

Union Calendar No. 332

111TH CONGRESS
2^D SESSION

H. R. 3534

[Report No. 111-575, Part I]

To provide greater efficiencies, transparency, returns, and accountability in the administration of Federal mineral and energy resources by consolidating administration of various Federal energy minerals management and leasing programs into one entity to be known as the Office of Federal Energy and Minerals Leasing of the Department of the Interior, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 8, 2009

Mr. RAHALL introduced the following bill; which was referred to the Committee on Natural Resources

JULY 28, 2010

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

JULY 28, 2010

Referred to the Committee on Agriculture for a period ending not later than July 28, 2010, for consideration of such provisions of the bill and amendments as fall within the jurisdiction of that committee pursuant to clause 1(a), rule X

JULY 28, 2010

Committee on Agriculture discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on September 8, 2009]

A BILL

To provide greater efficiencies, transparency, returns, and accountability in the administration of Federal mineral and energy resources by consolidating administration of various Federal energy minerals management and leasing programs into one entity to be known as the Office of Federal Energy and Minerals Leasing of the Department of the Interior, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

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

4 (a) *SHORT TITLE.*—*This Act may be cited as the*
 5 *“Consolidated Land, Energy, and Aquatic Resources Act of*
 6 *2010”.*

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

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

**TITLE I—CREATION OF NEW DEPARTMENT OF THE INTERIOR
 AGENCIES**

Sec. 101. Bureau of Energy and Resource Management.

Sec. 102. Bureau of Safety and Environmental Enforcement.

Sec. 103. Office of Natural Resources Revenue.

Sec. 104. Ethics.

Sec. 105. References.

Sec. 106. Abolishment of Minerals Management Service.

Sec. 107. Conforming amendment.

Sec. 108. Outer Continental Shelf Safety and Environmental Advisory Board.

TITLE II—FEDERAL OIL AND GAS DEVELOPMENT

**Subtitle A—Safety, Environmental, and Financial Reform of the Outer
 Continental Shelf Lands Act**

Sec. 201. Short title.

Sec. 202. Definitions.

Sec. 203. National policy for the Outer Continental Shelf.

Sec. 204. Jurisdiction of laws on the Outer Continental Shelf.

Sec. 205. Outer Continental Shelf leasing standard.

Sec. 206. Leases, easements, and rights-of-way.

Sec. 207. Disposition of revenues.

Sec. 208. Exploration plans.

Sec. 209. Outer Continental Shelf leasing program.

Sec. 210. Environmental studies.

Sec. 211. Safety regulations.

Sec. 212. Enforcement of safety and environmental regulations.

Sec. 213. Judicial review.

Sec. 214. Remedies and penalties.

Sec. 215. Uniform planning for Outer Continental Shelf.

Sec. 216. Oil and gas information program.

Sec. 217. Limitation on royalty-in-kind program.

Sec. 218. Restrictions on employment.

Sec. 219. Repeal of royalty relief provisions.

- Sec. 220. Manning and buy- and build-American requirements.*
Sec. 221. National Commission on Outer Continental Shelf Oil Spill Prevention.

*Subtitle B—Safety, Environmental, and Financial Reform of the Federal
Onshore Oil and Gas Leasing Program*

- Sec. 231. Diligent development.*
Sec. 232. Reporting requirements.
Sec. 233. Notice requirements.
Sec. 234. Oil and gas leasing system.
Sec. 235. Electronic reporting.
Sec. 236. Best management practices.
Sec. 237. Surface disturbance, reclamation.
Sec. 238. Wildlife sustainability.
*Sec. 239. Online availability to the public of information relating to oil and gas
chemical use.*
Sec. 240. Limitation on royalty-in-kind program.
Sec. 241. Environmental review.
Sec. 242. Federal lands uranium leasing.

Subtitle C—Royalty Relief for American Consumers

- Sec. 251. Short title.*
Sec. 252. Eligibility for new leases and the transfer of leases.
Sec. 253. Price thresholds for royalty suspension provisions.

TITLE III—OIL AND GAS ROYALTY REFORM

- Sec. 301. Amendments to definitions.*
Sec. 302. Compliance reviews.
Sec. 303. Clarification of liability for royalty payments.
Sec. 304. Required recordkeeping.
Sec. 305. Fines and penalties.
Sec. 306. Interest on overpayments.
Sec. 307. Adjustments and refunds.
Sec. 308. Conforming amendment.
Sec. 309. Obligation period.
Sec. 310. Notice regarding tolling agreements and subpoenas.
Sec. 311. Appeals and final agency action.
Sec. 312. Assessments.
Sec. 313. Collection and production accountability.
Sec. 314. Natural gas reporting.
Sec. 315. Penalty for late or incorrect reporting of data.
Sec. 316. Required recordkeeping.
Sec. 317. Shared civil penalties.
Sec. 318. Applicability to other minerals.
Sec. 319. Entitlements.

**TITLE IV—FULL FUNDING FOR THE LAND AND WATER
CONSERVATION AND HISTORIC PRESERVATION FUNDS**

Subtitle A—Land and Water Conservation Fund

- Sec. 401. Amendments to the Land and Water Conservation Fund Act of 1965.*
Sec. 402. Extension of the Land and Water Conservation Fund.
Sec. 403. Permanent funding.

*Subtitle B—National Historic Preservation Fund**Sec. 411. Permanent funding.**TITLE V—ALTERNATIVE ENERGY DEVELOPMENT**Sec. 501. Commercial wind and solar leasing program.**Sec. 502. Land management.**Sec. 503. Revenues.**Sec. 504. Recordkeeping and reporting requirements.**Sec. 505. Audits.**Sec. 506. Trade secrets.**Sec. 507. Interest and substantial underreporting assessments.**Sec. 508. Indian savings provision.**Sec. 509. Transmission savings provision.**TITLE VI—COORDINATION AND PLANNING**Sec. 601. Regional coordination.**Sec. 602. Regional Coordination Councils.**Sec. 603. Regional strategic plans.**Sec. 604. Regulations.**Sec. 605. Ocean Resources Conservation and Assistance Fund.**Sec. 606. Waiver.**TITLE VII—MISCELLANEOUS PROVISIONS**Sec. 701. Repeal of certain taxpayer subsidized royalty relief for the oil and gas industry.**Sec. 702. Conservation fee.**Sec. 703. Leasing on Indian lands.**Sec. 704. Offshore aquaculture clarification.**Sec. 705. Outer Continental Shelf State boundaries.**Sec. 706. Liability for damages to national wildlife refuges.**Sec. 707. Strengthening coastal State oil spill planning and response.**Sec. 708. Information sharing.**Sec. 709. Repeal of funding.**Sec. 710. Limitation on use of funds.**Sec. 711. Additional public-right-to-know requirements.**Sec. 712. Federal response to State proposals to protect State lands and waters.**TITLE VIII—GULF OF MEXICO RESTORATION**Sec. 801. Gulf of Mexico restoration program.**TITLE IX—GEOTHERMAL PRODUCTION EXPANSION**Sec. 901. Short title.**Sec. 902. Findings.**Sec. 903. Noncompetitive leasing of adjoining areas for development of geothermal resources.***1 SEC. 2. DEFINITIONS.****2 For the purposes of this Act:**

1 (1) *ADMINISTRATOR.*—*The term “Adminis-*
2 *trator” means the Administrator of the National Oce-*
3 *anic and Atmospheric Administration.*

4 (2) *AFFECTED INDIAN TRIBE.*—*The term “af-*
5 *fected Indian tribe” means an Indian tribe that has*
6 *federally reserved rights that are affirmed by treaty,*
7 *statute, Executive order, Federal court order, or other*
8 *Federal law in the area at issue.*

9 (3) *ALTERNATIVE ENERGY.*—*The term “alter-*
10 *native energy” means electricity generated by a re-*
11 *newable energy resource.*

12 (4) *COASTAL STATE.*—*The term “coastal State”*
13 *has the meaning given the term “coastal state” in sec-*
14 *tion 304 of the Coastal Zone Management Act of 1972*
15 *(16 U.S.C. 1453).*

16 (5) *DEPARTMENT.*—*The term “Department”*
17 *means the Department of the Interior, except as the*
18 *context indicates otherwise.*

19 (6) *ECOSYSTEM-BASED MANAGEMENT.*—*The term*
20 *“ecosystem-based management” means an integrated*
21 *approach to management that—*

22 (A) *considers the entire ecosystem, including*
23 *humans, and accounts for interactions among*
24 *the ecosystem, the range of activities affecting the*

1 *ecosystem, and the management of such activi-*
2 *ties;*

3 *(B) aims to maintain ecosystems in a*
4 *healthy, productive, sustainable, and resilient*
5 *condition so that they can provide the services*
6 *humans want and need;*

7 *(C) emphasizes the protection of ecosystem*
8 *structure, function, patterns, and important*
9 *processes;*

10 *(D) considers the impacts, including cumu-*
11 *lative impacts, of the range of activities affecting*
12 *an ecosystem that fall within geographical*
13 *boundaries of the ecosystem;*

14 *(E) explicitly accounts for the interconnect-*
15 *edness within an ecosystem, such as food webs,*
16 *and acknowledges the interconnectedness among*
17 *systems, such as between air, land, and sea; and*

18 *(F) integrates ecological, social, economic,*
19 *cultural, and institutional perspectives, recog-*
20 *nizing their strong interdependencies.*

21 *(7) FEDERAL LAND MANAGEMENT AGENCY.—The*
22 *term “Federal land management agency” means—*

23 *(A) the Bureau of Land Management;*

24 *(B) the Forest Service;*

1 (C) *the United States Fish and Wildlife*
2 *Service; and*

3 (D) *the National Park Service.*

4 (8) *FUNCTION.—The term “function” includes*
5 *authorities, powers, rights, privileges, immunities,*
6 *programs, projects, activities, duties, and responsibil-*
7 *ities.*

8 (9) *IMPORTANT ECOLOGICAL AREA.—The term*
9 *“important ecological area” means an area that con-*
10 *tributes significantly to local or larger marine eco-*
11 *system health or is an especially unique or sensitive*
12 *marine ecosystem.*

13 (10) *INDIAN LAND.—The term “Indian land”*
14 *has the meaning given the term in section 502(a) of*
15 *title V of Public Law 109–58 (25 U.S.C. 3501(2)).*

16 (11) *MARINE ECOSYSTEM HEALTH.—The term*
17 *“marine ecosystem health” means the ability of an*
18 *ecosystem in ocean and coastal waters to support and*
19 *maintain patterns, important processes, and produc-*
20 *tive, sustainable, and resilient communities of orga-*
21 *nisms, having a species composition, diversity, and*
22 *functional organization resulting from the natural*
23 *habitat of the region, such that it is capable of sup-*
24 *porting a variety of activities and providing a com-*
25 *plete range of ecological benefits. Such an ecosystem*

1 *would be characterized by a variety of factors, includ-*
2 *ing—*

3 *(A) a complete diversity of native species*
4 *and habitat wherein each native species is able*
5 *to maintain an abundance, population structure,*
6 *and distribution supporting its ecological and*
7 *evolutionary functions, patterns, and processes;*
8 *and*

9 *(B) a physical, chemical, geological, and*
10 *microbial environment that is necessary to*
11 *achieve such diversity.*

12 *(12) MINERAL.—The term “mineral” has the*
13 *same meaning that the term “minerals” has in sec-*
14 *tion 2(q) of the Outer Continental Shelf Lands Act*
15 *(43 U.S.C. 1331(q)).*

16 *(13) NONRENEWABLE ENERGY RESOURCE.—The*
17 *term “nonrenewable energy resource” means oil and*
18 *natural gas.*

19 *(14) OPERATOR.—The term “operator” means—*

20 *(A) the lessee; or*

21 *(B) a person designated by the lessee as*
22 *having control or management of operations on*
23 *the leased area or a portion thereof, who is—*

1 (i) approved by the Secretary, acting
2 through the Bureau of Energy and Resource
3 Management; or

4 (ii) the holder of operating rights
5 under an assignment of operating rights
6 that is approved by the Secretary, acting
7 through the Bureau of Energy and Resource
8 Management.

9 (15) *OUTER CONTINENTAL SHELF*.—The term
10 “Outer Continental Shelf” has the meaning that the
11 term “outer Continental Shelf” has in the Outer Con-
12 tinental Shelf Lands Act (43 U.S.C. 1331 et seq.).

13 (16) *PUBLIC LAND STATE*.—The term “public
14 land State” means—

15 (A) each of the eleven contiguous Western
16 States (as that term is defined in section 103 of
17 the Federal Land Policy and Management Act of
18 1976 (43 U.S.C. 1702)); and

19 (B) Alaska.

20 (17) *REGIONAL OCEAN PARTNERSHIP*.—The term
21 “Regional Ocean Partnership” means voluntary, col-
22 laborative management initiatives developed and en-
23 tered into by the Governors of two or more coastal
24 States or created by an interstate compact for the
25 purpose of addressing more than one ocean, coastal,

1 *or Great Lakes issue and to implement policies and*
2 *activities identified under special area management*
3 *plans under the Coastal Zone Management Act of*
4 *1972 (16 U.S.C. 1451 et seq.) or other agreements de-*
5 *veloped and signed by the Governors.*

6 (18) *RENEWABLE ENERGY RESOURCE.—The*
7 *term “renewable energy resource” means each of the*
8 *following:*

9 (A) *Wind energy.*

10 (B) *Solar energy.*

11 (C) *Geothermal energy.*

12 (D) *Biomass or landfill gas.*

13 (E) *Marine and hydrokinetic renewable en-*
14 *ergy, as that term is defined in section 632 of the*
15 *Energy Independence and Security Act of 2007*
16 *(42 U.S.C. 17211).*

17 (19) *SECRETARIES.—The term “Secretaries”*
18 *means the Secretary of the Interior and the Secretary*
19 *of Commerce.*

20 (20) *SECRETARY.—The term “Secretary” means*
21 *the Secretary of the Interior, except as otherwise pro-*
22 *vided in this Act.*

23 (21) *SURFACE USE PLAN OF OPERATIONS.—The*
24 *term “surface use plan of operations” means a plan*
25 *for surface use, disturbance, and reclamation of Fed-*

1 *eral lands for energy development that is submitted*
2 *by a lessee and approved by the relevant land man-*
3 *agement agency.*

4 (22) *TERMS DEFINED IN OTHER LAW.—Each of*
5 *the terms “Federal land”, “lease”, “lease site”, and*
6 *“mineral leasing law” has the meaning that term has*
7 *under the Federal Oil and Gas Royalty Management*
8 *Act of 1982 (30 U.S.C. 1701 et seq.), except that such*
9 *terms shall also apply to all minerals and renewable*
10 *energy resources in addition to oil and gas.*

11 (23) *TRIBE.—The term “tribe” has the same*
12 *meaning as the term “Indian tribe” has in section 4*
13 *of the Indian Self-Determination and Education As-*
14 *sistance Act (25 U.S.C. 450b).*

15 **TITLE I—CREATION OF NEW DE-**
16 **PARTMENT OF THE INTERIOR**
17 **AGENCIES**

18 **SEC. 101. BUREAU OF ENERGY AND RESOURCE MANAGE-**
19 **MENT.**

20 (a) *ESTABLISHMENT.—There is established in the De-*
21 *partment of the Interior a Bureau of Energy and Resource*
22 *Management (referred to in this section as the “Bureau”)*
23 *to be headed by a Director of Energy and Resource Manage-*
24 *ment (referred to in this section as the “Director”).*

25 (b) *DIRECTOR.—*

1 (1) *APPOINTMENT.*—*The Director shall be ap-*
2 *pointed by the President, by and with the advice and*
3 *consent of the Senate, on the basis of—*

4 (A) *professional background, demonstrated*
5 *competence, and ability; and*

6 (B) *capacity to—*

7 (i) *administer the provisions of this*
8 *Act; and*

9 (ii) *ensure that the fiduciary duties of*
10 *the United States Government on behalf of*
11 *the people of the United States, as they re-*
12 *late to development of nonrenewable and re-*
13 *newable energy and mineral resources, are*
14 *duly met.*

15 (2) *COMPENSATION.*—*The Director shall be com-*
16 *pensated at the rate provided for Level V of the Exec-*
17 *utive Schedule under section 5316 of title 5, United*
18 *States Code.*

19 (c) *DUTIES.*—

20 (1) *IN GENERAL.*—*Except as provided in para-*
21 *graph (4), the Secretary shall carry out through the*
22 *Bureau all functions, powers, and duties vested in the*
23 *Secretary relating to the administration of a com-*
24 *prehensive program of nonrenewable and renewable*
25 *energy and mineral resources management—*

1 (A) on the Outer Continental Shelf, pursu-
2 ant to the Outer Continental Shelf Lands Act as
3 amended by this Act (43 U.S.C. 1331 et seq.);

4 (B) on Federal public lands, pursuant to
5 the Mineral Leasing Act (30 U.S.C. 181 et seq.)
6 and the Geothermal Steam Act of 1970 (30
7 U.S.C. 1001 et seq.);

8 (C) on acquired Federal lands, pursuant to
9 the Mineral Leasing Act for Acquired Lands (30
10 U.S.C. 351 et seq.) and the Geothermal Steam
11 Act of 1970 (30 U.S.C. 1001 et seq.);

12 (D) in the National Petroleum Reserve in
13 Alaska, pursuant to the Naval Petroleum Re-
14 serves Production Act of 1976 (42 U.S.C. 6501
15 et seq.);

16 (E) on any Federal land pursuant to any
17 mineral leasing law; and

18 (F) pursuant to this Act and all other ap-
19 plicable Federal laws, including the administra-
20 tion and approval of all instruments and agree-
21 ments required to ensure orderly, safe, and envi-
22 ronmentally responsible nonrenewable and re-
23 newable energy and mineral resources develop-
24 ment activities.

1 (2) *SPECIFIC AUTHORITIES.*—*The Director shall*
2 *promulgate and implement regulations for the proper*
3 *issuance of leases for the exploration, development,*
4 *and production of nonrenewable and renewable en-*
5 *ergy and mineral resources, and for the issuance of*
6 *permits under such leases, on the Outer Continental*
7 *Shelf and lands managed by the Bureau of Land*
8 *Management, the Forest Service, or any other Federal*
9 *land management agency, including regulations relat-*
10 *ing to resource identification, access, evaluation, and*
11 *utilization.*

12 (3) *INDEPENDENT ENVIRONMENTAL SCIENCE.*—

13 (A) *IN GENERAL.*—*The Secretary shall cre-*
14 *ate an independent office within the Bureau*
15 *that—*

16 (i) *shall report to the Director;*

17 (ii) *shall be programmatically separate*
18 *and distinct from the leasing and permit-*
19 *ting activities of the Bureau; and*

20 (iii) *shall—*

21 (I) *carry out the environmental*
22 *studies program under section 20 of*
23 *the Outer Continental Shelf Lands Act*
24 *(43 U.S.C. 1346);*

1 (II) *conduct any environmental*
2 *analyses necessary for the programs*
3 *administered by the Bureau; and*

4 (III) *carry out other functions as*
5 *deemed necessary by the Secretary.*

6 (B) *CONSULTATION.—Studies and analyses*
7 *carried out by the office created under subpara-*
8 *graph (A) shall be conducted in appropriate and*
9 *timely consultation with other relevant Federal*
10 *agencies, including—*

11 (i) *the Bureau of Safety and Environ-*
12 *mental Enforcement;*

13 (ii) *the United States Fish and Wild-*
14 *life Service;*

15 (iii) *the United States Geological Sur-*
16 *vey; and*

17 (iv) *the National Oceanic and Atmos-*
18 *pheric Administration.*

19 (4) *LIMITATION.—The Secretary shall not carry*
20 *out through the Bureau any function, power, or duty*
21 *that is—*

22 (A) *required by section 102 to be carried*
23 *out through Bureau of Safety and Environ-*
24 *mental Enforcement; or*

1 (B) required by section 103 to be carried
2 out through the Office of Natural Resources Rev-
3 enue.

4 (d) *COMPREHENSIVE DATA AND ANALYSES ON OUTER*
5 *CONTINENTAL SHELF RESOURCES.*—

6 (1) *IN GENERAL.*—

7 (A) *PROGRAMS.*—*The Director shall develop*
8 *and carry out programs for the collection, eval-*
9 *uation, assembly, analysis, and dissemination of*
10 *data and information that is relevant to car-*
11 *rying out the duties of the Bureau, including*
12 *studies under section 20 of the Outer Continental*
13 *Shelf Lands Act (43 U.S.C. 1346).*

14 (B) *USE OF DATA AND INFORMATION.*—*The*
15 *Director shall, in carrying out functions pursu-*
16 *ant to the Outer Continental Lands Act (43*
17 *U.S.C. 1331 et seq.), consider data and informa-*
18 *tion referred to in subparagraph (A) which shall*
19 *inform the management functions of the Bureau,*
20 *and shall contribute to a broader coordination of*
21 *development activities within the contexts of the*
22 *best available science and marine spatial plan-*
23 *ning.*

1 (2) *INTERAGENCY COOPERATION.*—*In carrying*
2 *out programs under this subsection, the Bureau*
3 *shall—*

4 (A) *utilize the authorities of subsection (g)*
5 *and (h) of section 18 of the Outer Continental*
6 *Shelf Lands Act (43 U.S.C. 1344);*

7 (B) *cooperate with appropriate offices in*
8 *the Department and in other Federal agencies;*

9 (C) *use existing inventories and mapping of*
10 *marine resources previously undertaken by the*
11 *Minerals Management Service, mapping under-*
12 *taken by the United States Geological Survey*
13 *and the National Oceanographic and Atmos-*
14 *spheric Administration, and information pro-*
15 *vided by the Department of Defense and other*
16 *Federal and State agencies possessing relevant*
17 *data; and*

18 (D) *use any available data regarding re-*
19 *newable energy potential, navigation uses, fish-*
20 *eries, aquaculture uses, recreational uses, habi-*
21 *tat, conservation, and military uses of the Outer*
22 *Continental Shelf.*

23 (e) *RESPONSIBILITIES OF LAND MANAGEMENT AGEN-*
24 *CIES.*—*Nothing in this section shall affect the authorities*
25 *of the Bureau of Land Management under the Federal Land*

1 *Policy and Management Act of 1976 (43 U.S.C. 1701 et*
2 *seq.) or of the Forest Service under the National Forest*
3 *Management Act of 1976 (Public Law 94-588).*

4 **SEC. 102. BUREAU OF SAFETY AND ENVIRONMENTAL EN-**
5 **FORCEMENT.**

6 (a) *ESTABLISHMENT.*—*There is established in the De-*
7 *partment a Bureau of Safety and Environmental Enforce-*
8 *ment (referred to in this section as the “Bureau”) to be*
9 *headed by a Director of Safety and Environmental Enforce-*
10 *ment (referred to in this section as the “Director”).*

11 (b) *DIRECTOR.*—

12 (1) *APPOINTMENT.*—*The Director shall be ap-*
13 *pointed by the President, by and with the advice and*
14 *consent of the Senate, on the basis of—*

15 (A) *professional background, demonstrated*
16 *competence, and ability; and*

17 (B) *capacity to administer the provisions of*
18 *this Act.*

19 (2) *COMPENSATION.*—*The Director shall be com-*
20 *pensated at the rate provided for Level V of the Exec-*
21 *utive Schedule under section 5316 of title 5, United*
22 *States Code.*

23 (c) *DUTIES.*—

24 (1) *IN GENERAL.*—*The Secretary shall carry out*
25 *through the Bureau all functions, powers, and duties*

1 *vested in the Secretary relating to the administration*
2 *of safety and environmental enforcement activities re-*
3 *lated to nonrenewable and renewable energy and min-*
4 *eral resources—*

5 *(A) on the Outer Continental Shelf pursu-*
6 *ant to the Outer Continental Shelf Lands Act*
7 *(43 U.S.C. 1331 et seq.);*

8 *(B) on Federal public lands, pursuant to*
9 *the Mineral Leasing Act (30 U.S.C. 181 et seq.)*
10 *and the Geothermal Steam Act of 1970 (30*
11 *U.S.C. 1001 et seq.);*

12 *(C) on acquired Federal lands, pursuant to*
13 *the Mineral Leasing Act for Acquired Lands (30*
14 *U.S.C. 351 et seq.) and the Geothermal Steam*
15 *Act of 1970 (30 U.S.C. 1001 et seq.);*

16 *(D) in the National Petroleum Reserve in*
17 *Alaska, pursuant to the Naval Petroleum Re-*
18 *serves Production Act of 1976 (42 U.S.C. 6501*
19 *et seq.); and*

20 *(E) pursuant to—*

21 *(i) the Federal Oil and Gas Royalty*
22 *Management Act of 1982 (30 U.S.C. 1701 et*
23 *seq.);*

24 *(ii) the Energy Policy Act of 2005*
25 *(Public Law 109–58);*

1 (iii) the Federal Oil and Gas Royalty
2 Simplification and Fairness Act of 1996
3 (Public Law 104–185);

4 (iv) the Forest and Rangeland Renew-
5 able Resources Planning Act of 1974 (16
6 U.S.C. 1600 et seq.);

7 (v) the Federal Land Policy and Man-
8 agement Act of 1976 (43 U.S.C. 1701 et
9 seq.);

10 (vi) this Act; and

11 (vii) all other applicable Federal laws,
12 including the authority to develop, promulgate,
13 and enforce regulations to ensure the safe and
14 environmentally sound exploration, development,
15 and production of nonrenewable and renewable
16 energy and mineral resources on the Outer Con-
17 tinental Shelf and onshore federally managed
18 lands.

19 (d) *AUTHORITIES*.—In carrying out the duties under
20 this section, the Secretary’s authorities shall include—

21 (1) performing necessary oversight activities to
22 ensure the proper application of environmental re-
23 views, including those conducted pursuant to the Na-
24 tional Environmental Policy Act of 1969 (42 U.S.C.
25 4321 et seq.) by the Bureau of Energy and Resource

1 *Management in the performance of its duties under*
2 *the Outer Continental Shelf Lands Act (43 U.S.C.*
3 *1331 et seq.);*

4 (2) *suspending or prohibiting, on a temporary*
5 *basis, any operation or activity, including produc-*
6 *tion—*

7 (A) *on leases held on the Outer Continental*
8 *Shelf, in accordance with section 5(a)(1) of the*
9 *Outer Continental Shelf Lands Act (43 U.S.C.*
10 *1334(a)(1)); or*

11 (B) *on leases or rights-of-way held on Fed-*
12 *eral lands under any other minerals or energy*
13 *leasing statute, in accordance with section 302(c)*
14 *of the Federal Land Policy and Management Act*
15 *of 1976 (43 U.S.C. 1701 et seq.);*

16 (3) *cancelling any lease, permit, or right-of*
17 *way—*

18 (A) *on the Outer Continental Shelf, in ac-*
19 *cordance with section 5(a)(2) of the Outer Conti-*
20 *ental Shelf Lands Act (43 U.S.C. 1334(a)(2));*
21 *or*

22 (B) *on onshore Federal lands, in accordance*
23 *with section 302(c) of the Federal Land Policy*
24 *and Management Act of 1976 (43 U.S.C.*
25 *1732(c));*

1 (4) *compelling compliance with applicable work-*
2 *er safety and environmental laws and regulations;*

3 (5) *requiring comprehensive safety and environ-*
4 *mental management programs for persons engaged in*
5 *activities connected with the exploration, development,*
6 *and production of energy or mineral resources;*

7 (6) *developing and implementing regulations for*
8 *Federal employees to carry out any inspection or in-*
9 *vestigation to ascertain compliance with applicable*
10 *regulations, including health, safety, or environmental*
11 *regulations;*

12 (7) *collecting, evaluating, assembling, analyzing,*
13 *and publicly disseminating electronically data and*
14 *information that is relevant to inspections, failures,*
15 *or accidents involving equipment and systems used*
16 *for exploration and production of energy and mineral*
17 *resources, including human factors associated there-*
18 *with;*

19 (8) *implementing the Offshore Technology Re-*
20 *search and Risk Assessment Program under section*
21 *21 of the Outer Continental Shelf Lands Act (43*
22 *U.S.C. 1347);*

23 (9) *summoning witnesses and directing the pro-*
24 *duction of evidence;*

1 (10) *levying fines and penalties and disquali-*
2 *fying operators; and*

3 (11) *carrying out any safety, response, and re-*
4 *moval preparedness functions.*

5 *(e) EMPLOYEES.—*

6 (1) *IN GENERAL.—The Secretary shall ensure*
7 *that the inspection force of the Bureau consists of*
8 *qualified, trained employees who meet qualification*
9 *requirements and adhere to the highest professional*
10 *and ethical standards.*

11 (2) *QUALIFICATIONS.—The qualification require-*
12 *ments referred to in paragraph (1)—*

13 (A) *shall be determined by the Secretary,*
14 *subject to subparagraph (B); and*

15 (B) *shall include—*

16 (i) *three years of practical experience*
17 *in oil and gas exploration, development, or*
18 *production; or*

19 (ii) *a degree in an appropriate field of*
20 *engineering from an accredited institution*
21 *of higher learning.*

22 (3) *ASSIGNMENT.—In assigning oil and gas in-*
23 *spectors to the inspection and investigation of indi-*
24 *vidual operations, the Secretary shall give due consid-*
25 *eration to the extent possible to their previous experi-*

1 *ence in the particular type of oil and gas operation*
2 *in which such inspections are to be made.*

3 *(4) TRAINING ACADEMY.—*

4 *(A) IN GENERAL.—The Secretary shall es-*
5 *tablish and maintain a National Oil and Gas*
6 *Health and Safety Academy (referred to in this*
7 *paragraph as the “Academy”) as an agency of*
8 *the Department of the Interior.*

9 *(B) FUNCTIONS OF ACADEMY.—The Sec-*
10 *retary, through the Academy, shall be responsible*
11 *for—*

12 *(i) the initial and continued training*
13 *of both newly hired and experienced oil and*
14 *gas inspectors in all aspects of health, safe-*
15 *ty, environmental, and operational inspec-*
16 *tions;*

17 *(ii) the training of technical support*
18 *personnel of the Bureau;*

19 *(iii) any other training programs for*
20 *oil and gas inspectors, Bureau personnel,*
21 *Department personnel, or other persons as*
22 *the Secretary shall designate; and*

23 *(iv) certification of the successful com-*
24 *pletion of training programs for newly*

1 *hired and experienced oil and gas inspec-*
2 *tors.*

3 (C) *COOPERATIVE AGREEMENTS.—*

4 (i) *IN GENERAL.—In performing func-*
5 *tions under this paragraph, and subject to*
6 *clause (ii), the Secretary may enter into co-*
7 *operative educational and training agree-*
8 *ments with educational institutions, related*
9 *Federal academies, other Federal agencies,*
10 *State governments, labor organizations, and*
11 *oil and gas operators and related industries.*

12 (ii) *TRAINING REQUIREMENT.—Such*
13 *training shall be conducted by the Academy*
14 *in accordance with curriculum needs and*
15 *assignment of instructional personnel estab-*
16 *lished by the Secretary.*

17 (D) *USE OF DEPARTMENTAL PERSONNEL.—*

18 *In performing functions under this subsection,*
19 *the Secretary shall use, to the extent practicable,*
20 *the facilities and personnel of the Department of*
21 *the Interior. The Secretary may appoint or as-*
22 *sign to the Academy such officers and employees*
23 *as the Secretary considers necessary for the per-*
24 *formance of the duties and functions of the Acad-*
25 *emy.*

1 (5) *ADDITIONAL TRAINING PROGRAMS.*—

2 (A) *IN GENERAL.*—*The Secretary shall work*
3 *with appropriate educational institutions, opera-*
4 *tors, and representatives of oil and gas workers*
5 *to develop and maintain adequate programs*
6 *with educational institutions and oil and gas*
7 *operators, that are designed—*

8 (i) *to enable persons to qualify for po-*
9 *sitions in the administration of this Act;*
10 *and*

11 (ii) *to provide for the continuing edu-*
12 *cation of inspectors or other appropriate*
13 *Departmental personnel.*

14 (B) *FINANCIAL AND TECHNICAL ASSIST-*
15 *ANCE.*—*The Secretary may provide financial*
16 *and technical assistance to educational institu-*
17 *tions in carrying out this paragraph.*

18 **SEC. 103. OFFICE OF NATURAL RESOURCES REVENUE.**

19 (a) *ESTABLISHMENT.*—*There is established in the De-*
20 *partment an Office of Natural Resources Revenue (referred*
21 *to in this section as the “Office”) to be headed by a Director*
22 *of Natural Resources Revenue (referred to in this section*
23 *as the “Director”).*

24 (b) *APPOINTMENT AND COMPENSATION.*—

1 (1) *IN GENERAL.*—*The Director shall be ap-*
2 *pointed by the President, by and with the advice and*
3 *consent of the Senate, on the basis of—*

4 (A) *professional competence; and*

5 (B) *capacity to—*

6 (i) *administer the provisions of this*
7 *Act; and*

8 (ii) *ensure that the fiduciary duties of*
9 *the United States Government on behalf of*
10 *the American people, as they relate to devel-*
11 *opment of nonrenewable and renewable en-*
12 *ergy and mineral resources, are duly met.*

13 (2) *COMPENSATION.*—*The Director shall be com-*
14 *pensated at the rate provided for Level V of the Exec-*
15 *utive Schedule under section 5316 of title 5, United*
16 *States Code.*

17 (c) *DUTIES.*—

18 (1) *IN GENERAL.*—*The Secretary shall carry out,*
19 *through the Office—*

20 (A) *all functions, powers, and duties vested*
21 *in the Secretary and relating to the administra-*
22 *tion of the royalty and revenue management*
23 *functions pursuant to—*

24 (i) *the Outer Continental Shelf Lands*
25 *Act (43 U.S.C. 1331 et seq.);*

1 (ii) the Mineral Leasing Act (30
2 U.S.C. 181 et seq.);

3 (iii) the Mineral Leasing Act for Ac-
4 quired Lands (30 U.S.C. 351 et seq.);

5 (iv) the Geothermal Steam Act of 1970
6 (30 U.S.C. 1001 et seq.);

7 (v) the Naval Petroleum Reserves Pro-
8 duction Act of 1976 (42 U.S.C. 6501 et
9 seq.);

10 (vi) the Federal Oil and Gas Royalty
11 Management Act of 1982 (30 U.S.C. 1701 et
12 seq.);

13 (vii) the Federal Oil and Gas Royalty
14 Simplification and Fairness Act of 1996
15 (Public Law 104–185);

16 (viii) the Energy Policy Act of 2005
17 (Public Law 109–58);

18 (ix) the Forest and Rangeland Renew-
19 able Resources Planning Act of 1974 (16
20 U.S.C. 1600 et seq.);

21 (x) the Federal Land Policy and Man-
22 agement Act of 1976 (43 U.S.C. 1701 et
23 seq.); and

24 (xi) this Act and all other applicable
25 Federal laws; and

1 (B) all functions, powers, and duties pre-
2 viously assigned to the Minerals Management
3 Service (including the authority to develop, pro-
4 mulgate, and enforce regulations) regarding—

5 (i) royalty and revenue collection;

6 (ii) royalty and revenue distribution;

7 (iii) auditing and compliance;

8 (iv) investigation and enforcement of
9 royalty and revenue regulations; and

10 (v) asset management for onshore and
11 offshore activities.

