analysis and a third party certification of—

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

“(II) the blowout prevention equipment; and

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

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

(3) by striking subsection (d) and inserting the following:
“(d) **DRILLING PERMITS.**—

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

“(A) before the lessee drills a well in accordance with the plan; and

“(B) before the lessee significantly modifies the well design originally approved by the Secretary.

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

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

“(B) blowout prevention systems will include redundancy remote triggering capability and sensors to obtain accurate diagnostic infor-
(3) Modification review required.—The Secretary may not approve any modification of a permit without a determination, after an additional engineering review, that the modification will not compromise the safety of the well system previously approved.

(4) Operator safety and environmental management required.—The Secretary may not grant any drilling permit or modification of the permit until the date of completion and approval of a safety and environmental management plan that—

(A) is to be used by the operator and any contractor operating the rig during all well operations;

(B) includes—

(i) a description of the management plan that will be used for safety and environmental management by the employees involved in the operation, including a plan for hazard analysis, management of change, operating procedures, mechanical integrity, and for ensuring that the safety concerns of any employee involved in the
operation will be brought to the attention
of the operator and any contractor oper-
ating the rig;

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

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

“(I) are employees of the oper-
ator;

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

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

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

“(e) DISAPPROVAL OF EXPLORATION PLAN.—

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

“(A) implementation of the exploration plan would probably cause serious harm or damage to life (including fish and other aquatic life), property, mineral deposits, national security or defense, or the marine, coastal or human environments;

“(B) the threat of harm or damage would not disappear or decrease to an acceptable extent within a reasonable period of time; and

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

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

(e) OUTER CONTINENTAL SHELF LEASING PROGRAM.—Section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344) is amended—

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

(B) in paragraph (4), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(5) provide technical review and oversight of the exploration plan and a systems review of the safety of the well design and other operational decisions;

“(6) conduct regular and thorough safety reviews and inspections, and;

“(7) enforce all applicable laws (including regulations).”;

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

(3) in the first sentence of subsection (g), by inserting before the period at the end the following: “, including existing inventories and mapping of marine resources previously undertaken by the Department of the Interior and the National Oceanic and Atmospheric Administration, information provided by the Department of Defense, and other available data regarding energy or mineral resource potential, navigation uses, fisheries, aquaculture uses, re-
reational uses, habitat, conservation, and military
uses on the outer Continental Shelf”.

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

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

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

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

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

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

“(A) the gathering of baseline and subse-
quent data in areas before, during, and fol-
lowing energy or mineral resource development
activities; and
“(B) the improvement of scientific understanding of oil spills and oil spill response, including an improvement of the understanding of—

“(i) the behavior of oil and natural gas in water, including miscibility, plume behavior, emulsification, physical separation, and chemical and biological degradation;

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

“(iii) the methods of detection of the release of hydrocarbons and characterization of the rates of flow from exploration or production equipment; and

“(iv) the response to and clean up of oil spills, including scenarios involving worst case discharge amounts in all foreseeable ocean conditions.

“(3) USE OF DATA.—The Secretary shall ensure that information from the studies carried out under this section—
“(A) informs the management of energy and mineral resources on the outer Continental Shelf including any areas under consideration for oil and gas leasing; and

“(B) contributes to a broader coordination of energy and mineral resource development activities within the context of best available science.

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

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

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

“(C) coordinate with and use, to the maximum extent practicable, the expertise of other Federal agencies and institutions of higher education;

“(D) not later than 1 year after the date of enactment of the Outer Continental Shelf Reform Act of 2011 and every 3 years there-
after, prepare a research and technology plan that—

“(i) identifies gaps in existing research and technology; and

“(ii) establishes research priorities for the institute established under this paragraph, including estimates of—

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

“(II) the timelines for achieving those priorities;

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

“(F) subject to the restrictions of subsections (g) and (h) of section 18, make available to the public the research and technology plan prepared under subparagraph (D) and the studies conducted and data gathered under this section.”; and

