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Opening Statement of
Chairman Doc Hastings
House Committee on Natural Resources
Before the Subcommittee on Energy and Mineral Resources
Oversight Hearing On
Hastings' Discussion Draft to Reorganize the Interior Department's
Offshore Energy Agencies
Thursday, September 15, 2011, at 9:30 a.m.

Thank you Chairman Lamborn for holding this hearing today on my draft legislation to reorganize the Interior Department's offshore energy agencies.

The Administration has already taken important steps in this process. The Interior Department abolished the Minerals Management Service (MMS) and formed the Bureau of Ocean Energy Management, Regulations and Enforcement (BOEMRE). Next month it will formally be separated it into three distinct offices.

While the Department is making process, there has long been bipartisan recognition, including from Secretary Salazar, of the need for organic legislation to codify these changes into law.

The stakes are high and we must ensure that reforms are done right. Millions of jobs, our economy, and energy security are all on the line. Reforms must increase accountability, improve efficiency, promote safety and ensure the highest ethical standards of employees.

In July, I introduced draft legislation that builds on the reforms already underway by Administration. These reforms will help expand American energy production in order to protect and create American jobs, grow the economy and lower energy costs, while ensuring that all activity is conducted with proper oversight.

Much like the Administration has done, my proposal would officially abolish the MMS and create three separate agencies - each with very clearly defined missions.

First, the Bureau of Ocean Energy would be responsible for the planning, leasing and environmental work associated with offshore energy production. Its primary focus will be ensuring a robust and responsible process for harnessing offshore energy. This includes oil, natural gas and renewable energy.

Second, the Ocean Energy Safety Service would be responsible for permitting, safety and inspections.

Both of these agencies would be overseen by an Assistant Secretary of Ocean Energy and Safety.

The third is the Office of Natural Resources Revenue, which would be responsible for all royalty and revenue collection for both onshore and offshore energy production. It would be independent from the other two agencies and overseen by the existing Assistant Secretary.

In order to elevate the role of American energy production within the Interior Department, my proposal would establish an Under Secretary of Energy, Land and Minerals. This new position would be appointed by the President and oversee both offshore and onshore energy production.

Establishing this new position would increase accountability to the American people and help ensure all the separate agencies work together towards the common goal of increased production of all types of American energy on our federal lands and waters.

The proposal also includes a number of reforms to promote safety and high ethical standards.

I'm interested in working with Administration on this proposal, which is why it's still in draft form, and look forward to hearing from Director Bromwich today.