12 (d) *OVERSIGHT.*—In order to provide transparency
13 and ensure strong oversight over the revenue program, the
14 Secretary shall—

15 (1) create within the Office an independent audit
16 and oversight program responsible for monitoring the
17 performance of the Office with respect to the duties
18 and functions under subsection (c), and conducting
19 internal control audits of the operations of the Office;

20 (2) facilitate the participation of those Indian
21 tribes and States operating pursuant to cooperative
22 agreements or delegations under the Federal Oil and
23 Gas Royalty Management Act of 1982 (30 U.S.C.
24 1701 et seq.) on all of the management teams, com-

1 *mittees, councils, and other entities created by the Of-*
2 *fice; and*

3 (3) *assure prior consultation with those Indian*
4 *tribes and States referred to in paragraph (2) in the*
5 *formulation all policies, procedures, guidance, stand-*
6 *ards, and rules relating to the functions referred to in*
7 *subsection (c).*

8 **SEC. 104. ETHICS.**

9 (a) *CERTIFICATION.*—*The Secretary shall certify an-*
10 *nually that all Department of the Interior officers and em-*
11 *ployees having regular, direct contact with lessees and oper-*
12 *ators as a function of their official duties are in full compli-*
13 *ance with all Federal employee ethics laws and regulations*
14 *under the Ethics in Government Act of 1978 (5 U.S.C.*
15 *App.) and part 2635 of title 5, Code of Federal Regulations,*
16 *and all guidance issued under subsection (b).*

17 (b) *GUIDANCE.*—*Not later than 90 days after the date*
18 *of enactment of this Act, the Secretary shall issue supple-*
19 *mentary ethics guidance for the employees for which certifi-*
20 *cation is required under subsection (a).*

21 **SEC. 105. REFERENCES.**

22 (a) *BUREAU OF ENERGY AND RESOURCE MANAGE-*
23 *MENT.*—*Any reference in any law, rule, regulation, direc-*
24 *tive, instruction, certificate, or other official document, in*
25 *force immediately before the enactment of this Act—*

1 (1) *to the Minerals Management Service that*
2 *pertains to any of the duties and authorities referred*
3 *to in section 101 is deemed to refer and apply to the*
4 *Bureau of Energy and Resource Management estab-*
5 *lished by section 101;*

6 (2) *to the Director of the Minerals Management*
7 *Service that pertains to any of the duties and au-*
8 *thorities referred to in section 101 is deemed to refer*
9 *and apply to the Director of the Bureau of Energy*
10 *and Resource Management;*

11 (3) *to any other position in the Minerals Man-*
12 *agement Service that pertains to any of the duties*
13 *and authorities referred to in section 101 is deemed*
14 *to refer and apply to that same or equivalent position*
15 *in the Bureau of Energy and Resource Management;*

16 (4) *to the Bureau of Land Management that per-*
17 *tains to any of the duties and authorities referred to*
18 *in section 101 is deemed to refer and apply to the Bu-*
19 *reau of Energy and Resource Management;*

20 (5) *to the Director of the Bureau of Land Man-*
21 *agement that pertains to any of the duties and au-*
22 *thorities referred to in section 101 is deemed to refer*
23 *and apply to the Director of the Bureau of Energy*
24 *and Resource Management; and*

1 (6) to any other position in the Bureau of Land
2 Management that pertains to any of the duties and
3 authorities referred to in section 101 is deemed to
4 refer and apply to that same or equivalent position
5 in the Bureau of Energy and Resource Management.

6 (b) BUREAU OF SAFETY AND ENVIRONMENTAL EN-
7 FORCEMENT.—Any reference in any law, rule, regulation,
8 directive, instruction, certificate or other official document
9 in force immediately before the enactment of this Act—

10 (1) to the Minerals Management Service that
11 pertains to any of the duties and authorities referred
12 to in section 102 is deemed to refer and apply to the
13 Bureau of Safety and Environmental Enforcement es-
14 tablished by section 102;

15 (2) to the Director of the Minerals Management
16 Service that pertains to any of the duties and au-
17 thorities referred to in section 102 is deemed to refer
18 and apply to the Director of the Bureau of Safety and
19 Environmental Enforcement;

20 (3) to any other position in the Minerals Man-
21 agement Service that pertains to any of the duties
22 and authorities referred to in section 102 is deemed
23 to refer and apply to that same or equivalent position
24 in the Bureau of Safety and Environmental Enforce-
25 ment;

1 (4) to the Bureau of Land Management that per-
2 tains to any of the duties and authorities referred to
3 in section 102 is deemed to refer and apply to the Bu-
4 reau of Safety and Environmental Enforcement;

5 (5) to the Director of the Bureau of Land Man-
6 agement that pertains to any of the duties and au-
7 thorities referred to in section 102 is deemed to refer
8 and apply to the Director of the Bureau of Safety and
9 Environmental Enforcement; and

10 (6) to any other position in the Bureau of Land
11 Management that pertains to any of the duties and
12 authorities referred to in section 102 is deemed to
13 refer and apply to that same or equivalent position
14 in the Bureau of Safety and Environmental Enforce-
15 ment.

16 (c) OFFICE OF NATURAL RESOURCES REVENUE.—Any
17 reference in any law, rule, regulation, directive, or instruc-
18 tion, or certificate or other official document, in force imme-
19 diately prior to enactment—

20 (1) to the Minerals Management Service that
21 pertains to any of the duties and authorities referred
22 to in section 103 is deemed to refer and apply to the
23 Office of Natural Resources Revenue established by
24 section 103;

1 *determinations, rules, regulations, personnel actions,*
2 *permits, agreements, grants, contracts, certificates, li-*
3 *licenses, registrations, and privileges.*

4 *(c) PENDING PROCEEDINGS.—Subject to the authority*
5 *of the Secretary of the Interior and the officers of the De-*
6 *partment of the Interior under this Act—*

7 *(1) pending proceedings in the Service, including*
8 *notices of proposed rulemaking, and applications for*
9 *licenses, permits, certificates, grants, and financial*
10 *assistance, shall continue, notwithstanding the enact-*
11 *ment of this Act or the vesting of functions of the*
12 *Service in another agency, unless discontinued or*
13 *modified under the same terms and conditions and to*
14 *the same extent that such discontinuance or modifica-*
15 *tion could have occurred if this Act had not been en-*
16 *acted; and*

17 *(2) orders issued in such proceedings, and ap-*
18 *peals therefrom, and payments made pursuant to*
19 *such orders, shall issue in the same manner and on*
20 *the same terms as if this Act had not been enacted,*
21 *and any such orders shall continue in effect until*
22 *amended, modified, superseded, terminated, set aside,*
23 *or revoked by an officer of the United States or a*
24 *court of competent jurisdiction, or by operation of*
25 *law.*

1 (d) *PENDING CIVIL ACTIONS.*—Subject to the authority
2 of the Secretary of the Interior or any officer of the Depart-
3 ment of the Interior under this Act, pending civil actions
4 shall continue notwithstanding the enactment of this Act,
5 and in such civil actions, proceedings shall be had, appeals
6 taken, and judgments rendered and enforced in the same
7 manner and with the same effect as if such enactment had
8 not occurred.

9 (e) *REFERENCES.*—References relating to the Service
10 in statutes, Executive orders, rules, regulations, directives,
11 or delegations of authority that precede the effective date
12 of this Act are deemed to refer, as appropriate, to the De-
13 partment, to its officers, employees, or agents, or to its cor-
14 responding organizational units or functions. Statutory re-
15 porting requirements that applied in relation to the Service
16 immediately before the effective date of this Act shall con-
17 tinue to apply.

18 **SEC. 107. CONFORMING AMENDMENT.**

19 Section 5316 of title 5, United States Code, is amended
20 by striking “Director, Bureau of Mines, Department of the
21 Interior.” and inserting the following new items:

22 “Director, Bureau of Energy and Resource Man-
23 agement, Department of the Interior.

24 “Director, Bureau of Safety and Environmental
25 Enforcement, Department of the Interior.

1 “Director, Office of Natural Resources Revenue,
2 Department of the Interior.”.

3 **SEC. 108. OUTER CONTINENTAL SHELF SAFETY AND ENVI-**
4 **RONMENTAL ADVISORY BOARD.**

5 (a) *ESTABLISHMENT.*—The Secretary shall establish,
6 under the Federal Advisory Committee Act, an Outer Conti-
7 nental Shelf Safety and Environmental Advisory Board
8 (referred to in this section as the “Board”), to provide the
9 Secretary and the Directors of the bureaus established by
10 this title with independent scientific and technical advice
11 on safe and environmentally compliant nonrenewable and
12 renewable energy and mineral resource exploration, devel-
13 opment, and production activities.

14 (b) *MEMBERSHIP.*—

15 (1) *SIZE.*—The Board shall consist of not more
16 than 12 members, chosen to reflect a range of exper-
17 tise in scientific, engineering, management, environ-
18 mental, and other disciplines related to safe and envi-
19 ronmentally compliant renewable and nonrenewable
20 energy and mineral resource exploration, develop-
21 ment, and production activities. The Secretary shall
22 consult with the National Academy of Sciences and
23 the National Academy of Engineering to identify po-
24 tential candidates for the Board.

1 (2) *TERM.*—*The Secretary shall appoint Board*
2 *members to staggered terms of not more than 4 years,*
3 *and shall not appoint a member for more than 2 con-*
4 *secutive terms.*

5 (3) *BALANCE.*—*In appointing members to the*
6 *Board, the Secretary shall ensure a balanced rep-*
7 *resentation of industry- and nonindustry-related in-*
8 *terests.*

9 (c) *CHAIR.*—*The Secretary shall appoint the Chair for*
10 *the Board.*

11 (d) *MEETINGS.*—*The Board shall meet not less than*
12 *3 times per year and, at least once per year, shall host a*
13 *public forum to review and assess the overall safety and*
14 *environmental performance of Outer Continental Shelf non-*
15 *renewable and renewable energy and mineral resource ac-*
16 *tivities.*

17 (e) *REPORTS.*—*Reports of the Board shall be submitted*
18 *to the Congress and made available to the public in elec-*
19 *tronically accessible form.*

20 (f) *TRAVEL EXPENSES.*—*Members of the Board, other*
21 *than full-time employees of the Federal Government, while*
22 *attending meeting of the Board or while otherwise serving*
23 *at the request of the Secretary or the Director while serving*
24 *away from their homes or regular places of business, may*
25 *be allowed travel expenses, including per diem in lieu of*

1 *subsistence, as authorized by section 5703 of title 5, United*
2 *States Code, for individuals in the Government serving*
3 *without pay.*

4 ***TITLE II—FEDERAL OIL AND GAS***
5 ***DEVELOPMENT***

6 ***Subtitle A—Safety, Environmental,***
7 ***and Financial Reform of the***
8 ***Outer Continental Shelf Lands***
9 ***Act***

10 ***SEC. 201. SHORT TITLE.***

11 *This subtitle may be cited as the “Outer Continental*
12 *Shelf Lands Act Amendments of 2010”.*

13 ***SEC. 202. DEFINITIONS.***

14 *Section 2 of the Outer Continental Shelf Lands Act*
15 *(43 U.S.C. 1331) is amended by adding at the end the fol-*
16 *lowing:*

17 *“(r) The term ‘safety case’ means a body of evidence*
18 *that provides a basis for determining whether a system is*
19 *adequately safe for a given application in a given operating*
20 *environment.”.*

21 ***SEC. 203. NATIONAL POLICY FOR THE OUTER CONTI-***
22 ***NENTAL SHELF.***

23 *Section 3 of the Outer Continental Shelf Lands Act*
24 *(43 U.S.C. 1332) is amended—*

1 (1) *by striking paragraph (3) and inserting the*
2 *following:*

3 “(3) *the outer Continental Shelf is a vital na-*
4 *tional resource reserve held by the Federal Govern-*
5 *ment for the public, that should be managed in a*
6 *manner that—*

7 “(A) *recognizes the need of the United*
8 *States for domestic sources of energy, food, min-*
9 *erals, and other resources;*

10 “(B) *minimizes the potential impacts of de-*
11 *velopment of those resources on the marine and*
12 *coastal environment and on human health and*
13 *safety; and*

14 “(C) *acknowledges the long-term economic*
15 *value to the United States of the balanced and*
16 *orderly management of those resources that safe-*
17 *guards the environment and respects the multiple*
18 *values and uses of the outer Continental Shelf;”;*

19 (2) *in paragraph (4), by striking the period at*
20 *the end and inserting a semicolon;*

21 (3) *in paragraph (5), by striking “should be”*
22 *and inserting “shall be”, and striking “; and” and*
23 *inserting a semicolon;*

24 (4) *by redesignating paragraph (6) as para-*
25 *graph (7);*

1 (5) by inserting after paragraph (5) the fol-
2 lowing:

3 “(6) exploration, development, and production of
4 energy and minerals on the outer Continental Shelf
5 should be allowed only when those activities can be
6 accomplished in a manner that minimizes—

7 “(A) harmful impacts to life (including fish
8 and other aquatic life) and health;

9 “(B) damage to the marine, coastal, and
10 human environments and to property; and

11 “(C) harm to other users of the waters, sea-
12 bed, or subsoil; and”;

13 (6) in paragraph (7) (as so redesignated), by—

14 (A) striking “should be” and inserting
15 “shall be”;

16 (B) inserting “best available” after “using”;

17 and

18 (C) striking “or minimize”.

19 **SEC. 204. JURISDICTION OF LAWS ON THE OUTER CONTI-**
20 **NENTAL SHELF.**

21 Section 4(a)(1) of the Outer Continental Shelf Lands
22 Act (43 U.S.C. 1333(a)(1)) is amended by—

23 (1) inserting “or producing or supporting pro-
24 duction of energy from sources other than oil and
25 gas” after “therefrom”;

1 (2) inserting “or transmitting such energy” after
2 “transporting such resources”; and

3 (3) inserting “and other energy” after “That
4 mineral”.

5 **SEC. 205. OUTER CONTINENTAL SHELF LEASING STAND-**
6 **ARD.**

7 (a) *IN GENERAL.*—Section 5 of the Outer Continental
8 *Shelf Lands Act (43 U.S.C. 1334) is amended—*

9 (1) in subsection (a), by striking “The Secretary
10 may at any time” and inserting “The Secretary
11 shall”;

12 (2) in the second sentence of subsection (a), by
13 adding after “provide for” the following: “operational
14 safety, the protection of the marine and coastal envi-
15 ronment, and”;

16 (3) in subsection (a), by inserting “and the Sec-
17 retary of Commerce with respect to matters that may
18 affect the marine and coastal environment” after
19 “which may affect competition”;

20 (4) in clause (ii) of subsection (a)(2)(A), by
21 striking “a reasonable period of time” and inserting
22 “30 days”;

23 (5) in subsection (a)(7), by inserting “in a man-
24 ner that minimizes harmful impacts to the marine
25 and coastal environment” after “lease area”;

1 (6) in subsection (a), by striking “and” after the
2 semicolon at the end of paragraph (7), redesignating
3 paragraph (8) as paragraph (12), and inserting after
4 paragraph (7) the following:

5 “(8) for independent third-party certification re-
6 quirements of safety systems related to well control,
7 such as blowout preventers;

8 “(9) for performance requirements for blowout
9 preventers, including quantitative risk assessment
10 standards, subsea testing, and secondary activation
11 methods;

12 “(10) for independent third-party certification
13 requirements of well casing and cementing programs
14 and procedures;

15 “(11) for the establishment of mandatory safety
16 and environmental management systems by operators
17 on the Outer Continental Shelf;”;

18 (7) in subsection (a), by striking the period at
19 the end of paragraph (12), as so redesignated, and in-
20 serting “; and”, and by adding at the end the fol-
21 lowing:

22 “(13) ensuring compliance with other applicable
23 environmental and natural resource conservation
24 laws.”; and

1 (8) by adding at the end the following new sub-
2 section:

3 “(k) *DOCUMENTS INCORPORATED BY REFERENCE.*—
4 Any documents incorporated by reference in regulations
5 promulgated by the Secretary pursuant to this Act shall be
6 made available to the public, free of charge, on a website
7 maintained by the Secretary.”.

8 (b) *CONFORMING AMENDMENT.*—Subsection (g) of sec-
9 tion 25 of the Outer Continental Shelf Lands Act (43 U.S.C.
10 1351), as redesignated by section 215(4) of this Act, is fur-
11 ther amended by striking “paragraph (8) of section 5(a)
12 of this Act” each place it appears and inserting “paragraph
13 (12) of section 5(a) of this Act”.

14 **SEC. 206. LEASES, EASEMENTS, AND RIGHTS-OF-WAY.**

15 (a) *FINANCIAL ASSURANCE AND FISCAL RESPONSIBI-*
16 *LITY.*—Section 8 of the Outer Continental Shelf Lands
17 Act (43 U.S.C. 1337) is amended by adding at the end the
18 following:

19 “(q) *REVIEW OF BOND AND SURETY AMOUNTS.*—Not
20 later than May 1, 2011, and every 5 years thereafter, the
21 Secretary shall review the minimum financial responsi-
22 bility requirements for leases issued under this section and
23 shall ensure that any bonds or surety required are adequate
24 to comply with the requirements of this Act or the Oil Pollu-
25 tion Act of 1990 (33 U.S.C. 2701 et seq.).

1 “(r) *PERIODIC FISCAL REVIEW AND REPORT.*—

2 “(1) *IN GENERAL.*—Not later than 1 year after
3 the date of enactment of this subsection and every 3
4 years thereafter, the Secretary shall carry out a re-
5 view and prepare a report setting forth—

6 “(A)(i) *the royalty and rental rates in-*
7 *cluded in new offshore oil and gas leases; and*

8 “(i) *the rationale for the rates;*

9 “(B) *whether, in the view of the Secretary,*
10 *the royalty and rental rates described in sub-*
11 *paragraph (A) will yield a fair return to the*
12 *public while promoting the production of oil and*
13 *gas resources in a timely manner;*

14 “(C)(i) *the minimum bond or surety*
15 *amounts required pursuant to offshore oil and*
16 *gas leases; and*

17 “(i) *the rationale for the minimum*
18 *amounts;*

19 “(D) *whether the bond or surety amounts*
20 *described in subparagraph (C) are adequate to*
21 *comply with subsection (q); and*

22 “(E) *whether the Secretary intends to mod-*
23 *ify the royalty or rental rates, or bond or surety*
24 *amounts, based on the review.*

1 “(2) *PUBLIC PARTICIPATION.*—*In carrying out a*
2 *review and preparing a report under paragraph (1),*
3 *the Secretary shall provide to the public an oppor-*
4 *tunity to participate.*

5 “(3) *REPORT DEADLINE.*—*Not later than 30*
6 *days after the date on which the Secretary completes*
7 *a report under paragraph (1), the Secretary shall*
8 *transmit copies of the report to—*

9 “(A) *the Committee on Energy and Natural*
10 *Resources of the Senate; and*

11 “(B) *the Committee on Natural Resources of*
12 *the House of Representatives.*

13 “(s) *COMPARATIVE REVIEW OF FISCAL SYSTEM.*—

14 “(1) *IN GENERAL.*—*Not later than 2 years after*
15 *the date of enactment of this subsection and every 5*
16 *years thereafter, the Secretary shall carry out a com-*
17 *prehensive review of all components of the Federal off-*
18 *shore oil and gas fiscal system, including require-*
19 *ments for—*

20 “(A) *bonus bids;*

21 “(B) *rental rates;*

22 “(C) *royalties; and*

23 “(D) *oil and gas taxes.*

24 “(2) *REQUIREMENTS.*—

1 “(A) *CONTENTS; SCOPE.*—A review under
2 paragraph (1) shall include—

3 “(i) *the information and analyses nec-*
4 *essary to compare the offshore bonus bids,*
5 *rents, royalties, and taxes of the Federal*
6 *Government to the offshore bonus bids,*
7 *rents, royalties, and taxes of other resource*
8 *owners, including States and foreign coun-*
9 *tries; and*

10 “(ii) *an assessment of the overall off-*
11 *shore oil and gas fiscal system in the*
12 *United States, as compared to foreign coun-*
13 *tries.*

14 “(B) *INDEPENDENT ADVISORY COM-*
15 *MITTEE.*—In carrying out a review under para-
16 graph (1), the Secretary shall convene and seek
17 the advice of an independent advisory committee
18 comprised of oil and gas and fiscal experts from
19 States, Indian tribes, academia, the energy in-
20 dustry, and appropriate nongovernmental orga-
21 nizations.

22 “(3) *REPORT.*—

23 “(A) *IN GENERAL.*—The Secretary shall
24 prepare a report that contains—

1 “(i) the contents and results of the re-
2 view carried out under paragraph (1) for
3 the period covered by the report; and

4 “(ii) any recommendations of the Sec-
5 retary based on the contents and results of
6 the review.

7 “(B) *REPORT DEADLINE.*—Not later than
8 30 days after the date on which the Secretary
9 completes a report under paragraph (1), the Sec-
10 retary shall transmit copies of the report to the
11 Committee on Natural Resources of the House of
12 Representatives and the Committee on Energy
13 and Natural Resources of the Senate.”.

14 (b) *ENVIRONMENTAL DILIGENCE.*—Section 8 of the
15 Outer Continental Shelf Lands Act (43 U.S.C. 1337) is
16 amended by striking subsection (d) and inserting the fol-
17 lowing:

18 “(d) *REQUIREMENT FOR CERTIFICATION OF RESPON-*
19 *SIBLE STEWARDSHIP.*—

20 “(1) *CERTIFICATION REQUIREMENT.*—No bid or
21 request for a lease, easement, or right-of-way under
22 this section, or for a permit to drill under section
23 11(d), may be submitted by any person unless the
24 person certifies to the Secretary that the person (in-
25 cluding any related person and any predecessor of

1 *such person or related person) meets each of the fol-*
2 *lowing requirements:*

3 *“(A) The person is meeting due diligence,*
4 *safety, and environmental requirements on other*
5 *leases, easements, and rights-of-way.*

6 *“(B) In the case of a person that is a re-*
7 *sponsible party for a vessel or a facility from*
8 *which oil is discharged, for purposes of section*
9 *1002 of the Oil Pollution Act of 1990 (33 U.S.C.*
10 *2702), the person has met all of its obligations*
11 *under that Act to provide compensation for cov-*
12 *ered removal costs and damages.*

13 *“(C) In the 7-year period ending on the*
14 *date of certification, the person, in connection*
15 *with activities in the oil industry (including ex-*
16 *ploration, development, production, transpor-*
17 *tation by pipeline, and refining)—*

18 *“(i) was not found to have committed*
19 *willful or repeated violations under the Oc-*
20 *cupational Safety and Health Act of 1970*
21 *(29 U.S.C. 651 et seq.) (including State*
22 *plans approved under section 18(c) of such*
23 *Act (29 U.S.C. 667(c))) at a rate that is*
24 *higher than five times the rate determined*

1 *by the Secretary to be the oil industry aver-*
2 *age for such violations for such period;*

3 “(ii) *was not convicted of a criminal*
4 *violation for death or serious bodily injury;*

5 “(iii) *did not have more than 10 fa-*
6 *talities at its exploration, development, and*
7 *production facilities and refineries as a re-*
8 *sult of violations of Federal or State health,*
9 *safety, or environmental laws;*

10 “(iv) *was not assessed, did not enter*
11 *into an agreement to pay, and was not oth-*
12 *erwise required to pay, civil penalties and*
13 *criminal fines for violations the person was*
14 *found to have committed under the Federal*
15 *Water Pollution Control Act (33 U.S.C.*
16 *1251 et seq.) (including State programs ap-*
17 *proved under sections 402 and 404 of such*
18 *Act (33 U.S.C. 1342 and 1344)) in a total*
19 *amount that is equal to more than*
20 *\$10,000,000; and*

21 “(v) *was not assessed, did not enter*
22 *into an agreement to pay, and was not oth-*
23 *erwise required to pay, civil penalties and*
24 *criminal fines for violations the person was*
25 *found to have committed under the Clean*

1 *Air Act (42 U.S.C. 7401 et seq.) (including*
2 *State plans approved under section 110 of*
3 *such Act (42 U.S.C. 7410)) in a total*
4 *amount that is equal to more than*
5 *\$10,000,000.*

6 “(2) *ENFORCEMENT.*—*If the Secretary deter-*
7 *mines that a certification made under paragraph (1)*
8 *is false, the Secretary shall cancel any lease, ease-*
9 *ment, or right of way and shall revoke any permit*
10 *with respect to which the certification was required*
11 *under such paragraph.*

12 “(3) *DEFINITION OF RELATED PERSON.*—*For*
13 *purposes of this subsection, the term ‘related person’*
14 *includes a parent, subsidiary, affiliate, member of the*
15 *same controlled group, contractor, subcontractor, a*
16 *person holding a controlling interest or in which a*
17 *controlling interest is held, and a person with sub-*
18 *stantially the same board members, senior officers, or*
19 *investors.”.*

20 (c) *ALTERNATIVE ENERGY DEVELOPMENT.*—

21 (1) *CLARIFICATION RELATING TO ALTERNATIVE*
22 *ENERGY DEVELOPMENT.*—*Section 8(p) of the Outer*
23 *Continental Shelf Lands Act (43 U.S.C. 1337(p)) is*
24 *amended—*

25 (A) *in paragraph (1)—*

1 (i) *in the matter preceding subpara-*
 2 *graph (A), by inserting “or” after “1501 et*
 3 *seq.),”, and by striking “or other applicable*
 4 *law,”; and*

5 (ii) *by amending subparagraph (D) to*
 6 *read as follows:*

7 “(D) *use, for energy-related purposes, facili-*
 8 *ties currently or previously used for activities*
 9 *authorized under this Act, except that any oil*
 10 *and gas energy-related uses shall not be author-*
 11 *ized in areas in which oil and gas preleasing,*
 12 *leasing, and related activities are prohibited by*
 13 *a moratorium.”; and*

14 (B) *in paragraph (4)—*

15 (i) *in subparagraph (E), by striking*
 16 *“coordination” and inserting “in consulta-*
 17 *tion”;* and

18 (ii) *in subparagraph (J)(ii), by insert-*
 19 *ing “a potential site for an alternative en-*
 20 *ergy facility,” after “deepwater port.”.*

21 (2) *NONCOMPETITIVE ALTERNATIVE ENERGY*
 22 *LEASE OPTIONS.—Section 8(p)(3) of such Act (43*
 23 *U.S.C. 1337(p)(3)) is amended to read as follows:*

24 “(3) *COMPETITIVE OR NONCOMPETITIVE BASIS.—*
 25 *Any lease, easement, right-of-way, or other authoriza-*

1 *tion granted under paragraph (1) shall be issued on*
2 *a competitive basis, unless—*

3 *“(A) the lease, easement, right-of-way, or*
4 *other authorization relates to a project that*
5 *meets the criteria established under section*
6 *388(d) of the Energy Policy Act of 2005 (43*
7 *U.S.C. 1337 note; Public Law 109–58);*

8 *“(B) the lease, easement, right-of-way, or*
9 *other authorization—*

10 *“(i) is for the placement and operation*
11 *of a meteorological or marine data collec-*
12 *tion facility; and*

13 *“(ii) has a term of not more than 5*
14 *years; or*

15 *“(C) the Secretary determines, after pro-*
16 *viding public notice of a proposed lease, ease-*
17 *ment, right-of-way, or other authorization, that*
18 *no competitive interest exists.”.*

19 *(d) REVIEW OF IMPACTS OF LEASE SALES ON THE*
20 *MARINE AND COASTAL ENVIRONMENT BY SECRETARY.—*
21 *Section 8 of the Outer Continental Shelf Lands Act (43*
22 *U.S.C. 1337) is amended by adding at the end of subsection*
23 *(a) the following:*

24 *“(9) At least 60 days prior to any lease sale, the*
25 *Secretary shall request a review by the Secretary of*

1 *Commerce of the proposed sale with respect to impacts*
2 *on the marine and coastal environment. The Sec-*
3 *retary of Commerce shall complete and submit in*
4 *writing the results of that review within 60 days after*
5 *receipt of the Secretary of the Interior's request.”.*

6 *(e) LIMITATION ON LEASE TRACT SIZE.—Section*
7 *8(b)(1) of the Outer Continental Shelf Lands Act (43 U.S.C.*
8 *1337(b)(1)) is amended by striking “, unless the Secretary*
9 *finds that a larger area is necessary to comprise a reason-*
10 *able economic production unit”.*

11 *(f) SULPHUR LEASES.—Section 8(i) of the Outer Con-*
12 *tinental Shelf Lands Act (43 U.S.C. 1337(i)) is amended*
13 *by striking “meet the urgent need” and inserting “allow”.*

14 *(g) TERMS AND PROVISIONS.—Section 8(b) of the*
15 *Outer Continental Shelf Lands Act (43 U.S.C. 1337(b)) is*
16 *amended by striking “An oil and gas lease issued pursuant*
17 *to this section shall” and inserting “An oil and gas lease*
18 *may be issued pursuant to this section only if the Secretary*
19 *determines that activities under the lease are not likely to*
20 *result in any condition described in section 5(a)(2)(A)(i),*
21 *and shall”.*

22 **SEC. 207. DISPOSITION OF REVENUES.**

23 *Section 9 of the Outer Continental Shelf Lands Act*
24 *(43 U.S.C. 1338) is amended to read as follows:*

1 **“SEC. 9. DISPOSITION OF REVENUES.**

2 “(a) *GENERAL.—Except as provided in subsections*
3 *(b), (c), and (d), all rentals, royalties, and other sums paid*
4 *to the Secretary or the Secretary of the Navy under any*
5 *lease on the outer Continental Shelf for the period from*
6 *June 5, 1950, to date, and thereafter shall be deposited in*
7 *the Treasury of the United States and credited to miscella-*
8 *neous receipts.*

9 “(b) *LAND AND WATER CONSERVATION FUND.—Effec-*
10 *tive for fiscal year 2011 and each fiscal year thereafter,*
11 *\$900,000,000 of the amounts referred to in subsection (a)*
12 *shall be deposited in the Treasury of the United States and*
13 *credited to the Land and Water Conservation Fund. These*
14 *sums shall be available to the Secretary, without further*
15 *appropriation or fiscal year limitation, for carrying out*
16 *the purposes of the Land and Water Conservation Fund Act*
17 *of 1965 (16 U.S.C. 460l–4 et seq.).*

18 “(c) *HISTORIC PRESERVATION FUND.—Effective for*
19 *fiscal year 2011 and each fiscal year thereafter,*
20 *\$150,000,000 of the amounts referred to in subsection (a)*
21 *shall be deposited in the Treasury of the United States and*
22 *credited to the Historic Preservation Fund. These sums*
23 *shall be available to the Secretary, without further appro-*
24 *priation or fiscal year limitation, for carrying out the pur-*
25 *poses of the National Historic Preservation Fund Act of*
26 *1966 (16 U.S.C. 470 et seq.).*

1 “(d) *OCEAN RESOURCES CONSERVATION AND ASSIST-*
2 *ANCE FUND.*—Effective for each fiscal year 2011 and there-
3 after, 10 percent of the amounts referred to in subsection
4 (a) shall be deposited in the Treasury of the United States
5 and credited to the Ocean Resources Conservation and As-
6 sistance Fund established by the Consolidated Land, En-
7 ergy, and Aquatic Resources Act of 2010. These sums shall
8 be available to the Secretary, without further appropriation
9 or fiscal year limitation, for carrying out the purposes of
10 section 605 of the Consolidated Land, Energy, and Aquatic
11 Resources Act of 2010.