(3) in the first sentence of subsection (b)(1) (as so redesignated), by inserting “every 3 years” after “shall conduct”.
(g) SAFETY RESEARCH AND REGULATIONS.—Section 21 of the Outer Continental Shelf Lands Act (43 U.S.C. 1347) is amended—

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

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

“(b) BEST AVAILABLE TECHNOLOGIES AND PRACTICES.—

“(1) IN GENERAL.—In exercising respective responsibilities under this Act, the Secretary, and the Secretary of the Department in which the Coast Guard is operating, shall require, on all new drilling and production operations and, to the maximum extent practicable, on existing operations, the use of the best commercially available and safest technologies and practices, in areas in which the failure of equipment would have a significant effect on safety, health, or the environment.

“(2) IDENTIFICATION OF BEST COMMERCIALLY AVAILABLE TECHNOLOGIES.—
“(A) IN GENERAL.—Not later than 180 days after the date of enactment of the Outer Continental Shelf Reform Act of 2011, and not later than every 3 years thereafter, the Secretary shall identify and publish an updated list of best commercially available technologies for key areas of well design and operation, including blowout prevention and blowout and oil spill response.

“(B) EFFECT.—Nothing in this paragraph prohibits the use of new technologies that are not included on the list of best commercially available technologies published under subparagraph (A), but are approved by the Secretary during the permitting process as providing enhanced safety, blowout prevention, or spill response as compared to the technologies on the published list.

“(3) SAFETY CASE.—

“(A) IN GENERAL.—Not later than 180 days after the date of enactment of the Outer Continental Shelf Reform Act of 2011, the Secretary shall promulgate regulations requiring a safety case to be submitted along with each ap-
application for a permit to drill a new exploratory well on the outer Continental Shelf.

“(B) CONSIDERATIONS.—In promulgating regulations under subparagraph (A), the Secretary shall—

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

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

“(4) EMPLOYEE TRAINING.—

“(A) IN GENERAL.—Not later than 180 days after the date of enactment of the Outer Continental Shelf Reform Act of 2011, the Secretary shall promulgate regulations setting standards for training for all workers on offshore facilities (including mobile offshore drilling units) conducting energy and mineral resource exploration, development, and production operations on the outer Continental Shelf.

“(B) REQUIREMENTS.—The training standards under this paragraph shall require
that employers of workers described in subpar-
paragraph (A)—

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

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

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

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

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

“(D) MONITORING TRAINING COURSES.—
The Secretary shall ensure that Department
employees responsible for inspecting offshore fa-
cilities monitor, observe, and report on training
courses required under this paragraph, includ-
ing a representative number of industrial and
academic training sessions, as determined by
the Secretary.”; and
(3) by adding at the end the following:
“(g) TECHNOLOGY RESEARCH AND RISK ASSESS-
MENT PROGRAM.—
“(1) IN GENERAL.—The Secretary shall carry
out a program of research, development, and risk as-
essment to monitor and address technology and de-
velopment issues associated with outer Continental
Shelf energy and mineral resource activities, with
the primary purpose of informing the regulatory ac-
tivities and research relating to safety, including
well-control, intervention, and containment, environ-
mental protection, and spill response, as required by
this Act.
“(2) SPECIFIC AREAS OF FOCUS.—The program
under this subsection shall include research, develop-
ment, and other activities related to—
“(A) risk assessment, using all available
data from safety and compliance records both
within the United States and internationally;
“(B) analysis of industry trends in tech-
nology, investment, and interest in frontier
areas;
“(C) analysis of incidents investigated under section 22;

“(D) reviews of best commercially available technologies, including technologies associated with pipelines, blowout preventer mechanisms, casing, well design, and other associated infrastructure related to offshore energy development;

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

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

“(G) development and assessment of new technologies;

“(H) risks associated with human factors; and

“(I) risks associated with offshore renewable energy operations.

“(3) INFORMATION SHARING ACTIVITIES.—

“(A) DOMESTIC ACTIVITIES.—The Secretary shall carry out programs to facilitate the exchange and dissemination of scientific and technical information and best practices related to the management of safety and environmental
issues associated with offshore energy and mineral resource exploration, development, and production.

