

111TH CONGRESS
2^D SESSION

S. 3763

To improve safety and preparedness surrounding offshore energy production and to respond to the blowout and explosion of the mobile offshore drilling unit Deepwater Horizon that occurred on April 20, 2010, and resulting hydrocarbon releases into the environment, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 5, 2010

Ms. LANDRIEU introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To improve safety and preparedness surrounding offshore energy production and to respond to the blowout and explosion of the mobile offshore drilling unit Deepwater Horizon that occurred on April 20, 2010, and resulting hydrocarbon releases into the environment, 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.**

4 This Act may be cited as the “Restoring Ecosystem
5 Sustainability and Protection on the Delta Act”.

1 **SEC. 2. ACCELERATED REVENUE SHARING TO PROMOTE**
 2 **COASTAL RESILIENCY AMONG GULF PRO-**
 3 **DUCING STATES.**

4 (a) DEFINITION OF QUALIFIED OUTER CONTI-
 5 NENTAL SHELF REVENUES.—Section 102(9) of the Gulf
 6 of Mexico Energy Security Act of 2006 (43 U.S.C. 1331
 7 note; Public Law 109–432) is amended by striking sub-
 8 paragraph (A) and inserting the following:

9 “(A) IN GENERAL.—The term ‘qualified
 10 outer Continental Shelf revenues’ means, for
 11 fiscal year 2007 and each fiscal year thereafter,
 12 all rentals, royalties, bonus bids, and other
 13 sums due and payable to the United States
 14 from leases entered into on or after the date of
 15 enactment of this Act for—

16 “(i) the 181 Area;

17 “(ii) the 181 South Area; and

18 “(iii) the 2002–2007 planning area.”.

19 (b) ALLOCATION AMONG GULF PRODUCING
 20 STATES.—Section 105 of the Gulf of Mexico Energy Secu-
 21 rity Act of 2006 (43 U.S.C. 1331 note; Public Law 109–
 22 432) is amended—

23 (1) by striking subsection (b) and inserting the
 24 following:

25 “(b) ALLOCATION AMONG GULF PRODUCING STATES
 26 FOR FISCAL YEARS 2010 AND THEREAFTER.—

1 “(1) IN GENERAL.—Subject to the provisions of
2 this subsection, for fiscal year 2010 and each fiscal
3 year thereafter, the amount made available under
4 subsection (a)(2)(A) from a covered lease described
5 in paragraph (2) shall be allocated to each Gulf pro-
6 ducing State in amounts that are inversely propor-
7 tional to the respective distances between the point
8 on the coastline of each Gulf producing State that
9 is closest to the geographic center of each historical
10 lease site and the geographic center of the historical
11 lease site, as determined by the Secretary.

12 “(2) COVERED LEASE.—A covered lease re-
13 ferred to in paragraph (1) means a lease entered
14 into for—

15 “(A) the 2002–2007 planning area;

16 “(B) the 181 Area; or

17 “(C) the 180 South Area.

18 “(3) MINIMUM ALLOCATION.—The amount allo-
19 cated to a Gulf producing State each fiscal year
20 under paragraph (1) shall be at least 10 percent of
21 the amounts available under subsection (a)(2)(A).

22 “(4) HISTORICAL LEASE SITES.—

23 “(A) IN GENERAL.—Subject to subpara-
24 graph (B), for purposes of this subsection, the
25 historical lease sites in the 2002–2007 planning

1 area shall include all leases entered into by the
2 Secretary for an area in the Gulf of Mexico
3 during the period beginning on October 1, 1982
4 (or an earlier date if practicable, as determined
5 by the Secretary), and ending on December 31,
6 2015.

7 “(B) ADJUSTMENT.—Effective January 1,
8 2022, and every 5 years thereafter, the ending
9 date described in subparagraph (A) shall be ex-
10 tended for an additional 5 calendar years.

11 “(5) PAYMENTS TO COASTAL POLITICAL SUB-
12 DIVISIONS.—

13 “(A) IN GENERAL.—The Secretary shall
14 pay 20 percent of the allocable share of each
15 Gulf producing State, as determined under
16 paragraphs (1) and (3), to the coastal political
17 subdivisions of the Gulf producing State.

18 “(B) ALLOCATION.—The amount paid by
19 the Secretary to coastal political subdivisions
20 shall be allocated to each coastal political sub-
21 division in accordance with subparagraphs (B),
22 (C), and (E) of section 31(b)(4) of the Outer
23 Continental Shelf Lands Act (43 U.S.C.
24 1356a(b)(4)).”; and
25 (2) by striking subsection (f).