12 “(e) *SAVINGS PROVISION.*—Nothing in this section
13 shall decrease the amount any State shall receive pursuant
14 to section 8(g) of this Act or section 105 of the Gulf of Mex-
15 ico Energy Security Act (43 U.S.C. 1331 note).”.

16 **SEC. 208. EXPLORATION PLANS.**

17 (a) *LIMITATION ON HARM FROM AGENCY EXPLO-*
18 *RATION.*—Section 11(a)(1) of the Outer Continental Shelf
19 Lands Act (43 U.S.C. 1340(a)(1)) is amended by striking
20 “unduly harmful to” and inserting “likely to harm”.

21 (b) *EXPLORATION PLAN REVIEW.*—Section 11(c) of the
22 Outer Continental Shelf Lands Act (43 U.S.C. 1340(c)), is
23 amended—

24 (1) by inserting “(A)” before the first sentence;

1 (2) in paragraph (1)(A), as designated by the
2 amendment made by paragraph (1) of this sub-
3 section—

4 (A) by striking “and the provisions of such
5 lease” and inserting “the provisions of such
6 lease, and other applicable environmental and
7 natural resource conservation laws”; and

8 (B) by striking the fourth sentence and in-
9 serting the following:

10 “(B) The Secretary shall approve such plan, as sub-
11 mitted or modified, within 90 days after its submission and
12 it is made publicly accessible by the Secretary, or within
13 such additional time as the Secretary determines is nec-
14 essary to complete any environmental, safety, or other re-
15 views, if the Secretary determines that—

16 “(i) any proposed activity under such plan is
17 not likely to result in any condition described in sec-
18 tion 5(a)(2)(A)(i);

19 “(ii) the plan complies with other applicable en-
20 vironmental or natural resource conservation laws;
21 and

22 “(iii) the applicant has demonstrated the capa-
23 bility and technology to respond immediately and ef-
24 fectively to a worst-case oil spill in real-world condi-
25 tions in the area of the proposed activity.”; and

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

2 “(5) *If the Secretary requires greater than 90*
3 *days to review an exploration plan submitted pursu-*
4 *ant to any oil and gas lease issued or maintained*
5 *under this Act, then the Secretary may provide for a*
6 *suspension of that lease pursuant to section 5 until*
7 *the review of the exploration plan is completed.”.*

8 (c) *REQUIREMENTS.—Section 11(c) of the Outer Con-*
9 *tinental Shelf Lands Act (43 U.S.C. 1340(c), is amended*
10 *by amending paragraph (3) to read as follows:*

11 “(3) *An exploration plan submitted under this*
12 *subsection shall include, in the degree of detail that*
13 *the Secretary may by regulation require—*

14 “(A) *a schedule of anticipated exploration*
15 *activities to be undertaken;*

16 “(B) *a detailed and accurate description of*
17 *equipment to be used for such activities, includ-*
18 *ing—*

19 “(i) *a description of each drilling unit;*

20 “(ii) *a statement of the design and*
21 *condition of major safety-related pieces of*
22 *equipment, including independent third*
23 *party certification of such equipment; and*

24 “(iii) *a description of any new tech-*
25 *nology to be used;*

1 “(C) a map showing the location of each
2 well to be drilled;

3 “(D) a scenario for the potential blowout of
4 the well involving the highest potential volume of
5 liquid hydrocarbons, along with a complete de-
6 scription of a response plan to both control the
7 blowout and manage the accompanying dis-
8 charge of hydrocarbons, including the likelihood
9 for surface intervention to stop the blowout, the
10 availability of a rig to drill a relief well, an esti-
11 mate of the time it would take to drill a relief
12 well, a description of other technology that may
13 be used to regain control of the well or capture
14 escaping hydrocarbons and the potential timeline
15 for using that technology for its intended pur-
16 pose, and the strategy, organization, and re-
17 sources necessary to avoid harm to the environ-
18 ment and human health from hydrocarbons;

19 “(E) an analysis of the potential impacts of
20 the worst-case-scenario discharge of hydrocarbons
21 on the marine, coastal, and human environments
22 for activities conducted pursuant to the proposed
23 exploration plan; and

24 “(F) such other information deemed perti-
25 nent by the Secretary.”.

1 (d) *DRILLING PERMITS.*—Section 11(d) of the Outer
2 *Continental Shelf Lands Act (43 U.S.C. 1340(d))* is amend-
3 *ed by to read as follows:*

4 “(d) *DRILLING PERMITS.*—

5 “(1) *IN GENERAL.*—The Secretary shall, by regu-
6 *lation, require that any lessee operating under an ap-*
7 *proved exploration plan obtain a permit prior to*
8 *drilling any well in accordance with such plan, and*
9 *prior to any significant modification of the well de-*
10 *sign as originally approved by the Secretary.*

11 “(2) *ENGINEERING REVIEW REQUIRED.*—The
12 *Secretary may not grant any drilling permit or*
13 *modification of the permit prior to completion of a*
14 *full engineering review of the well system, including*
15 *a determination that critical safety systems, includ-*
16 *ing blowout prevention, will utilize best available*
17 *technology and that blowout prevention systems will*
18 *include redundancy and remote triggering capability.*

19 “(3) *OPERATOR SAFETY AND ENVIRONMENTAL*
20 *MANAGEMENT REQUIRED.*—The Secretary shall not
21 *grant any drilling permit or modification of the per-*
22 *mit prior to completion of a safety and environ-*
23 *mental management plan to be utilized by the oper-*
24 *ator during all well operations.”.*

1 (e) *EXPLORATION PERMIT REQUIREMENTS.*—Section
2 *11(g) of the Outer Continental Shelf Lands Act (43 U.S.C.*
3 *1340(g)) is amended by—*

4 (1) *striking “shall be issued” and inserting*
5 *“may be issued”;*

6 (2) *inserting “and after consultation with the*
7 *Secretary of Commerce,” after “in accordance with*
8 *regulations issued by the Secretary”;*

9 (3) *striking the “and” at the end of paragraph*
10 *(2);*

11 (4) *in paragraph (3) striking “will not be un-*
12 *duly harmful to” and inserting “is not likely to*
13 *harm”;*

14 (5) *striking the period at the end of paragraph*
15 *(3) and inserting a semicolon; and*

16 (6) *adding at the end the following:*

17 *“(4) the exploration will be conducted in accord-*
18 *ance with other applicable environmental and natural*
19 *resource conservation laws;*

20 *“(5) in the case of geophysical surveys, the appli-*
21 *cant shall use the best available technologies and*
22 *methods to minimize impacts on marine life; and*

23 *“(6) in the case of drilling operations, the appli-*
24 *cant has available oil spill response and clean-up*
25 *equipment and technology that has been demonstrated*

1 to be capable of effectively remediating a worst-case
2 release of oil.”.

3 (f) *ENVIRONMENTAL REVIEW OF PLANS; DEEPWATER*
4 *PLAN; PLAN DISAPPROVAL.*—Section 11 of the Outer Conti-
5 *mental Shelf Lands Act (43 U.S.C. 1340)* is amended by
6 *adding at the end the following:*

7 “(i) *ENVIRONMENTAL REVIEW OF PLANS.*—The Sec-
8 *retary shall treat the approval of an exploration plan, or*
9 *a significant revision of such a plan, as an agency action*
10 *requiring preparation of an environmental assessment or*
11 *environmental impact statement in accordance with the*
12 *National Environmental Policy Act of 1969 (42 U.S.C.*
13 *4321 et seq.), and shall require that such plan—*

14 “(1) *be based on the best available technology to*
15 *ensure safety in carrying out both the drilling of the*
16 *well and any oil spill response; and*

17 “(2) *contain a technical systems analysis of the*
18 *safety of the proposed activity, the blowout prevention*
19 *technology, and the blowout and spill response plans.*

20 “(j) *DISAPPROVAL OF PLAN.*—

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

1 *environment, or other exceptional circumstances,*
2 *that—*

3 *“(A) implementation of the plan would*
4 *probably cause serious harm or damage to life*
5 *(including fish and other aquatic life), to prop-*
6 *erty, to any mineral deposits (in areas leased or*
7 *not leased), to the national security or defense, or*
8 *to the marine, coastal, or human environments;*

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

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

14 *“(2) CANCELLATION OF LEASE FOR DISAPPROVAL*
15 *OF PLAN.—If a plan is disapproved under this sub-*
16 *section, the Secretary may cancel such lease in ac-*
17 *cordance with subsection (c)(1) of this section.”.*

18 **SEC. 209. OUTER CONTINENTAL SHELF LEASING PROGRAM.**

19 *Section 18 of the Outer Continental Shelf Lands Act*
20 *(43 U.S.C. 1344) is amended—*

21 *(1) in subsection (a) in the second sentence by*
22 *striking “meet national energy needs” and inserting*
23 *“balance national energy needs and the protection of*
24 *the marine and coastal environment and all the re-*
25 *sources in that environment,”;*

1 (2) in subsection (a)(1), by striking “considers”
2 and inserting “gives equal consideration to”;

3 (3) in subsection (a)(2)(A)—

4 (A) by striking “existing” and inserting
5 “the best available scientific”; and

6 (B) by inserting “, including at least three
7 consecutive years of data” after “information”;

8 (4) in subsection (a)(2)(D), by inserting “, po-
9 tential and existing sites of renewable energy installa-
10 tions” after “deepwater ports,”;

11 (5) in subsection (a)(2)(H), by inserting “includ-
12 ing the availability of infrastructure to support oil
13 spill response” before the period;

14 (6) in subsection (a)(3), by—

15 (A) striking “to the maximum extent prac-
16 ticable,”;

17 (B) striking “obtain a proper balance be-
18 tween” and inserting “minimize”; and

19 (C) striking “damage,” and all that follows
20 through the period and inserting “damage and
21 adverse impacts on the marine, coastal, and
22 human environments, and enhancing the poten-
23 tial for the discovery of oil and gas.”;

24 (7) in subsection (b)(1), by inserting “environ-
25 mental, marine, and energy” after “obtain”;

1 (8) *in subsection (b)(2), by inserting “environ-*
2 *mental, marine, and” after “interpret the”;*

3 (9) *in subsection (b)(3), by striking “and” after*
4 *the semicolon at the end;*

5 (10) *by striking the period at the end of sub-*
6 *section (b)(4) and inserting a semicolon;*

7 (11) *by adding at the end of subsection (b) the*
8 *following:*

9 “*(5) provide technical review and oversight of ex-*
10 *ploration plans and a systems review of the safety of*
11 *well designs and other operational decisions;*

12 “*(6) conduct regular and thorough safety reviews*
13 *and inspections; and*

14 “*(7) enforce all applicable laws and regula-*
15 *tions.”;*

16 (12) *in the first sentence of subsection (c)(1), by*
17 *inserting “the National Oceanic and Atmospheric Ad-*
18 *ministration and” after “including”;*

19 (13) *in subsection (c)(2)—*

20 (A) *by inserting after the first sentence the*
21 *following: “The Secretary shall also submit a*
22 *copy of such proposed program to the head of*
23 *each Federal agency referred to in, or that other-*
24 *wise provided suggestions under, paragraph*
25 *(1).”;*

1 (B) in the third sentence, by inserting “or
2 head of a Federal agency” after “such Gov-
3 ernor”; and

4 (C) in the fourth sentence, by inserting “or
5 between the Secretary and the head of a Federal
6 agency,” after “affected State,”;

7 (14) in the second sentence of subsection (d)(2),
8 by inserting “, the head of a Federal agency,” after
9 “Attorney General”;

10 (15) in subsection (g), by inserting after the first
11 sentence the following: “Such information may in-
12 clude existing inventories and mapping of marine re-
13 sources previously undertaken by the Department of
14 the Interior and the National Oceanic and Atmos-
15 pheric Administration, information provided by the
16 Department of Defense, and other available data re-
17 garding energy or mineral resource potential, naviga-
18 tion uses, fisheries, aquaculture uses, recreational
19 uses, habitat, conservation, and military uses on the
20 outer Continental Shelf.”; and

21 (16) by adding at the end the following new sub-
22 section:

23 “(i) RESEARCH AND DEVELOPMENT.—The Secretary
24 shall carry out a program of research and development to
25 ensure the continued improvement of methodologies for

1 *characterizing resources of the outer Continental Shelf and*
2 *conditions that may affect the ability to develop and use*
3 *those resources in a safe, sound, and environmentally re-*
4 *sponsible manner. Such research and development activities*
5 *may include activities to provide accurate estimates of en-*
6 *ergy and mineral reserves and potential on the Outer Conti-*
7 *mental Shelf and any activities that may assist in filling*
8 *gaps in environmental data needed to develop each leasing*
9 *program under this section.”.*

10 **SEC. 210. ENVIRONMENTAL STUDIES.**

11 *(a) INFORMATION NEEDED FOR ASSESSMENT AND*
12 *MANAGEMENT OF ENVIRONMENTAL IMPACTS.—Section 20*
13 *of the Outer Continental Shelf Lands Act (43 U.S.C. 1346)*
14 *is amended by striking so much as precedes subsection*
15 *(a)(2) and inserting the following:*

16 **“SEC. 20. ENVIRONMENTAL STUDIES.**

17 *“(a)(1) The Secretary, in cooperation with the Sec-*
18 *retary of Commerce, shall conduct a study no less than once*
19 *every three years of any area or region included in any*
20 *oil and gas lease sale or other lease in order to establish*
21 *information needed for assessment and management of en-*
22 *vironmental impacts on the human, marine, and coastal*
23 *environments of the outer Continental Shelf and the coastal*
24 *areas which may be affected by oil and gas or other mineral*
25 *development in such area or region.”.*

1 (b) *IMPACTS OF DEEP WATER SPILLS.*—Section 20 of
2 *the Outer Continental Shelf Lands Act (43 U.S.C. 1346)*
3 *is amended by—*

4 (1) *redesignating subsections (c) through (f) as*
5 *(d) through (g); and*

6 (2) *inserting after subsection (b) the following*
7 *new subsection:*

8 “(c) *The Secretary shall conduct research to identify*
9 *and reduce data gaps related to impacts of deepwater hy-*
10 *drocarbon spills, including—*

11 “(1) *effects to benthic substrate communities and*
12 *species;*

13 “(2) *water column habitats and species;*

14 “(3) *surface and coastal impacts from spills*
15 *originating in deep waters; and*

16 “(4) *the use of dispersants.*”.

17 **SEC. 211. SAFETY REGULATIONS.**

18 Section 21 of the *Outer Continental Shelf Lands Act*
19 *(43 U.S.C. 1347) is amended—*

20 (1) *in subsection (a), by striking “Upon the date*
21 *of enactment of this section,” and inserting “Within*
22 *6 months after the date of enactment of the Outer*
23 *Continental Shelf Lands Act Amendments of 2010*
24 *and every three years thereafter,”;*

25 (2) *in subsection (b) by—*

1 (A) striking “for the artificial islands, in-
2 stallations, and other devices referred to in sec-
3 tion 4(a)(1) of” and inserting “under”;

4 (B) striking “which the Secretary deter-
5 mines to be economically feasible”; and

6 (C) adding at the end “Not later than 6
7 months after the date of enactment of the Outer
8 Continental Shelf Lands Act Amendments of
9 2010 and every 3 years thereafter, the Secretary
10 shall, in consultation with the Outer Continental
11 Shelf Safety and Environmental Advisory Board
12 established under title I of the Consolidated
13 Land, Energy, and Aquatic Resources Act of
14 2010, identify and publish an updated list of (1)
15 the best available technologies for key areas of
16 well design and operation, including blowout
17 prevention and blowout and oil spill response
18 and (2) technology needs for which the Secretary
19 intends to identify best available technologies in
20 the future.”; and

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

22 “(g) SAFETY CASE.—Not later than 6 months after the
23 date of enactment of the Outer Continental Shelf Lands Act
24 Amendments of 2010, the Secretary shall promulgate regu-
25 lations requiring a safety case be submitted along with each

1 *new application for a permit to drill on the outer Conti-*
2 *mental Shelf. Not later than 5 years after the date final reg-*
3 *ulations promulgated under this subsection go into effect,*
4 *and not less than every 5 years thereafter, the Secretary*
5 *shall enter into an arrangement with the National Academy*
6 *of Engineering to conduct a study to assess the effectiveness*
7 *of these regulations and to recommend improvements in*
8 *their administration.*

9 “(h) *OFFSHORE TECHNOLOGY RESEARCH AND RISK*
10 *ASSESSMENT PROGRAM.—*

11 “(1) *IN GENERAL.—The Secretary shall carry*
12 *out a program of research, development, and risk as-*
13 *essment to address technology and development issues*
14 *associated with exploration for, and development and*
15 *production of, energy and mineral resources on the*
16 *outer Continental Shelf, with the primary purpose of*
17 *informing its role relating to safety, environmental*
18 *protection, and spill response.*

19 “(2) *SPECIFIC FOCUS AREAS.—The program*
20 *under this subsection shall include research and devel-*
21 *opment related to—*

22 “(A) *risk assessment, using all available*
23 *data from safety and compliance records both*
24 *within the United States and internationally;*

1 “(B) analysis of industry trends in tech-
2 nology, investment, and frontier areas;

3 “(C) reviews of best available technologies,
4 including those associated with pipelines, blow-
5 out preventer mechanisms, casing, well design,
6 and other associated infrastructure related to off-
7 shore energy development;

8 “(D) oil spill response and mitigation;

9 “(E) risk associated with human factors;

10 “(F) technologies and methods to reduce the
11 impact of geophysical exploration activities on
12 marine life; and

13 “(G) renewable energy operations.”.

14 **SEC. 212. ENFORCEMENT OF SAFETY AND ENVIRONMENTAL**
15 **REGULATIONS.**

16 Section 22 of the Outer Continental Shelf Lands Act
17 (43 U.S.C. 1348) is amended—

18 (1) by amending subsection (c) to read as fol-
19 lows:

20 “(c) **INSPECTIONS.**—The Secretary and the Secretary
21 of the department in which the Coast Guard is operating
22 shall individually, or jointly if they so agree, promulgate
23 regulations to provide for—

24 “(1) scheduled onsite inspection, at least once a
25 year, of each facility on the outer Continental Shelf

1 *which is subject to any environmental or safety regu-*
2 *lation promulgated pursuant to this Act, which in-*
3 *spection shall include all safety equipment designed to*
4 *prevent or ameliorate blowouts, fires, spillages, or*
5 *other major accidents;*

6 “(2) *scheduled onsite inspection, at least once a*
7 *month, of each facility on the outer Continental Shelf*
8 *engaged in drilling operations and which is subject to*
9 *any environmental or safety regulation promulgated*
10 *pursuant to this Act, which inspection shall include*
11 *all safety equipment designed to prevent or ameliorate*
12 *blowouts, fires, spillages, or other major accidents;*

13 “(3) *periodic onsite inspection without advance*
14 *notice to the operator of such facility to assure com-*
15 *pliance with such environmental or safety regula-*
16 *tions; and*

17 “(4) *periodic audits of each required safety and*
18 *environmental management plan, and any associated*
19 *safety case, both with respect to their implementation*
20 *at each facility on the outer Continental Shelf for*
21 *which such a plan or safety case is required and with*
22 *respect to onshore management support for activities*
23 *at such a facility.”;*

24 (2) *in subsection (d)(1)—*

1 (A) by striking “each major fire and each
2 major oil spillage” and inserting “each major
3 fire, each major oil spillage, each loss of well
4 control, and any other accident that presented a
5 serious risk to human or environmental safety”;
6 and

7 (B) by inserting before the period at the end
8 the following: “, as a condition of the lease or
9 permit”;

10 (3) in subsection (d)(2), by inserting before the
11 period at the end the following: “as a condition of the
12 lease or permit”;

13 (4) in subsection (e), by adding at the end the
14 following: “Any such allegation from any employee of
15 the lessee or any subcontractor of the lessee shall be
16 investigated by the Secretary.”;

17 (5) in subsection (b)(1), by striking “recognized”
18 and inserting “uncontrolled”; and

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

20 “(g) *INFORMATION ON CAUSES AND CORRECTIVE AC-*
21 *TIONS.—For any incident investigated under this section,*
22 *the Secretary shall promptly make available to all lessees*
23 *and the public technical information about the causes and*
24 *corrective actions taken. All data and reports related to any*

1 *such incident shall be maintained in a data base available*
2 *to the public.*

3 *“(h) OPERATOR’S ANNUAL CERTIFICATION.—*

4 *“(1) The Secretary, in cooperation with the Sec-*
5 *retary of the department in which the Coast Guard*
6 *is operating, shall require all operators of all new and*
7 *existing drilling and production operations to annu-*
8 *ally certify that their operations are being conducted*
9 *in accordance with applicable law and regulations.*

10 *“(2) Each certification shall include, but, not be*
11 *limited to, statements that verify the operator has—*

12 *“(A) examined all well control system*
13 *equipment (both surface and subsea) being used*
14 *to ensure that it has been properly maintained*
15 *and is capable of shutting in the well during*
16 *emergency operations;*

17 *“(B) examined and conducted tests to en-*
18 *sure that the emergency equipment has been*
19 *function-tested and is capable of addressing*
20 *emergency situations;*

21 *“(C) reviewed all rig drilling, casing, ce-*
22 *menting, well abandonment (temporary and per-*
23 *manent), completion, and workover practices to*
24 *ensure that well control is not compromised at*

1 *any point while emergency equipment is in-*
2 *stalled on the wellhead;*

3 “(D) reviewed all emergency shutdown and
4 dynamic positioning procedures that interface
5 with emergency well control operations; and

6 “(E) taken the necessary steps to ensure
7 that all personnel involved in well operations are
8 properly trained and capable of performing their
9 tasks under both normal drilling and emergency
10 well control operations.

11 “(i) *CEO ANNUAL CERTIFICATION.*—Operators of all
12 drilling and production operations shall annually submit
13 to the Secretary a general statement by the operator’s chief
14 executive officer that certifies to the operators’ compliance
15 with all applicable laws and operating regulations.

16 “(j) *THIRD PARTY CERTIFICATION.*—All operators
17 that modify or upgrade any emergency equipment placed
18 on any operation to prevent blow-outs or other well control
19 events, shall have an independent third party conduct a de-
20 tailed physical inspection and design review of such equip-
21 ment within 30-days of its installation. The independent
22 third party shall certify that the equipment will operate
23 as originally designed and any modifications or upgrades
24 conducted after delivery have not compromised the design,
25 performance or functionality of the equipment. Failure to

1 *comply with this subsection shall result in suspension of*
2 *the lease.”.*

3 **SEC. 213. JUDICIAL REVIEW.**

4 *Section 23(c)(3) of the Outer Continental Shelf Lands*
5 *Act (43 U.S.C. 1349(c)(3)) is amended by striking “sixty”*
6 *and inserting “90”.*

7 **SEC. 214. REMEDIES AND PENALTIES.**

8 *(a) CIVIL PENALTY, GENERALLY.—Section 24(b) of the*
9 *Outer Continental Shelf Lands Act (43 U.S.C. 1350(b)) is*
10 *amended to read as follows:*

11 *“(b)(1) Except as provided in paragraph (2), any per-*
12 *son who fails to comply with any provision of this Act, or*
13 *any term of a lease, license, or permit issued pursuant to*
14 *this Act, or any regulation or order issued under this Act,*
15 *shall be liable for a civil administrative penalty of not more*
16 *than \$75,000 for each day of the continuance of such fail-*
17 *ure. The Secretary may assess, collect, and compromise any*
18 *such penalty. No penalty shall be assessed until the person*
19 *charged with a violation has been given an opportunity for*
20 *a hearing. The Secretary shall, by regulation at least every*
21 *3 years, adjust the penalty specified in this paragraph to*
22 *reflect any increases in the Consumer Price Index (all*
23 *items, United States city average) as prepared by the De-*
24 *partment of Labor.*

1 “(2) If a failure described in paragraph (1) constitutes
 2 or constituted a threat of harm or damage to life (including
 3 fish and other aquatic life), property, any mineral deposit,
 4 or the marine, coastal, or human environment, a civil pen-
 5 alty of not more than \$150,000 shall be assessed for each
 6 day of the continuance of the failure.”.

7 (b) *KNOWING AND WILLFUL VIOLATIONS*.—Section
 8 24(c) of the Outer Continental Shelf Lands Act (43 U.S.C.
 9 1350(c)) is amended in paragraph (4) by striking
 10 “\$100,000\$100,000” and inserting “\$10,000,000”.

11 (c) *OFFICERS AND AGENTS OF CORPORATIONS*.—Sec-
 12 tion 24(d) of the Outer Continental Shelf Lands Act (43
 13 U.S.C. 1350(d)) is amended by inserting “, or with willful
 14 disregard,” after “knowingly and willfully”.

15 **SEC. 215. UNIFORM PLANNING FOR OUTER CONTINENTAL**
 16 **SHELF.**

17 Section 25 of the Outer Continental Shelf Lands Act
 18 (43 U.S.C. 1351) is amended—

19 (1) by striking “other than the Gulf of Mexico,”
 20 in each place it appears;

21 (2) in subsection (c), by striking “and” after the
 22 semicolon at the end of paragraph (5), redesignating
 23 paragraph (6) as paragraph (11), and inserting after
 24 paragraph (5) the following new paragraphs:

1 “(6) a detailed and accurate description of
2 equipment to be used for the drilling of wells pursu-
3 ant to activities included in the development and pro-
4 duction plan, including—

5 “(A) a description of the drilling unit or
6 units;

7 “(B) a statement of the design and condi-
8 tion of major safety-related pieces of equipment,
9 including independent third-party certification
10 of such equipment; and

11 “(C) a description of any new technology to
12 be used;

13 “(7) a scenario for the potential blowout of each
14 well to be drilled as part of the plan involving the
15 highest potential volume of liquid hydrocarbons, along
16 with a complete description of a response plan to both
17 control the blowout and manage the accompanying
18 discharge of hydrocarbons, including the likelihood for
19 surface intervention to stop the blowout, the avail-
20 ability of a rig to drill a relief well, an estimate of
21 the time it would take to drill a relief well, a descrip-
22 tion of other technology that may be used to regain
23 control of the well or capture escaping hydrocarbons
24 and the potential timeline for using that technology
25 for its intended purpose, and the strategy, organiza-

1 *tion, and resources necessary to avoid harm to the en-*
2 *vironment and human health from hydrocarbons;*

3 *“(8) an analysis of the potential impacts of the*
4 *worst-case-scenario discharge on the marine, coastal,*
5 *and human environments for activities conducted*
6 *pursuant to the proposed development and production*
7 *plan;*

8 *“(9) a comprehensive survey and characteriza-*
9 *tion of the coastal or marine environment within the*
10 *area of operation, including bathymetry, currents and*
11 *circulation patterns within the water column, and de-*
12 *scriptions of benthic and pelagic environments;*

13 *“(10) a description of the technologies to be de-*
14 *ployed on the facilities to routinely observe and mon-*
15 *itor in real time the marine environment throughout*
16 *the duration of operations, and a description of the*
17 *process by which such observation data and informa-*
18 *tion will be made available to Federal regulators and*
19 *to the System established under section 12304 of Pub-*
20 *lic Law 111–11 (33 U.S.C. 3603); and”;*

21 *(3) in subsection (e), by striking so much as pre-*
22 *cedes paragraph (2) and inserting the following:*

23 *“(e)(1) The Secretary shall treat the approval of a de-*
24 *velopment and production plan, or a significant revision*
25 *of a development and production plan, as an agency action*

1 *requiring preparation of an environmental assessment or*
2 *environmental impact statement, in accordance with the*
3 *National Environmental Policy Act of 1969 (42 U.S.C.*
4 *4321 et seq.).”;*

5 *(4) by striking subsections (g) and (l), and redesi-*
6 *gnating subsections (h) through (k) as subsections (g)*
7 *through and (j); and*

8 *(5) in subsection (g), as so redesignated, by re-*
9 *designating paragraphs (2) and (3) as paragraphs*
10 *(3) and (4), respectively, and inserting after para-*
11 *graph (1) the following:*

12 *“(2) The Secretary shall not approve a develop-*
13 *ment and production plan, or a significant revision*
14 *to such a plan, unless—*

15 *“(A) the plan is in compliance with all*
16 *other applicable environmental and natural re-*
17 *source conservation laws; and*

18 *“(B) the applicant has available oil spill re-*
19 *sponse and clean-up equipment and technology*
20 *that has been demonstrated to be capable of effec-*
21 *tively remediating the projected worst-case re-*
22 *lease of oil from activities conducted pursuant to*
23 *the development and production plan.”.*

1 **SEC. 216. OIL AND GAS INFORMATION PROGRAM.**

2 *Section 26(a)(1) of the Outer Continental Shelf Lands*
3 *Act (43 U.S.C. 1352(a)(1)) is amended by—*

4 *(1) striking the period at the end of subpara-*
5 *graph (A) and inserting, “, provided that such data*
6 *shall be transmitted in electronic format either in*
7 *real-time or as quickly as practicable following the*
8 *generation of such data.”; and*

9 *(2) striking subparagraph (C) and inserting the*
10 *following:*

11 *“(C) Lessees engaged in drilling operations*
12 *shall provide to the Secretary all daily reports*
13 *generated by the lessee, or any daily reports gen-*
14 *erated by contractors or subcontractors engaged*
15 *in or supporting drilling operations on the les-*
16 *see’s lease, no more than 24 hours after the end*
17 *of the day for which they should have been gen-*
18 *erated.”.*

19 **SEC. 217. LIMITATION ON ROYALTY-IN-KIND PROGRAM.**

20 *Section 27(a) of the Outer Continental Shelf Lands Act*
21 *(43 U.S.C. 1353(a)) is amended by striking the period at*
22 *the end of paragraph (1) and inserting “, except that the*
23 *Secretary shall not conduct a regular program to take oil*
24 *and gas lease royalties in oil or gas.”.*

1 **SEC. 218. RESTRICTIONS ON EMPLOYMENT.**

2 *Section 29 of the Outer Continental Shelf Lands Act*
3 *(43 U.S.C. 1355) is amended—*

4 *(1) in the matter preceding paragraph (1)—*

5 *(A) by striking “SEC. 29” and all that fol-*
6 *lows through “No full-time” and inserting the*
7 *following:*

8 **“SEC. 29. RESTRICTIONS ON EMPLOYMENT.**

9 *“(a) IN GENERAL.—No full-time”; and*

10 *(B) by striking “, and who was at any time*
11 *during the twelve months preceding the termi-*
12 *nation of his employment with the Department*
13 *compensated under the Executive Schedule or*
14 *compensated at or above the annual rate of basic*
15 *pay for grade GS-16 of the General Schedule”;*

16 *(2) in paragraph (1)—*

17 *(A) in subparagraph (A), by inserting “or*
18 *advise” after “represent”;*

19 *(B) in subparagraph (B), by striking “with*
20 *the intent to influence, make” and inserting “act*
21 *with the intent to influence, directly or indi-*
22 *rectly, or make”;* and

23 *(C) in the matter following subparagraph*

24 *(C)—*

1 (i) by inserting “inspection or enforce-
2 ment action,” before “or other particular
3 matter”; and

4 (ii) by striking “or” at the end;

5 (3) in paragraph (2)—

6 (A) in subparagraph (A), by inserting “or
7 advise” after “represent”;

8 (B) in subparagraph (B), by striking “with
9 the intent to influence, make” and inserting “act
10 with the intent to influence, directly or indi-
11 rectly, or make”; and

12 (C) by striking the period at the end and
13 inserting “; or”; and

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

15 “(3) during the 2-year period beginning on the
16 date on which the employment of the officer or em-
17 ployee ceased at the Department, accept employment
18 or compensation from any party that has a direct
19 and substantial interest—

20 “(A) that was pending under the official re-
21 sponsibility of the officer or employee as an offi-
22 cer at any point during the 2-year period pre-
23 ceding the date of termination of the responsi-
24 bility; or

1 “(B) in which the officer or employee par-
2 ticipated personally and substantially as an offi-
3 cer or employee of the Department.