“(B) INTERNATIONAL COOPERATION.—

The Secretary shall carry out programs to cooperate with international organizations and foreign governments to share information and best practices related to the management of safety and environmental issues associated with offshore energy and mineral resource exploration, development, and production.

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

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

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

“(ii) appropriate responses to the accidents.

“(5) INDEPENDENCE.—To carry out the research required by this section, the Secretary shall use the Ocean Energy Safety Institute established
under section 20(a)(4), subject to the restrictions and mandates under that section.

“(6) USE OF DATA.—The Secretary shall ensure that the information from the studies and research carried out under this section inform the development of safety practices and regulations as required by this Act and other applicable laws.”.

(h) ENFORCEMENT.—Section 22 of the Outer Continental Shelf Lands Act (43 U.S.C. 1348) is amended—

(1) in subsection (d)—

(A) in paragraph (1)—

(i) in the first sentence, by inserting “, each loss of well control, blowout, activation of the blowout preventer in connection with a loss of well control or blowout, and other accident that presented a serious risk to human or environmental safety,” after “fire”; and

(ii) in the last sentence, by inserting “as a condition of the lease” before the period at the end;

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

(2) in subsection (e)—
(A) by striking “(e) The” and inserting the following:

“(e) Review of Alleged Safety Violations.—

“(1) In general.—The”; and

(B) by adding at the end the following:

“(2) Investigation.—The Secretary shall investigate any allegation from any employee of the lessee or any subcontractor of the lessee made under paragraph (1).”; and

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

“(g) Independent Investigation.—

“(1) In general.—At the request of the Secretary, the National Transportation Safety Board may conduct an independent investigation of any accident, occurring in the outer Continental Shelf and involving activities under this Act, that does not otherwise fall within the definition of an accident or major marine casualty, as those terms are used in chapter 11 of title 49, United States Code.

“(2) Certain Discharges.—With respect to any discharge that poses a substantial threat to the public health or welfare of the United States (as described in section 311(c)(2) of the Federal Water
Pollution Control Act (33 U.S.C. 1321(c)(2))), the Secretary—

“(A) shall require an independent investigation; and

“(B) may seek the assistance of other qualified entities with appropriate expertise, including the National Academy of Sciences.

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

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

“(1) IN GENERAL.—For each incident investigated under this section, the Secretary shall promptly make available to all lessees and the public technical information about the causes and corrective actions taken.

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

“(i) INSPECTIONS AND FEES.—
“(1) In general.—To the extent necessary to fund the inspections described in this paragraph, the Secretary shall collect non-refundable inspection fees, as established under paragraph (2), which shall be deposited in the Ocean Energy Enforcement Fund established under paragraph (3), from the designated operator for facilities subject to inspection under subsection (c).

“(2) Establishment.—The Secretary shall establish, by rule—

“(A) inspection fees at an aggregate level equal to the amount necessary to offset the annual expenses of inspections of outer Continental Shelf facilities (including mobile offshore drilling units) by the Department of the Interior; and

“(B) a fee schedule that reflects the differences in complexity among the classes of facilities to be inspected.

“(3) Ocean energy enforcement fund.—There is established in the Treasury a fund, to be known as the ‘Ocean Energy Enforcement Fund’ (referred to in this subsection as the ‘Fund’), into which shall be deposited amounts collected under
paragraph (1) and which shall be available as pro-
vided under paragraph (4).

