

Oil Spill Prevention Act

Fact Sheet

1. Reform Minerals Management Service (MMS)

Provision: Separate leasing, inspection, and revenue offices.

The current structure of MMS creates an inherent conflict of interest. The agency is responsible for issuing leases and permits while at the same time collecting billions in oil revenues. Failure to approve leases or permits could lead to a substantial loss of revenue. Buchanan's bill will divide MMS into separate offices with different directors to reduce any conflict of interest.

Background:

"The MMS is faced with a conflict of interest because it is responsible for regulating and shutting down offshore oil production over safety concerns, if necessary, and also charged with keeping the oil flowing so the government can collect royalties."

Reuters, 5/11/2010

Provision: "Revolving Door" ban.

Several MMS inspectors accepted job offers from oil companies whose rigs they were responsible for evaluating. This conflict of interest presents a dangerous possibility of intentional under-reporting of problems, necessitating the need for a revolving door ban. Buchanan's bill will prohibit federal inspectors from going to work for an oil company for two years after leaving the agency.

Background:

"... a minerals agency employee conducted four inspections on drilling platforms when he was also negotiating a job with the drilling company."

New York Times, 5/24/2010

"...a culture in which inspectors...of the Minerals Management Service have moved with 'ease' between jobs in industry and government..."

Wall Street Journal, 5/26/2010

Provision: Drug test MMS employees.

Unsafe oil rigs put our national security and public safety at risk. Reports of drug use by MMS employees are unacceptable. All MMS employees will be required to submit to at least two random drug tests each year under Buchanan's bill.

Background:

"An inspector...admitted to investigators that he had used crystal methamphetamine, an illegal drug...the inspector may have been under the influence of the drug during an inspection."

New York Times, 5/24/2010

2. Strengthen Oversight

Provision: Mandatory rescheduling of missed monthly inspections.

Between the 2005 and April 20, 2010, MMS missed and never completed nearly a quarter of the monthly safety inspections required for the Deepwater Horizon rig. MMS must not be allowed to ignore safety inspections standards set by Federal law. Buchanan's bill will require any missed inspections to be rescheduled and completed within 14 days.

Background:

"Since January 2005, the federal Minerals Management Service conducted at least 16 fewer inspections aboard the Deepwater Horizon than it should have under the policy, a dramatic fall from the frequency of prior years, according to the agency's records."

Associated Press, 5/16/2010

Provision: No more "categorical exemptions."

No deepwater rig should be allowed to permanently skip evaluations required by Federal law. Environmental evaluations are in place to protect our oceans and coastal communities. Ignoring them puts our wildlife and economy at high risk. Categorical exemptions for deepwater rigs will be prohibited by Buchanan's bill.

Background:

"The Interior Department exempted BP's calamitous Gulf of Mexico drilling operation from a detailed environmental impact analysis last year...after three reviews of the area concluded that a massive oil spill was unlikely. The decision by the department's Minerals Management Service (MMS) to give BP's lease at Deepwater Horizon a "categorical exclusion" from the National Environmental Policy Act (NEPA)... show that neither federal regulators nor the company anticipated an accident of the scale of the one unfolding in the gulf."

Washington Post, 5/5/2010

3. Remove Liability Cap

Provision: No cap on the financial liability of oil companies responsible for offshore spills.

Oil companies that are responsible for catastrophic oil spills must be held financially accountable for the damage they cause to the environment, and to businesses and communities whose livelihood depends on a clean ocean. Under Buchanan's bill, the current liability cap will be removed.

Background:

"As oil patches flirt with the coastline...residents who depend on tourism and fishing are wondering in the here and now how to head off the damage or salvage a season that's nearing its peak."

CBS News, 6/8/2010

"The total cost to BP to date is about...\$22 million a day..."

New York Times, 5/25/2010