4 “(b) *PRIOR DEALINGS*.—No full-time officer or em-
5 ployee of the Department of the Interior who directly or
6 indirectly discharged duties or responsibilities under this
7 Act shall participate personally and substantially as a Fed-
8 eral officer or employee, through decision, approval, dis-
9 approval, recommendation, the rendering of advice, inves-
10 tigation, or otherwise, in a proceeding, application, request
11 for a ruling or other determination, contract, claim, con-
12 troversy, charge, accusation, inspection, enforcement action,
13 or other particular matter in which, to the knowledge of
14 the officer or employee—

15 “(1) the officer or employee or the spouse, minor
16 child, or general partner of the officer or employee has
17 a financial interest;

18 “(2) any organization in which the officer or em-
19 ployee is serving as an officer, director, trustee, gen-
20 eral partner, or employee has a financial interest;

21 “(3) any person or organization with whom the
22 officer or employee is negotiating or has any arrange-
23 ment concerning prospective employment has a finan-
24 cial interest; or

1 “(4) any person or organization in which the of-
2 ficer or employee has, within the preceding 1-year pe-
3 riod, served as an officer, director, trustee, general
4 partner, agent, attorney, consultant, contractor, or
5 employee.

6 “(c) *GIFTS FROM OUTSIDE SOURCES.*—No full-time
7 officer or employee of the Department of the Interior who
8 directly or indirectly discharges duties or responsibilities
9 under this Act shall, directly or indirectly, solicit or accept
10 any gift in violation of subpart B of part 2635 of title 5,
11 Code of Federal Regulations (or successor regulations).

12 “(d) *PENALTY.*—Any person that violates subsection
13 (a) or (b) shall be punished in accordance with section 216
14 of title 18, United States Code.”.

15 **SEC. 219. REPEAL OF ROYALTY RELIEF PROVISIONS.**

16 (a) *REPEAL OF PROVISIONS OF ENERGY POLICY ACT*
17 *OF 2005.*—The following provisions of the Energy Policy
18 Act of 2005 (Public Law 109–58) are repealed:

19 (1) Section 344 (42 U.S.C. 15904; relating to in-
20 centives for natural gas production from deep wells in
21 shallow waters of the Gulf of Mexico).

22 (2) Section 345 (42 U.S.C. 15905; relating to
23 royalty relief for deep water production in the Gulf
24 of Mexico).

1 (b) *REPEAL OF PROVISIONS RELATING TO PLANNING*
2 *AREAS OFFSHORE ALASKA.*—Section 8(a)(3)(B) of the
3 *Outer Continental Shelf Lands Act* (43 U.S.C.
4 1337(a)(3)(B)) is amended by striking “and in the Plan-
5 *ning Areas offshore Alaska*”.

6 **SEC. 220. MANNING AND BUY- AND BUILD-AMERICAN RE-**
7 **QUIREMENTS.**

8 Section 30 of the *Outer Continental Shelf Lands Act*
9 (43 U.S.C. 1356) is amended—

10 (1) in subsection (a), by striking “shall issue reg-
11 *ulations which*” and inserting “shall issue regulations
12 *that shall be supplemental to and complementary*
13 *with and under no circumstances a substitution for*
14 *the provisions of the Constitution and laws of the*
15 *United States extended to the subsoil and seabed of*
16 *the outer Continental Shelf pursuant to section*
17 *4(a)(1) of this Act, except insofar as such laws would*
18 *otherwise apply to individuals who have extraor-*
19 *dinary ability in the sciences, arts, education, or*
20 *business, which has been demonstrated by sustained*
21 *national or international acclaim, and that*”; and

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

23 “(d) *BUY AND BUILD AMERICAN.*—It is the intention
24 of the Congress that this Act, among other things, result
25 in a healthy and growing American industrial, manufac-

1 turing, transportation, and service sector employing the
2 vast talents of America's workforce to assist in the develop-
3 ment of energy from the outer Continental Shelf. Moreover,
4 the Congress intends to monitor the deployment of personnel
5 and material on the outer Continental Shelf to encourage
6 the development of American technology and manufacturing
7 to enable United States workers to benefit from this Act by
8 good jobs and careers, as well as the establishment of impor-
9 tant industrial facilities to support expanded access to
10 American resources.”.

11 **SEC. 221. NATIONAL COMMISSION ON OUTER CONTINENTAL**
12 **SHELF OIL SPILL PREVENTION.**

13 (a) *ESTABLISHMENT.*—There is established in the Leg-
14 islative branch the National Commission on Outer Conti-
15 nental Shelf Oil Spill Prevention (referred to in this section
16 as the “Commission”).

17 (b) *PURPOSES.*—The purposes of the Commission
18 are—

19 (1) to examine and report on the facts and
20 causes relating to the Deepwater Horizon explosion
21 and oil spill of 2010;

22 (2) to ascertain, evaluate, and report on the evi-
23 dence developed by all relevant governmental agencies
24 regarding the facts and circumstances surrounding
25 the incident;

1 (3) to build upon the investigations of other enti-
2 ties, and avoid unnecessary duplication, by reviewing
3 the findings, conclusions, and recommendations of—

4 (A) the Committees on Energy and Natural
5 Resources and Commerce, Science, and Trans-
6 portation of the Senate;

7 (B) the Committee on Natural Resources
8 and the Subcommittee on Oversight and Inves-
9 tigations of the House of Representatives; and

10 (C) other Executive branch, congressional,
11 or independent commission investigations into
12 the Deepwater Horizon incident of 2010, other
13 fatal oil platform accidents and major spills,
14 and major oil spills generally;

15 (4) to make a full and complete accounting of the
16 circumstances surrounding the incident, and the ex-
17 tent of the preparedness of the United States for, and
18 immediate response of the United States to, the inci-
19 dent; and

20 (5) to investigate and report to the President
21 and Congress findings, conclusions, and recommenda-
22 tions for corrective measures that may be taken to
23 prevent similar incidents.

24 (c) COMPOSITION OF COMMISSION.—

1 (1) *MEMBERS.*—*The Commission shall be com-*
2 *posed of 10 members, of whom—*

3 (A) *1 member shall be appointed by the*
4 *President, who shall serve as Chairperson of the*
5 *Commission;*

6 (B) *1 member shall be appointed by the ma-*
7 *jority or minority (as the case may be) leader of*
8 *the Senate from the Republican Party and the*
9 *majority or minority (as the case may be) leader*
10 *of the House of Representatives from the Repub-*
11 *lican Party, who shall serve as Vice Chairperson*
12 *of the Commission;*

13 (C) *2 members shall be appointed by the*
14 *senior member of the leadership of the Senate*
15 *from the Democratic Party;*

16 (D) *2 members shall be appointed by the*
17 *senior member of the leadership of the House of*
18 *Representatives from the Republican Party;*

19 (E) *2 members shall be appointed by the*
20 *senior member of the leadership of the Senate*
21 *from the Republican Party; and*

22 (F) *2 members shall be appointed by the*
23 *senior member of the leadership of the House of*
24 *Representatives from the Democratic Party.*

25 (2) *QUALIFICATIONS; INITIAL MEETING.*—

1 (A) *POLITICAL PARTY AFFILIATION.*—Not
2 more than 5 members of the Commission shall be
3 from the same political party.

4 (B) *NONGOVERNMENTAL APPOINTEES.*—An
5 individual appointed to the Commission may
6 not be a current officer or employee of the Fed-
7 eral Government or any State or local govern-
8 ment.

9 (C) *OTHER QUALIFICATIONS.*—It is the
10 sense of Congress that individuals appointed to
11 the Commission should be prominent United
12 States citizens, with national recognition and
13 significant depth of experience and expertise in
14 such areas as—

- 15 (i) engineering;
- 16 (ii) environmental compliance;
- 17 (iii) health and safety law (particu-
18 larly oil spill legislation);
- 19 (iv) oil spill insurance policies;
- 20 (v) public administration;
- 21 (vi) oil and gas exploration and pro-
22 duction;
- 23 (vii) environmental cleanup; and
- 24 (viii) fisheries and wildlife manage-
25 ment.

1 (D) *DEADLINE FOR APPOINTMENT.*—All
2 members of the Commission shall be appointed
3 on or before September 15, 2010.

4 (E) *INITIAL MEETING.*—The Commission
5 shall meet and begin the operations of the Com-
6 mission as soon as practicable after the date of
7 enactment of this Act.

8 (3) *QUORUM; VACANCIES.*—

9 (A) *IN GENERAL.*—After the initial meeting
10 of the Commission, the Commission shall meet
11 upon the call of the Chairperson or a majority
12 of the members of the Commission.

13 (B) *QUORUM.*—6 members of the Commis-
14 sion shall constitute a quorum.

15 (C) *VACANCIES.*—Any vacancy in the Com-
16 mission shall not affect the powers of the Com-
17 mission, but shall be filled in the same manner
18 in which the original appointment was made.

19 (d) *FUNCTIONS OF COMMISSION.*—

20 (1) *IN GENERAL.*—The functions of the Commis-
21 sion are—

22 (A) to conduct an investigation that—

23 (i) investigates relevant facts and cir-
24 cumstances relating to the Deepwater Hori-
25 zon incident of April 20, 2010, and the as-

1 *sociated oil spill thereafter, including any*
2 *relevant legislation, Executive order, regula-*
3 *tion, plan, policy, practice, or procedure;*
4 *and*

5 *(ii) may include relevant facts and cir-*
6 *cumstances relating to—*

7 *(I) permitting agencies;*

8 *(II) environmental and worker*
9 *safety law enforcement agencies;*

10 *(III) national energy require-*
11 *ments;*

12 *(IV) deepwater and*
13 *ultradeepwater oil and gas exploration*
14 *and development;*

15 *(V) regulatory specifications, test-*
16 *ing, and requirements for offshore oil*
17 *and gas well explosion prevention;*

18 *(VI) regulatory specifications,*
19 *testing, and requirements offshore oil*
20 *and gas well casing and cementing reg-*
21 *ulation;*

22 *(VII) the role of congressional*
23 *oversight and resource allocation; and*

24 *(VIII) other areas of the public*
25 *and private sectors determined to be*

1 *relevant to the Deepwater Horizon inci-*
2 *dent by the Commission;*

3 *(B) to identify, review, and evaluate the les-*
4 *sons learned from the Deepwater Horizon inci-*
5 *dent of April 20, 2010, regarding the structure,*
6 *coordination, management policies, and proce-*
7 *dures of the Federal Government, and, if appro-*
8 *priate, State and local governments and non-*
9 *governmental entities, and the private sector, rel-*
10 *ative to detecting, preventing, and responding to*
11 *those incidents; and*

12 *(C) to submit to the President and Congress*
13 *such reports as are required under this section*
14 *containing such findings, conclusions, and rec-*
15 *ommendations as the Commission determines to*
16 *be appropriate, including proposals for organiza-*
17 *tion, coordination, planning, management ar-*
18 *rangements, procedures, rules, and regulations.*

19 (2) *RELATIONSHIP TO INQUIRY BY CONGRES-*
20 *SIONAL COMMITTEES.—In investigating facts and cir-*
21 *cumstances relating to energy policy, the Commission*
22 *shall—*

23 *(A) first review the information compiled*
24 *by, and any findings, conclusions, and rec-*
25 *ommendations of, the committees identified in*

1 subparagraphs (A) and (B) of subsection (b)(3);
2 and

3 (B) after completion of that review, pursue
4 any appropriate area of inquiry, if the Commis-
5 sion determines that—

6 (i) those committees have not inves-
7 tigated that area;

8 (ii) the investigation of that area by
9 those committees has not been completed; or

10 (iii) new information not reviewed by
11 the committees has become available with
12 respect to that area.

13 (e) *POWERS OF COMMISSION.*—

14 (1) *HEARINGS AND EVIDENCE.*—*The Commission*
15 *or, on the authority of the Commission, any sub-*
16 *committee or member of the Commission, may, for the*
17 *purpose of carrying out this section—*

18 (A) hold such hearings, meet and act at
19 such times and places, take such testimony, re-
20 ceive such evidence, and administer such oaths;
21 and

22 (B) require, by subpoena or otherwise, the
23 attendance and testimony of such witnesses and
24 the production of such books, records, correspond-

1 ence, memoranda, papers, documents, tapes, and
2 materials;
3 *as the Commission or such subcommittee or member con-*
4 *siders to be advisable.*

5 (2) *SUBPOENAS.*—

6 (A) *ISSUANCE.*—

7 (i) *IN GENERAL.*—*A subpoena may be*
8 *issued under this paragraph only—*

9 (I) *by the agreement of the Chair-*
10 *person and the Vice Chairperson; or*

11 (II) *by the affirmative vote of 6*
12 *members of the Commission.*

13 (ii) *SIGNATURE.*—*Subject to clause (i),*
14 *a subpoena issued under this paragraph—*

15 (I) *shall bear the signature of the*
16 *Chairperson or any member designated*
17 *by a majority of the Commission;*

18 (II) *and may be served by any*
19 *person or class of persons designated*
20 *by the Chairperson or by a member*
21 *designated by a majority of the Com-*
22 *mission for that purpose.*

23 (B) *ENFORCEMENT.*—

24 (i) *IN GENERAL.*—*In the case of contu-*
25 *macy or failure to obey a subpoena issued*

1 *under subparagraph (A), the United States*
2 *district court for the district in which the*
3 *subpoenaed person resides, is served, or may*
4 *be found, or where the subpoena is return-*
5 *able, may issue an order requiring the per-*
6 *son to appear at any designated place to*
7 *testify or to produce documentary or other*
8 *evidence.*

9 *(ii) JUDICIAL ACTION FOR NONCOMPLI-*
10 *ANCE.—Any failure to obey the order of the*
11 *court may be punished by the court as a*
12 *contempt of that court.*

13 *(iii) ADDITIONAL ENFORCEMENT.—In*
14 *the case of any failure of any witness to*
15 *comply with any subpoena or to testify*
16 *when summoned under authority of this*
17 *subsection, the Commission may, by major-*
18 *ity vote, certify a statement of fact consti-*
19 *tuting such failure to the appropriate*
20 *United States attorney, who may bring the*
21 *matter before the grand jury for action,*
22 *under the same statutory authority and*
23 *procedures as if the United States attorney*
24 *had received a certification under sections*

1 102 through 104 of the Revised Statutes (2
2 U.S.C. 192 through 194).

3 (3) *CONTRACTING.*—*The Commission may, to*
4 *such extent and in such amounts as are provided in*
5 *appropriation Acts, enter into contracts to enable the*
6 *Commission to discharge the duties of the Commission*
7 *under this section.*

8 (4) *INFORMATION FROM FEDERAL AGENCIES.*—

9 (A) *IN GENERAL.*—*The Commission may se-*
10 *cure directly from any Executive department,*
11 *bureau, agency, board, commission, office, inde-*
12 *pendent establishment, or instrumentality of the*
13 *Federal Government, information, suggestions,*
14 *estimates, and statistics for the purposes of this*
15 *section.*

16 (B) *COOPERATION.*—*Each Federal depart-*
17 *ment, bureau, agency, board, commission, office,*
18 *independent establishment, or instrumentality*
19 *shall, to the extent authorized by law, furnish in-*
20 *formation, suggestions, estimates, and statistics*
21 *directly to the Commission, upon request made*
22 *by the Chairperson, the Chairperson of any sub-*
23 *committee created by a majority of the Commis-*
24 *sion, or any member designated by a majority of*
25 *the Commission.*

1 (C) *RECEIPT, HANDLING, STORAGE, AND*
2 *DISSEMINATION.*—*Information shall be received,*
3 *handled, stored, and disseminated only by mem-*
4 *bers of the Commission and the staff of the Com-*
5 *mission in accordance with all applicable laws*
6 *(including regulations and Executive orders).*

7 (5) *ASSISTANCE FROM FEDERAL AGENCIES.*—

8 (A) *GENERAL SERVICES ADMINISTRA-*
9 *TION.*—*The Administrator of General Services*
10 *shall provide to the Commission on a reimburs-*
11 *able basis administrative support and other serv-*
12 *ices for the performance of the functions of the*
13 *Commission.*

14 (B) *OTHER DEPARTMENTS AND AGEN-*
15 *CIES.*—*In addition to the assistance prescribed*
16 *in subparagraph (A), departments and agencies*
17 *of the United States may provide to the Commis-*
18 *sion such services, funds, facilities, staff, and*
19 *other support services as are determined to be*
20 *advisable and authorized by law.*

21 (6) *GIFTS.*—*The Commission may accept, use,*
22 *and dispose of gifts or donations of services or prop-*
23 *erty, including travel, for the direct advancement of*
24 *the functions of the Commission.*

1 (7) *POSTAL SERVICES.*—*The Commission may*
2 *use the United States mails in the same manner and*
3 *under the same conditions as departments and agen-*
4 *cies of the United States.*

5 (f) *PUBLIC MEETINGS AND HEARINGS.*—

6 (1) *PUBLIC MEETINGS AND RELEASE OF PUBLIC*
7 *VERSIONS OF REPORTS.*—*The Commission shall—*

8 (A) *hold public hearings and meetings, to*
9 *the extent appropriate; and*

10 (B) *release public versions of the reports re-*
11 *quired under paragraphs (1) and (2) of sub-*
12 *section (j).*

13 (2) *PUBLIC HEARINGS.*—*Any public hearings of*
14 *the Commission shall be conducted in a manner con-*
15 *sistent with the protection of proprietary or sensitive*
16 *information provided to or developed for or by the*
17 *Commission as required by any applicable law (in-*
18 *cluding a regulation or Executive order).*

19 (g) *STAFF OF COMMISSION.*—

20 (1) *IN GENERAL.*—

21 (A) *APPOINTMENT AND COMPENSATION.*—

22 (i) *IN GENERAL.*—*The Chairperson, in*
23 *consultation with the Vice Chairperson and*
24 *in accordance with rules agreed upon by the*
25 *Commission, may, without regard to the*

1 *civil service laws (including regulations),*
2 *appoint and fix the compensation of a staff*
3 *director and such other personnel as are*
4 *necessary to enable the Commission to carry*
5 *out the functions of the Commission.*

6 *(ii) MAXIMUM RATE OF PAY.—No rate*
7 *of pay fixed under this subparagraph may*
8 *exceed the equivalent of that payable for a*
9 *position at level V of the Executive Schedule*
10 *under section 5316 of title 5, United States*
11 *Code.*

12 *(B) PERSONNEL AS FEDERAL EMPLOY-*
13 *EES.—*

14 *(i) IN GENERAL.—The staff director*
15 *and any personnel of the Commission who*
16 *are employees shall be considered to be em-*
17 *ployees under section 2105 of title 5, United*
18 *States Code, for purposes of chapters 63, 81,*
19 *83, 84, 85, 87, 89, and 90 of that title.*

20 *(ii) MEMBERS OF COMMISSION.—*
21 *Clause (i) shall not apply to members of the*
22 *Commission.*

23 *(2) DETAILEES.—*

1 (A) *IN GENERAL.*—*An employee of the Fed-*
2 *eral Government may be detailed to the Commis-*
3 *sion without reimbursement.*

4 (B) *CIVIL SERVICE STATUS.*—*The detail of*
5 *the employee shall be without interruption or*
6 *loss of civil service status or privilege.*

7 (3) *PROCUREMENT OF TEMPORARY AND INTER-*
8 *MITTENT SERVICES.*—*The Chairperson of the Com-*
9 *mission may procure temporary and intermittent*
10 *services in accordance with section 3109(b) of title 5,*
11 *United States Code, at rates for individuals that do*
12 *not exceed the daily equivalent of the annual rate of*
13 *basic pay prescribed for level V of the Executive*
14 *Schedule under section 5316 of that title.*

15 (h) *COMPENSATION AND TRAVEL EXPENSES.*—

16 (1) *COMPENSATION OF MEMBERS.*—

17 (A) *NON-FEDERAL EMPLOYEES.*—*A member*
18 *of the Commission who is not an officer or em-*
19 *ployee of the Federal Government shall be com-*
20 *pensated at a rate equal to the daily equivalent*
21 *of the annual rate of basic pay prescribed for*
22 *level IV of the Executive Schedule under section*
23 *5315 of title 5, United States Code, for each day*
24 *(including travel time) during which the member*

1 *is engaged in the performance of the duties of the*
2 *Commission.*

3 (B) *FEDERAL EMPLOYEES.*—*A member of*
4 *the Commission who is an officer or employee of*
5 *the Federal Government shall serve without com-*
6 *ensation in addition to the compensation re-*
7 *ceived for the services of the member as an officer*
8 *or employee of the Federal Government.*

9 (2) *TRAVEL EXPENSES.*—*A member of the Com-*
10 *mission shall be allowed travel expenses, including*
11 *per diem in lieu of subsistence, at rates authorized for*
12 *an employee of an agency under subchapter I of chap-*
13 *ter 57 of title 5, United States Code, while away from*
14 *the home or regular place of business of the member*
15 *in the performance of the duties of the Commission.*

16 (i) *SECURITY CLEARANCES FOR COMMISSION MEM-*
17 *BERS AND STAFF.*—

18 (1) *IN GENERAL.*—*Subject to paragraph (2), the*
19 *appropriate Federal agencies or departments shall co-*
20 *operate with the Commission in expeditiously pro-*
21 *viding to the members and staff of the Commission*
22 *appropriate security clearances, to the maximum ex-*
23 *tent practicable, pursuant to existing procedures and*
24 *requirements.*

1 (2) *PROPRIETARY INFORMATION.*—No person
2 shall be provided with access to proprietary informa-
3 tion under this section without the appropriate secu-
4 rity clearances.

5 (j) *REPORTS OF COMMISSION; ADJOURNMENT.*—

6 (1) *INTERIM REPORTS.*—The Commission may
7 submit to the President and Congress interim reports
8 containing such findings, conclusions, and rec-
9 ommendations for corrective measures as have been
10 agreed to by a majority of members of the Commis-
11 sion.

12 (2) *FINAL REPORT.*—Not later than 180 days
13 after the date of the enactment of this Act, the Com-
14 mission shall submit to the President and Congress a
15 final report containing such findings, conclusions,
16 and recommendations for corrective measures as have
17 been agreed to by a majority of members of the Com-
18 mission.

19 (3) *TEMPORARY ADJOURNMENT.*—

20 (A) *IN GENERAL.*—The Commission, and all
21 the authority provided under this section, shall
22 adjourn and be suspended, respectively, on the
23 date that is 60 days after the date on which the
24 final report is submitted under paragraph (2).

1 (B) *ADMINISTRATIVE ACTIVITIES BEFORE*
2 *TERMINATION.*—*The Commission may use the*
3 *60-day period referred to in subparagraph (A)*
4 *for the purpose of concluding activities of the*
5 *Commission, including—*

6 (i) *providing testimony to committees*
7 *of Congress concerning reports of the Com-*
8 *mission; and*

9 (ii) *disseminating the final report sub-*
10 *mitted under paragraph (2).*

11 (C) *RECONVENING OF COMMISSION.*—*The*
12 *Commission shall stand adjourned until such*
13 *time as the President or the Secretary of Home-*
14 *land Security declares an oil spill of national*
15 *significance to have occurred, at which time—*

16 (i) *the Commission shall reconvene in*
17 *accordance with subsection (c)(3); and*

18 (ii) *the authority of the Commission*
19 *under this section shall be of full force and*
20 *effect.*

21 (k) *FUNDING.*—

22 (1) *AUTHORIZATION OF APPROPRIATIONS.*—
23 *There are authorized to be appropriated to carry out*
24 *this section—*

1 (A) \$10,000,000 for the first fiscal year in
2 which the Commission convenes; and

3 (B) \$3,000,000 for each fiscal year there-
4 after in which the Commission convenes.

5 (2) AVAILABILITY.—Amounts made available to
6 carry out this section shall be available—

7 (A) for transfer to the Commission for use
8 in carrying out the functions and activities of
9 the Commission under this section; and

10 (B) until the date on which the Commission
11 adjourns for the fiscal year under subsection
12 (j)(3).

13 (l) NONAPPLICABILITY OF FEDERAL ADVISORY COM-
14 MITTEE ACT.—The Federal Advisory Committee Act (5
15 U.S.C. App.) shall not apply to the Commission.

16 **Subtitle B—Safety, Environmental,**
17 **and Financial Reform of the**
18 **Federal Onshore Oil and Gas**
19 **Leasing Program**

20 **SEC. 231. DILIGENT DEVELOPMENT.**

21 (a) REGULATIONS.—The Secretary shall issue regula-
22 tions within one year after the date of enactment of this
23 Act that define “diligent development” for purposes of all
24 new leases issued under the Mineral Leasing Act (30 U.S.C.
25 181 et seq.) and all new leases issued under the Outer Conti-

1 *mental Shelf Lands Act (43 U.S.C. 1331 et seq.). Such regu-*
2 *lations shall—*

3 (1) *include benchmarks for oil and gas develop-*
4 *ment that will ensure that leaseholders take all appro-*
5 *priate measures necessary to produce oil and gas from*
6 *each lease that contains commercial quantities of oil*
7 *and gas within the original term of the lease;*

8 (2) *require each leaseholder to submit to the Sec-*
9 *retary a diligent development plan showing how the*
10 *lessee will meet the benchmarks;*

11 (3) *provide accommodation for development*
12 *delays, including lease suspensions, directed by the*
13 *Secretary that restrict diligent development in order*
14 *to meet environmental stipulations and consider-*
15 *ations; and*

16 (4) *require submission of diligent development*
17 *plans in an electronic format proscribed by the Sec-*
18 *retary, which the Secretary shall make available for*
19 *public review.*

20 (b) *BEGINNING OF LEASE TERM.—The regulations*
21 *shall provide that the term of a lease shall not begin until*
22 *the completion of all civil actions challenging—*

23 (1) *the issuance of the lease; and*

24 (2) *the issuance of all permits required to ini-*
25 *tiate operations under the lease.*

1 (c) *FAILURE TO COMPLY WITH REQUIREMENTS.*—If
2 any person fails to comply with the requirements of any
3 regulation issued under this section, or any order issued
4 to implement such a regulation, with respect to a lease, such
5 lease may be terminated by the Secretary.

6 **SEC. 232. REPORTING REQUIREMENTS.**

7 (a) *BIANNUAL REPORTS.*—The Secretary shall require
8 biannual reports from each Federal oil and gas lessee that
9 holds a nonproducing lease on the actions the lessee has
10 taken to diligently develop each Federal lease the lessee
11 holds.

12 (b) *ELECTRONIC DATABASE.*—The Secretary shall es-
13 tablish and maintain an electronic database that is avail-
14 able to the public that identifies each Federal oil and gas
15 lease, each lessee under such lease, the acreage held by each
16 such lessee, and the progress made toward production under
17 each such lease.

18 **SEC. 233. NOTICE REQUIREMENTS.**

19 Section 17(f) of the Mineral Leasing Act (30 U.S.C.
20 226(f)) is amended—

21 (1) by striking all through the first 2 sentences
22 and inserting the following:

23 “(f)(1) At least 45 days before offering lands for lease
24 under this section, and at least 30 days before approving
25 applications for permits to drill under the provisions of a

1 *lease or substantially modifying the terms of any lease*
2 *issued under this section, the Secretary shall provide notice*
3 *of the proposed action to—*

4 “(A) *the general public by posting such notice in*
5 *the appropriate local office and on the electronic*
6 *website of the leasing and land management agencies*
7 *offering the lands for lease;*

8 “(B) *all surface land owners in the area of the*
9 *lands being offered for lease; and*

10 “(C) *the holders of special recreation permits for*
11 *commercial use, competitive events, and other orga-*
12 *nized activities on the lands being offered for lease.*

13 “(2)”; *and*

14 (2) *by designating the last sentence as paragraph*
15 (3).

16 **SEC. 234. OIL AND GAS LEASING SYSTEM.**

17 (a) *ONSHORE OIL AND GAS LEASING.*—Section 17(a)
18 *of the Mineral Leasing Act (30 U.S.C. 226(a)) is amended*
19 *to read as follows:*

20 “(a)(1) *All lands subject to disposition under this Act*
21 *that are known or believed to contain oil or gas deposits*
22 *may be leased by the Secretary.*

23 “(2) *Leasing activities under this Act shall be con-*
24 *ducted to assure receipt of fair market value for the lands*

1 *and resources leased and the rights conveyed by the Federal*
2 *Government.”.*

3 **(b) COMPETITIVE BIDDING.**—*Section 17(b) of the Min-*
4 *eral Leasing Act (30 U.S.C. 226(b)), is amended by striking*
5 *so much as precedes paragraph (2) and inserting the fol-*
6 *lowing:*

7 “(b)(1)(A) *All lands to be leased shall be leased as pro-*
8 *vided in this paragraph to the highest responsible qualified*
9 *bidder by competitive bidding under general regulations in*
10 *units of not more than 2,560 acres, except in Alaska, where*
11 *units shall be not more than 5,760 acres. Such units shall*
12 *be as nearly compact as possible. Lease sales shall be con-*
13 *ducted by sealed bid. Lease sales shall be held for a State*
14 *on a statewide basis where eligible lands in such States are*
15 *available no more than 3 times per year per State, unless*
16 *the Secretary of the Interior determines additional sales are*
17 *necessary. A lease shall be conditioned upon the payment*
18 *of a royalty at a rate of not less than 12.5 percent in*
19 *amount or value of the production removed or sold from*
20 *the lease. The Secretary may issue a lease to the responsible*
21 *qualified bidder with the highest bid that is equal to or*
22 *greater than the national minimum acceptable bid, with*
23 *evaluation of the value of the lands proposed for lease. The*
24 *Secretary shall decide whether to accept a bid and issue*
25 *a lease within 90 days following payment by the successful*

1 bidder of the remainder of the bonus bid, if any, and the
2 annual rental for the first lease year. All bids for less than
3 the national minimum acceptable bid shall be rejected.

4 “(B)(i) The national minimum acceptable bid shall be
5 \$2.50 per acre, except that the Secretary may establish a
6 higher minimum acceptable bid for leases of areas in a
7 State for all leases awarded after the 2-year period begin-
8 ning on the date of enactment of the Consolidated Land,
9 Energy, and Aquatic Resources Act of 2010, if the Secretary
10 finds that such a higher amount is necessary—

11 “(I) to enhance financial returns to the United
12 States; and

13 “(II) to promote more efficient management of
14 oil and gas resources on Federal lands.

15 “(ii) The proposal or promulgation of any regulation
16 to establish a higher minimum acceptable bid for a State
17 shall not be considered a major Federal action that is sub-
18 ject to the requirements of section 102(2)(C) of the National
19 Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(c)).”.

20 (c) RENTALS.—Section 17(d) of the Mineral Leasing
21 (30 U.S.C. 226(d)) is amended to read as follows:

22 “(d)(1) During the 2-year period beginning on the date
23 of enactment of the Consolidated Land, Energy, and Aquat-
24 ic Resources Act of 2010, all leases issued under this section
25 shall be conditioned upon payment by the lessee of a rental

1 of not less than \$2.50 per acre per year for the first through
2 fifth years of the lease and not less than \$3 per acre per
3 year for each year thereafter. After the end of such 2-year
4 period, the Secretary may establish higher rental rates for
5 all subsequent years, if the Secretary finds that such action
6 is necessary—

7 “(A) to enhance financial returns to the United
8 States; and

9 “(B) to promote more efficient management of
10 oil and gas and alternative energy resources on Fed-
11 eral lands.

12 “(2) A minimum royalty in lieu of rental of not less
13 than the rental that otherwise would be required for that
14 lease year shall be payable at the expiration of each lease
15 year beginning on or after a discovery of oil or gas in pay-
16 ing quantities on the land leased.”.

17 (d) *ELIMINATION OF NONCOMPETITIVE LEASING.*—The
18 Mineral Leasing Act is amended—

19 (1) in section 17(b) (30 U.S.C. 226(b)), by strik-
20 ing paragraph (3);

21 (2) in section 17 (30 U.S.C. 226) by striking
22 subsection (c);

23 (3) in section 17(e) (30 U.S.C. 226(e))—

24 (A) by striking “Competitive and non-
25 competitive leases” and inserting “Leases”; and

1 (B) by striking “competitive”;

2 (4) in section 31(d)(1) (30 U.S.C. 188(d)(1) by
3 striking “or section 17(c)”;

4 (5) in section 31(e) (30 U.S.C. 188(e))—

5 (A) in paragraph (2) by striking “, or the
6 inclusion” and all that follows and inserting a
7 semicolon; and

8 (B) in paragraph (3) by striking “(A)” and
9 by striking subparagraph (B);

10 (6) by striking section 31(f) (30 U.S.C. 188(f));

11 and

12 (7) in section 31(g) (30 U.S.C. 188(g))—

13 (A) in paragraph (1) by striking “a com-
14 petitive” and all that follows through the period
15 and inserting “in the same manner as the origi-
16 nal lease issued pursuant to section 17.”;

17 (B) by striking paragraph (2); and

18 (C) in paragraph (3) by striking “, appli-
19 cable to leases issued under subsection 17(c) of
20 this Act (30 U.S.C. 226(c)) except,” and insert-
21 ing “, except”.