1 **SEC. 3. LIMITATION OF MORATORIUM ON CERTAIN PER-**
2 **MITTING AND DRILLING ACTIVITIES.**

3 (a) IN GENERAL.—The moratorium set forth in the
4 decision memorandum of the Secretary of the Interior en-
5 titled “Decision memorandum regarding the suspension of
6 certain offshore permitting and drilling activities on the
7 Outer Continental Shelf” and dated July 12, 2010, and
8 any suspension of operations issued in connection with the
9 moratorium, shall not apply to an application for a permit
10 to drill submitted on or after the date of enactment of
11 this Act if the Secretary determines that the applicant—

12 (1) has complied with the notice entitled “Na-
13 tional Notice to Lessees and Operators of Federal
14 Oil and Gas Leases, Outer Continental Shelf
15 (OCS)” dated June 8, 2010 (NTL No. 2010–N05)
16 and the notice entitled “National Notice to Lessees
17 and Operators of Federal Oil and Gas Leases, Outer
18 Continental Shelf (OCS)” dated June 18, 2010
19 (NTL No. 2010–N06); and

20 (2) has completed all required safety inspec-
21 tions.

22 (b) DETERMINATION ON PERMIT.—Not later than 30
23 days after the date on which the Secretary makes a deter-
24 mination that an applicant has complied with paragraphs
25 (1), (2), and (3) of subsection (a), the Secretary shall
26 make a determination on whether to issue the permit.

1 (c) NO SUSPENSION OF CONSIDERATION.—No Fed-
2 eral entity shall suspend the active consideration of, or
3 preparatory work for, permits required to resume or ad-
4 vance activities suspended in connection with the morato-
5 rium.

6 (d) REPORT TO CONGRESS.—Not later than October
7 31, 2010, the Secretary shall submit to the Committee on
8 Natural Resources of the House of Representatives and
9 the Committee on Energy and Natural Resources of the
10 Senate a report that describes the status of—

11 (1) the collection and analysis of evidence re-
12 garding the potential causes of the blowout and ex-
13 plosion of the mobile offshore drilling unit Deep-
14 water Horizon that occurred on April 20, 2010, and
15 resulting hydrocarbon releases into the environment,
16 including information collected by the National Com-
17 mission on the BP Deepwater Horizon Oil Spill and
18 Offshore Drilling and other investigations;

19 (2) the implementation of safety reforms de-
20 scribed in the May 27, 2010, Department of the In-
21 terior report entitled “Increased Safety Measures for
22 Energy Development on the Outer Continental
23 Shelf”;

1 (3) the ability of operators in the Gulf of Mex-
2 ico to respond effectively to an oil spill in light of
3 the Deepwater Horizon incident; and

4 (4) efforts by industry and the Federal Govern-
5 ment to engineer, design, construct, and assemble
6 wild well intervention and blowout containment re-
7 sources necessary to contain an uncontrolled release
8 of hydrocarbons in deep water in the event of an-
9 other blowout.

10 **SEC. 4. GULF COAST ECOSYSTEM RESTORATION.**

11 (a) DEFINITIONS.—In this section:

12 (1) CHAIR.—The term “Chair” means the
13 Chair of the Task Force appointed under subsection
14 (f)(3).

15 (2) COMPREHENSIVE PLAN.—The terms “Com-
16 prehensive Plan” means the comprehensive plan re-
17 quired under subsection (c).

18 (3) FUND.—The term “Fund” means the Gulf
19 Coast Ecosystem Restoration Fund established by
20 subsection (b)(2)(A).

21 (4) GOVERNORS.—The term “Governors”
22 means the Governors of each of the States of Ala-
23 bama, Florida, Louisiana, and Mississippi.

24 (5) GULF COAST ECOSYSTEM.—The term “Gulf
25 Coast ecosystem” means the coastal zones, as deter-

1 mined pursuant to the Coastal Zone Management
2 Act of 1972 (16 U.S.C. 1451 et seq.), of the States
3 of Alabama, Florida, Louisiana, and Mississippi and
4 adjacent State waters and areas of the outer Conti-
5 nental Shelf, adversely impacted by the blowout and
6 explosion of the mobile offshore drilling unit Deep-
7 water Horizon that occurred on April 20, 2010, and
8 resulting hydrocarbon releases into the environment.

9 (6) SECRETARY.—The term “Secretary” means
10 the Secretary of the Interior.

11 (7) TASK FORCE.—The term “Task Force”
12 means the Gulf Coast Ecosystem Restoration Task
13 Force established by subsection (f).

