To amend the Oil Pollution Act of 1990 to increase the cap on liability for economic damages resulting from an oil spill, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 13, 2010

Mr. Vitter (for himself, Mr. Sessions, Mr. Wicker, and Mr. LeMieux) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

A BILL

To amend the Oil Pollution Act of 1990 to increase the cap on liability for economic damages resulting from an oil spill, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Oil Spill Response and Assistance Act”.

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—COMPENSATION

Sec. 101. Emergency preparedness.
Title II—Reports

Sec. 201. Reports regarding Gulf of Mexico oil spill.

Title I—Compensation


(a) In General.—Title IV of the Oil Pollution Act of 1990 (Public Law 101–380; 104 Stat. 509) is amended by adding at the end the following:

“Subtitle D—Emergency Preparedness for Discharges

“Sec. 4401. Emergency Preparedness.

“(a) In General.—Not later than 2 years after the date of enactment of this subtitle, the Secretary shall by regulation require the development and deployment of certain technology for use in the event of a breach or explosion at, or a significant discharge of oil from, a deepwater port, offshore facility, or tank vessel (referred to in this section as a ‘covered event’).

“(b) Requirements.—The regulations shall require—

“(1)(A) the development, for use in capping underwater oil wells affected by a covered event, technology that is—

“(i) capable of funneling discharges of oil from an underwater oil well to a containment vessel at the ocean surface; and
“(ii) effective at water depths at least 2,000 feet deeper than the limits of oil and gas production on the outer Continental Shelf as of the date of enactment of this subtitle; and

“(B) the purchase and deployment by the Secretary of those engineered capping technologies in such number of locations throughout the United States (including the navigable waters), to be determined by the Secretary, as would permit deployment and use of the domes to respond to a covered event not later than 24 hours after the time at which the covered event occurred;

“(2)(A) the development of flame-proof booms capable of functioning in the open ocean with waves of not more than 6 feet in height; and

“(B) the purchase and deployment by the Secretary of those booms at such locations and in such lengths or quantities as would permit, as determined by the Secretary—

“(i) the use of the booms in response to a covered event not later than 24 hours after the time at which the covered event occurred; and

“(ii) the complete surrounding of 100 square miles of open ocean within that period of time; and
“(3) the development, and purchase and deployment by the Secretary, of remote operated vehicles for use in the open ocean that are—

“(A) equipped with acoustic technology;

“(B) capable of welding and cutting or torching below 15,000 feet of water; and

“(C) stationed at such locations, as determined by the Secretary, as would enable the remote operated vehicles to be available for use in an area affected by a covered event not later than 24 hours after the time at which the covered event occurred.”.

(b) Table of Contents.—The table of contents for the Oil Pollution Act of 1990 (33 U.S.C. prec. 2701) is amended by inserting at the end of the items relating to title IV the following:

“Subtitle D—Emergency Preparedness for Discharges of Oil

“Sec. 4401. Emergency preparedness.”.

SEC. 102. OIL POLLUTION LIABILITY AND COMPENSATION.

Section 1004 of the Oil Pollution Act of 1990 (33 U.S.C. 2704) is amended by striking subsection (a) and inserting the following:

“(a) Limits.—

“(1) In general.—Except as otherwise provided in this section, subject to paragraph (2), the total of the liability of a responsible party under sec-
tion 1002 and any removal costs incurred by, or on behalf of, the responsible party, with respect to each incident shall not exceed, as indexed for United States dollar inflation from the date of enactment of the Oil Spill Response and Assistance Act (as measured by the Consumer Price Index)—

“(A) for a tank vessel, the greater of—

“(i) with respect to a single-hull vessel, including a single-hull vessel fitted with double sides only or a double bottom only, $6,000 per gross ton;

“(ii) with respect to a vessel other than a vessel referred to in clause (i), $3,800 per gross ton; or

“(iii)(I) with respect to a vessel greater than 3,000 gross tons that is—

“(aa) a vessel described in clause (i), $44,000,000; or

“(bb) a vessel described in clause (ii), $32,000,000; or

“(II) with respect to a vessel of 3,000 gross tons or less that is—

“(aa) a vessel described in clause (i), $12,000,000; or
“(bb) a vessel described in clause (ii), $8,000,000;

“(B) for any other vessel, $1,900 per gross ton or $1,600,000, whichever is greater;

“(C) for an offshore facility except a deep-water port, the total of all removal costs plus $150,000,000; and

“(D) for any onshore facility and a deep-water port, $700,000,000.

“(2) ALTERNATIVE LIMITATION.—If the aggregate amount of net after-tax profits of a responsible party generated during the 4 full financial reporting quarters preceding the date of an incident involving a vessel or facility described in paragraph (1) exceeds the limitation on liability for the category of incident described in that paragraph, the total of the liability of the responsible party under section 1002 and any removal costs incurred by, or on behalf of, the responsible, with respect to each such incident shall not exceed, as indexed for United States dollar inflation from the date of enactment of the Oil Spill Response and Assistance Act (as measured by the Consumer Price Index), an amount equal to that aggregate amount of those profits.”.
SEC. 103. EFFECTIVE DATE.

This title and the amendments made by this title take effect on April 15, 2010.

TITLE II—REPORTS

SEC. 201. REPORTS REGARDING GULF OF MEXICO OIL SPILL.

(a) Definitions.—In this section:

(1) Head of an appropriate Federal agency.—The term “head of an appropriate Federal agency” means the head of a Federal agency that has carried out an activity with respect to the oil spill.

(2) Oil spill.—The term “oil spill” means the oil spill that occurred in the Gulf of Mexico in April 2010.

(b) Study.—As soon as practicable after the date of enactment of this Act, each head of an appropriate Federal agency shall carry out a study—

(1) to examine the effectiveness of the coordination of actions carried out by the Federal Government relating to the oil spill; and

(2) to determine the success of each action carried out by the Federal Government in response to the oil spill.

(c) Report.—Not later than September 1, 2010, each head of an appropriate Federal Agency shall submit
to the appropriate committees of Congress a report that contains a description of—

(1) the results of the study carried out under subsection (b); and

(2) the effectiveness and success of each activity carried out by the Federal Government in response to the oil spill.