## U.S. HOUSE OF REPRESENTATIVES NATURAL RESOURCES COMMITTEE CHAIRMAN DOC HASTINGS

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## Committee Passes Bill to Reorganize Interior Department's Offshore Energy Agencies

**WASHINGTON, D.C.** – Today, the House Natural Resources Committee passed H.R. 3404, a bill introduced by Chairman Doc Hastings (WA-04) to formally abolish the former Minerals Management Service (MMS) and create three separate offshore agencies to ensure robust and safe American energy production to create jobs and strengthen national security. The legislation passed by a bipartisan vote of 28-14 and is now available for consideration for the House of Representatives.

"In the wake of the Deepwater Horizon accident it became apparent that the structure of the regulatory agency charged with oversight of offshore energy production was inadequate. While the Department of the Interior has reorganized their offshore agencies, reforms need to be codified into law. Yesterday, Secretary Salazar testified that the reorganization of MMS needs to have 'organic legislation.' This bill separates agencies with conflicting interests, provides a strong safety and ethical environment, and promotes robust American energy development by placing energy production in a more prominent role within the Interior Department," said Chairman Hastings. "It's absolutely vital that American offshore energy production remains the safest in the world with the highest environmental standards and I believe this bill helps achieve that goal."

H.R. 3404 officially abolishes the former MMS and creates three distinct agencies to handle offshore energy, each with clearly defined missions:

- The Bureau of Ocean Energy (BOE) is responsible for the planning, leasing and environmental work associated with offshore energy production.
- The Ocean Energy Safety Service (OESS) is responsible for permitting, safety and inspections.
- The Office of Natural Resources Revenue (ONRR) is responsible for all royalty and revenue collection.

The legislation creates a new Under Secretary of Energy, Land and Minerals, who will oversee all onshore and offshore energy operations, be appointed by the President and confirmed by the Senate. The bill also establishes a National Offshore Energy Health and Safety Academy, and an Outer Continental Shelf Energy Safety Advisory Board as well as requires that employees conducting safety inspections have at least three years of field experience and that all Interior employees are in compliance with ethics laws and are

subject to random drug testing.

For more specifics on H.R. 3404, including a flow chart of the new agencies responsibilities, visit the Natural Resources Committee <u>legislation page for H.R. 3404</u>.

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