



Committee on Natural Resources U.S. House of Representatives

Chairman Doc Hastings

Reforming and Reorganizing the Interior Department's Offshore Energy Agencies

- H.R. 4899 builds on the Interior Department's reorganization of its offshore energy agencies by writing reforms into law and further enhancing the accountability, efficiency, safety and ethical standards of offshore energy operations.
- These reforms will allow for the robust production of our Nation's offshore energy resources 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.

Increasing Accountability and Improving Efficiency

- The bill formally abolishes the Minerals Management Service (MMS) and creates three separate, distinct agencies to handle offshore energy operations, 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.
- An Assistant Secretary for Ocean Energy and Safety will oversee both BOE and OESS. The current Assistant Secretary for Policy, Management and Budget will oversee ONRR.
- To further increase accountability and ensure efficient operations within the agency, the bill establishes a new Under Secretary of Energy, Land and Minerals to be appointed by the President and confirmed by the Senate. This position will oversee all offshore and onshore energy operations – ensuring that American energy production is elevated as a top priority within the Department of the Interior.

Promoting Safety

- The bill establishes a National Offshore Energy Health and Safety Academy to train the government's inspectors. It also establishes an Outer Continental Shelf Energy Safety Advisory Board, which was recently created by the Interior Department, to offer independent scientific advice on safe, responsible and timely energy production.
- Requires that employees conducting safety inspections have at least three years experience in the oil and natural gas field and a degree in an appropriate field.

Requiring the Highest Ethical Standards

- The bill requires annual performance reviews of inspectors. It requires the Secretary to certify annually that all DOI employees are in compliance with all Federal employee ethics laws and conduct a random drug testing program.

Proposed New Structure of Offshore Energy Agencies

ASSISTANT SECRETARY Ocean Energy and Safety

Bureau of Ocean Energy Management (BOEM)	Ocean Energy Safety Service (OESS)
Leasing Process Management	Development/Exploration/Production Plan Management
5-Year Program (Oil and Gas)	Safety, Technical and Environmental Review of Plans
Environmental Analysis and NEPA	Safety, Technical and Environmental Inspections and Enforcement
Resource Management	Permitting and all Post-Lease Activities
Rulemaking (for Resource Utilization)	Temporary Suspension of Operations and Activities
Environmental Studies	Rulemaking (for Safety and Environment) and Spill Response Preparedness

ASSISTANT SECRETARY Policy, Management and Budget

Office of Natural Resources Revenue (ONRR)
Collects and Distributes Revenues for Energy and Mineral Resources
Accounting/Financial Reporting

Current & Proposed Structure of the Department of the Interior