14 (b) GULF COAST ECOSYSTEM RESTORATION.—

15 (1) IN GENERAL.—In accordance with this sec-
16 tion, the Chair shall undertake restoration activities
17 with respect to the Gulf Coast ecosystem.

18 (2) GULF COAST ECOSYSTEM RESTORATION
19 FUND.—

20 (A) ESTABLISHMENT.—There is estab-
21 lished in the Treasury of the United States a
22 fund to be known as the “Gulf Coast Eco-
23 system Restoration Fund”.

24 (B) TRANSFERS TO FUND.—Notwith-
25 standing any other provision of law, the Sec-

1 retary of the Treasury shall deposit into the
2 Fund amounts equal to not less than 80 per-
3 cent of any amounts collected by the United
4 States as penalties, settlements, or fines under
5 sections 309 and 311 of the Federal Water Pol-
6 lution Control Act (33 U.S.C. 1319, 1321) in
7 relation to the blowout and explosion of the mo-
8 bile offshore drilling unit Deepwater Horizon
9 that occurred on April 20, 2010, and resulting
10 hydrocarbon releases into the environment.

11 (C) AUTHORIZED USES.—The Fund shall
12 be available to the Chair for the conservation,
13 protection, and restoration of the Gulf Coast
14 ecosystem in accordance with the Comprehen-
15 sive Plan.

16 (c) COMPREHENSIVE PLAN.—

17 (1) IN GENERAL.—Not later than 180 days
18 after the date of enactment of this Act and subject
19 to notice and an opportunity for public comment, the
20 Chair shall develop a proposed comprehensive plan
21 for the purpose of long-term conservation, flood pro-
22 tection, and restoration of biological integrity, pro-
23 ductivity and ecosystem functions in the Gulf Coast
24 ecosystem.

1 (2) EXISTING PLANS.—To the maximum extent
2 practicable, the Chair shall incorporate any applica-
3 ble plans previously developed by Federal, State, and
4 local agencies for the restoration of coastal wetland
5 and other areas of the Gulf Coast ecosystem.

6 (d) CRITICAL AND EMERGENCY RESTORATION
7 PROJECTS AND ACTIVITIES.—If the Chair, in cooperation
8 with the Governors, determines that a restoration project
9 or activity will produce independent, immediate, and sub-
10 stantial conservation, protection, or restoration benefits,
11 and will be consistent with overall restoration goals, the
12 Chair shall proceed expeditiously with the implementation
13 of the project or activity, in accordance with laws and au-
14 thorities in existence on the date of enactment of this Act.

15 (e) PRIORITY PROJECTS.—

16 (1) LIST.—

17 (A) IN GENERAL.—The Comprehensive
18 Plan shall include a list of specific projects to
19 be funded and carried out during the subse-
20 quent 3-year period.

21 (B) PREREQUISITES.—Each project listed
22 shall be consistent with the strategies identified
23 in the plan.

24 (C) PRIORITY PROJECTS.—In developing
25 the list, the Task Force shall give priority to—

1 (i) projects, programs, and activities
2 authorized by title VII of the Water Re-
3 sources Development Act of 2007 (121
4 Stat. 1270);

5 (ii) the goals, analysis, and design of
6 the comprehensive coastal protection mas-
7 ter plan authorized and defined under Act
8 of the First Extraordinary Session of the
9 Louisiana State Legislature, 2005;

10 (iii) projects, programs, and activities
11 that maximize the beneficial use of dredge
12 material from Gulf Coast waterways, in co-
13 ordination with navigation interests; and

14 (iv) projects benefitting the areas that
15 were most adversely impacted by the blow-
16 out and explosion of the mobile offshore
17 drilling unit Deepwater Horizon that oc-
18 curred on April 20, 2010, and by the re-
19 sulting hydrocarbon releases into the envi-
20 ronment.

21 (D) UPDATES.—The Task Force shall up-
22 date the list of projects annually.

23 (2) SELECTION.—The Task Force shall select
24 projects—

25 (A) based on the best available science;

1 (B) without regard to geographic location;
2 and

3 (C) with the highest priority to projects
4 and programs that will achieve the greatest
5 contribution in—

6 (i) restoring the ability of coastal eco-
7 systems to become self-sustaining;

8 (ii) biological productivity;

9 (iii) the sustainability and protection
10 of the human population from flooding;
11 and

12 (iv) ecosystem function in the Gulf of
13 Mexico.

14 (f) GULF COAST ECOSYSTEM RESTORATION TASK
15 FORCE.—

16 (1) ESTABLISHMENT.—There is established the
17 Gulf Coast Ecosystem Restoration Task Force.