22 **SEC. 235. ELECTRONIC REPORTING.**

23 (a) **RIGHTS-OF-WAY.**—Section 28(w) of the Mineral
24 Leasing Act (30 U.S.C. 185(w)) is amended by adding at
25 the end the following:

1 “(4) Upon request of a Committee listed under
2 paragraph (2), that Committee may receive notifica-
3 tions under this subsection in electronic format in ad-
4 dition to in writing, or in electronic format alone.
5 The Committee shall designate to the Secretary the
6 appropriate individual or individuals on the Com-
7 mittee to receive such electronic notices.”.

8 (b) *LEASE REINSTATEMENT*.—Section 31(e) of the
9 Mineral Leasing Act (30 U.S.C. 188(e)) is amended by add-
10 ing at the end the following: “Upon request of such a Com-
11 mittee, that Committee may receive notifications under this
12 subsection in electronic format in addition to in writing,
13 or in electronic format alone. The Committee shall designate
14 to the Secretary the appropriate individual or individuals
15 on the Committee to receive such electronic notices.”.

16 **SEC. 236. BEST MANAGEMENT PRACTICES.**

17 Not later than one year after the date of enactment
18 of this Act, the Secretary of the Interior shall promulgate
19 final regulations that require oil and gas operators to use
20 best management practices that ensure the sound, efficient,
21 and environmentally responsible development of oil and gas
22 on Federal lands in a manner that avoids where practical,
23 minimizes, and mitigates actual and anticipated impacts
24 to environmental habitat functions resulting from oil and
25 gas development. Such regulations may allow the Secretary

1 *to approve site-specific adjustments to address unique issues*
2 *and circumstances, on a case-by-case basis. All such regula-*
3 *tions shall be consistent with the United States trust respon-*
4 *sibility to Indian tribes.*

5 **SEC. 237. SURFACE DISTURBANCE, RECLAMATION.**

6 *Section 17(g) of the Mineral Leasing Act (30 U.S.C.*
7 *226(g)) is amended to read as follows:*

8 *“(g) REGULATION OF SURFACE-DISTURBING ACTIVI-*
9 *TIES; APPROVAL OF PLAN OF OPERATIONS; BOND OR SUR-*
10 *ETY; FAILURE TO COMPLY WITH RECLAMATION REQUIRE-*
11 *MENTS AS BARRING LEASE; OPPORTUNITY TO COMPLY*
12 *WITH REQUIREMENTS; STANDARDS; MONITORING.—*

13 *“(1) DEFINITIONS.—In this subsection:*

14 *“(A) INTERIM RECLAMATION PLAN.—The*
15 *term ‘Interim Reclamation Plan’ means an on-*
16 *going plan specifying reclamation steps to be*
17 *taken on all disturbed areas covered by any lease*
18 *issued under this Act which are not needed for*
19 *active operations. Such Interim Reclamation*
20 *Plans shall be reviewed by the relevant Secretary*
21 *at regular intervals and shall be amended as*
22 *warranted, subject to the approval of the relevant*
23 *Secretary.*

24 *“(B) FINAL RECLAMATION PLAN.—The term*
25 *‘Final Reclamation Plan’ includes a detailed de-*

1 *scription of all reclamation activity to be con-*
2 *ducted for all disturbed areas covered by a lease*
3 *issued under this Act prior to final abandon-*
4 *ment. Final Reclamation Plans shall include*
5 *reclamation of all locations, facilities, trenches,*
6 *rights-of-way, roads and any other surface dis-*
7 *turbance on lands covered by the lease.*

8 “(2) *IN GENERAL.*—*The Secretary of the Inte-*
9 *rior, or for National Forest lands, the Secretary of*
10 *Agriculture, shall regulate all surface-disturbing ac-*
11 *tivities conducted pursuant to any lease issued under*
12 *this Act, and shall determine reclamation and other*
13 *actions as required in the interest of conservation of*
14 *surface resources.*

15 “(3) *RECLAMATION PLANS REQUIRED.*—

16 “(A) *APPLICATIONS FOR PERMITS TO*
17 *DRILL.*—*Each application for a permit to drill*
18 *submitted to the Secretary pursuant to this Act*
19 *shall include both an Interim Reclamation Plan*
20 *and a Final Reclamation Plan.*

21 “(B) *ANALYSIS AND APPROVAL RE-*
22 *QUIRED.*—*No permit to drill on an oil and gas*
23 *lease issued under this Act may be granted with-*
24 *out the analysis and approval by the Secretary*
25 *concerned of both an interim reclamation plan*

1 *and a final reclamation plan covering proposed*
2 *surface-disturbing activities within the lease*
3 *area.*

4 “(C) *PLANS OF OPERATIONS.—All Plans of*
5 *Operations submitted and approved pursuant to*
6 *this Act shall include an Interim Reclamation*
7 *Plan.*

8 “(4) *BONDING.—The Secretary concerned shall,*
9 *by regulation, require that an adequate bond, surety,*
10 *or other financial arrangement will be established*
11 *prior to the commencement of surface-disturbing ac-*
12 *tivities on any lease, to ensure the complete and time-*
13 *ly reclamation of the lease tract, and the restoration*
14 *of any lands or surface waters adversely affected by*
15 *lease operations after the abandonment or cessation of*
16 *oil and gas operations on the lease. The Secretary*
17 *shall not issue a lease or leases or approve the assign-*
18 *ment of any lease or leases under the terms of this sec-*
19 *tion to any person, association, corporation, or any*
20 *subsidiary, affiliate, or person controlled by or under*
21 *common control with such person, association, or cor-*
22 *poration, during any period in which, as determined*
23 *by the Secretary of the Interior or Secretary of Agri-*
24 *culture, such entity has failed or refused to comply in*
25 *any material respect with the reclamation require-*

1 *ments and other standards established under this sec-*
2 *tion for any prior lease to which such requirements*
3 *and standards applied. Prior to making such deter-*
4 *mination with respect to any such entity the con-*
5 *cerned Secretary shall provide such entity with ade-*
6 *quate notification and an opportunity to comply with*
7 *such reclamation requirements and other standards*
8 *and shall consider whether any administrative or ju-*
9 *dicial appeal is pending. Once the entity has com-*
10 *plied with the reclamation requirement or other*
11 *standard concerned an oil or gas lease may be issued*
12 *to such entity under this Act.*

13 *“(5) STANDARDS.—The Secretary of the Interior*
14 *and the Secretary of Agriculture shall, by regulation,*
15 *establish uniform standards for all Interim and Final*
16 *Reclamation Plans. The goal of such plans shall be*
17 *the restoration of the affected ecosystem to a condition*
18 *approximating or equal to that which existed prior to*
19 *the surface disturbance. Such standards shall include,*
20 *but are not limited to, restoration of natural vegeta-*
21 *tion and hydrology, habitat restoration, salvage, stor-*
22 *age and reuse of topsoils, erosion control, control of*
23 *invasive species and noxious weeds and natural*
24 *contouring.*

1 “(6) *MONITORING.*—*The Secretary concerned*
2 *shall not approve final abandonment and shall not*
3 *release any bond required by this Act until the stand-*
4 *ards and requirement for final reclamation estab-*
5 *lished pursuant to this Act have been met.*”.

6 **SEC. 238. WILDLIFE SUSTAINABILITY.**

7 (a) *DEFINITIONS.*—*In this section:*

8 (1) *DESIRED NONNATIVE SPECIES.*—*The term*
9 *“desired nonnative species” means those wild species*
10 *of plants or animals that are not indigenous to a*
11 *planning area but are valued for their contribution to*
12 *species diversity or their social, cultural, or economic*
13 *value.*

14 (2) *FOCAL SPECIES.*—*The term “focal species”*
15 *means species selected, based on best available science,*
16 *for monitoring because their population status and*
17 *trends are believed to provide useful information re-*
18 *garding the effects of management activities, or other*
19 *factors, on the diversity of ecological systems to which*
20 *they belong, and to validate the monitoring of habi-*
21 *tats and ecological conditions.*

22 (3) *NATIVE SPECIES.*—*The term “native species”*
23 *means species of plants and animals indigenous to a*
24 *planning area.*

1 (4) *PLANNING AREA.*—*The term “planning area”*
2 *means any geographic unit of National Forest System*
3 *lands or Bureau of Land Management lands covered*
4 *by an individual management plan.*

5 (5) *SECRETARY.*—*The term “Secretary”*
6 *means—*

7 (A) *the Secretary of the Interior, with re-*
8 *spect to land under such Secretary’s jurisdiction;*
9 *and*

10 (B) *the Secretary of Agriculture, with re-*
11 *spect to land under such Secretary’s jurisdiction.*

12 (6) *SUSTAINABLE POPULATION.*—*The term “sus-*
13 *tainable population” means a population of a species*
14 *that has a high likelihood of persisting well distrib-*
15 *uted throughout its range within a planning area*
16 *based on the best available scientific information, in-*
17 *cluding information obtained through the monitoring*
18 *program under subsection (c), regarding its habitat*
19 *and ecological conditions, abundance and distribu-*
20 *tion.*

21 (b) *PLANNING FOR AND MANAGEMENT OF SUSTAIN-*
22 *ABLE POPULATIONS.*—

23 (1) *MANAGEMENT DIRECTION.*—*Each Secretary,*
24 *in cooperation with the appropriate State fish and*
25 *wildlife agency, shall plan for and manage planning*

1 *areas under the Secretary's respective jurisdiction in*
2 *order to maintain sustainable populations of native*
3 *species and desired nonnative species within each*
4 *planning area consistent with—*

5 *(A) the Federal Land Policy and Manage-*
6 *ment Act of 1976 (43 U.S.C. 1701 et seq.);*

7 *(B) the National Forest Management Act*
8 *(16 U.S.C. 1600); and*

9 *(C) all other applicable laws.*

10 *(2) MANAGEMENT COORDINATION.—If a popu-*
11 *lation of a species extends across more than one plan-*
12 *ning area, each Secretary shall coordinate the man-*
13 *agement of lands in the planning areas containing*
14 *such population in order to maintain a sustainable*
15 *population of such species.*

16 *(3) EXTRINSIC CONDITIONS.—If a Secretary,*
17 *using the best available science and after providing*
18 *notice to the public by publication in the Federal*
19 *Register and opportunity for public comment for a*
20 *period of at least 60 days, determines that conditions*
21 *beyond such Secretary's authority make it impossible*
22 *for the Secretary to maintain a sustainable popu-*
23 *lation of a native species or desired nonnative species*
24 *within a planning area, or, under the circumstances*

1 identified in paragraph (2), within two or more plan-
2 ning areas, such Secretary shall—

3 (A) manage lands within the planning area
4 or areas in order to achieve, to the maximum ex-
5 tent possible, the survival and health of that pop-
6 ulation; and

7 (B) certify that, to the maximum extent
8 practicable, any activity authorized, funded, or
9 carried out within the planning area or areas
10 does not increase the likelihood of extirpation of
11 the population in such planning area or areas.

12 (4) COMPLIANCE.—Each Secretary shall certify
13 that land management plans for a planning area
14 under the Secretary's respective jurisdiction and ac-
15 tions implementing or authorized under such plans
16 comply with this section.

17 (c) MONITORING AND EVALUATION.—

18 (1) ESTABLISHMENT OF MONITORING PRO-
19 GRAMS.—To provide a basis for determining the sus-
20 tainability of native species and desired nonnative
21 species populations for purposes of subsection (b),
22 each Secretary shall adopt and implement, as part of
23 the land management planning for a planning area,
24 a strategically targeted monitoring program for iden-

1 *tified focal species to determine the status and trends*
2 *of such species populations in such planning area.*

3 (2) *MONITORING PROGRAM REQUIREMENTS.—*

4 *The monitoring programs established under para-*
5 *graph (1) shall designate focal species representing the*
6 *diversity of ecological systems in the planning area*
7 *and provide for—*

8 (A) *monitoring of the status and trends of*
9 *the habitats and ecological conditions that sup-*
10 *port focal species; and*

11 (B) *population surveys of focal species iden-*
12 *tified in the monitoring program to establish*
13 *that monitoring of habitats and ecological condi-*
14 *tions is providing accurate information regard-*
15 *ing the status and trends of species' populations*
16 *in the planning area.*

17 (3) *CONSULTATION AND COOPERATION WITH*

18 *STATES.—Each Secretary shall develop and imple-*
19 *ment, to the maximum extent practicable, the moni-*
20 *toring program established under this section, includ-*
21 *ing the selection of native species and desired non-*
22 *native species, focal species, habitat, and ecological*
23 *conditions to be monitored and methodologies for con-*
24 *ducting such monitoring, in consultation with the*
25 *United States Fish and Wildlife Service, State fish*

1 *and wildlife agencies and in coordination with other*
2 *State agencies with responsibility for management of*
3 *natural resources. Each Secretary shall consider and*
4 *utilize relevant population data maintained by other*
5 *Federal agencies, State agencies, tribes, or other rel-*
6 *evant entities.*

7 *(d) COORDINATION.—*

8 *(1) MANAGEMENT COORDINATION.—To the max-*
9 *imum extent practicable and consistent with applica-*
10 *ble law, each Secretary shall coordinate the manage-*
11 *ment of planning areas with the management of the*
12 *National Wildlife Refuge System and the National*
13 *Park System, other Federal agencies, State fish and*
14 *wildlife agencies, other State agencies with responsi-*
15 *bility for management of natural resources, tribes,*
16 *local governments, and nongovernmental organiza-*
17 *tions engaged in species conservation in order to—*

18 *(A) maintain sustainable populations of*
19 *native species and desired nonnative species;*

20 *(B) develop strategies to address the impacts*
21 *of climate change on native species and desired*
22 *nonnative species;*

23 *(C) establish linkages between habitats and*
24 *discrete populations;*

1 (D) reintroduce extirpated species, where
2 appropriate, when a species population is no
3 longer present; and

4 (E) conduct other joint efforts in support of
5 sustainable plant and animal communities
6 across jurisdictional boundaries.

7 (2) COORDINATION WITH CONSERVATION ACTIVI-
8 TIES.—In planning for the management of lands for
9 the purpose of maintaining sustainable populations of
10 native species and desired nonnative species in a
11 planning area, each Secretary shall, to the maximum
12 extent practicable and consistent with Federal law—

13 (A) consult with and offer opportunities for
14 participation to adjoining Federal, State, tribal,
15 local, and private landowners, State and tribal
16 fish and wildlife agencies, and other State and
17 tribal agencies with responsibility for manage-
18 ment of natural resources; and

19 (B) coordinate such management planning
20 with relevant conservation plans for fish, plants,
21 and wildlife and their habitats, including State
22 comprehensive wildlife strategies and other State
23 conservation strategies for species, National Fish
24 Habitat partnerships, North American Wetland
25 Conservation Joint Ventures, and the Federal-

1 *State-private partnership known as Partners in*
2 *Flight.*

3 (3) *NO EFFECT ON NATIONAL WILDLIFE REFUGE*
4 *SYSTEM OR NATIONAL PARK SYSTEM.—Nothing in*
5 *this section affects the laws or management standards*
6 *applicable to lands or species populations within the*
7 *National Wildlife Refuge System or National Park*
8 *System.*

9 (e) *IMPLEMENTING REGULATIONS.—*

10 (1) *REGULATIONS.—Not later than one year fol-*
11 *lowing the date of enactment of this Act, each Sec-*
12 *retary shall issue regulations implementing all provi-*
13 *sions of this section.*

14 (2) *REGULATIONS UNDER THE NATIONAL FOREST*
15 *MANAGEMENT ACT.—Issuance of regulations consistent*
16 *with the requirements of this section shall be deemed*
17 *consistent with the Secretary's obligation to promul-*
18 *gate regulations to specify guidelines for land man-*
19 *agement plans for the National Forest System which*
20 *provide for diversity of plant and animal commu-*
21 *nities pursuant to the National Forest Management*
22 *Act (16 U.S.C. sec. 1604(g)(3)(B)).*

23 (f) *CONSTRUCTION.—Nothing in this section shall be*
24 *construed to—*

1 (1) *affect the authority, jurisdiction, or responsi-*
2 *bility of each of the several States to manage, control,*
3 *or regulate fish, plants, and wildlife under the laws*
4 *and regulations of each of the States; or*

5 (2) *authorize a Secretary to control or regulate*
6 *within a State the fishing or hunting of fish and*
7 *wildlife within the State except insofar as the Sec-*
8 *retary may exercise authority granted to him or her*
9 *under other laws.*

10 **SEC. 239. ONLINE AVAILABILITY TO THE PUBLIC OF INFOR-**
11 **MATION RELATING TO OIL AND GAS CHEM-**
12 **ICAL USE.**

13 (a) *IN GENERAL.*—*An operator authorized to explore*
14 *for, develop, or produce oil and gas under any Federal min-*
15 *eral leasing law shall, within 30 days after completion of*
16 *drilling a well on a lease area or any portion thereof, make*
17 *the list of chemicals used in drilling or completing the well,*
18 *including the chemical constituents of mixtures, Chemical*
19 *Abstracts Service numbers, and material safety data sheets,*
20 *available to the public on an Internet website created and*
21 *maintained by the Bureau of Safety and Environmental*
22 *Enforcement.*

23 (b) *PROPRIETARY CHEMICAL FORMULAS.*—*This sec-*
24 *tion does not authorize the Director of the Bureau of Safety*

1 *and Environmental Enforcement to require the public dis-*
2 *closure of proprietary chemical formulas.*

3 (c) *RULEMAKING AUTHORITY.*—*Not later than 1 year*
4 *after the date of enactment of this Act, the Secretary, after*
5 *providing notice and an opportunity for public comment,*
6 *shall promulgate regulations to implement this section.*

7 **SEC. 240. LIMITATION ON ROYALTY-IN-KIND PROGRAM.**

8 *Section 36 of the Mineral Leasing Act (30 U.S.C. 192)*
9 *is amended by inserting before the period at the end of the*
10 *first sentence the following: “, except that the Secretary shall*
11 *not conduct a regular program to take oil and gas lease*
12 *royalties in oil or gas”.*

13 **SEC. 241. ENVIRONMENTAL REVIEW.**

14 *Section 390 of the Energy Policy Act of 2005 (Public*
15 *Law 109–58; 42 U.S.C. 15942) is repealed.*

16 **SEC. 242. FEDERAL LANDS URANIUM LEASING.**

17 *The Mineral Leasing Act (30 U.S.C. 181 et seq.) is*
18 *amended by redesignating section 44 as section 45, and by*
19 *inserting after section 43 the following new section:*

20 **“SEC. 44. LEASING OF LANDS FOR URANIUM MINING.**

21 **“(a) IN GENERAL.**—

22 **“(1) WITHDRAWAL FROM ENTRY; LEASING RE-**
23 **QUIREMENT.**—*Effective upon the date of enactment of*
24 *the Consolidated Land, Energy, and Aquatic Re-*
25 *sources Act of 2010, all Federal lands are hereby per-*

1 *manently withdrawn from location and entry under*
2 *section 2319 of the Revised Statutes (30 U.S.C. 22 et*
3 *seq.) for uranium. After the end of the 2-year period*
4 *beginning on such date of enactment, no uranium*
5 *may be produced from Federal lands except pursuant*
6 *to a lease issued under this Act.*

7 “(2) *LEASING.—The Secretary—*

8 *“(A) may divide any lands subject to this*
9 *Act that are not withdrawn from mineral leasing*
10 *and that are otherwise available for uranium*
11 *leasing under applicable law, including lands*
12 *available under the terms of land use plans pre-*
13 *pared by the Federal agency managing the land,*
14 *into leasing tracts of such size as the Secretary*
15 *finds appropriate and in the public interest; and*

16 *“(B) thereafter shall, in the Secretary’s dis-*
17 *cretion, upon the request of any qualified appli-*
18 *cant or on the Secretary’s own motion, from*
19 *time to time, offer such lands for uranium leas-*
20 *ing and award uranium leases thereon by com-*
21 *petitive bidding.*

22 “(b) *FAIR MARKET VALUE REQUIRED.—*

23 *“(1) IN GENERAL.—No bid for a uranium lease*
24 *shall be accepted that is less than the fair market*

1 *value, as determined by the Secretary, of the uranium*
2 *subject to the lease.*

3 “(2) *PUBLIC COMMENT.*—*Prior to the Secretary’s*
4 *determination of the fair market value of the ura-*
5 *anium subject to the lease, the Secretary shall give op-*
6 *portunity for and consideration to public comments*
7 *on the fair market value.*

8 “(3) *DISCLOSURE NOT REQUIRED.*—*Nothing in*
9 *this section shall be construed to require the Secretary*
10 *to make public the Secretary’s judgment as to the fair*
11 *market value of the uranium to be leased, or the com-*
12 *ments the Secretary receives thereon prior to the*
13 *issuance of the lease.*

14 “(c) *LANDS UNDER THE JURISDICTION OF OTHER*
15 *AGENCIES.*—*Leases covering lands the surface of which is*
16 *under the jurisdiction of any Federal agency other than the*
17 *Department of the Interior may be issued only—*

18 “(1) *upon consent of the head of the other Fed-*
19 *eral agency; and*

20 “(2) *upon such conditions the head of such other*
21 *Federal agency may prescribe with respect to the use*
22 *and protection of the nonmineral interests in those*
23 *lands.*

24 “(d) *CONSIDERATION OF EFFECTS OF MINING.*—*Be-*
25 *fore issuing any uranium lease, the Secretary shall consider*

1 *effects that mining under the proposed lease might have on*
2 *an impacted community or area, including impacts on the*
3 *environment, on agricultural, on cultural resources, and*
4 *other economic activities, and on public services.*

5 “(e) *NOTICE OF PROPOSED LEASE.*—*No lease sale*
6 *shall be held for lands until after a notice of the proposed*
7 *offering for lease has been given once a week for three con-*
8 *secutive weeks in a newspaper of general circulation in the*
9 *county in which the lands are situated, or in electronic for-*
10 *mat, in accordance with regulations prescribed by the Sec-*
11 *retary.*

12 “(f) *AUCTION REQUIREMENTS.*—*All lands to be leased*
13 *under this section shall be leased to the highest responsible*
14 *qualified bidder—*

15 “(1) *under general regulations;*

16 “(2) *in units of not more than 2,560 acres that*
17 *are as nearly compact as possible; and*

18 “(3) *by oral bidding.*

19 “(g) *REQUIRED PAYMENTS.*—

20 “(1) *IN GENERAL.*—*A lease under this section*
21 *shall be conditioned upon the payment by the lessee*
22 *of—*

23 “(A) *a royalty at a rate of not less than*
24 *12.5 percent in amount or value of the produc-*
25 *tion removed or sold under the lease; and*

1 “(B) a rental of—

2 “(i) not less than \$2.50 per acre per
3 year for the first through fifth years of the
4 lease; and

5 “(ii) not less than \$3 per acre per year
6 for each year thereafter.

7 “(2) *USE OF REVENUES.*—Amounts received as
8 revenues under this subsection with respect to a lease
9 may be used by the Secretary of the Interior, subject
10 to the availability of appropriations, for cleaning up
11 uranium mill tailings and reclaiming abandoned
12 uranium mines on Federal lands in accordance with
13 the priorities and eligibility restrictions, respectively,
14 under subsections (c) and (d) of section 411 of the
15 Surface Mining Control and Reclamation Act of 1977
16 (30 U.S.C. 1240a), or may be transferred by the Sec-
17 retary, subject to the availability of appropriations,
18 to the Attorney General for use by the Attorney Gen-
19 eral to pay claims filed under the Radiation Expo-
20 sure Compensation Act (42 U.S.C. 2210 note) that the
21 Attorney General determines meet the requirements of
22 that Act.

23 “(h) *LEASE TERM.*—A lease under this section—

24 “(1) shall be effective for a primary term of 10
25 years; and

1 “(2) shall continue in effect after such primary
2 term for so long as uranium is produced under the
3 lease in paying quantities.

4 “(i) *EXPLORATION LICENSES.*—

5 “(1) *IN GENERAL.*—The Secretary may, under
6 such regulations as the Secretary may prescribe, issue
7 to any person an exploration license. No person may
8 conduct uranium exploration for commercial purposes
9 on lands subject to this Act without such an explo-
10 ration license. Each exploration license shall be for a
11 term of not more than two years and shall be subject
12 to a reasonable fee. An exploration license shall confer
13 no right to a lease under this Act. The issuance of ex-
14 ploration licenses shall not preclude the Secretary
15 from issuing uranium leases at such times and loca-
16 tions and to such persons as the Secretary deems ap-
17 propriate. No exploration license may be issued for
18 any land on which a uranium lease has been issued.
19 A separate exploration license shall be required for ex-
20 ploration in each State. An application for an explo-
21 ration license shall identify general areas and prob-
22 able methods of exploration. Each exploration license
23 shall be limited to specific geographic areas in each
24 State as determined by the Secretary, and shall con-
25 tain such reasonable conditions as the Secretary may

1 *require, including conditions to ensure the protection*
2 *of the environment, and shall be subject to all appli-*
3 *cable Federal, State, and local laws and regulations.*
4 *Upon violation of any such conditions or laws the*
5 *Secretary may revoke the exploration license.*

6 “(2) *LIMITATIONS.—A licensee may not cause*
7 *substantial disturbance to the natural land surface. A*
8 *licensee may not remove any uranium for sale but*
9 *may remove a reasonable amount of uranium from*
10 *the lands subject to this Act included under the Sec-*
11 *retary’s license for analysis and study. A licensee*
12 *must comply with all applicable rules and regulations*
13 *of the Federal agency having jurisdiction over the*
14 *surface of the lands subject to this Act. Exploration*
15 *licenses covering lands the surface of which is under*
16 *the jurisdiction of any Federal agency other than the*
17 *Department of the Interior may be issued only upon*
18 *such conditions as it may prescribe with respect to*
19 *the use and protection of the nonmineral interests in*
20 *those lands.*

21 “(3) *SHARING OF DATA.—The licensee shall fur-*
22 *nish to the Secretary copies of all data (including ge-*
23 *ological, geophysical, and core drilling analyses) ob-*
24 *tained during such exploration. The Secretary shall*
25 *maintain the confidentiality of all data so obtained*

1 *until after the areas involved have been leased or*
2 *until such time as the Secretary determines that mak-*
3 *ing the data available to the public would not damage*
4 *the competitive position of the licensee, whichever*
5 *comes first.*

6 *“(4) EXPLORATION WITHOUT A LICENSE.—Any*
7 *person who willfully conducts uranium exploration*
8 *for commercial purposes on lands subject to this Act*
9 *without an exploration license issued under this sub-*
10 *section shall be subject to a fine of not more than*
11 *\$1,000 for each day of violation. All data collected by*
12 *such person on any Federal lands as a result of such*
13 *violation shall be made immediately available to the*
14 *Secretary, who shall make the data available to the*
15 *public as soon as it is practicable. No penalty under*
16 *this subsection shall be assessed unless such person is*
17 *given notice and opportunity for a hearing with re-*
18 *spect to such violation.*

19 *“(j) CONVERSION OF MINING CLAIMS TO MINERAL*
20 *LEASES.—*

21 *“(1) IN GENERAL.—The owner of any mining*
22 *claim (in this subsection referred to as a ‘claimant’)*
23 *located prior to the date of enactment of the Consoli-*
24 *dated Land, Energy, and Aquatic Resources Act of*
25 *2010 may, within two years after such date, apply to*

1 *the Secretary of the Interior to convert the claim to*
2 *a lease under this section. The Secretary shall issue*
3 *a uranium lease under this section to the claimant*
4 *upon a demonstration by the claimant, to the satis-*
5 *faction of the Secretary, within one year after the*
6 *date of the application to the Secretary, that the*
7 *claim was, as of such date of enactment, supported by*
8 *the discovery of a valuable deposit of uranium on the*
9 *claimed land. The holder of a lease issued upon con-*
10 *version from a mining claim under this subsection*
11 *shall be subject to all the requirements of this section*
12 *governing uranium leases, except that the holder shall*
13 *pay a royalty of 6.25 percent on the value of the ura-*
14 *anium produced under the lease, until beginning ten*
15 *years after the date the claim is converted to a lease.*

16 “(2) *OTHER CLAIMS EXTINGUISHED.—All min-*
17 *ing claims located for uranium on Federal lands*
18 *whose claimant does not apply to the Secretary for*
19 *conversion to a lease, or whose claimant cannot make*
20 *such a demonstration of discovery, shall become null*
21 *and void by operation of law three years after such*
22 *date of enactment.”.*

1 ***Subtitle C—Royalty Relief for***
2 ***American Consumers***

3 **SEC. 251. SHORT TITLE.**

4 *This subtitle may be cited as the “Royalty Relief for*
5 *American Consumers Act of 2010”.*

6 **SEC. 252. ELIGIBILITY FOR NEW LEASES AND THE TRANS-**
7 ***FER OF LEASES.***

8 *(a) ISSUANCE OF NEW LEASES.—*

9 *(1) IN GENERAL.—The Secretary shall not issue*
10 *any new lease that authorizes the production of oil or*
11 *natural gas under the Outer Continental Shelf Lands*
12 *Act (43 U.S.C. 1331 et seq.) to a person described in*
13 *paragraph (2) unless the person has renegotiated each*
14 *covered lease with respect to which the person is a les-*
15 *see, to modify the payment responsibilities of the per-*
16 *son to require the payment of royalties if the price of*
17 *oil and natural gas is greater than or equal to the*
18 *price thresholds described in clauses (v) through (vii)*
19 *of section 8(a)(3)(C) of the Outer Continental Shelf*
20 *Lands Act (43 U.S.C. 1337(a)(3)(C)).*

21 *(2) PERSONS DESCRIBED.—A person referred to*
22 *in paragraph (1) is a person that—*

23 *(A) is a lessee that—*

1 (i) holds a covered lease on the date on
2 which the Secretary considers the issuance
3 of the new lease; or

4 (ii) was issued a covered lease before
5 the date of enactment of this Act, but trans-
6 ferred the covered lease to another person or
7 entity (including a subsidiary or affiliate of
8 the lessee) after the date of enactment of this
9 Act; or

10 (B) any other person that has any direct or
11 indirect interest in, or that derives any benefit
12 from, a covered lease.

13 (3) *MULTIPLE LESSEES.*—

14 (A) *IN GENERAL.*—For purposes of para-
15 graph (1), if there are multiple lessees that own
16 a share of a covered lease, the Secretary may im-
17 plement separate agreements with any lessee
18 with a share of the covered lease that modifies
19 the payment responsibilities with respect to the
20 share of the lessee to include price thresholds that
21 are equal to or less than the price thresholds de-
22 scribed in clauses (v) through (vii) of section
23 8(a)(3)(C) of the Outer Continental Shelf Lands
24 Act (43 U.S.C. 1337(a)(3)(C)).