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

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

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

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

“(D) shall not exceed—

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

“(ii) for each subsequent year, a total
of $200,000,000, as adjusted for inflation
in accordance with changes in the Con-
sumer Price Index for all Urban Con-
sumers published by the Bureau of Labor
Statistics of the Department of Labor; and
“(E) shall remain available until expended.
“(5) REPORTS.—
“(A) OCEAN ENERGY ENFORCEMENT
FUND.—
“(i) IN GENERAL.—Not later than 60
days after the end of each fiscal year be-

ginning with fiscal year 2011, the Sec-

retary shall submit to the Committee on
Energy and Natural Resources of the Sen-

ate and the Committee on Natural Re-

sources of the House of Representatives a
report on the operation of the Fund during
the fiscal year.
“(ii) CONTENTS.—Each report sub-

mitted under clause (i) shall include, for
the fiscal year covered by the report, the
following:
“(I) A statement of the amounts
deposited into the Fund.
“(II) A description of the ex-

penditures made from the Fund for
the fiscal year, including the purpose
of the expenditures.
“(III) Recommendations for additional authorities to fulfill the purpose of the Fund.

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

“(B) PERMITTING COSTS AND FEES.—

“(i) IN GENERAL.—Not later than 180 days after the date of enactment of the Outer Continental Shelf Reform Act of 2011, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a report that considers, and makes recommendations regarding, the use of fees to cover the costs of processing exploration plans and applications for permits to drill under this Act.

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

“(I) estimates of the annual costs required to thoroughly and efficiently process plans and permits;
“(II) recommendations on the best means of ensuring adequate funding to achieve thorough and efficient processing of plans and permits;

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

“(IV) a review of, and recommendations for, the appropriate fee schedule and aggregate amount of fees necessary to fully fund thorough and efficient processing of plans and permits.

“(6) INSPECTIONS.—

“(A) Cost-effective helicopter transport for inspectors.—

“(i) IN GENERAL.—In carrying out inspections under this Act, the Secretary shall seek opportunities to reduce the cost of helicopter transport for inspections of offshore facilities by accepting transport, if feasible and consistent with applicable law, on helicopters otherwise transporting non-governmental personnel to and from the offshore facility.
“(ii) **Prohibition.**—Helicopters owned by or leased to operators of offshore facilities or contractors of the operators of offshore facilities shall not be used for transport of Federal inspectors if the use could impede the ability of an inspector to carry out the duties required under this Act.

“(B) **Real-time data inspections.**—

“(i) **In general.**—The Secretary shall establish, by regulation, a supplemental inspection program in which the use of real-time data transmitted from offshore facilities (including mobile drilling units) may be monitored, examined, and assessed by inspectors onshore.

“(ii) **Requirement.**—The program established under clause (i) shall include a requirement that facilities maintained by offshore operators obtaining real-time data transmitted onshore from offshore facilities make the data available simultaneously to appropriate officials under this Act.

“(C) **Report.**—Not later than 1 year after the date of enactment of the Outer Conti-
nental Shelf Reform Act of 2011, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a report that describes the implementation of this paragraph, including—

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

“(ii) any recommendations for reductions in the cost of helicopter transport of inspectors; and

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

(i) Remedies and Penalties.—Section 24 of the Outer Continental Shelf Lands Act (43 U.S.C. 1350) is amended—

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

“(b) Civil Penalty.—

“(1) In general.—Subject to paragraphs (2) through (3), if any person fails to comply with this
Act, any term of a lease or permit issued under this Act, or any regulation or order issued under this Act, the person shall be liable for a civil administrative penalty of not more than $75,000 for each day of continuance of each failure.

“(2) ADMINISTRATION.—The Secretary may assess, collect, and compromise any penalty under paragraph (1).

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

“(4) ADJUSTMENT.—The penalty amount specified in this subsection shall increase each year to reflect any increases in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.

“(5) IMMINENT THREAT.—If a failure described in paragraph (1) constitutes a threat of serious, irreparable, or immediate harm or damage to life (including fish and other aquatic life), property, mineral deposits, or the marine, coastal, or human environment, a civil penalty may be assessed without regard to the requirement of expiration of any period allowed for corrective action.”;}
(2) in subsection (c)—

(A) in the first sentence, by striking

"$100,000" and inserting "$2,500,000"; and

(B) by adding at the end the following:

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

and

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

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

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

(2) by adding at the end the following:

“(m) DEEPWATER OPERATIONS PLANS.—

“(1) IN GENERAL.—The Secretary shall, by
regulation, require that any lessee planning oper-
ations in water depths greater than 400 meters or
in which the lessee will use nonconventional produc-
tion or completion technology, submit and obtain ap-
proval for a deepwater operations plan before begin-
ning production.