18 (2) MEMBERSHIP.—The Task Force shall con-
19 sist of the following members, or in the case of a
20 Federal agency, a designee at the level of Assistant
21 Secretary or the equivalent:

22 (A) The Secretary.

23 (B) The Secretary of Commerce.

24 (C) The Secretary of the Army.

25 (D) The Attorney General.

1 (E) The Secretary of Homeland Security.

2 (F) The Administrator of the Environ-
3 mental Protection Agency.

4 (G) The Commandant of the Coast Guard.

5 (H) The Secretary of Transportation.

6 (I) The Secretary of Agriculture.

7 (J) A representative of each affected In-
8 dian tribe, appointed by the Secretary based on
9 the recommendations of the tribal chairman.

10 (K) Two representatives of each of the
11 States of Alabama, Florida, Louisiana, and
12 Mississippi, appointed by the Governor of each
13 State, respectively.

14 (L) Two representatives of local govern-
15 ment within each of the States of Alabama,
16 Florida, Louisiana, and Mississippi, appointed
17 by the Governor of each State, respectively.

18 (3) CHAIR.—The Chair of the Task Force shall
19 be a Federal official appointed by the President.

20 (4) DUTIES OF THE TASK FORCE.—The Task
21 Force shall—

22 (A) consult with, and provide recommenda-
23 tions to, the Chair during development of the
24 Comprehensive Plan;

1 (B) coordinate the development of con-
2 sistent policies, strategies, plans, programs,
3 projects, activities, and priorities for addressing
4 the restoration of the Gulf Coast ecosystem;

5 (C) establish a Gulf Coast-based working
6 group to include representatives of members of
7 the Task Force and other local agencies and
8 representatives as appropriate for purposes of
9 recommending, coordinating, and implementing
10 policies, programs, activities, and projects to ac-
11 complish Gulf Coast ecosystem restoration;

12 (D) coordinate scientific and other re-
13 search associated with restoration of the Gulf
14 Coast ecosystem;

15 (E) prepare an integrated financial plan
16 and coordinated budget requests for the funds
17 proposed to be expended by the agencies rep-
18 resented on the Task Force; and

19 (F) submit an annual report to Congress
20 that summarizes the activities of the Task
21 Force and the policies, plans, activities, and
22 projects for restoration of the Gulf Coast eco-
23 system.

24 (5) APPLICATION OF THE FEDERAL ADVISORY
25 COMMITTEE ACT.—The Task Force and the working

1 group established under paragraph (4)(C) shall not
2 be considered advisory committees under the Federal
3 Advisory Committee Act (5 U.S.C. App.).

4 **SEC. 5. MODIFICATIONS TO LOUISIANA COASTAL AREA**
5 **PROGRAM.**

6 Section 7006 of the Water Resources Development
7 Act of 2007 (121 Stat. 1277) is amended by adding at
8 the end the following:

9 “(f) ADVANCE CONSTRUCTION AND MODIFICA-
10 TIONS.—Notwithstanding any other provision of law, the
11 Secretary—

12 “(1) may construct any project under this sec-
13 tion to address the impacts of the blowout and ex-
14 plosion of the mobile offshore drilling unit Deep-
15 water Horizon that occurred on April 20, 2010, and
16 resulting hydrocarbon releases into the environment;
17 and

18 “(2) after consultation with the affected States,
19 shall carry out any modifications to the projects that
20 are necessary to address those impacts.”.

21 **SEC. 6. REMOVAL OF LIMITS ON LIABILITY FOR OFFSHORE**
22 **FACILITIES.**

23 (a) IN GENERAL.—Section 1004(a)(3) of the Oil Pol-
24 lution Act of 1990 (33 U.S.C. 2704(a)(3)) is amended by
25 striking “plus \$75,000,000” and inserting “and the liabil-

1 ity of the responsible party determined in accordance with
2 section 1002”.

3 (b) APPLICABILITY.—The amendment made by sub-
4 section (a) shall apply to each claim or action that—

5 (1) is brought within the period applicable to
6 the claim or action; and

7 (2)(A) is pending on the date of enactment of
8 this Act; or

9 (B) arises from events occurring during the pe-
10 riod beginning on April 15, 2010, and ending on
11 that date of enactment.

12 **SEC. 7. OFFSHORE FACILITIES OIL SPILL MUTUAL INSUR-**
13 **ANCE FUND.**

14 (a) DEFINITION OF INSURANCE FUND.—Section 2 of
15 the Outer Continental Shelf Lands Act (43 U.S.C. 1331)
16 is amended by adding at the end the following:

17 “(r) INSURANCE FUND.—The term ‘Insurance Fund’
18 means the Offshore Facilities Oil Spill Mutual Insurance
19 Fund established under section 32.”.