1 (B) *TREATMENT OF SHARE AS COVERED*
2 *LEASE.—Beginning on the effective date of an*
3 *agreement under subparagraph (A), any share*
4 *subject to the agreement shall not constitute a*
5 *covered lease with respect to any lessees that en-*
6 *tered into the agreement.*

7 (b) *TRANSFERS.—A lessee or any other person who has*
8 *any direct or indirect interest in, or who derives a benefit*
9 *from, a lease shall not be eligible to obtain by sale or other*
10 *transfer (including through a swap, spinoff, servicing, or*
11 *other agreement) any covered lease, the economic benefit of*
12 *any covered lease, or any other lease for the production of*
13 *oil or natural gas in the Gulf of Mexico under the Outer*
14 *Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), unless*
15 *the lessee or other person has—*

16 (1) *renegotiated each covered lease with respect*
17 *to which the lessee or person is a lessee, to modify the*
18 *payment responsibilities of the lessee or person to in-*
19 *clude price thresholds that are equal to or less than*
20 *the price thresholds described in clauses (v) through*
21 *(vii) of section 8(a)(3)(C) of the Outer Continental*
22 *Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)); or*

23 (2) *entered into an agreement with the Secretary*
24 *to modify the terms of all covered leases of the lessee*
25 *or other person to include limitations on royalty re-*

1 *lief based on market prices that are equal to or less*
2 *than the price thresholds described in clauses (v)*
3 *through (vii) of section 8(a)(3)(C) of the Outer Conti-*
4 *mental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).*

5 *(c) USE OF AMOUNTS FOR DEFICIT REDUCTION.—*
6 *Notwithstanding any other provision of law, any amounts*
7 *received by the United States as rentals or royalties under*
8 *covered leases shall be deposited in the Treasury and used*
9 *for Federal budget deficit reduction or, if there is no Federal*
10 *budget deficit, for reducing the Federal debt in such manner*
11 *as the Secretary of the Treasury considers appropriate.*

12 *(d) DEFINITIONS.—In this section—*

13 *(1) COVERED LEASE.—The term “covered lease”*
14 *means a lease for oil or gas production in the Gulf*
15 *of Mexico that is—*

16 *(A) in existence on the date of enactment of*
17 *this Act;*

18 *(B) issued by the Department of the Inte-*
19 *rior under section 304 of the Outer Continental*
20 *Shelf Deep Water Royalty Relief Act (43 U.S.C.*
21 *1337 note; Public Law 104-58); and*

22 *(C) not subject to limitations on royalty re-*
23 *lief based on market price that are equal to or*
24 *less than the price thresholds described in clauses*
25 *(v) through (vii) of section 8(a)(3)(C) of the*

1 *Outer Continental Shelf Lands Act (43 U.S.C.*
2 *1337(a)(3)(C)).*

3 (2) *LESSEE.*—*The term “lessee” includes any*
4 *person or other entity that controls, is controlled by,*
5 *or is in or under common control with, a lessee.*

6 (3) *SECRETARY.*—*The term “Secretary” means*
7 *the Secretary of the Interior.*

8 **SEC. 253. PRICE THRESHOLDS FOR ROYALTY SUSPENSION**
9 **PROVISIONS.**

10 *The Secretary of the Interior shall agree to a request*
11 *by any lessee to amend any lease issued for any Central*
12 *and Western Gulf of Mexico tract in the period of January*
13 *1, 1996, through November 28, 2000, to incorporate price*
14 *thresholds applicable to royalty suspension provisions, that*
15 *are equal to or less than the price thresholds described in*
16 *clauses (v) through (vii) of section 8(a)(3)(C) of the Outer*
17 *Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).*
18 *Any amended lease shall impose the new or revised price*
19 *thresholds effective October 1, 2010. Existing lease provi-*
20 *sions shall prevail through September 30, 2010.*

21 **TITLE III—OIL AND GAS**
22 **ROYALTY REFORM**

23 **SEC. 301. AMENDMENTS TO DEFINITIONS.**

24 *Section 3 of the Federal Oil and Gas Royalty Manage-*
25 *ment Act of 1982 (30 U.S.C. 1702) is amended—*

1 (1) *in paragraph (8), by striking the semicolon*
2 *and inserting “including but not limited to the Act*
3 *of October 20, 1914 (38 Stat. 741); the Act of Feb-*
4 *ruary 25, 1920 (41 Stat. 437); the Act of April 17,*
5 *1926 (44 Stat. 301); the Act of February 7, 1927 (44*
6 *Stat. 1057); and all Acts heretofore or hereafter en-*
7 *acted that are amendatory of or supplementary to*
8 *any of the foregoing Acts;”;*

9 (2) *in paragraph (20)(A), by striking “: Pro-*
10 *vided, That” and all that follows through “subject of*
11 *the judicial proceeding”;*

12 (3) *in paragraph (20)(B), by striking “(with*
13 *written notice to the lessee who designated the des-*
14 *ignee)”;*

15 (4) *in paragraph (23)(A), by striking “(with*
16 *written notice to the lessee who designated the des-*
17 *ignee)”;*

18 (5) *by striking paragraph (24) and inserting the*
19 *following:*

20 *“(24) ‘designee’ means a person who pays, off-*
21 *sets, or credits monies, makes adjustments, requests*
22 *and receives refunds, or submits reports with respect*
23 *to payments a lessee must make pursuant to section*
24 *102(a);”;*

25 (6) *in paragraph (25)(B)—*

1 (A) by striking “(subject to the provisions of
2 section 102(a) of this Act)”; and

3 (B) in clause (ii) by striking
4 the matter after subclause (IV)
5 and inserting the following:

6 *“that arises from or relates to any lease, easement, right-*
7 *of-way, permit, or other agreement regardless of form ad-*
8 *ministered by the Secretary for, or any mineral leasing law*
9 *related to, the exploration, production, and development of*
10 *oil and gas or other energy resource on Federal lands or*
11 *the Outer Continental Shelf;”.*

12 (7) in paragraph (29), by inserting “or permit”
13 after “lease”; and

14 (8) by striking “and” after the semicolon at the
15 end of paragraph (32), by striking the period at the
16 end of paragraph (33) and inserting a semicolon, and
17 by adding at the end the following new paragraphs:

18 “(34) ‘compliance review’ means a full-scope or
19 a limited-scope examination of a lessee’s lease ac-
20 counts to compare one or all elements of the royalty
21 equation (volume, value, royalty rate, and allow-
22 ances) against anticipated elements of the royalty
23 equation to test for variances; and

1 “(35) ‘marketing affiliate’ means an affiliate of
2 a lessee whose function is to acquire the lessee’s pro-
3 duction and to market that production.”.

4 **SEC. 302. COMPLIANCE REVIEWS.**

5 Section 101 of the Federal Oil and Gas Royalty Man-
6 agement Act of 1982 (30 U.S.C. 1711) is amended by add-
7 ing at the end the following new subsection:

8 “(d) The Secretary may, as an adjunct to audits of
9 accounts for leases, utilize compliance reviews of accounts.
10 Such reviews shall not constitute nor substitute for audits
11 of lease accounts. Any disparity uncovered in such a com-
12 pliance review shall be immediately referred to a program
13 auditor. The Secretary shall, before completion of a compli-
14 ance review, provide notice of the review to designees whose
15 obligations are the subject of the review.”.

16 **SEC. 303. CLARIFICATION OF LIABILITY FOR ROYALTY PAY-**
17 **MENTS.**

18 Section 102(a) of the Federal Oil and Gas Royalty
19 Management Act of 1982 (30 U.S.C. 1712(a)) is amended
20 to read as follows:

21 “(a) In order to increase receipts and achieve effective
22 collections of royalty and other payments, a lessee who is
23 required to make any royalty or other payment under a
24 lease, easement, right-of-way, permit, or other agreement,
25 regardless of form, or under the mineral leasing laws, shall

1 *make such payment in the time and manner as may be*
2 *specified by the Secretary or the applicable delegated State.*
3 *Any person who pays, offsets, or credits monies, makes ad-*
4 *justments, requests and receives refunds, or submits reports*
5 *with respect to payments the lessee must make is the lessee's*
6 *designee under this Act. Notwithstanding any other provi-*
7 *sion of this Act to the contrary, a designee shall be liable*
8 *for any payment obligation of any lessee on whose behalf*
9 *the designee pays royalty under the lease. The person own-*
10 *ing operating rights in a lease and a person owning legal*
11 *record title in a lease shall be liable for that person's pro*
12 *rata share of payment obligations under the lease."*

13 **SEC. 304. REQUIRED RECORDKEEPING.**

14 *Section 103(b) of the Federal Oil and Gas Royalty*
15 *Management Act of 1982 (30 U.S.C. 1712(a)) is amended*
16 *by striking "6" and inserting "7".*

17 **SEC. 305. FINES AND PENALTIES.**

18 *Section 109 of the Federal Oil and Gas Royalty Man-*
19 *agement Act of 1982 (30 U.S.C. 1719) is amended—*

20 *(1) in subsection (a) in the matter following*
21 *paragraph (2), by striking "\$500" and inserting*
22 *"\$1,000";*

23 *(2) in subsection (a)(2)(B), by inserting "(i)"*
24 *after "such person", and by striking the period at the*
25 *end and inserting "; and (ii) has not received notice,*

1 *pursuant to paragraph (1), of more than two prior*
2 *violations in the current calendar year.”;*

3 *(3) in subsection (b), by striking “\$5,000” and*
4 *inserting “\$10,000”;*

5 *(4) in subsection (c)—*

6 *(A) in paragraph (2), by striking “; or”*
7 *and inserting “, including any failure or refusal*
8 *to promptly tender requested documents;”;*

9 *(B) in the text following paragraph (3)—*

10 *(i) by striking “\$10,000” and inserting*
11 *“\$20,000”; and*

12 *(ii) by striking the period at the end*
13 *and inserting a semicolon; and*

14 *(C) by adding at the end the following new*
15 *paragraphs:*

16 *“(4) knowingly or willfully fails to make any*
17 *royalty payment in the amount or value as specified*
18 *by statute, regulation, order, or terms of the lease; or*

19 *“(5) fails to correctly report and timely provide*
20 *operations or financial records necessary for the Sec-*
21 *retary or any authorized designee of the Secretary to*
22 *accomplish lease management responsibilities;”;*

23 *(5) in subsection (d), by striking “\$25,000” and*
24 *inserting “\$50,000”;*

1 (6) *in subsection (h), by striking “by registered*
2 *mail” and inserting “a common carrier that provides*
3 *proof of delivery”;* and

4 (7) *by adding at the end the following subsection:*

5 “(m)(1) *Any determination by the Secretary or a des-*
6 *ignee of the Secretary that a person has committed a viola-*
7 *tion under subsection (a), (c), or (d)(1) shall toll any appli-*
8 *cable statute of limitations for all oil and gas leases held*
9 *or operated by such person, until the later of—*

10 “(A) *the date on which the person corrects the*
11 *violation and certifies that all violations of a like na-*
12 *ture have been corrected for all of the oil and gas*
13 *leases held or operated by such person; or*

14 “(B) *the date a final, nonappealable order has*
15 *been issued by the Secretary or a court of competent*
16 *jurisdiction.*

17 “(2) *A person determined by the Secretary or a des-*
18 *ignee of the Secretary to have violated subsection (a), (c),*
19 *or (d)(1) shall maintain all records with respect to the per-*
20 *son’s oil and gas leases until the later of—*

21 “(A) *the date the Secretary releases the person*
22 *from the obligation to maintain such records; and*

23 “(B) *the expiration of the period during which*
24 *the records must be maintained under section*
25 *103(b).”.*

1 **SEC. 306. INTEREST ON OVERPAYMENTS.**

2 *Section 111 of the Federal Oil and Gas Royalty Man-*
3 *agement Act of 1982 (30 U.S.C. 1721) is amended—*

4 *(1) by amending subsections (h) and (i) to read*
5 *as follows:*

6 *“(h) Interest shall not be allowed nor paid nor credited*
7 *on any overpayment, and no interest shall accrue from the*
8 *date such overpayment was made.*

9 *“(i) A lessee or its designee may make a payment for*
10 *the approximate amount of royalties (hereinafter in this*
11 *subsection referred to as the ‘estimated payment’) that*
12 *would otherwise be due for such lease by the date royalties*
13 *are due for that lease. When an estimated payment is made,*
14 *actual royalties are payable at the end of the month fol-*
15 *lowing the month in which the estimated payment is made.*
16 *If the estimated payment was less than the amount of actual*
17 *royalties due, interest is owed on the underpaid amount.*
18 *If the lessee or its designee makes a payment for such actual*
19 *royalties, the lessee or its designee may apply the estimated*
20 *payment to future royalties. Any estimated payment may*
21 *be adjusted, recouped, or reinstated by the lessee or its des-*
22 *ignee provided such adjustment, recoupment, or reinstate-*
23 *ment is made within the limitation period for which the*
24 *date royalties were due for that lease.”;*

25 *(2) by striking subsection (j); and*

26 *(3) in subsection (k)(4)—*

1 (A) by striking “or overpaid royalties and
2 associated interest”; and

3 (B) by striking “, refunded, or credited”.

4 **SEC. 307. ADJUSTMENTS AND REFUNDS.**

5 Section 111A of the Federal Oil and Gas Royalty Man-
6 agement Act of 1982 (30 U.S.C. 1721a) is amended—

7 (1) in subsection (a)(3), by inserting “(A)” after “(3)”,
8 and by striking the last sentence and inserting the fol-
9 lowing:

10 “(B) Except as provided in subparagraph
11 (C), no adjustment may be made with respect to
12 an obligation that is the subject of an audit or
13 compliance review after completion of the audit
14 or compliance review, respectively, unless such
15 adjustment is approved by the Secretary or the
16 applicable delegated State, as appropriate.

17 “(C) If an overpayment is identified during
18 an audit, the Secretary shall allow a credit in
19 the amount of the overpayment.”;

20 (2) in subsection (a)(4)—

21 (A) by striking “six” and inserting “four”;

22 and

23 (B) by striking “shall” the first time such
24 term appears and inserting “may”; and

1 (3) *in subsection (b)(1) by striking “and” after*
2 *the semicolon at the end of subparagraph (C), by*
3 *striking the period at the end of subparagraph (D)*
4 *and inserting “; and”, and by adding at the end the*
5 *following:*

6 *“(E) is made within the adjustment period*
7 *for that obligation.”.*

8 **SEC. 308. CONFORMING AMENDMENT.**

9 *Section 114 of the Federal Oil and Gas Royalty Man-*
10 *agement Act of 1982 is repealed.*

11 **SEC. 309. OBLIGATION PERIOD.**

12 *Section 115(c) of the Federal Oil and Gas Royalty*
13 *Management Act of 1982 (30 U.S.C. 1724(c)) is amended*
14 *by adding at the end the following new paragraph:*

15 *“(3) ADJUSTMENTS.—In the case of an adjust-*
16 *ment under section 111A(a) in which a recoupment*
17 *by the lessee results in an underpayment of an obliga-*
18 *tion, for purposes of this Act the obligation becomes*
19 *due on the date the lessee or its designee makes the*
20 *adjustment.”.*

21 **SEC. 310. NOTICE REGARDING TOLLING AGREEMENTS AND**
22 **SUBPOENAS.**

23 *(a) TOLLING AGREEMENTS.—Section 115(d)(1) of the*
24 *Federal Oil and Gas Royalty Management Act of 1982 (30*

1 *U.S.C. 1724(d)(1)) is amended by striking “(with notice to*
2 *the lessee who designated the designee)”.*

3 **(b) SUBPOENAS.**—*Section 115(d)(2)(A) of the Federal*
4 *Oil and Gas Royalty Management Act of 1982 (30 U.S.C.*
5 *1724(d)(2)(A)) is amended by striking “(with notice to the*
6 *lessee who designated the designee, which notice shall not*
7 *constitute a subpoena to the lessee)”.*

8 **SEC. 311. APPEALS AND FINAL AGENCY ACTION.**

9 *Paragraphs (1) and (2) of section 115(h) the Federal*
10 *Oil and Gas Royalty Management Act of 1982 (30 U.S.C.*
11 *1724(h)) are amended by striking “33” each place it ap-*
12 *pears and inserting “48”.*

13 **SEC. 312. ASSESSMENTS.**

14 *Section 116 of the Federal Oil and Gas Royalty Man-*
15 *agement Act of 1982 (30 U.S.C. 1724) is repealed.*

16 **SEC. 313. COLLECTION AND PRODUCTION ACCOUNT-**
17 **ABILITY.**

18 **(a) PILOT PROJECT.**—*Within two years after the date*
19 *of enactment of this Act, the Secretary shall complete a pilot*
20 *project with willing operators of oil and gas leases on the*
21 *Outer Continental Shelf that assesses the costs and benefits*
22 *of automatic transmission of oil and gas volume and qual-*
23 *ity data produced under Federal leases on the Outer Conti-*
24 *ental Shelf in order to improve the production verification*

1 *systems used to ensure accurate royalty collection and*
2 *audit.*

3 (b) *REPORT.*—*The Secretary shall submit to Congress*
4 *a report on findings and recommendations of the pilot*
5 *project within 3 years after the date of enactment of this*
6 *Act.*

7 **SEC. 314. NATURAL GAS REPORTING.**

8 *The Secretary shall, within 180 days after the date of*
9 *enactment of this Act, implement the steps necessary to en-*
10 *sure accurate determination and reporting of BTU values*
11 *of natural gas from all Federal oil and gas leases to ensure*
12 *accurate royalty payments to the United States. Such steps*
13 *shall include, but not be limited to—*

14 (1) *establishment of consistent guidelines for on-*
15 *shore and offshore BTU information from gas pro-*
16 *ducers;*

17 (2) *development of a procedure to determine the*
18 *potential BTU variability of produced natural gas on*
19 *a by-reservoir or by-lease basis;*

20 (3) *development of a procedure to adjust BTU*
21 *frequency requirements for sampling and reporting on*
22 *a case-by-case basis;*

23 (4) *systematic and regular verification of BTU*
24 *information; and*

1 (5) revision of the “MMS–2014” reporting form
2 to record, in addition to other information already
3 required, the natural gas BTU values that form the
4 basis for the required royalty payments.

5 **SEC. 315. PENALTY FOR LATE OR INCORRECT REPORTING**
6 **OF DATA.**

7 (a) *IN GENERAL.*—The Secretary shall issue regula-
8 tions by not later than 1 year after the date of enactment
9 of this Act that establish a civil penalty for late or incorrect
10 reporting of data under the Federal Oil and Gas Royalty
11 Management Act of 1982 (30 U.S.C. 1701 et seq.).

12 (b) *AMOUNT.*—The amount of the civil penalty shall
13 be—

14 (1) an amount (subject to paragraph (2)) that
15 the Secretary determines is sufficient to ensure filing
16 of data in accordance with that Act; and

17 (2) not less than \$10 for each failure to file cor-
18 rect data in accordance with that Act.

19 (c) *CONTENT OF REGULATIONS.*—Except as provided
20 in subsection (b), the regulations issued under this section
21 shall be substantially similar to part 216.40 of title 30,
22 Code of Federal Regulations, as most recently in effect be-
23 fore the date of enactment of this Act.

1 **SEC. 316. REQUIRED RECORDKEEPING.**

2 *Within 1 year after the date of enactment of this Act,*
3 *the Secretary shall publish final regulations concerning re-*
4 *quired recordkeeping of natural gas measurement data as*
5 *set forth in part 250.1203 of title 30, Code of Federal Regu-*
6 *lations (as in effect on the date of enactment of this Act),*
7 *to include operators and other persons involved in the*
8 *transporting, purchasing, or selling of gas under the re-*
9 *quirements of that rule, under the authority provided in*
10 *section 103 of the Federal Oil and Gas Royalty Manage-*
11 *ment Act of 1982 (30 U.S.C. 1713).*

12 **SEC. 317. SHARED CIVIL PENALTIES.**

13 *Section 206 of the Federal Oil and Gas Royalty Man-*
14 *agement Act of 1982 (30 U.S.C. 1736) is amended by strik-*
15 *ing “Such amount shall be deducted from any compensation*
16 *due such State or Indian Tribe under section 202 or section*
17 *205 or such State under section 205.”.*

18 **SEC. 318. APPLICABILITY TO OTHER MINERALS.**

19 *Section 304 of the Federal Oil and Gas Royalty Man-*
20 *agement Act of 1982 (30 U.S.C. 1753) is amended by add-*
21 *ing at the end the following new subsection:*

22 “(e) **APPLICABILITY TO OTHER MINERALS.**—

23 “(1) *Notwithstanding any other provision of law,*
24 *sections 107, 109, and 110 of this Act and the regula-*
25 *tions duly promulgated with respect thereto shall*
26 *apply to any lease authorizing the development of*

1 *coal or any other solid mineral on any Federal lands*
2 *or Indian lands, to the same extent as if such lease*
3 *were an oil and gas lease, on the same terms and con-*
4 *ditions as those authorized for oil and gas leases.*

5 *“(2) Notwithstanding any other provision of law,*
6 *sections 107, 109, and 110 of this Act and the regula-*
7 *tions duly promulgated with respect thereto shall*
8 *apply with respect to any lease, easement, right-of-*
9 *way, or other agreement, regardless of form (including*
10 *any royalty, rent, or other payment due there-*
11 *under)—*

12 *“(A) under section 8(k) or 8(p) of the Outer*
13 *Continental Shelf Lands Act (43 U.S.C. 1337(k)*
14 *and 1337(p)); or*

15 *“(B) under the Geothermal Steam Act (30*
16 *U.S.C. 1001 et seq.), to the same extent as if such*
17 *lease, easement, right-of-way, or other agreement*
18 *were an oil and gas lease on the same terms and*
19 *conditions as those authorized for oil and gas*
20 *leases.*

21 *“(3) For the purposes of this subsection, the term*
22 *‘solid mineral’ means any mineral other than oil, gas,*
23 *and geo-pressured-geothermal resources, that is au-*
24 *thorized by an Act of Congress to be produced from*
25 *public lands (as that term is defined in section 103*

1 *of the Federal Land Policy and Management Act of*
2 *1976 (43 U.S.C. 1702)).”.*

3 **SEC. 319. ENTITLEMENTS.**

4 *Not later than 180 days after the date of enactment*
5 *of this Act, the Secretary shall publish final regulations pre-*
6 *scribing when a Federal lessee or designee must report and*
7 *pay royalties on the volume of oil and gas it takes under*
8 *either a Federal or Indian lease or on the volume to which*
9 *it is entitled to based upon its ownership interest in the*
10 *Federal or Indian lease. The Secretary shall give consider-*
11 *ation to requiring 100 percent entitlement reporting and*
12 *paying based upon the lease ownership.*

13 **TITLE IV—FULL FUNDING FOR**
14 **THE LAND AND WATER CON-**
15 **SERVATION AND HISTORIC**
16 **PRESERVATION FUNDS**

17 **Subtitle A—Land and Water**
18 **Conservation Fund**

19 **SEC. 401. AMENDMENTS TO THE LAND AND WATER CON-**
20 **SERVATION FUND ACT OF 1965.**

21 *Except as otherwise expressly provided, whenever in*
22 *this subtitle an amendment or repeal is expressed in terms*
23 *of an amendment to, or repeal of, a section or other provi-*
24 *sion, the reference shall be considered to be made to a section*

1 *or other provision of the Land and Water Conservation*
2 *Fund Act of 1965 (16 U.S.C. 460l–4 et seq.).*

3 **SEC. 402. EXTENSION OF THE LAND AND WATER CONSERVA-**
4 **TION FUND.**

5 *Section 2 (16 U.S.C. 460l–5) is amended by striking*
6 *“September 30, 2015” both places it appears and inserting*
7 *“September 30, 2040”.*

8 **SEC. 403. PERMANENT FUNDING.**

9 *(a) IN GENERAL.—The text of section 3 (16 U.S.C.*
10 *460l–6) is amended to read as follows: “Of the moneys cov-*
11 *ered into the fund, \$900,000,000 shall be available each fis-*
12 *cal year for expenditure for the purposes of this Act without*
13 *further appropriation. Moneys made available for obliga-*
14 *tion or expenditure from the fund or from the special ac-*
15 *count established under section 4(i)(1) may be obligated or*
16 *expended only as provided in this Act.”.*

17 *(b) CONFORMING AMENDMENT.—Section 2(c)(2) (16*
18 *U.S.C. 460l–5(c)(2)) is amended by striking “: Provided”*
19 *and all that follows through the end of the sentence and*
20 *inserting a period.*

21 ***Subtitle B—National Historic***
22 ***Preservation Fund***

23 **SEC. 411. PERMANENT FUNDING.**

24 *The text of section 108 of the National Historic Preser-*
25 *vation Act (16 U.S.C. 470h) is amended to read as follows:*

1 “To carry out the provisions of this Act, there is hereby
2 established the Historic Preservation Fund (hereinafter re-
3 ferred to as the ‘fund’) in the Treasury of the United States.
4 There shall be covered into the fund \$150,000,000 for fiscal
5 years 1982 through 2040 from revenues due and payable
6 to the United States under the Outer Continental Shelf
7 Lands Act (67 Stat. 462, 469), as amended (43 U.S.C.
8 1338) and/or under the Act of June 4, 1920 (41 Stat. 813),
9 as amended (30 U.S.C. 191), notwithstanding any provi-
10 sion of law that such proceeds shall be credited to miscella-
11 neous receipts of the Treasury. Such moneys shall be used
12 only to carry out the purposes of this Act and shall be avail-
13 able for expenditure without further appropriation.”.

14 **TITLE V—ALTERNATIVE ENERGY**
15 **DEVELOPMENT**

16 **SEC. 501. COMMERCIAL WIND AND SOLAR LEASING PRO-**
17 **GRAM.**

18 (a) *IN GENERAL.*—Pursuant to the Federal Land Pol-
19 icy and Management Act of 1976 (43 U.S.C. 1701 et seq.)
20 and the National Forest Management Act of 1976 (16
21 U.S.C. 1600 et seq.), the Secretary, acting through the Di-
22 rector of the Bureau of Energy and Resource Management,
23 may issue leases, on a competitive basis, for commercial
24 electricity generation from solar or wind resources on Fed-
25 eral lands under the administrative jurisdiction of the Bu-

1 *reau of Land Management or of the Forest Service, except*
2 *that the Secretary may not issue any such lease on National*
3 *Forest System lands over the objection of the Secretary of*
4 *Agriculture.*

5 (b) *FINAL REGULATIONS.—Not later than 18 months*
6 *after the date of enactment of this Act, the Secretary of the*
7 *Interior shall publish final regulations establishing a com-*
8 *mercial wind and solar leasing program under subsection*
9 *(a).*

10 (c) *COMMENCEMENT OF COMMERCIAL LEASING FOR*
11 *SOLAR AND WIND ENERGY ON PUBLIC LANDS.—Not later*
12 *than 90 days after completion of regulations required under*
13 *subsection (b), or as soon as practicable thereafter, and fol-*
14 *lowing consultation with affected governors and other stake-*
15 *holders, the Secretary may conduct lease sales under the reg-*
16 *ulations under this title.*

17 (d) *EASEMENTS, SPECIAL-USE PERMITS, AND RIGHTS-*
18 *OF-WAY.—Upon completion of regulations required under*
19 *subsection (b), easements, special-use permits, and rights-*
20 *of-way shall not be available for commercial wind and solar*
21 *projects on Federal lands under the administrative jurisdic-*
22 *tion of the Bureau of Land Management or Forest Service,*
23 *except for the placement and operation of testing or data*
24 *collection devices or facilities that will not result in the com-*
25 *mercial sale of electric power.*

1 (e) *NONCOMPETITIVE LEASING.*—

2 (1) *IN GENERAL.*—*The Secretary may issue*
3 *leases under this section on a noncompetitive basis*
4 *if—*

5 (A) *the lease is for resource data collection*
6 *or equipment testing;*

7 (B) *the lease will not result in the commer-*
8 *cial sale of electric power;*

9 (C) *the lease has a term of not more than*
10 *5 years; and*

11 (D) *the Secretary, after public notice of a*
12 *proposed lease, determines that there is no com-*
13 *petitive interest.*

14 (2) *PREFERENCE.*—*In any competitive lease sale*
15 *for lands subject to a lease awarded under this sub-*
16 *section, the Secretary may give a preference to the*
17 *holder of the lease under this subsection.*

18 (f) *TRANSITION TO COMMERCIAL LEASING.*—*The Sec-*
19 *retary of the Interior, for lands under the jurisdiction of*
20 *the Bureau of Land Management, and the Secretary of Ag-*
21 *riculture, for lands under the jurisdiction of the Forest*
22 *Service, may issue an easement, special-use permit, or*
23 *right-of-way for a commercial wind or solar project for*
24 *which—*

1 (1) *an application for a solar or wind right-of-*
2 *way permit, or for a permit for a meteorological*
3 *tower or to construct a wind farm, was submitted be-*
4 *fore July 1, 2010; or*

5 (2) *a meteorological testing tower or other data*
6 *collection device has been installed under an approved*
7 *easement, special-use permit, or right-of-way before*
8 *the date of enactment of this Act.*

9 (g) *DILIGENT DEVELOPMENT REQUIREMENTS.—The*
10 *Secretary shall, by regulation, designate work requirements*
11 *and milestones to ensure that diligent development is car-*
12 *ried out under each lease issued under this title, and that*
13 *such leases are not obtained for speculative purposes.*

14 (h) *CRITERIA FOR BIDDERS.—Before issuing leases*
15 *under this title, the Secretary shall establish criteria for*
16 *bidders for such leases, including for proof of financial abil-*
17 *ity to achieve project commitments and completion, and for*
18 *a demonstrated understanding of the technology to be de-*
19 *ployed under a lease.*

20 **SEC. 502. LAND MANAGEMENT.**

21 *The Secretary, in consultation with the Director of the*
22 *Bureau of Land Management and the Chief of the Forest*
23 *Service, shall issue regulations that—*

24 (1) *establish the duration of leases under this*
25 *title, which shall be not less than 30 years;*

1 (2) *require the holder of a lease granted under*
2 *this title to—*

3 (A) *furnish a surety bond or other form of*
4 *security, as prescribed by the Director of the Bu-*
5 *reau of Energy and Resource Management, to as-*
6 *sure the completion of—*

7 (i) *interim and final reclamation and*
8 *the restoration of the area that is subject to*
9 *the lease to the condition in which the area*
10 *existed before the granting of the lease; or*

11 (ii) *mitigation activities, including*
12 *compensatory mitigation, if restoration to*
13 *such condition is impractical; and*

14 (B) *comply with such other requirements as*
15 *the Director of the Bureau of Energy and Re-*
16 *source Management and affected Federal land*
17 *manager consider necessary to protect the inter-*
18 *ests of the public and the United States; and*

19 (3) *establish best management practices and re-*
20 *quire renewable energy operators to comply with those*
21 *practices to ensure the sound, efficient, and environ-*
22 *mentally responsible development of wind and solar*
23 *resources on Federal lands in a manner that shall*
24 *avoid, minimize, and mitigate actual and anticipated*
25 *impacts to habitat and ecosystem function resulting*

1 *from such development and to areas proposed for wil-*
2 *derness or other protection.*

3 **SEC. 503. REVENUES.**

4 *(a) ESTABLISHMENT OF PAYMENT REQUIREMENTS.—*

5 *The Secretary shall establish royalties, fees, rentals, bonus*
6 *bids, or other payments for leases issued under this title,*
7 *that shall—*

8 *(1) encourage development of solar and wind en-*
9 *ergy on public lands;*

10 *(2) ensure a fair return to the United States;*
11 *and*

12 *(3) be commensurate with similar payments for*
13 *the development of solar and wind energy on State*
14 *and private lands.*

15 *(b) DEPOSIT.—All revenues for payments established*
16 *under this section shall be deposited in the general fund*
17 *of the Treasury.*

18 *(c) PROMOTE DEVELOPMENT OF PREVIOUSLY IM-*
19 *PACTED LANDS.—To promote the priority development of*
20 *renewable energy resources on lands that have already been*
21 *adversely impacted by significant prior use, the Secretary*
22 *may waive the rental payment until generation commences*
23 *under a lease under section 501 of such land determined*
24 *by the Secretary in consultation with the Secretaries of Ag-*

1 *riculture and Energy, and the Administrator of the Envi-*
2 *ronmental Protection Agency.*

3 **SEC. 504. RECORDKEEPING AND REPORTING REQUIRE-**
4 **MENTS.**

5 *(a) IN GENERAL.—A lessee, permit holder, operator,*
6 *or other person directly involved in developing, producing,*
7 *processing, transporting, purchasing, or selling renewable*
8 *energy under this title, through the point of royalty com-*
9 *putation, shall establish and maintain any records, make*
10 *any reports, and provide any information that the Sec-*
11 *retary may reasonably require for the purposes of imple-*
12 *menting this section or determining compliance with rules*
13 *or orders under this section. Such records shall include, but*
14 *not be limited to, periodic reports, records, documents, and*
15 *other data. Such reports may include, but not be limited*
16 *to, pertinent technical and financial data relating to the*
17 *resources being developed under the lease. Upon the request*
18 *of any officer or employee duly designated by the Secretary*
19 *conducting an audit or investigation pursuant to this sec-*
20 *tion, the appropriate records, reports, or information that*
21 *may be required by this section shall be made available for*
22 *inspection and duplication by such officer or employee.*
23 *Failure by a claim holder, operator, or other person referred*
24 *to in the first sentence to cooperate with such an audit,*
25 *provide data required by the Secretary, or grant access to*

1 *information may, at the discretion of the Secretary, result*
2 *in involuntary forfeiture of the lease or permit.*

3 (b) *MAINTENANCE.*—*Records required by the Secretary*
4 *under this section shall be maintained for 7 years after re-*
5 *lease of financial assurance unless the Secretary notifies the*
6 *operator that the Secretary has initiated an audit or inves-*
7 *tigation involving such records and that such records must*
8 *be maintained for a longer period. In any case when an*
9 *audit or investigation is underway, records shall be main-*
10 *tained until the Secretary releases the operator of the obli-*
11 *gation to maintain such records.*

12 **SEC. 505. AUDITS.**

13 *The Secretary may conduct such audits of all lessees*
14 *and permit holders, operators, transporters, purchasers,*
15 *processors, or other persons directly or indirectly involved*
16 *in the production or sales of renewable energy resources cov-*
17 *ered by this Act, as the Secretary deems necessary for the*
18 *purposes of ensuring compliance with the requirements of*
19 *this title. For purposes of performing such audits, the Sec-*
20 *retary shall, at reasonable times and upon request, have ac-*
21 *cess to, and may copy, all books, papers and other docu-*
22 *ments that relate to compliance with any provision of this*
23 *section by any person.*

1 **SEC. 506. TRADE SECRETS.**

2 *Trade secrets, proprietary information, and other con-*
3 *fidential information protected from disclosure under sec-*
4 *tion 552 of title 5, United States Code (popularly known*
5 *as the Freedom of Information Act), shall be made available*
6 *by the Secretary to other Federal agencies as necessary to*
7 *assure compliance with this Act and other Federal laws.*

8 **SEC. 507. INTEREST AND SUBSTANTIAL UNDERREPORTING**
9 **ASSESSMENTS.**

10 (a) *INTEREST.*—*In the case of renewable energy re-*
11 *sources leases or permits under which royalty payments are*
12 *not received by the Secretary on the date that such pay-*
13 *ments are due, the Secretary shall charge interest on such*
14 *under payments at the same interest rate as the rate appli-*
15 *cable under section 6621(a)(2) of the Internal Revenue Code*
16 *of 1986. In the case of an underpayment, interest shall be*
17 *computed and charged only on the amount of the deficiency*
18 *and not on the total amount.*

19 (b) *PENALTY.*—*If there is any underreporting of roy-*
20 *alty owed on production from a lease or permit for any*
21 *production month by any person liable for royalty pay-*
22 *ments under this title, the Secretary shall assess a penalty*
23 *of not greater than 25 percent of the amount of that under-*
24 *reporting.*

25 (c) *UNDERREPORTING DEFINED.*—*For the purposes of*
26 *this section, the term “underreporting” means the difference*

1 *between the royalty on the value of the production that*
2 *should have been reported and the royalty on the value of*
3 *the production that was reported, if the value that should*
4 *have been reported is greater than the value that was re-*
5 *ported.*

6 (d) *WAIVER OR REDUCTION.—*

7 (1) *IN GENERAL.—The Secretary may waive or*
8 *reduce the assessment provided in subsection (b) if the*
9 *person liable for royalty payments under this section*
10 *corrects the underreporting before the date such person*
11 *receives notice from the Secretary that an under-*
12 *reporting may have occurred, or before 90 days after*
13 *the date of the enactment of this section, whichever is*
14 *later.*

15 (2) *REQUIRED WAIVER.—The Secretary shall*
16 *waive any portion of an assessment under subsection*
17 *(b) attributable to that portion of the underreporting*
18 *for which the person responsible for paying the roy-*
19 *alty demonstrates that—*

20 (A) *such person had written authorization*
21 *from the Secretary to report royalty on the value*
22 *of the production on basis on which it was re-*
23 *ported;*

1 (B) such person had substantial authority
2 for reporting royalty on the value of the produc-
3 tion on the basis on which it was reported;

4 (C) such person previously had notified the
5 Secretary, in such manner as the Secretary may
6 by rule prescribe, of relevant reasons or facts af-
7 fecting the royalty treatment of specific produc-
8 tion that led to the underreporting; or

9 (D) such person meets any other exception
10 that the Secretary may, by rule, establish.