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

“(n) DRILLING PERMITS.—

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

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

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

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

(k) CONFLICTS OF INTEREST.—Section 29 of the
Outer Continental Shelf Lands Act (43 U.S.C. 1355) is
amended to read as follows:
“SEC. 29. RESTRICTIONS ON EMPLOYMENT OF FORMER OFFICERS OR EMPLOYEES OF THE DEPARTMENT OF THE INTERIOR.

“(a) POST-EMPLOYMENT RESTRICTIONS FOR CERTAIN EMPLOYEES.—

“(1) IN GENERAL.—No former employee of the Department of the Interior who performed any function or duty under this Act shall, during the 2-year period beginning on the date on which the employment of the employee with the Department of the Interior is terminated, knowingly make, with the intent to influence, any communication to, or appearance before, any officer or employee of, any department, agency, or court of the United States, on behalf of any other person (other than the United States) in connection with a particular matter—

“(A) that involved a specific party or specific parties at the time the matter was pending;

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

“(C) that the former employee knows or reasonably should know was actually pending under the official responsibility of the former employee during the 1-year period ending on the termination of the service or employment of
the former employee with the Department of the Interior.

“(2) PENALTIES.—

“(A) FORMER EMPLOYEES.—Any former employee described in paragraph (1) who violates that paragraph shall be punished in accordance with section 216 of title 18, United States Code.

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

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

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

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

“(b) RESTRICTIONS FOR EMPLOYEES DIRECTLY INVOLVED IN INSPECTIONS.—

“(1) PROHIBITION.—No former employee of the Department of the Interior who was directly involved in environmental or safety inspections under section 22(e) shall, during the 1-year period beginning on
the date on which the employment of the inspector is terminated, knowingly make, with the intent to influence, any communication to, or appearance before, an employee of the Department of Interior on behalf of a designated operator, contract operator, drilling contractor, or lease or permit holder in connection with any particular matter—

“(A) that involves a specific party or specific parties who had any operations that were inspected under section 22(c) by the former inspector during the 1-year period ending on the termination of employment of the inspector with the Department of the Interior; and

“(B) with respect to which the former inspector seeks official action by any employee of the Department of the Interior.

“(2) LEASE OR PERMIT HOLDER PENALTIES.—

The Secretary may—

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

“(B) seek remedies or penalties against the lease or permit holder under section 24.
“(3) EXCEPTIONS.—The exceptions under section 207(j) of title 18, United States Code, shall apply to paragraph (1).

“(c) IMPLEMENTING REGULATIONS.—

“(1) IN GENERAL.—The Secretary, in consultation with the Director of the Office of Government Ethics, shall issue regulations and guidance for the implementation of this section as necessary, including a conflict of interest recusal policy relating to employees of the Department of the Interior performing duties and functions under this Act.

“(2) CONFLICT OF INTEREST RECUSAL POLICY.—The regulations issued under paragraph (1) shall include a conflict of interest recusal policy that provides that, unless authorized by the Department in accordance with the regulations for the implementation of this section, an employee of the Department of the Interior who performs any function or duty under this Act shall be recused from—

“(A) the performance of any duty or function under this Act that relates to a particular matter involving a specific party or specific parties in which a former employer who is a designated operator, contract operator, drilling contractor, or lease or permit holder is a party
to the matter for a period of 2 years beginning on the date on which the employee of the Department ceased to be employed by the former employer; and

“(B) the performance of any duty or function under this Act that relates to a particular matter involving a specific party or specific parties in which a designated operator, contract operator, drilling contractor, or lease or permit holder employs a person who is a relative with whom the employee has a close personal relationship or is a close personal friend of the employee.”.

SEC. 6. REFORM OF OTHER LAW.