20 (b) SUSPENSION OF ACTIVITIES UNDER A LEASE.—
21 Section 5(a)(1) of the Outer Continental Shelf Lands Act
22 (43 U.S.C. 1334(a)(1)) is amended—

23 (1) by striking “, or (B) if” and inserting “,
24 (B) if the lessee fails to make full, timely premium
25 payments to the Insurance Fund as required by the

1 terms of a lease or as otherwise required by law, or
2 (C) if”; and

3 (2) by striking “clause (A) or (B)” and insert-
4 ing “subparagraph (A), (B), or (C)”.

5 (c) LEASE REQUIREMENTS.—Section 8(b) of the
6 Outer Continental Shelf Lands Act (43 U.S.C. 1337(b))
7 is amended—

8 (1) by redesignating paragraph (7) as para-
9 graph (8);

10 (2) in paragraph (6), by striking “and” at the
11 end; and

12 (3) by inserting after paragraph (6) the fol-
13 lowing:

14 “(7) include as a condition of a lease issued, ex-
15 tended, or renewed after the date of enactment of
16 the Offshore Facilities Oil Spill Mutual Insurance
17 Fund Act of 2010 a requirement that the lessee
18 shall pay all Insurance Fund premiums in accord-
19 ance with section 32; and”.

20 (d) ESTABLISHMENT OF INSURANCE FUND.—The
21 Outer Continental Shelf Lands Act (43 U.S.C. 1331 et
22 seq.) is amended by adding at the end the following:

23 **“SEC. 32. OFFSHORE FACILITIES OIL SPILL MUTUAL INSUR-**
24 **ANCE FUND.**

25 “(a) DEFINITIONS.—In this section:

1 “(1) BOARD.—The term ‘Board’ means the
2 Offshore Facilities Oil Spill Mutual Insurance Fund
3 Oversight Board established under subsection (c)(2).

4 “(2) DEEPWATER LEASE.—The term ‘deep-
5 water lease’ means an oil or gas lease issued under
6 this Act on submerged land of the outer Continental
7 Shelf for drilling beneath navigable waters of the
8 United States located more than 500 feet below the
9 water surface.

10 “(3) DIRECTOR.—The term ‘Director’ means
11 the Independent Director of the Insurance Fund se-
12 lected under subsection (c)(1).

13 “(4) INCIDENT.—The term ‘incident’ has the
14 meaning given the term in section 1001 of the Oil
15 Pollution Act of 1990 (33 U.S.C. 2701).

16 “(5) INSURED.—The term ‘Insured’ means a
17 person who has fully paid all premiums required
18 under this section.

19 “(6) OTHER CLAIMS.—

20 “(A) IN GENERAL.—The term ‘other
21 claims’ means all claims arising out of an inci-
22 dent that are not covered by the Oil Pollution
23 Act of 1990 (33 U.S.C. 2701 et seq.).

24 “(B) INCLUSION.—The term ‘other claims’
25 includes claims under other laws that are pre-

1 served by section 1018 of the Oil Pollution Act
2 of 1990 (33 U.S.C. 2718).

3 “(C) EXCLUSIONS.—The term ‘other
4 claims’ excludes removal costs, punitive dam-
5 ages, or civil penalties.

6 “(7) RESPONSIBLE PARTY.—The term ‘respon-
7 sible party’ has the meaning given the term in sec-
8 tion 1001 of the Oil Pollution Act of 1990 (33
9 U.S.C. 2701).

10 “(8) SHALLOW WATER LEASE.—The term ‘shal-
11 low water lease’ means an oil and gas lease author-
12 ized by this Act on submerged land of the outer
13 Continental Shelf for drilling beneath navigable wa-
14 ters of the United States located up to 500 feet
15 below the water surface.

16 “(b) ESTABLISHMENT.—

17 “(1) IN GENERAL.—Not later than 60 days
18 after the date of enactment of this section, there
19 shall be established a fund to be known as the ‘Off-
20 shore Facilities Oil Spill Mutual Insurance Fund’.

21 “(2) CREDITS.—The Insurance Fund shall be
22 credited with—

23 “(A) any premiums collected under sub-
24 section (d); and

1 “(B) any investment income earned under
2 subsection (e).

3 “(3) REQUIRED MINIMUM BALANCE.—Begin-
4 ning on July 1, 2012, the Insurance Fund shall at
5 all times maintain a balance of not less than
6 \$2,000,000,000.