11 (e) *EXPANDED ROYALTY OBLIGATIONS.*—Each person
12 liable for royalty payments under this section shall be joint-
13 ly and severally liable for royalty on renewable energy re-
14 sources produced under a lease issued under this Act when
15 such loss or waste is due to negligence on the part of any
16 person or due to the failure to comply with any rule, regula-
17 tion, or order issued under this section.

18 (f) *FAILURE TO COMPLY WITH ROYALTY REQUIRE-*
19 *MENTS.*—Any person who fails to comply with the require-
20 ments of this section or any regulation or order issued to
21 implement this section shall be liable for a civil penalty
22 under section 109 of the Federal Oil and Gas Royalty Man-
23 agement Act of 1982 (30 U.S.C. 1719) to the same extent
24 as if the failure to comply occurred under that Act.

1 (g) *DEPOSIT OF PENALTIES.*—All penalties collected
 2 under this subsection shall be deposited in the general fund
 3 of the Treasury.

4 **SEC. 508. INDIAN SAVINGS PROVISION.**

5 Nothing in this title shall abridge, diminish, or alter
 6 any right or interest of any affected Indian tribe. Nothing
 7 in this title shall authorize any Federal agency or official
 8 to abridge, diminish, or alter any right or interest of any
 9 affected Indian tribe.

10 **SEC. 509. TRANSMISSION SAVINGS PROVISION.**

11 Nothing in this title shall affect the authority of a Fed-
 12 eral agency to issue right-of-way grants for electric trans-
 13 mission facilities.

14 **TITLE VI—COORDINATION AND**
 15 **PLANNING**

16 **SEC. 601. REGIONAL COORDINATION.**

17 (a) *IN GENERAL.*—The purpose of this title is to pro-
 18 mote—

19 (1) better coordination, communication, and col-
 20 laboration between Federal agencies with authorities
 21 for ocean, coastal, and Great Lakes management; and

22 (2) coordinated and collaborative regional plan-
 23 ning efforts using the best available science, and to
 24 ensure the protection and maintenance of marine eco-
 25 system health, in decisions affecting the sustainable

1 *development and use of Federal renewable and non-*
2 *renewable resources on, in, or above the ocean (includ-*
3 *ing the Outer Continental Shelf) and the Great Lakes*
4 *for the long-term economic and environmental benefit*
5 *of the United States.*

6 *(b) OBJECTIVES OF REGIONAL EFFORTS.—Such re-*
7 *gional efforts shall achieve the following objectives:*

8 *(1) Greater systematic communication and co-*
9 *ordination among Federal, coastal State, and affected*
10 *tribal governments concerned with the conservation of*
11 *and the sustainable development and use of Federal*
12 *renewable and nonrenewable resources of the oceans,*
13 *coasts, and Great Lakes.*

14 *(2) To the maximum extent feasible, greater reli-*
15 *ance on a multiobjective, science- and ecosystem-*
16 *based, spatially explicit management approach that*
17 *integrates regional economic, ecological, affected trib-*
18 *al, and social objectives into ocean, coastal, and Great*
19 *Lakes management decisions.*

20 *(3) Identification and prioritization of shared*
21 *State and Federal ocean, coastal, and Great Lakes*
22 *management issues.*

23 *(4) Identification of data and information need-*
24 *ed by the Regional Coordination Councils established*
25 *under section 602.*

1 (c) *REGIONS.*—*There are hereby designated the fol-*
2 *lowing Coordination Regions:*

3 (1) *PACIFIC REGION.*—*The Pacific Coordination*
4 *Region, which shall consist of the coastal waters and*
5 *Exclusive Economic Zone adjacent to the States of*
6 *Washington, Oregon, and California.*

7 (2) *GULF OF MEXICO REGION.*—*The Gulf of Mex-*
8 *ico Coordination Region, which shall consist of the*
9 *coastal waters and Exclusive Economic Zone adjacent*
10 *to the States of Texas, Louisiana, Mississippi, and*
11 *Alabama, and the west coast of Florida.*

12 (3) *NORTH ATLANTIC REGION.*—*The North At-*
13 *lantic Coordination Region, which shall consist of the*
14 *coastal waters and Exclusive Economic Zone adjacent*
15 *to the States of Maine, New Hampshire, Massachu-*
16 *setts, Rhode Island, and Connecticut*

17 (4) *MID ATLANTIC REGION.*—*The Mid Atlantic*
18 *Coordination Region, which shall consist of the coast-*
19 *al waters and Exclusive Economic Zone adjacent to*
20 *the States of New York, New Jersey, Pennsylvania,*
21 *Delaware, Maryland, and Virginia.*

22 (5) *SOUTH ATLANTIC REGION.*—*The South At-*
23 *lantic Coordination Region, which shall consist of the*
24 *coastal waters and Exclusive Economic Zone adjacent*
25 *to the States of North Carolina, South Carolina,*

1 *Georgia, the east coast of Florida, and the Straits of*
2 *Florida Planning Area.*

3 (6) *ALASKA REGION.—The Alaska Coordination*
4 *Region, which shall consist of the coastal waters and*
5 *Exclusive Economic Zone adjacent to the State of*
6 *Alaska.*

7 (7) *PACIFIC ISLANDS REGION.—The Pacific Is-*
8 *lands Coordination Region, which shall consist of the*
9 *coastal waters and Exclusive Economic Zone adjacent*
10 *to the State of Hawaii, the Commonwealth of the*
11 *Northern Mariana Islands, American Samoa, and*
12 *Guam.*

13 (8) *CARIBBEAN REGION.—The Caribbean Coordi-*
14 *nation Region, which shall consist of the coastal wa-*
15 *ters and Exclusive Economic Zone adjacent to Puerto*
16 *Rico and the United States Virgin Islands.*

17 (9) *GREAT LAKES REGION.—The Great Lakes*
18 *Coordination Region, which shall consist of waters of*
19 *the Great Lakes in the States of Illinois, Indiana,*
20 *Michigan, Minnesota, New York, Ohio, Pennsylvania,*
21 *and Wisconsin.*

22 **SEC. 602. REGIONAL COORDINATION COUNCILS.**

23 (a) *IN GENERAL.—Within 180 days after the date of*
24 *enactment of this Act, the Chairman of the Council on En-*
25 *vironmental Quality, in consultation with the affected*

1 *coastal States and affected Indian tribes, shall establish or*
2 *designate a Regional Coordination Council for each of the*
3 *Coordination Regions designated by section 601(c).*

4 *(b) MEMBERSHIP.—*

5 *(1) FEDERAL REPRESENTATIVES.—Within 90*
6 *days after the date of enactment of this Act, the*
7 *Chairman of the Council on Environmental Quality*
8 *shall publish the titles of the officials of each Federal*
9 *agency and department that shall participate in each*
10 *Council. The Councils shall include representatives of*
11 *each Federal agency and department that has au-*
12 *thorities related to the development of ocean, coastal,*
13 *or Great Lakes policies or engages in planning, man-*
14 *agement, or scientific activities that significantly af-*
15 *fect or inform the use of ocean, coastal, or Great*
16 *Lakes resources. The Chairman of the Council on En-*
17 *vironmental Quality shall determine which Federal*
18 *agency representative shall serve as the chairperson of*
19 *each Council.*

20 *(2) COASTAL STATE REPRESENTATIVES.—*

21 *(A) NOTICE OF INTENT TO PARTICIPATE.—*

22 *The Governor of each coastal State within each*
23 *Coordination Region designated by section*
24 *601(c) shall within 3 months after the date of en-*
25 *actment of this Act, inform the Chairman of the*

1 *Council on Environmental Quality whether or*
2 *not the State intends to participate in the Re-*
3 *gional Coordination Council for the Region.*

4 *(B) APPOINTMENT OF RESPONSIBLE STATE*
5 *OFFICIAL.—If a coastal State intends to partici-*
6 *pate in such Council, the Governor of the coastal*
7 *State shall appoint an officer or employee of the*
8 *coastal State agency with primary responsibility*
9 *for overseeing ocean and coastal policy or re-*
10 *source management to that Council.*

11 *(3) REGIONAL FISHERY MANAGEMENT COUNCIL*
12 *REPRESENTATION.—The Chairman of each Regional*
13 *Fishery Management Council with jurisdiction in the*
14 *Coordination Region of a Regional Coordination*
15 *Council and the executive director of the interstate*
16 *marine fisheries commission with jurisdiction in the*
17 *Coordination Region of a Regional Coordination*
18 *Council shall each serve as a member of the Council.*

19 *(4) REGIONAL OCEAN PARTNERSHIP REPRESEN-*
20 *TATION.—A representative of any Regional Ocean*
21 *Partnership that has been established for any part of*
22 *the Coordination Region of a Regional Coordination*
23 *Council may appoint a representative to serve on the*
24 *Council in addition to any Federal or State appoint-*
25 *ments.*

1 (5) *TRIBAL REPRESENTATION.*—*An appropriate*
2 *tribal official selected by affected Indian tribes situ-*
3 *ated in the affected Coordination Region may elect to*
4 *appoint a representative of such tribes collectively to*
5 *serve as a member of the Regional Coordination*
6 *Council for that Region.*

7 (6) *LOCAL REPRESENTATION.*—*The Chairman of*
8 *the Council on Environmental Quality shall, in con-*
9 *sultation with the Governors of the coastal States*
10 *within each Coordination Region, identify and ap-*
11 *point representatives of county and local governments,*
12 *as appropriate, to serve as members of the Regional*
13 *Coordination Council for that Region.*

14 (c) *ADVISORY COMMITTEE.*—*Each Regional Coordina-*
15 *tion Council shall establish an advisory committee made*
16 *up of a balanced representation from the energy, shipping,*
17 *and transportation, marine tourism, and recreation indus-*
18 *tries, from marine environmental nongovernmental organi-*
19 *zations, and from scientific and educational authorities*
20 *with expertise in the conservation and management of*
21 *ocean, coastal, and Great Lakes resources to advise the*
22 *Council during the development of Regional Assessments*
23 *and Regional Strategic Plans and in its other activities.*

24 (d) *COORDINATION WITH EXISTING PROGRAMS.*—
25 *Each Regional Coordination Council shall build upon and*

1 *complement current State, multistate, and regional capac-*
2 *ity and governance and institutional mechanisms to man-*
3 *age and protect ocean waters, coastal waters, and ocean re-*
4 *sources.*

5 **SEC. 603. REGIONAL STRATEGIC PLANS.**

6 (a) *INITIAL REGIONAL ASSESSMENT.*—

7 (1) *IN GENERAL.*—*Each Regional Coordination*
8 *Council, shall, within one year after the date of enact-*
9 *ment of this Act, prepare an initial assessment of its*
10 *Coordination Region that shall identify deficiencies*
11 *in data and information necessary to informed deci-*
12 *sionmaking. Each initial assessment shall to the ex-*
13 *tent feasible—*

14 (A) *identify the Coordination Region’s re-*
15 *newable and non renewable resources, including*
16 *current and potential energy resources;*

17 (B) *identify and include a spatially and*
18 *temporally explicit inventory of existing and po-*
19 *tential uses of the Coordination Region, includ-*
20 *ing fishing and fish habitat, tourism, recreation,*
21 *and energy development;*

22 (C) *document the health and relative envi-*
23 *ronmental sensitivity of the marine ecosystem*
24 *within the Coordination Region, including a*
25 *comprehensive survey and status assessment of*

1 species, habitats, and indicators of ecosystem
2 health;

3 (D) identify marine habitat types and im-
4 portant ecological areas within the Coordination
5 Region;

6 (E) assess the Coordination Region's ma-
7 rine economy and cultural attributes and include
8 regionally-specific ecological and socio-economic
9 baseline data;

10 (F) identify and prioritize additional sci-
11 entific and economic data necessary to inform
12 the development of Strategic Plans; and

13 (G) include other information to improve
14 decision making as determined by the Regional
15 Coordination Council.

16 (2) DATA.—Each initial assessment shall—

17 (A) use the best available data;

18 (B) collect and provide data in a spatially
19 explicit manner wherever practicable and pro-
20 vide such data to the interagency comprehensive
21 digital mapping initiative as described in sec-
22 tion 2 of Public Law 109–58 (42 U.S.C. 15801);
23 and

24 (C) make publicly available any such data
25 that is not classified information.

1 (3) *PUBLIC PARTICIPATION.*—*Each Regional Co-*
2 *ordination Council shall provide adequate oppor-*
3 *tunity for review and input by stakeholders and the*
4 *general public during the preparation of the initial*
5 *assessment and any revised assessments.*

6 (b) *REGIONAL STRATEGIC PLANS.*—

7 (1) *REQUIREMENT.*—*Each Regional Coordina-*
8 *tion Council shall, within 3 years after the comple-*
9 *tion of the initial regional assessment, prepare and*
10 *submit to the Chairman of the Council on Environ-*
11 *mental Quality a multiobjective, science- and eco-*
12 *system-based, spatially explicit, integrated Strategic*
13 *Plan in accordance with this subsection for the Coun-*
14 *cil’s Coordination Region.*

15 (2) *MANAGEMENT OBJECTIVE.*—*The management*
16 *objective of the Strategic Plans under this subsection*
17 *shall be to foster comprehensive, integrated, and sus-*
18 *tainable development and use of ocean, coastal, and*
19 *Great Lakes resources, while protecting marine eco-*
20 *system health and sustaining the long-term economic*
21 *and ecosystem values of the oceans.*

22 (3) *CONTENTS.*—*Each Strategic Plan prepared*
23 *by a Regional Coordination Council shall—*

1 (A) be based on the initial regional assess-
2 ment and updates for the Coordination Region
3 under subsections (a) and (c), respectively;

4 (B) foster the sustainable and integrated de-
5 velopment and use of ocean, coastal, and Great
6 Lakes resources in a manner that protects the
7 health of marine ecosystems;

8 (C) identify areas with potential for siting
9 and developing renewable and nonrenewable en-
10 ergy resources in the Coordination Region cov-
11 ered by the Strategic Plan;

12 (D) identify other current and potential
13 uses of the ocean and coastal resources in the Co-
14 ordination Region;

15 (E) identify and recommend long-term
16 monitoring needs for ecosystem health and socio-
17 economic variables within the Coordination Re-
18 gion covered by the Strategic Plan;

19 (F) identify existing State and Federal reg-
20 ulating authorities within the Coordination Re-
21 gion covered by the Strategic Plan;

22 (G) identify best available technologies to
23 minimize adverse environmental impacts and
24 use conflicts in the development of ocean and
25 coastal resources in the Coordination Region;

1 (H) identify additional research, informa-
2 tion, and data needed to carry out the Strategic
3 Plan;

4 (I) identify performance measures and
5 benchmarks for purposes of fulfilling the respon-
6 sibilities under this section to be used to evaluate
7 the Strategic Plan's effectiveness;

8 (J) define responsibilities and include an
9 analysis of the gaps in authority, coordination,
10 and resources, including funding, that must be
11 filled in order to fully achieve those performance
12 measures and benchmarks; and

13 (K) include such other information at the
14 Chairman of the Council on Environmental
15 Quality determines is appropriate.

16 (4) PUBLIC PARTICIPATION.—Each Regional Co-
17 ordination Council shall provide adequate opportuni-
18 ties for review and input by stakeholders and the gen-
19 eral public during the development of the Strategic
20 Plan and any Strategic Plan revisions.

21 (c) UPDATED REGIONAL ASSESSMENTS.—Each Re-
22 gional Coordination Council shall update the initial re-
23 gional assessment prepared under subsection (a) in coordi-
24 nation with each Strategic Plan revision under subsection
25 (e), to provide more detailed information regarding the re-

1 *quired elements of the assessment and to include any rel-*
2 *evant new information that has become available in the in-*
3 *terim.*

4 *(d) REVIEW AND APPROVAL.—*

5 *(1) COMMENCEMENT OF REVIEW.—Within 10*
6 *days after receipt of a Strategic Plan under this sec-*
7 *tion, or any revision to such a Strategic Plan, from*
8 *a Regional Coordination Council, the Chairman of*
9 *the Council of Environmental Quality shall commence*
10 *a review of the Strategic Plan or the revised Strategic*
11 *Plan, respectively.*

12 *(2) PUBLIC NOTICE AND COMMENT.—Imme-*
13 *diately after receipt of such a Strategic Plan or revi-*
14 *sion, the Chairman of the Council of Environmental*
15 *Quality shall publish the Strategic Plan or revision*
16 *in the Federal Register and provide an opportunity*
17 *for the submission of public comment for a 90-day pe-*
18 *riod beginning on the date of such publication.*

19 *(3) REQUIREMENTS FOR APPROVAL.—Before ap-*
20 *proving a Strategic Plan, or any revision to a Stra-*
21 *tegic Plan, the Chairman of the Council on Environ-*
22 *mental Quality must find that the Strategic Plan or*
23 *revision—*

24 *(A) is consistent with the Outer Continental*
25 *Shelf Lands Act;*

1 (B) complies with subsection (b); and

2 (C) complies with the purposes of this title
3 as identified in section 601(a) and the objectives
4 identified in section 601(b).

5 (4) *DEADLINE FOR COMPLETION.*—Within 180
6 days after the receipt of a Strategic Plan, or a revi-
7 sion to a Strategic Plan, the Chairman of the Council
8 of Environmental Quality shall approve or dis-
9 approve the Strategic Plan or revision. If the Chair-
10 man disapproves the Strategic Plan or revision, the
11 Chairman shall transmit to the Regional Coordina-
12 tion Council that submitted the Strategic Plan or re-
13 vision, an identification of the deficiencies and rec-
14 ommendations to improve it. The Council shall sub-
15 mit a revised Strategic Plan or revision to such plan
16 with 180 days after receiving the recommendations
17 from the Chairman.

18 (e) *PLAN REVISION.*—Each Strategic Plan shall be re-
19 viewed and revised by the relevant Regional Coordination
20 Council at least once every 5 years. Such review and revi-
21 sion shall be based on the most recently updated regional
22 assessment. Any proposed revisions to the Strategic Plan
23 shall be submitted to the Chairman of the Council on Envi-
24 ronmental Quality for review and approval pursuant to
25 this section.

1 **SEC. 604. REGULATIONS.**

2 *The Chairman of the Council on Environmental Qual-*
3 *ity may issue such regulations as the Chairman considers*
4 *necessary to ensure proper administration of this title.*

5 **SEC. 605. OCEAN RESOURCES CONSERVATION AND ASSIST-**
6 **ANCE FUND.**

7 *(a) ESTABLISHMENT.—*

8 *(1) IN GENERAL.—There is established in the*
9 *Treasury of the United States a separate account to*
10 *be known as the Ocean Resources Conservation and*
11 *Assistance Fund.*

12 *(2) CREDITS.—The ORCA Fund shall be credited*
13 *with amounts as specified in section 9 of the Outer*
14 *Continental Shelf Lands Act (43 U.S.C. 1338), as*
15 *amended by section 207 of this Act.*

16 *(3) ALLOCATION OF THE ORCA FUND.—*

17 *(A) IN GENERAL.—Of the amounts depos-*
18 *ited in the ORCA Fund each fiscal year—*

19 *(i) 70 percent shall be allocated to the*
20 *Secretary, of which—*

21 *(I) 1/2 shall be used to make*
22 *grants to coastal States and affected*
23 *Indian tribes under subsection (b); and*

24 *(II) 1/2 shall be used for the*
25 *ocean, coastal, and Great Lakes grants*
26 *program established by subsection (c);*

1 (ii) 20 percent shall be allocated to the
2 Secretary to carry out the purposes of sub-
3 section (e); and

4 (iii) 10 percent shall be allocated to the
5 Secretary to make grants to Regional Ocean
6 Partnerships under subsection (d).

7 (B) AVAILABILITY.—Amounts allocated to
8 the Secretary under subparagraph (A) shall be
9 available without further appropriation.

10 (4) PROCEDURES.—The Secretary shall establish
11 application, review, oversight, financial account-
12 ability, and performance accountability procedures
13 for each grant program for which funds are allocated
14 under this subsection.

15 (b) GRANTS TO COASTAL STATES.—

16 (1) GRANT AUTHORITY.—The Secretary may use
17 amounts allocated under subsection (a)(3)(A)(I)(I) to
18 make grants to—

19 (A) coastal States pursuant to the formula
20 established under section 306(c) of the Coastal
21 Zone Management Act of 1972 (16 U.S.C.
22 1455(c)); and

23 (B) affected Indian tribes based on and pro-
24 portional to any specific coastal and ocean man-
25 agement authority granted to an affected tribe

1 *pursuant to affirmation of a Federal reserved*
2 *right.*

3 (2) *ELIGIBILITY.—To be eligible to receive a*
4 *grant under this subsection, a coastal State or affected*
5 *Indian tribe must prepare and revise a 5-year plan*
6 *and annual work plans that—*

7 (A) *demonstrate that activities for which*
8 *the coastal State or affected Indian tribe will use*
9 *the funds are consistent with the eligible uses of*
10 *the Fund described in subsection (f); and*

11 (B) *provide mechanisms to ensure that*
12 *funding is made available to government, non-*
13 *government, and academic entities to carry out*
14 *eligible activities at the county and local level.*

15 (3) *APPROVAL OF STATE AND AFFECTED TRIBAL*
16 *PLANS.—*

17 (A) *IN GENERAL.—Plans required under*
18 *paragraph (2) must be submitted to and ap-*
19 *proved by the Secretary.*

20 (B) *PUBLIC INPUT AND COMMENT.—In de-*
21 *termining whether to approve such plans, the*
22 *Secretary shall provide opportunity for, and take*
23 *into consideration, public input and comment on*
24 *the plans from stakeholders and the general pub-*
25 *lic.*

1 (5) *ENERGY PLANNING GRANTS.*—*For each of the*
2 *fiscal years 2011 through 2015, the Secretary may use*
3 *funds allocated for grants under this subsection to*
4 *make grants to coastal States and affected tribes*
5 *under section 320 of the Coastal Zone Management*
6 *Act of 1972 (16 U.S.C. 1451 et seq.), as amended by*
7 *this Act.*

8 (6) *USE OF FUNDS.*—*Any amounts provided as*
9 *a grant under this subsection, other than as a grants*
10 *under paragraph (5), may only be used for activities*
11 *described in subsection (f).*

12 (c) *OCEAN AND COASTAL COMPETITIVE GRANTS PRO-*
13 *GRAM.*—

14 (1) *ESTABLISHMENT.*—*The Secretary shall use*
15 *amounts allocated under subsection (a)(3)(A)(I)(II) to*
16 *make competitive grants for conservation and man-*
17 *agement of ocean, coastal, and Great Lakes ecosystems*
18 *and marine resources.*

19 (2) *OCEAN, COASTAL, AND GREAT LAKES REVIEW*
20 *PANEL.*—

21 (A) *IN GENERAL.*—*The Secretary shall es-*
22 *tablish an Ocean, Coastal, and Great Lakes Re-*
23 *view Panel (in this subsection referred to as the*
24 *“Panel”), which shall consist of 12 members ap-*
25 *pointed by the Secretary with expertise in the*

1 *conservation and management of ocean, coastal,*
2 *and Great Lakes ecosystems and marine re-*
3 *sources. In appointing members to the Council,*
4 *the Secretary shall include a balanced diversity*
5 *of representatives of relevant Federal agencies,*
6 *the private sector, nonprofit organizations, and*
7 *academia.*

8 *(B) FUNCTIONS.—The Panel shall—*

9 *(i) review, in accordance with the pro-*
10 *cedures and criteria established under para-*
11 *graph (3), grant applications under this*
12 *subsection;*

13 *(ii) make recommendations to the Sec-*
14 *retary regarding which grant applications*
15 *should be funded and the amount of each*
16 *grant; and*

17 *(iii) establish any specific require-*
18 *ments, conditions, or limitations on a grant*
19 *application recommended for funding.*

20 *(3) PROCEDURES AND ELIGIBILITY CRITERIA*

21 *FOR GRANTS.—*

22 *(A) IN GENERAL.—The Secretary shall es-*
23 *tablish—*

1 (i) procedures for applying for a grant
2 under this subsection and criteria for evalu-
3 ating applications for such grants; and

4 (ii) criteria, in consultation with the
5 Panel, to determine what persons are eligi-
6 ble for grants under the program.

7 (B) *ELIGIBLE PERSONS.*—Persons eligible
8 under the criteria under subparagraph (A)(ii)
9 shall include Federal, State, affected tribal, and
10 local agencies, fishery or wildlife management
11 organizations, nonprofit organizations, and aca-
12 demic institutions.

13 (4) *APPROVAL OF GRANTS.*—In making grants
14 under this subsection the Secretary shall give the
15 highest priority to the recommendations of the Panel.
16 If the Secretary disapproves a grant recommended by
17 the Panel, the Secretary shall explain that dis-
18 approval in writing.

19 (5) *USE OF GRANT FUNDS.*—Any amounts pro-
20 vided as a grant under this subsection may only be
21 used for activities described in subsection (f).

22 (d) *GRANTS TO REGIONAL OCEAN PARTNERSHIPS.*—

23 (1) *GRANT AUTHORITY.*—The Secretary may use
24 amounts allocated under subsection (a)(3)(A)(iii) to
25 make grants to Regional Ocean Partnerships.

1 (2) *ELIGIBILITY.*—*In order to be eligible to re-*
2 *ceive a grant, a Regional Ocean Partnership must*
3 *prepare and annually revise a plan that—*

4 (A) *identifies regional science and informa-*
5 *tion needs, regional goals and priorities, and*
6 *mechanisms for facilitating coordinated and col-*
7 *laborative responses to regional issues;*

8 (B) *establishes a process for coordinating*
9 *and collaborating with the Regional Coordina-*
10 *tion Councils established under section 602 to*
11 *address regional issues and information needs*
12 *and achieve regional goals and priorities; and*

13 (C) *demonstrates that activities to be car-*
14 *ried out with such funds are eligible uses of the*
15 *funds identified in subsection (f).*

16 (3) *APPROVAL BY SECRETARY.*—*Such plans must*
17 *be submitted to and approved by the Secretary.*

18 (4) *PUBLIC INPUT AND COMMENT.*—*In deter-*
19 *mining whether to approve such plans, the Secretary*
20 *shall provide opportunity for, and take into consider-*
21 *ation, input and comment on the plans from stake-*
22 *holders and the general public.*

23 (5) *USE OF FUNDS.*—*Any amounts provided as*
24 *a grant under this subsection may only be used for*
25 *activities described in subsection (f).*

1 (e) *LONG-TERM OCEAN AND COASTAL OBSERVA-*
2 *TIONS.—*

3 (1) *IN GENERAL.—The Secretary shall use the*
4 *amounts allocated under subsection (a)(3)(A)(ii) to*
5 *build, operate, and maintain the system established*
6 *under section 12304 of Public Law 111–11 (33 U.S.C.*
7 *3603), in accordance with the purposes and policies*
8 *for which the system was established.*

9 (2) *ADMINISTRATION OF FUNDS.—The Secretary*
10 *shall administer and distribute funds under this sub-*
11 *section based upon comprehensive system budgets*
12 *adopted by the Council referred to in section*
13 *12304(c)(1)(A) of the Integrated Coastal and Ocean*
14 *Observation System Act of 2009 (33 U.S.C.*
15 *3603(c)(1)(A)).*

16 (f) *ELIGIBLE USE OF FUNDS.—Any funds made avail-*
17 *able under this section may only be used for activities that*
18 *contribute to the conservation, protection, maintenance, and*
19 *restoration of ocean, coastal, and Great Lakes ecosystems*
20 *in a manner that is consistent with Federal environmental*
21 *laws and that avoids environmental degradation, includ-*
22 *ing—*

23 (1) *activities to conserve, protect, maintain, and*
24 *restore coastal, marine, and Great Lakes ecosystem*
25 *health;*

1 (2) activities to protect marine biodiversity and
2 living marine and coastal resources and their habi-
3 tats, including fish populations;

4 (3) the development and implementation of
5 multiobjective, science- and ecosystem-based plans for
6 monitoring and managing the wide variety of uses af-
7 fecting ocean, coastal, and Great Lakes ecosystems
8 and resources that consider cumulative impacts and
9 are spatially explicit where appropriate;

10 (4) activities to improve the resiliency of those
11 ecosystems;

12 (5) activities to improve the ability of those eco-
13 systems to become more resilient, and to adapt to and
14 withstand the impacts of climate change and ocean
15 acidification;

16 (6) planning for and managing coastal develop-
17 ment to minimize the loss of life and property associ-
18 ated with sea level rise and the coastal hazards result-
19 ing from it;

20 (7) research, assessment, monitoring, and dis-
21 semination of information that contributes to the
22 achievement of these purposes;

23 (8) research of, protection of, enhancement to,
24 and activities to improve the resiliency of culturally
25 significant areas and resources; and

1 (9) activities designed to rescue, rehabilitate, and
2 recover injured marine mammals, marine birds, and
3 sea turtles.

4 (g) DEFINITIONS.—In this section:

5 (1) ORCA FUND.—The term “ORCA Fund”
6 means the Ocean Resources Conservation and Assist-
7 ance Fund established by this section

8 (2) SECRETARY.—Notwithstanding section 3, the
9 term “Secretary” means the Secretary of Commerce.

10 **SEC. 606. WAIVER.**

11 The Federal Advisory Committee Act (5 U.S.C. App.)
12 shall not apply to the Regional Coordination Councils es-
13 tablished under section 602.

14 **TITLE VII—MISCELLANEOUS**
15 **PROVISIONS**

16 **SEC. 701. REPEAL OF CERTAIN TAXPAYER SUBSIDIZED ROY-**
17 **ALTY RELIEF FOR THE OIL AND GAS INDUS-**
18 **TRY.**

19 (a) PROVISIONS RELATING TO PLANNING AREAS OFF-
20 SHORE ALASKA.—Section 8(a)(3)(B) of the Outer Conti-
21 nental Shelf Lands Act (43 U.S.C. 1337(a)(3)(B)) is
22 amended by striking “and in the Planning Areas offshore
23 Alaska” after “West longitude”.