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

“(4) FEDERAL AGENCIES.—Any head of a Federal department or agency shall, on request of the Secretary, provide to the Secretary all data, reports, memoranda, and other information that the Secretary determines to be necessary for the purpose of including the data and information in the mapping initiative, except that no Federal department or
agency shall be required to provide any data or in-
formation that is privileged or proprietary.”.

SEC. 7. SAFER OIL AND GAS PRODUCTION.

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

(1) in subsection (a)—

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

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

(2) in subsection (b)—

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

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

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

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

(C) by adding at the end the following:
“(5) Spill containment and response research performed by the Department of the Interior.”; and

(3) in subsection (d)—

(A) in the subsection heading, by striking “NATIONAL ENERGY TECHNOLOGY LABORATORY” and inserting “OFFICE OF FOSSIL ENERGY OF THE DEPARTMENT”; and

(B) by striking “National Energy Technology Laboratory” and inserting “Office of Fossil Energy of the Department”.

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

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

(2) in subsection (a), by striking “, by increasing” and all that follows through the period at the end and inserting “and the safe and environmentally responsible exploration, development, and production of hydrocarbon resources, with the exception of those aspects addressed by section 999H(d)(5).”;
(3) in subsection (c)(1)—

(A) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

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

“(D) projects will be selected on a competitive, peer-reviewed basis.”; and

(4) in subsection (d)—

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

(B) in paragraph (7)—

(i) in subparagraph (A)—

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

(II) by striking “development and” and inserting “research, development, and”; and

(III) by striking “as well as” and all that follows through the period at the end and inserting “aimed at improving operational safety of drilling activities, including well integrity systems, well control, blowout prevention,
the use of non-toxic materials, and inte-
gated systems approach-based manage-
ment for exploration and produ-
duction in deepwater.”;

(ii) in subparagraph (B), by striking “and environmental mitigation” and inser-
ting “use of non-toxic materials, drilling safety, and environmental mitigation and accident prevention”;

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

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

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

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

“(ii) best management practices for cementing, casing, and other well control activities and technologies; and
“(iii) development of integrity and stewardship guidelines for—

“(I) well-plugging and abandonment;

“(II) development of wellbore sealant technologies; and

“(III) improvement and standardization of blowout prevention devices.”; and

(C) by adding at the end the following:

“(8) STUDY; REPORT.—

“(A) STUDY.—As soon as practicable after the date of enactment of this paragraph, the Secretary shall enter into an arrangement with the National Academy of Sciences under which the Academy shall conduct a study to determine—

“(i) whether the benefits provided through each award under this subsection during calendar year 2012 have been maximized; and

“(ii) the new areas of research that could be carried out to meet the overall objectives of the program.
“(B) REPORT.—Not later than January 1, 2013, the Secretary shall submit to the appropriate committees of Congress a report that contains a description of the results of the study conducted under subparagraph (A).

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

(5) in subsection (e)—

(A) in paragraph (2)—

(i) in the second sentence of subparagraph (A), by inserting “to the Secretary for review” after “submit”; and

(ii) in the first sentence of subparagraph (B), by striking “Ultra-Deepwater” and all that follows through “and such Advisory Committees” and inserting “Program Advisory Committee established under section 999D(a), and the Advisory Committee”; and

(B) by adding at the end the following:

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

(6) in subsection (i)—

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

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

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

(c) ADDITIONAL REQUIREMENTS FOR AWARDS.—
Section 999C(b) of the Energy Policy Act of 2005 (42
U.S.C. 16373(b)) is amended by striking “an ultra-deep-
water technology or an ultra-deepwater architecture” and
inserting “a deepwater technology”.
(d) PROGRAM ADVISORY COMMITTEE.—Section 999D of the Energy Policy Act of 2005 (42 U.S.C. 16374) is amended to read as follows:

"SEC. 999D. PROGRAM ADVISORY COMMITTEE.

"(a) ESTABLISHMENT.—Not later than 270 days after the date of enactment of the Safe and Responsible Energy Production Improvement Act of 2010, the Secretary shall establish an advisory committee to be known as the ‘Program Advisory Committee’ (referred to in this section as the ‘Advisory Committee’).