7 “(4) AVAILABILITY.—

8 “(A) IN GENERAL.—Amounts in the Insur-
9 ance Fund shall be available to the Director to
10 adjust and pay damages and other claims as-
11 serted against an Insured who is a responsible
12 party for an incident that occurs after the date
13 of enactment of this section at an offshore facil-
14 ity (other than a deepwater port or pipeline).

15 “(B) REQUIREMENTS.—A payment from
16 the Insurance Fund under subparagraph (A)
17 shall be—

18 “(i) subject to the per incident de-
19 ductible and per incident limits described
20 in subparagraph (C); and

21 “(ii) made without regard to the fault
22 of the Insured.

23 “(C) PER INCIDENT DEDUCTIBLE AND RE-
24 COVERY FROM INSURANCE FUND.—

1 “(i) IN GENERAL.—The per incident
2 deductible of damages and other claims to
3 be paid by an Insured responsible party
4 without recovery from the Insurance Fund
5 shall be \$250,000,000.

6 “(ii) LIMIT.—The per incident limit
7 on recovery by an Insured responsible
8 party for damages and other claims from
9 the Insurance Fund shall be
10 \$10,000,000,000.

11 “(D) ADJUSTMENT AND RESOLUTION OF
12 CLAIMS.—

13 “(i) IN GENERAL.—Only Insured re-
14 sponsible parties may submit claims for
15 damages and other claims to the Insurance
16 Fund for adjustment and payment.

17 “(ii) LIMITATIONS.—The Insurance
18 Fund—

19 “(I) is not a responsible party
20 under the Oil Pollution Act of 1990
21 (33 U.S.C. 2701 et seq.); and

22 “(II) does not supersede the
23 process under the Oil Pollution Act of
24 1990 (33 U.S.C. 2701 et seq.) for—

1 “(aa) presenting claims to a
2 responsible party or the Oil Spill
3 Liability Trust Fund; or

4 “(bb) seeking relief in court
5 from a responsible party or the
6 Oil Spill Liability Trust Fund.

7 “(c) ADMINISTRATION.—

8 “(1) DIRECTOR.—

9 “(A) IN GENERAL.—Not later than 90
10 days after the date of enactment of this section,
11 the holders of leases issued under this Act in ef-
12 fect on the date of enactment of this section
13 shall elect an Independent Director of the In-
14 surance Fund.

15 “(B) DUTIES.—

16 “(i) DISPUTES.—The Director shall
17 be responsible for deciding disputes con-
18 cerning premium payments and calcula-
19 tions of premiums, subject to review only
20 in binding arbitration.

21 “(ii) STAFF.—The Director shall hire
22 such staff (including claims adjusters) as
23 are necessary to carry out this section,
24 consistent with insurance industry prac-
25 tices.

1 “(2) OVERSIGHT BOARD.—

2 “(A) IN GENERAL.—There is established
3 an Offshore Facility Mutual Insurance Fund
4 Oversight Board to provide oversight of the In-
5 surance Fund.

6 “(B) MEMBERSHIP.—The Board shall be
7 composed of—

8 “(i) the Secretary of the Interior;

9 “(ii) the Commandant of the Coast
10 Guard;

11 “(iii) the Administrator of the Na-
12 tional Oceanic and Atmospheric Adminis-
13 tration;

14 “(iv) 1 holder of a lease that is a
15 large, integrated operation, to be selected
16 by the Secretary; and

17 “(v) 1 holder of a lease that is a small
18 operation, to be selected by the Secretary.

19 “(C) CHAIRPERSON.—The Commandant of
20 the Coast Guard shall serve as Chairperson of
21 the Board.

22 “(d) PREMIUMS.—

23 “(1) INITIAL PREMIUM PAYMENTS.—

24 “(A) IN GENERAL.—The holders of oper-
25 ating and nonoperating deepwater leases and

1 shallow water leases in effect on the date the
2 initial premiums are due under clause (i) or (ii)
3 of subparagraph (B) shall pay into the Insur-
4 ance Fund premiums in an amount to be estab-
5 lished by the Secretary by regulation.

6 “(B) DEADLINE.—The initial premium
7 payments under subparagraph (A) shall be paid
8 on each of—

9 “(i) July 1, 2011; and

10 “(ii) July 1, 2012.

11 “(2) PREMIUM PAYMENT FOR NEW LEASES.—
12 For any new deepwater leases and shallow water
13 leases issued under this Act after July 1, 2012—

14 “(A) each lessee shall pay into the Insur-
15 ance Fund premiums in an amount to be estab-
16 lished by the Secretary by regulation; and

17 “(B) each lessee that has not previously
18 made initial premium payments under para-
19 graph (1), shall pay a supplemental premium to
20 the Insurance Fund in an amount to be estab-
21 lished by the Secretary by regulation.

22 “(3) INCIDENT PREMIUMS.—

23 “(A) IN GENERAL.—For each incident, to
24 the extent the damages and other claims ex-
25 ceeding the per incident deductible under sub-

1 section (b)(4)(C)(i) exceed the value of the In-
2 surance Fund, each lessee shall pay into the In-
3 surance Fund additional premiums to pay the
4 damages and other claims above the per inci-
5 dent deductible up to the per incident limit de-
6 scribed in subsection (b)(4)(C)(ii).

7 “(B) REQUIREMENT.—The additional inci-
8 dent premiums paid shall be—

9 “(i) sufficient to maintain the re-
10 quired minimum balance under subsection
11 (b)(3); and

12 “(ii) calculated and collected in ac-
13 cordance with regulations established by
14 the Secretary.

15 “(4) ENFORCEMENT.—Any person that fails to
16 make a premium payment required under this sub-
17 section shall be subject to the enforcement provisions
18 of sections 23 and 24.

19 “(e) INVESTMENTS.—

20 “(1) IN GENERAL.—Except as needed for pay-
21 ments of damages or other claims or to operate the
22 Insurance Fund, all premium payments deposited in
23 the Insurance Fund shall be invested for the sole
24 benefit of the Insurance Fund.

1 “(2) USE.—Any interest or income earned from
2 investments under paragraph (1) shall be credited to
3 the Insurance Fund in accordance with subsection
4 (b)(2)(B).

5 “(f) APPLICABILITY OF OTHER LAWS.—Subject to,
6 and without superseding limitations on liability in, the Oil
7 Pollution Act of 1990 (33 U.S.C. 2701 et seq.) or any
8 other law that may otherwise apply, the ability of an In-
9 sured to recover from the Insurance Fund does not limit
10 the liability of an Insured as a responsible party for any
11 damages or other claims, including damages or other
12 claims above the per incident limit of recovery from the
13 Insurance Fund under subsection (b)(4)(C)(ii).”.

14 **SEC. 8. RECOVERY BY RESPONSIBLE PARTY.**

15 (a) IN GENERAL.—Section 1008 of the Oil Pollution
16 Act of 1990 (33 U.S.C. 2708) is amended—

17 (1) in subsection (a), by striking “The respon-
18 sible party” and inserting “Except as provided in
19 subsection (c), the responsible party”; and

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

21 “(c) OFFSHORE FACILITY.—For purposes of an off-
22 shore facility (other than a pipeline or deepwater port),
23 a responsible party may not assert a claim for recovery
24 of removal costs or damages under section 1013.”.

1 (b) CONFORMING AMENDMENT.—Section 1004(a) of
2 the Oil Pollution Act of 1990 (33 U.S.C. 2704(a)) is
3 amended—

4 (1) in paragraph (2)—

5 (A) by striking “,” and inserting a
6 comma; and

7 (B) by inserting “and” after the semicolon
8 at the end;

9 (2) by striking paragraph (3); and

10 (3) by redesignating paragraph (4) as para-
11 graph (3).

12 **SEC. 9. AUTHORIZATION OF USES OF THE FUND.**

13 Section 7001 of the Oil Pollution Act of 1990 (33
14 U.S.C. 2761(f)) is amended by inserting at the end the
15 following:

16 “(g) RESEARCH DEVELOPMENT AND DEMONSTRA-
17 TION PROGRAM FOR OFFSHORE FACILITIES.—

18 “(1) IN GENERAL.—Not later than 120 days
19 after the date of enactment of this subsection, the
20 Interagency Committee shall develop and submit to
21 Congress a research, development, and demonstra-
22 tion program for offshore oil facilities (referred to in
23 this subsection as the ‘Program’).

24 “(2) PURPOSE.—The purpose of the Program
25 shall be to provide for research, development, and

1 demonstration of innovative technology to prevent or
2 mitigate oil discharge from offshore oil facilities.

3 “(3) DEVELOPMENT.—The Interagency Com-
4 mittee shall develop the Program with input from
5 the public through public meetings and after pro-
6 viding public notice and a draft program and an op-
7 portunity for written comment.

8 “(4) AUTHORIZATION OF APPROPRIATIONS.—
9 Subject to the availability of appropriations, the
10 Interagency Committee shall use not to exceed
11 \$15,000,000 of amounts in the Fund for each of fis-
12 cal years 2011 through 2015 to carry out this sub-
13 section.”.

