## Summary of Democratic Legislation to Implement the Recommendations of the BP Oil Spill Commission

**January 26, 2011** 

## **Background:**

On January 11, 2011, the National Commission on BP Deepwater Horizon Oil Spill and Offshore Drilling issued its final report. The commission issued a number of recommendations for reform. Many of the suggested reforms were included in the oil spill legislation that House Democrats passed last year (H.R. 3534, The CLEAR Act).

The new legislation introduced today by House Democrats builds upon the spill response bill passed by the House last year and is updated to reflect and implement the recommendations of the commission.

## **Summary of "Implementing the Recommendations of the BP Oil Spill Commission Act of 2011"**

**Strengthen safety oversight.** Reorganize the Interior Department and strengthen the Department's offshore oil safety agency by making the director a fixed term appointee. This provision would enact a key commission recommendation.

**Unlimited liability for spills.** Establish unlimited liability for companies in the event of an oil spill as a deterrent against risky practices. This provision passed the House last year and follows the commission's recommendation that the liability cap be significantly increased.

**Restore the Gulf.** Dedicate 80 percent of the fines from the oil spill to Gulf of Mexico restoration efforts. This provision would implement a key commission recommendation.

**Help safety regulators.** Create a dedicated funding stream to the federal agencies responsible for regulating and overseeing the safety of offshore drilling from increased user fees on the oil and gas industry. This provision would implement a key commission recommendation.

**Prioritize science.** Increase the role of scientific experts in the U.S. Coast Guard and National Oceanic and Atmospheric Administration in the decision-making process for where new oil drilling can occur. This provision follows the commission's recommendation.

**Make response plans real.** Require the federal government to develop realistic worst-case flow-rate models and for oil companies to use them when they create real, worst-case scenario oil spill response plans. This provision reflects the commission's conclusions.

**R&D** for spill cleanup. Create a dedicated funding stream for oil spill research and development, consistent with the commission's report.

**Proper payouts for spills.** Increase the per incident payout from the oil spill liability trust fund, as the commission recommended.

**Flow rate study.** Create permanent government expertise on estimating and measuring the flow rates from deepwater spills, as the commission has recommended.

**Know the Arctic.** Require research into gaps in scientific data and response capabilities in the Arctic, which the commission has called for.

**New standards for BOPs.** Require strong new standards for blowout preventers, well design and cementing practices. The commission has recommended better well design.

**Collect dispersant knowledge.** Require extensive study of the potential effects of dispersant use on aquatic life and the environment, following conclusions of the commission.

Visit to <u>democrats.resourcescommittee.house.gov</u> for more information on Congressional Democrats' work on the BP Oil Spill.