"(b) MEMBERSHIP.—

"(1) IN GENERAL.—The Advisory Committee shall be composed of members appointed by the Secretary, including—

"(A) individuals with extensive research experience or operational knowledge of hydrocarbon exploration and production;

"(B) individuals broadly representative of the affected interests in hydrocarbon production, including interests in resources management and protection and safe operations;

"(C) representatives of Federal agencies, including the Environmental Protection Agency and the Department of the Interior;
“(D) State regulatory agency representatives; and

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

“(2) LIMITATIONS.—

“(A) IN GENERAL.—The Advisory Committee shall not include individuals who are board members, officers, or employees of the program consortium.

“(B) CATEGORICAL REPRESENTATION.—In appointing members of the Advisory Committee, the Secretary shall ensure that no class of individuals described in any of subparagraphs (A), (B), (D), or (E) of paragraph (1) comprises more than 1⁄3 of the membership of the Advisory Committee.

“(c) SUBCOMMITTEES.—The Advisory Committee may establish subcommittees for separate research programs carried out under this subtitle.

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

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

“(2) carry out section 999B(e)(2)(B).
“(e) COMPENSATION.—A member of the Advisory Committee shall serve without compensation but shall be entitled to receive travel expenses in accordance with subchapter I of chapter 57 of title 5, United States Code.

“(f) PROHIBITION.—The Advisory Committee shall not make recommendations on funding awards to particular consortia or other entities, or for specific projects.”.

(e) DEFINITIONS.—Section 999G of the Energy Policy Act of 2005 (42 U.S.C. 16377) is amended—

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

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

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

(4) by inserting after paragraph (1) the following:

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

“(3) DEEPWATER TECHNOLOGY.—The term ‘deepwater technology’ means a discrete technology
that is specially suited to address 1 or more challenges associated with the exploration for, or production of, natural gas or other petroleum resources located at deepwater depths.”; and

(5) in paragraph (10) (as redesignated by paragraph (3)), by striking “in an economically inaccessible geological formation, including resources of small producers”.

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

(1) in the first sentence of subsection (a) by striking “Ultra-Deepwater and Unconventional Natural Gas and Other Petroleum Research Fund” and inserting “Safe and Responsible Energy Production Research Fund”;

(2) in subsection (d)—

(A) in paragraph (1), by striking “35 percent” and inserting “21.5 percent”; 

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

(C) in paragraph (4)—

(i) by striking “25 percent” and inserting “30 percent”;
(ii) by striking “complementary research” and inserting “safety technology research and development”; and

(iii) by striking “contract management,” and all that follows through the period at the end and inserting “and contract management.”; and

(D) by adding at the end the following:

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

(3) in subsection (f), by striking “Ultra-Deepwater and Unconventional Natural Gas and Other Petroleum Research Fund” and inserting “Safer Oil and Gas Production and Accident Prevention Research Fund”.

(g) CONFORMING AMENDMENT.—Subtitle J of title IX of the Energy Policy Act of 2005 (42 U.S.C. 16371 et seq.) is amended in the subtitle heading by striking “Ultra-Deepwater and Unconventional Natural Gas and Other Petroleum Resources” and inserting “Safer Oil and Gas Production and Accident Prevention”.

SEC. 8. SAVINGS PROVISIONS.

(a) EXISTING LAW.—All regulations, rules, standards, determinations, contracts and agreements, memoranda of understanding, certifications, authorizations, appointments, delegations, results and findings of investigations, or any other actions issued, made, or taken by, or pursuant to or under, the authority of any law (including regulations) that resulted in the assignment of functions or activities to the Secretary, the Director of the Minerals Management Service (including by delegation from the Secretary), or the Department (as related to the implementation of the purposes referenced in this Act) that were in effect on the date of enactment of this Act shall continue in full force and effect after the date of enactment of this Act unless previously scheduled to expire or until otherwise modified or rescinded by this Act or any other Act.

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

SEC. 9. BUDGETARY EFFECTS.

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