14 **SEC. 10. OIL SPILL CLAIMS ASSISTANCE AND RECOVERY.**

15 (a) IN GENERAL.—Title II of the Public Works and
16 Economic Development Act of 1965 is amended by insert-
17 ing after section 207 (42 U.S.C. 3147) the following:

18 **“SEC. 208. OIL SPILL CLAIMS ASSISTANCE AND RECOVERY.**

19 “(a) ESTABLISHMENT OF GRANT PROGRAM.—The
20 Secretary shall establish a grant program to provide to
21 eligible (as determined by the Secretary) organizations
22 technical assistance grants for use in assisting individuals
23 and businesses affected by the Deepwater Horizon oil spill
24 in the Gulf of Mexico (referred to in this section as the
25 ‘oil spill’).

1 “(b) APPLICATION.—An organization that seeks to
2 receive a grant under this section shall submit to the Sec-
3 retary an application for the grant at such time, in such
4 form, and containing such information as the Secretary
5 shall require.

6 “(c) USE OF FUNDS.—

7 “(1) IN GENERAL.—Funds from a grant pro-
8 vided under this section may be used by an eligible
9 organization—

10 “(A) to support—

11 “(i) education;

12 “(ii) outreach;

13 “(iii) intake;

14 “(iv) language services;

15 “(v) accounting services;

16 “(vi) legal services offered pro bono or
17 by a nonprofit organization;

18 “(vii) damage assessments;

19 “(viii) economic loss analysis;

20 “(ix) collecting and preparing docu-
21 mentation; and

22 “(x) assistance in the preparation and
23 filing of claims or appeals;

24 “(B) to provide assistance to individuals or
25 businesses seeking assistance from or under—

1 “(i) a party responsible for the oil
2 spill;

3 “(ii) the Oil Spill Liability Trust
4 Fund;

5 “(iii) an insurance policy; or

6 “(iv) any other program administered
7 by the Federal Government or a State or
8 local government;

9 “(C) to pay for salaries, training, and ap-
10 propriate expenses relating to the purchase or
11 lease of property to support operations, equip-
12 ment (including computers and telecommuni-
13 cations), and travel expenses;

14 “(D) to assist other organizations in—

15 “(i) assisting specific business sectors;

16 “(ii) providing services;

17 “(iii) assisting specific jurisdictions;

18 or

19 “(iv) otherwise supporting operations;

20 and

21 “(E) to establish an advisory board of
22 service providers and technical experts—

23 “(i) to monitor the claims process re-
24 lating to the oil spill; and

1 “(ii) to provide recommendations to
2 the parties responsible for the oil spill, the
3 National Pollution Funds Center, other ap-
4 propriate agencies, and Congress to im-
5 prove fairness and efficiency in the claims
6 process.

7 “(2) PROHIBITION ON USE OF FUNDS.—Funds
8 from a grant provided under this section may not be
9 used to provide compensation for damages or re-
10 moval costs relating to the oil spill.

11 “(d) PROVISION OF GRANTS.—

12 “(1) IN GENERAL.—Not later than 60 days
13 after the date of enactment of the Restoring Eco-
14 system Sustainability and Protection on the Delta
15 Act, the Secretary shall provide grants under this
16 section.

17 “(2) NETWORKED ORGANIZATIONS.—The Sec-
18 retary is encouraged to consider applications for
19 grants under this section from organizations that
20 have established networks with affected business sec-
21 tors, including—

22 “(A) the fishery and aquaculture indus-
23 tries;

24 “(B) the restaurant, grocery, food proc-
25 essing, and food delivery industries; and

1 “(C) the hotel and tourism industries.

2 “(3) TRAINING.—Not later than 30 days after
3 the date on which an eligible organization receives a
4 grant under this section, the Director of the Na-
5 tional Pollution Funds Center and the parties re-
6 sponsible for the oil spill shall provide training to the
7 organization regarding the applicable rules and pro-
8 cedures for the claims process relating to the oil
9 spill.

10 “(4) AVAILABILITY OF FUNDS.—Funds from a
11 grant provided under this section shall be available
12 until the later of, as determined by the Secretary—

13 “(A) the date that is 6 years after the date
14 on which the oil spill occurred; and

15 “(B) the date on which all claims relating
16 to the oil spill have been satisfied.

17 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
18 is authorized to be appropriated to the Secretary to carry
19 out this section \$20,000,000.”.

20 “(b) CONFORMING AMENDMENT.—The table of con-
21 tents of the Public Works and Economic Development Ad-
22 ministration Act of 1965 (42 U.S.C. prec. 3121) is amend-
23 ed by inserting after the item relating to section 207 the
24 following:

“Sec. 208. Oil spill claims assistance and recovery.”.