24 (b) PROVISIONS RELATING TO NAVAL PETROLEUM RE-
25 SERVE IN ALASKA.—Section 107 of the Naval Petroleum

1 *Reserves Production Act of 1976 (as transferred, redesign-*
2 *ated, moved, and amended by section 347 of the Energy*
3 *Policy Act of 2005 (119 Stat. 704)) is amended—*

4 *(1) in subsection (i) by striking paragraphs (2)*
5 *through (6); and*

6 *(2) by striking subsection (k).*

7 **SEC. 702. CONSERVATION FEE.**

8 *(a) ESTABLISHMENT.—The Secretary shall, within*
9 *180 days after the date of enactment of this Act, issue regu-*
10 *lations to establish an annual conservation fee for all oil*
11 *and gas leases on Federal onshore and offshore lands.*

12 *(b) AMOUNT.—The amount of the fee shall be, for each*
13 *barrel or barrel equivalent produced from land that is sub-*
14 *ject to a lease from which oil or natural gas is produced*
15 *in a calendar year, \$2 per barrel of oil and 20 cents per*
16 *million BTU of natural gas in 2010 dollars.*

17 *(c) ASSESSMENT AND COLLECTION.—The Secretary*
18 *shall assess and collect the fee established under this section.*

19 *(d) REGULATIONS.—The Secretary may issue regula-*
20 *tions to prevent evasion of the fee under this section.*

21 *(e) SUNSET.—This section and the fee established*
22 *under this section shall expire on December 31, 2021.*

1 **SEC. 703. LEASING ON INDIAN LANDS.**

2 *Nothing in this Act modifies, amends, or affects leasing*
3 *on Indian lands as currently carried out by the Bureau*
4 *of Indian Affairs.*

5 **SEC. 704. OFFSHORE AQUACULTURE CLARIFICATION.**

6 *(a) NO AUTHORITY.—The Secretary of Commerce, the*
7 *Administrator of the National Oceanic and Atmospheric*
8 *Administration, or the Regional Fishery Management*
9 *Councils shall not develop or approve a fishery management*
10 *plan or fishery management plan amendment to permit or*
11 *regulate offshore aquaculture.*

12 *(b) PERMITS INVALID.—Any permit issued for the con-*
13 *duct of offshore aquaculture, including the siting or oper-*
14 *ation of offshore aquaculture facilities, under the Magnu-*
15 *son-Stevens Fishery Conservation and Management Act (16*
16 *U.S.C. 1801 et seq.) shall be invalid upon enactment of this*
17 *Act.*

18 *(c) DEFINITIONS.—In this section:*

19 *(1) OFFSHORE AQUACULTURE.—The term “off-*
20 *shore aquaculture” means all activities related to—*

21 *(A) the placement of any installation, facil-*
22 *ity, or structure in the exclusive economic zone*
23 *for the purposes of propagation or rearing, or at-*
24 *tempting to propagate or rear, any species; or*

25 *(B) the operation of offshore aquaculture fa-*
26 *cilities in the exclusive economic zone involved in*

1 *the propagation or rearing, or attempted propa-*
2 *gation or rearing, of species.*

3 (2) *OFFSHORE AQUACULTURE FACILITY.*—*The*
4 *term “offshore aquaculture facility” means—*

5 (A) *a structure, installation, or other com-*
6 *plex used, in whole or in part, for offshore aqua-*
7 *culture; or*

8 (B) *an area of the seabed or the subsoil used*
9 *for offshore aquaculture.*

10 **SEC. 705. OUTER CONTINENTAL SHELF STATE BOUND-**
11 **ARIES.**

12 (a) *GENERAL.*—*Not later than 2 years after the date*
13 *of enactment of this Act, the President, acting through the*
14 *Secretary of the Interior, shall publish a final determina-*
15 *tion under section 4(a)(2) of the Outer Continental Shelf*
16 *Lands Act (43 U.S.C. 1333(a)(2)) of the boundaries of*
17 *coastal States projected seaward to the outer margin of the*
18 *Outer Continental Shelf.*

19 (b) *NOTICE AND COMMENT.*—*In determining the pro-*
20 *jected boundaries specified in subsection (a), the Secretary*
21 *shall comply with the notice and comment requirements*
22 *under chapter 5 of title 5, United States Code.*

23 (c) *SAVINGS CLAUSE.*—*The determination and publi-*
24 *cation of projected boundaries under subsection (a) shall not*
25 *be construed to alter, limit, or modify the jurisdiction, con-*

1 *trol, or any other authority of the United States over the*
 2 *Outer Continental Shelf.*

3 **SEC. 706. LIABILITY FOR DAMAGES TO NATIONAL WILDLIFE**

4 **REFUGES.**

5 *Section 4 of the National Wildlife Refuge System Ad-*
 6 *ministration Act of 1966 (16 U.S.C. 668dd) is amended by*
 7 *adding at the end the following new subsection:*

8 *“(p) DESTRUCTION OR LOSS OF, OR INJURY TO, REF-*
 9 *UGE RESOURCES.—*

10 *“(1) LIABILITY.—*

11 *“(A) LIABILITY TO UNITED STATES.—Any*
 12 *person who destroys, causes the loss of, or injures*
 13 *any refuge resource is liable to the United States*
 14 *for an amount equal to the sum of—*

15 *“(i) the amount of the response costs*
 16 *and damages resulting from the destruction,*
 17 *loss, or injury; and*

18 *“(ii) interest on that amount cal-*
 19 *culated in the manner described under*
 20 *section 1005 of the Oil Pollution Act of 1990*
 21 *(33 U.S.C. 2705).*

22 *“(B) LIABILITY IN REM.—Any instrumen-*
 23 *tality, including a vessel, vehicle, aircraft, or*
 24 *other equipment, that destroys, causes the loss of,*
 25 *or injures any refuge resource shall be liable in*

1 *rem to the United States for response costs and*
2 *damages resulting from such destruction, loss, or*
3 *injury to the same extent as a person is liable*
4 *under subparagraph (A).*

5 “(C) *DEFENSES.*—*A person is not liable*
6 *under this paragraph if that person establishes*
7 *that—*

8 “(i) *the destruction or loss of, or injury*
9 *to, the refuge resource was caused solely by*
10 *an act of God, an act of war, or an act or*
11 *omission of a third party, and the person*
12 *acted with due care;*

13 “(ii) *the destruction, loss, or injury*
14 *was caused by an activity authorized by*
15 *Federal or State law; or*

16 “(iii) *the destruction, loss, or injury*
17 *was negligible.*

18 “(D) *LIMITS TO LIABILITY.*—*Nothing in*
19 *sections 30501 to 30512 or section 30706 of title*
20 *46, United States Code, shall limit the liability*
21 *of any person under this section.*

22 “(2) *RESPONSE ACTIONS.*—*The Secretary may*
23 *undertake or authorize all necessary actions to pre-*
24 *vent or minimize the destruction or loss of, or injury*

1 *to, refuge resources, or to minimize the imminent risk*
2 *of such destruction, loss, or injury.*

3 “(3) *CIVIL ACTIONS FOR RESPONSE COSTS AND*
4 *DAMAGES.—*

5 “(A) *IN GENERAL.—The Attorney General,*
6 *upon request of the Secretary, may commence a*
7 *civil action against any person or instrumen-*
8 *tality who may be liable under paragraph (1)*
9 *for response costs and damages. The Secretary,*
10 *acting as trustee for refuge resources for the*
11 *United States, shall submit a request for such an*
12 *action to the Attorney General whenever a per-*
13 *son may be liable for such costs or damages.*

14 “(B) *JURISDICTION AND VENUE.—An ac-*
15 *tion under this subsection may be brought in the*
16 *United States district court for any district in*
17 *which—*

18 “(i) *the defendant is located, resides, or*
19 *is doing business, in the case of an action*
20 *against a person;*

21 “(ii) *the instrumentality is located, in*
22 *the case of an action against an instrumen-*
23 *tality; or*

24 “(iii) *the destruction of, loss of, or in-*
25 *jury to a refuge resource occurred.*

1 “(4) *USE OF RECOVERED AMOUNTS.*—*Response*
2 *costs and damages recovered by the Secretary under*
3 *this subsection shall be retained by the Secretary in*
4 *the manner provided for in section 107(f)(1) of the*
5 *Comprehensive Environmental Response, Compensa-*
6 *tion, and Liability Act of 1980 (42 U.S.C. 9607(f)(1))*
7 *and used as follows:*

8 “(A) *RESPONSE COSTS.*—*Amounts recovered*
9 *by the United States for costs of response actions*
10 *and damage assessments under this subsection*
11 *shall be used, as the Secretary considers appro-*
12 *priate—*

13 “(i) *to reimburse the Secretary or any*
14 *other Federal or State agency that con-*
15 *ducted those activities; and*

16 “(ii) *after reimbursement of such costs,*
17 *to restore, replace, or acquire the equivalent*
18 *of any refuge resource.*

19 “(B) *OTHER AMOUNTS.*—*All other amounts*
20 *recovered shall be used, in order of priority—*

21 “(i) *to restore, replace, or acquire the*
22 *equivalent of the refuge resources that were*
23 *the subject of the action, including the costs*
24 *of monitoring the refuge resources;*

1 “(ii) to restore degraded refuge re-
2 sources of the refuge that was the subject of
3 the action, giving priority to refuge re-
4 sources that are comparable to the refuge re-
5 sources that were the subject of the action;
6 and

7 “(iii) to restore degraded refuge re-
8 sources of other refuges.

9 “(5) *DEFINITIONS.*—In this subsection, the
10 term—

11 “(A) ‘damages’ includes—

12 “(i) compensation for—

13 “(I)(aa) the cost of replacing, re-
14 storing, or acquiring the equivalent of
15 a refuge resource; and

16 “(bb) the value of the lost use of a
17 refuge resource pending its restoration
18 or replacement or the acquisition of an
19 equivalent refuge resource; or

20 “(II) the value of a refuge resource
21 if the refuge resource cannot be restored
22 or replaced or if the equivalent of such
23 resource cannot be acquired;

24 “(ii) the cost of conducting damage as-
25 sessments;

1 “(iii) the reasonable cost of monitoring
2 appropriate to the injured, restored, or re-
3 placed refuge resource; and

4 “(iv) the cost of enforcement actions
5 undertaken by the Secretary in response to
6 the destruction or loss of, or injury to, a ref-
7 uge resource;

8 “(B) ‘response costs’ means the costs of ac-
9 tions taken or authorized by the Secretary to
10 minimize destruction or loss of, or injury to, ref-
11 uge resources, or to minimize the imminent risks
12 of such destruction, loss, or injury, including
13 costs related to seizure, forfeiture, storage, or dis-
14 posal arising from liability, or to monitor ongo-
15 ing effects of incidents causing such destruction,
16 loss, or injury under this subsection; and

17 “(C) ‘refuge resource’ means any living or
18 nonliving resource of a refuge that contributes to
19 the conservation, management, and restoration
20 mission of the System, including living or non-
21 living resources of a marine national monument
22 that may be managed as a unit of the System.”.

1 **SEC. 707. STRENGTHENING COASTAL STATE OIL SPILL**
2 **PLANNING AND RESPONSE.**

3 *The Coastal Zone Management Act of 1972 (16 U.S.C.*
4 *1451 et seq.) is amended adding at the end the following*
5 *new section:*

6 **“SEC. 320. STRENGTHENING COASTAL STATE OIL SPILL RE-**
7 **SPONSE AND PLANNING.**

8 *“(a) GRANTS TO STATES.—The Secretary may make*
9 *grants to eligible coastal states—*

10 *“(1) to revise management programs approved*
11 *under section 306 (16 U.S.C. 1455) to identify and*
12 *implement new enforceable policies and procedures to*
13 *ensure sufficient response capabilities at the state*
14 *level to address the environmental, economic and so-*
15 *cial impacts of oil spills or other accidents resulting*
16 *from Outer Continental Shelf energy activities with*
17 *the potential to affect any land or water use or nat-*
18 *ural resource of the coastal zone; and*

19 *“(2) to review and revise where necessary appli-*
20 *cable enforceable policies within approved state man-*
21 *agement programs affecting coastal energy activities*
22 *and energy to ensure that these policies are consistent*
23 *with—*

24 *“(A) other emergency response plans and*
25 *policies developed under Federal or State law;*
26 *and*

1 “(B) new policies and procedures developed
2 under paragraph (1); and

3 “(3) after a State has adopted new or revised en-
4 forceable policies and procedures under paragraphs
5 (1) and (2)—

6 “(A) the State shall submit the policies and
7 procedures to the Secretary; and

8 “(B) the Secretary shall notify the State
9 whether the Secretary approves or disapproves
10 the incorporation of the policies and procedures
11 into the State’s management program pursuant
12 to section 306(e).

13 “(b) *ELEMENTS.*—New enforceable policies and proce-
14 dures developed by coastal states with grants awarded
15 under this section shall consider, but not be limited to—

16 “(1) other existing emergency response plans,
17 procedures and enforceable policies developed under
18 other Federal or State law that affect the coastal zone;

19 “(2) identification of critical infrastructure es-
20 sential to facilitate spill or accident response activi-
21 ties;

22 “(3) identification of coordination, logistics and
23 communication networks between Federal and State
24 government agencies, and between State agencies and

1 *affected local communities, to ensure the efficient and*
2 *timely dissemination of data and other information;*

3 “(4) *inventories of shore locations and infra-*
4 *structure and equipment necessary to respond to oil*
5 *spills or other accidents resulting from Outer Conti-*
6 *mental Shelf energy activities;*

7 “(5) *identification and characterization of sig-*
8 *nificant or sensitive marine ecosystems or other areas*
9 *possessing important conservation, recreational, eco-*
10 *logical, historic, or aesthetic values;*

11 “(6) *inventories and surveys of shore locations*
12 *and infrastructure capable of supporting alternative*
13 *energy development; and*

14 “(7) *other information or actions as may be nec-*
15 *essary.*

16 “(c) *GUIDELINES.—The Secretary shall, within 180*
17 *days after the date of enactment of this section and after*
18 *consultation with the coastal states, publish guidelines for*
19 *the application for and use of grants under this section.*

20 “(d) *PARTICIPATION.—A coastal state shall provide*
21 *opportunity for public participation in developing new en-*
22 *forceable policies and procedures under this section pursu-*
23 *ant to sections 306(d)(1) and 306(e), especially by relevant*
24 *Federal agencies, other coastal state agencies, local govern-*
25 *ments, regional organizations, port authorities, and other*

1 *interested parties and stakeholders, public and private, that*
2 *are related to, or affected by Outer Continental Shelf energy*
3 *activities.*

4 “(e) *ANNUAL GRANTS.*—

5 “(1) *IN GENERAL.*—*For each of fiscal years 2011*
6 *through 2015, the Secretary may make a grant to a*
7 *coastal state to develop new enforceable polices and*
8 *procedures as required under this section.*

9 “(2) *GRANT AMOUNTS AND LIMIT ON AWARDS.*—

10 *The amount of any grant to any one coastal State*
11 *under this section shall not exceed \$750,000 for any*
12 *fiscal year. No coastal state may receive more than*
13 *two grants under this section.*

14 “(3) *NO STATE MATCHING CONTRIBUTION RE-*
15 *QUIRED.*—*As it is in the national interest to be able*
16 *to respond efficiently and effectively at all levels of*
17 *government to oil spills and other accidents resulting*
18 *from Outer Continental Shelf energy activities, a*
19 *coastal state shall not be required to contribute any*
20 *portion of the cost of a grant awarded under this sec-*
21 *tion.*

22 “(4) *SECRETARIAL REVIEW AND LIMIT ON*
23 *AWARDS.*—*After an initial grant is made to a coastal*
24 *state under this section, no subsequent grant may be*
25 *made to that coastal state under this section unless*

1 *the Secretary finds that the coastal state is satisfac-*
2 *torily developing revisions to address offshore energy*
3 *impacts. No coastal state is eligible to receive grants*
4 *under this section for more than 2 fiscal years.*

5 *“(f) APPLICABILITY.—The requirements of this section*
6 *shall only apply if appropriations are provided to the Sec-*
7 *retary to make grants under this section. This section shall*
8 *not be construed to convey any new authority to any coastal*
9 *state, or repeal or supersede any existing authority of any*
10 *coastal state, to regulate the siting, licensing, leasing, or*
11 *permitting of energy facilities in areas of the Outer Conti-*
12 *mental Shelf under the administration of the Federal Gov-*
13 *ernment. Nothing in this section repeals or supersedes any*
14 *existing coastal state authority.*

15 *“(g) ASSISTANCE BY THE SECRETARY.—The Secretary*
16 *as authorized under section 310(a) and to the extent prac-*
17 *ticable, shall make available to coastal states the resources*
18 *and capabilities of the National Oceanic and Atmospheric*
19 *Administration to provide technical assistance to the coast-*
20 *al states to prepare revisions to approved management pro-*
21 *grams to meet the requirements under this section.”.*

22 **SEC. 708. INFORMATION SHARING.**

23 *Section 388(b) of the Energy Policy Act of 2005 (43*
24 *U.S.C. 1337 note) is amended by adding at the end the fol-*
25 *lowing:*

1 “(4) *AVAILABILITY OF DATA AND INFORMA-*
2 *TION.—All heads of departments and agencies of the*
3 *Federal Government shall, upon request of the Sec-*
4 *retary, provide to the Secretary all data and informa-*
5 *tion that the Secretary deems necessary for the pur-*
6 *pose of including such data and information in the*
7 *mapping initiative, except that no department or*
8 *agency of the Federal Government shall be required to*
9 *provide any data or information that is privileged or*
10 *proprietary.”.*

11 **SEC. 709. REPEAL OF FUNDING.**

12 *Effective October 1, 2010, section 999H of the Energy*
13 *Policy Act of 2005 (42 U.S.C. 16378) is amended—*

14 *(1) by striking subsections (a), (b), (c), and (f);*

15 *(2) by redesignating subsections (d) and (e) as*
16 *subsections (a) and (b), respectively;*

17 *(3) in subsection (a), as so redesignated, by*
18 *striking “obligated from the Fund under subsection*
19 *(a)(1)” and inserting “available under this section”;*
20 *and*

21 *(4) in subsection (b), as so redesignated, by strik-*
22 *ing “In addition to other amounts that are made*
23 *available to carry out this section, there” and insert-*
24 *ing “There”.*

1 **SEC. 710. LIMITATION ON USE OF FUNDS.**

2 *None of the funds authorized or made available by this*
3 *Act may be used to carry out any activity or pay any cost*
4 *for which a responsible party (as such term is defined in*
5 *section 1001 of the Oil Pollution Act of 1990 (33 U.S.C.*
6 *2701)) is liable under the Oil Pollution Act of 1990 (33*
7 *U.S.C. 2701 et seq.) or other law.*

8 **SEC. 711. ADDITIONAL PUBLIC-RIGHT-TO-KNOW REQUIRE-**
9 **MENTS.**

10 *The Secretary of the Interior shall make publicly*
11 *available in a database that is accessible by the public*
12 *through the Internet information regarding judicial actions*
13 *filed against the Department of the Interior regarding leas-*
14 *ing, production, exploration, or any related activities under*
15 *the Outer Continental Shelf Lands Act, the Mineral Leasing*
16 *Act, the Geothermal Steam Act of 1970, including any ac-*
17 *tion under any amendment to any of those laws made by*
18 *this Act. The database shall include a list the full amount*
19 *of attorney's fees required to be paid in such actions by*
20 *court order or settlement agreement.*

21 **SEC. 712. FEDERAL RESPONSE TO STATE PROPOSALS TO**
22 **PROTECT STATE LANDS AND WATERS.**

23 *Any State shall be entitled to timely decisions regard-*
24 *ing permit applications or other approvals from any Fed-*
25 *eral official, including the Secretary of the Interior or the*
26 *Secretary of Commerce, for any State or local government*

1 *response activity to protect State lands and waters that is*
2 *directly related to the discharge of oil determined to be a*
3 *spill of national significance. Within 48 hours of the receipt*
4 *of the State application or request for approval, the Federal*
5 *official shall provide a clear determination on the permit*
6 *application or approval request to the State, or provide a*
7 *definite date by which the determination shall be made to*
8 *the State. If the Federal official fails to meet either of these*
9 *deadlines, the permit application is presumed to be ap-*
10 *proved or other approval granted.*

11 **TITLE VIII—GULF OF MEXICO**
12 **RESTORATION**

13 **SEC. 801. GULF OF MEXICO RESTORATION PROGRAM.**

14 (a) *PROGRAM.*—*There is established a Gulf of Mexico*
15 *Restoration Program for the purposes of coordinating Fed-*
16 *eral, State, and local restoration programs and projects to*
17 *maximize efforts in restoring biological integrity, produc-*
18 *tivity and ecosystem functions in the Gulf of Mexico.*

19 (b) *GULF OF MEXICO RESTORATION TASK FORCE.*—

20 (1) *ESTABLISHMENT.*—*There is established a*
21 *task force to be known as the Gulf of Mexico Restora-*
22 *tion Task Force (in this section referred to as the*
23 *“Restoration Task Force”).*

24 (2) *MEMBERSHIP.*—*The Restoration Task Force*
25 *shall consist of the Governors of each of the Gulf coast*

1 *States and the heads of appropriate Federal agencies*
2 *selected by the President. The chairperson of the Res-*
3 *toration Task Force (in this subsection referred to as*
4 *the “Chair”) shall be appointed by the President. The*
5 *Chair shall be a person who, as the result of experi-*
6 *ence and training, is exceptionally well-qualified to*
7 *manage the work of the Restoration Task Force. The*
8 *Chair shall serve in the Executive Office of the Presi-*
9 *dent.*

10 (3) *ADVISORY COMMITTEES.—The Restoration*
11 *Task Force may establish advisory committees and*
12 *working groups as necessary to carry out its duties*
13 *under this Act.*

14 (c) *GULF OF MEXICO RESTORATION PLAN.—*

15 (1) *IN GENERAL.—Not later than nine months*
16 *after the date of enactment of this Act, the Restora-*
17 *tion Task Force shall issue a proposed comprehensive*
18 *plan for long-term restoration of the Gulf of Mexico.*
19 *Not later than 12 months after the date of enactment*
20 *and after notice and opportunity for public comment,*
21 *the Restoration Task Force shall publish a final plan.*
22 *The Plan shall be updated every five years in the*
23 *same manner.*

24 (2) *ELEMENTS OF RESTORATION PLANS.—The*
25 *Plan shall—*

1 (A) identify processes and strategies for co-
2 ordinating Federal, State, and local restoration
3 programs and projects to maximize efforts in re-
4 storing biological integrity, productivity and eco-
5 system functions in the Gulf of Mexico region;

6 (B) identify mechanisms for scientific re-
7 view and input to evaluate the benefits and long-
8 term effectiveness of restoration programs and
9 projects;

10 (C) identify, using the best science avail-
11 able, strategies for implementing restoration pro-
12 grams and projects for natural resources includ-
13 ing—

14 (i) restoring species population and
15 habitat including oyster reefs, sea grass
16 beds, coral reefs, tidal marshes and other
17 coastal wetlands and barrier islands and
18 beaches;

19 (ii) restoring fish passage and improv-
20 ing migratory pathways for wildlife;

21 (iii) research that directly supports
22 restoration programs and projects;

23 (iv) restoring the biological produc-
24 tivity and ecosystem function in the Gulf of
25 Mexico region; and

1 (v) *improving the resilience of natural*
2 *resources to withstand the impacts of cli-*
3 *mate change and ocean acidification to en-*
4 *sure the long-term effectiveness of the res-*
5 *toration program.*

6 (3) *REPORT.—The Task Force shall annually*
7 *provide a report to Congress about the progress in im-*
8 *plementing the Plan.*

9 (d) *DEFINITIONS.—For purposes of this section, the*
10 *term—*

11 (1) *“Gulf coast State” means each of the States*
12 *of Texas, Louisiana, Mississippi, Alabama, and Flor-*
13 *ida; and*

14 (2) *“restoration programs and projects” means*
15 *activities that support the restoration, rehabilitation,*
16 *replacement, or acquisition of the equivalent, of in-*
17 *jured or lost natural resources including the ecological*
18 *services and benefits provided by such resources.*

19 (e) *RELATIONSHIP TO OTHER LAW.—Nothing in this*
20 *section affects the ability or authority of the Federal Gov-*
21 *ernment to recover costs from a person determined to be*
22 *a responsible party pursuant to the Oil Pollution Act of*
23 *1990 (33 U.S.C. 2701 et seq.) or other law.*

1 **TITLE IX—GEOTHERMAL**
2 **PRODUCTION EXPANSION**

3 **SEC. 901. SHORT TITLE.**

4 *This title may be cited as the “Geothermal Production*
5 *Expansion Act”.*

6 **SEC. 902. FINDINGS.**

7 *The Congress finds the following:*

8 (1) *It is in the best interest of the United States*
9 *to develop clean renewable geothermal energy.*

10 (2) *Development of such energy should be pro-*
11 *moted on appropriate Federal lands.*

12 (3) *Under the Energy Policy Act of 2005, the*
13 *Bureau of Land Management is authorized to issue*
14 *three different types of non-competitive leases for pro-*
15 *duction of geothermal energy on Federal lands, in-*
16 *cluding non-competitive geothermal leases to mining*
17 *claim holders that have a valid operating plan, direct*
18 *use leases, and leases on parcels that do not sell at a*
19 *competitive auction.*

20 (4) *Federal geothermal energy leasing activity*
21 *should be directed towards those seeking to develop the*
22 *land as opposed to those seeking to speculate on geo-*
23 *thermal resources and thereby artificially raising the*
24 *cost of legitimate geothermal energy development.*

1 (5) *Developers of geothermal energy on Federal*
2 *lands that have invested substantial capital and made*
3 *high risk investments should be allowed to secure a*
4 *discovery of geothermal energy resources.*

5 (6) *Successful geothermal development on Fed-*
6 *eral lands will provide increased revenue to the Fed-*
7 *eral Government, with the payment of production*
8 *royalties over decades.*

9 **SEC. 903. NONCOMPETITIVE LEASING OF ADJOINING AREAS**
10 **FOR DEVELOPMENT OF GEOTHERMAL RE-**
11 **SOURCES.**

12 (a) *IN GENERAL.*—Section 4(b) of the *Geothermal*
13 *Steam Act of 1970 (30 U.S.C. 1003(b)) by adding at the*
14 *end the following:*

15 “(4) *ADJOINING LANDS.*—

16 “(A) *IN GENERAL.*—*An area of qualified*
17 *Federal lands that adjoins other lands for which*
18 *a qualified lessee holds a legal right to develop*
19 *geothermal resources may be available for non-*
20 *competitive lease under this section to the quali-*
21 *fied lessee at the fair market value per acre, if—*

22 “(i) *the area of qualified Federal*
23 *lands—*

24 “(I) *consists of not less than 1*
25 *acre, and not more than 640 acres; and*

1 “(II) is not already leased under
2 this Act or nominated to be leased
3 under subsection (a);

4 “(ii) the qualified lessee has not pre-
5 viously received a noncompetitive lease
6 under this paragraph in connection with
7 the valid discovery for which data has been
8 submitted under subclause (I) of clause (iii);
9 and

10 “(iii) sufficient geological and other
11 technical data prepared by a qualified geo-
12 thermal professional has been submitted by
13 the qualified lessee to the relevant Federal
14 land management agency that would engen-
15 der a belief in individuals who are experi-
16 enced in the subject matter that—

17 “(I) there is a valid discovery of
18 geothermal resources on the lands for
19 which the qualified lessee holds the
20 legal right to develop geothermal re-
21 sources; and

22 “(II) such thermal feature extends
23 into the adjoining areas.

24 “(B) DETERMINATION OF FAIR MARKET
25 VALUE.—

1 “(i) *IN GENERAL.*—*The Secretary*
2 *shall—*

3 “(I) *publish a notice of any re-*
4 *quest to lease land under this para-*
5 *graph;*

6 “(II) *determine fair market value*
7 *for purposes of this paragraph in ac-*
8 *cordance with procedures for making*
9 *such determinations that are estab-*
10 *lished by regulations issued by the Sec-*
11 *retary;*

12 “(III) *provide to a qualified lessee*
13 *and publish any proposed determina-*
14 *tion under this subparagraph of the*
15 *fair market value of an area that the*
16 *qualified lessee seeks to lease under this*
17 *paragraph;*

18 “(IV) *provide to such qualified*
19 *lessee the opportunity to appeal such*
20 *proposed determination within the 30-*
21 *day period after it is provided to the*
22 *qualified lessee; and*

23 “(V) *provide to any interested*
24 *member of the public the opportunity*
25 *to appeal such proposed determination*

1 *in accordance with the process set forth*
2 *in parts 4, 1840, and 3200.5 of title*
3 *43, Code of Federal Regulations (as in*
4 *effect on the date of enactment of the*
5 *Geothermal Production Expansion*
6 *Act) within the 30-day period after it*
7 *published.*

8 “(ii) *LIMITATION ON NOMINATION.—*
9 *After publication of a notice of request to*
10 *lease land under this paragraph, the Sec-*
11 *retary may not accept under subsection (a)*
12 *any nomination of the land for leasing un-*
13 *less the request has been denied or with-*
14 *drawn.*

15 “(iii) *REGULATIONS: DEADLINE; PUB-*
16 *LICATION OF PROPOSED REGULATIONS.—*
17 *The regulations required under clause (i)*
18 *shall be issued by not later than 90 days*
19 *after the date of enactment of this Act, and*
20 *after publication of, and an opportunity for*
21 *public comment on, the proposed regula-*
22 *tions.*

23 “(C) *DEFINITIONS.—In this paragraph—*

1 “(i) the term ‘fair market value per
2 acre’ means a dollar amount per acre
3 that—

4 “(I) except as provided in this
5 clause, shall be equal to the market
6 value per acre as determined by the
7 Secretary under regulations under this
8 paragraph;

9 “(II) shall be determined by the
10 Secretary with respect to a lease under
11 this paragraph, by not later than the
12 end of the 90-day period beginning on
13 the date the Secretary receives an ap-
14 plication for the lease; and

15 “(III) shall be not less than the
16 greater of—

17 “(aa) four times the median
18 amount paid per acre for all
19 lands leased under this Act in the
20 preceding year; or

21 “(bb) \$50;

22 “(ii) the term ‘industry standards’
23 means the standards by which a qualified
24 geothermal professional assesses whether
25 downhole or flowing temperature measure-

1 *ments with indications of permeability are*
2 *sufficient to produce energy from geothermal*
3 *resources as determined through flow or in-*
4 *jection testing or measurement of lost cir-*
5 *ulation while drilling;*

6 *“(iii) the term ‘qualified Federal lands’*
7 *means lands that are otherwise available for*
8 *leasing under this Act;*

9 *“(iv) the term ‘qualified geothermal*
10 *professional’ means an individual who is*
11 *an engineer or geoscientist in good profes-*
12 *sional standing with at least five years of*
13 *experience in geothermal exploration, devel-*
14 *opment, project assessment, or any com-*
15 *bination of the forgoing;*

16 *“(v) the term ‘qualified lessee’ means a*
17 *person that may hold a geothermal lease*
18 *under part 3202.10 of title 43, Code of Fed-*
19 *eral Regulations, as in effect on the date of*
20 *enactment of the Geothermal Production*
21 *Expansion Act; and*

22 *“(vi) the term ‘valid discovery’ means*
23 *a discovery of a geothermal resource by a*
24 *new or existing slim hole or production*
25 *well, that exhibits downhole or flowing tem-*

1 *perature measurements with indications of*
2 *permeability sufficient to meet industry*
3 *standards.”.*

4 *(b) DEADLINE FOR REGULATIONS.—The Secretary*
5 *shall issue regulations to implement the amendment made*
6 *by subsection (a), by not later than 6 months after the date*
7 *of the enactment of this Act.*

Union Calendar No. 332

11TH CONGRESS
2^D SESSION

H. R. 3534

[Report No. 111-575, Part I]

A BILL

To provide greater efficiencies, transparency, returns, and accountability in the administration of Federal mineral and energy resources by consolidating administration of various Federal energy minerals management and leasing programs into one entity to be known as the Office of Federal Energy and Minerals Leasing of the Department of the Interior, and for other purposes.

JULY 28, 2010

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

JULY 28, 2010

Referred to the Committee on Agriculture for a period ending not later than July 28, 2010, for consideration of such provisions of the bill and amendments as fall within the jurisdiction of that committee pursuant to clause 1(a), rule X

JULY 28, 2010

Committee on Agriculture discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed