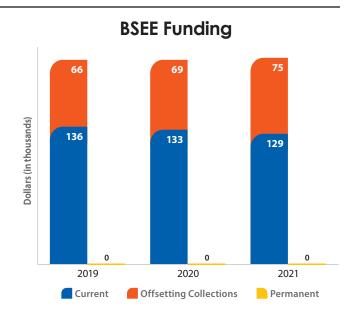


**Mission**—The mission of the Bureau of Safety and Environmental Enforcement (BSEE) is to ensure the safe and environmentally sustainable exploration, development, and production of America's offshore energy resources through regulatory oversight and enforcement.

**Budget Overview**—The 2021 budget request for BSEE is \$204.0 million, including \$129.3 million in current appropriations and \$74.6 million in offsetting collections from rental receipts, cost recoveries, and inspection fees. Total funding assumes the cancellation of \$5.0 million in prior-year balances. BSEE estimates staffing will total 881 full-time equivalents (FTEs) in 2021, including 125 FTEs that are fully reimbursed from other accounts to provide Department-wide shared services.

**Program Overview**—The Outer Continental Shelf (OCS) is a vital national resource. As outlined in the Outer Continental Shelf Lands Act (OCSLA), this resource should be available for development, with all developmental activities conducted in a safe and environmentally sustainable manner.

BSEE is focused on encouraging robust, safe, and environmentally sustainable energy production that upholds the requirements of the OCSLA. BSEE pursues this objective by continuously improving mission delivery affecting the OCS operational environment, which is achieved through efficient permitting, setting of appropriate standards and regulations, effective compliance monitoring and enforcement, technical assessments, inspections, and incident investigations. As a steward of the Nation's OCS oil, gas, and mineral resources, the bureau also protects Federal royalty interests by



ensuring oil and gas production methods maximize recovery from underground reservoirs. BSEE works to mitigate oil spill risks through a focused prevention program and emphasizes the private sector must be prepared with the best plans, equipment, and training to respond to oil spills associated with their facilities if such spills occur. In addition, BSEE places great emphasis on enhancing and supporting safe and streamlined processes throughout the oil, gas, and mineral resources industry.

BSEE's ability to recognize, assess, manage, and ensure appropriate mitigation of operating risks throughout all offshore activities is critical to maintaining a predictable environment for the longterm investments required to support OCS energy development. These capabilities also allow BSEE to efficiently and effectively target the use of its resources.

### BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT Facts

- The Bureau of Safety and Environmental Enforcement was established on October 1, 2011.
- The bureau conducts more than 21,000 inspections per year to ensure the safe and environmentally responsible operation of approximately 1,800 offshore oil and gas drilling and production facilities and 25,000 miles of pipelines.
- BSEE operates the largest facility in the United States that can test oil spill response equipment with a variety of crude oils and refined petroleum products under reproducible marine conditions.
- The bureau conducts studies to continuously improve operational safety and pollution prevention related to offshore oil and natural gas exploration and development and renewable energy facilities.
- BSEE promotes safe, environmentally sustainable, and robust production from the OCS through efficient permitting, appropriate standards and regulations, compliance monitoring and enforcement, technology assessments, response planning, and incident investigations.

BSEE continues to adapt its oversight approaches as offshore operations expand and move into environments requiring the use of new technologies. BSEE has established programs to identify, evaluate, and promote emerging technologies that aim to mitigate the risk of offshore energy operations while increasing safe and environmentally responsible operations.

Consistent with its 2019–2022 Strategic Plan, BSEE is implementing key management tools focused on strong and smart programs and processes moving forward. BSEE is working to improve and streamline processes; ensure the efficient use of resources within BSEE; enhance development opportunities for the workforce; and integrate effective



In FY 2019, BSEE launched the BSEE!Safe program to bring critical safety information directly to offshore workers on the Outer Continental Shelf through the use of text messaging notification technology.

stakeholder engagement. Specifically, BSEE is incorporating riskа based inspection protocol in its inspection strategy; evaluating the permitting processes and timeframes to ensure the efficient use of resources and permitting functions that are attuned to program needs; addressing recommendations from the Government Accountability Office, the Inspector General,

and other outside organizations; and developing a human capital operating plan to advance the bureau's workforce.

BSEE

BSEE's 2021 budget request fully supports the development of the Nation's vast offshore energy resources in a safe and environmentally sustainable manner. Funds will be used to recruit, train, and retain expert engineers, geoscientists, and inspectors; oil spill planning, prevention, and response specialists; and employees from other disciplines to support implementation of BSEE's regulatory oversight responsibilities.

**Offshore Safety and Environmental Enforcement**—The 2021 budget request supports a total program of \$196.3 million for Offshore Safety and Environmental Enforcement programs, consisting of \$121.6 million in appropriated funds, \$30.6 million in offsetting rental receipt and cost recovery collections, and \$44.0 million in inspection fee collections. Total appropriated funding is partially offset by the cancellation of \$5.0 million in prior-year balances.

BSEE funding primarily supports work related to conventional energy development facilities. BSEE will continue to work collaboratively with the Bureau of Ocean Energy Management to establish appropriate permitting and oversight processes for offshore renewable energy projects that promote safe operations. The 2021 request enables BSEE to continue to enhance oversight, regulatory, and research capabilities on the OCS by building and sustaining staff capacity. Outreach and dialogue with stakeholders from academia, industry, nongovernmental organizations, and other governmental agencies enhances the knowledge base of technical personnel related to innovative technologies, appropriate regulatory application, real-time monitoring capabilities, and risk-based decision making for safety and environmental enforcement.

In 2021, BSEE will continue to refine its current permitting and inspection strategies to better reflect the actual risks and phases of development of the OCS, thereby reducing any unintended impediments to the development of America's offshore energy strategy (Executive Order 13795 and Secretary's Order 3350). BSEE is committed to ensuring its inspection program operates at the highest level of effectiveness while continuously exploring ways to increase the overall efficiency of the program. In 2021, BSEE will evaluate the results of the completed inspection strategy review and, if needed, adjust course to ensure that it continues to be a good steward of taxpayer-provided resources. Permitting processes are also being regularly reviewed to support timely development and to accurately reflect the risks and phases of development of the OCS.

**Oil Spill Research**—This program supports research on the prevention and response to oil pollution, as authorized by the Oil Pollution Act of 1990. The Oil Spill Research program plays a pivotal role by initiating applied research to support decision making on the methods and equipment needed to prevent or mitigate oil spills, a critical component of the offshore permitting process. Funds are used to sponsor testing of new equipment and methods and to support Ohmsett testing and training activities. Located in Leonardo, NJ, the Ohmsett testing facility is the only one of its type in the world, providing full-scale equipment and methodology testing for offshore spills in a safe, controlled environment.



BSEE inspectors play a pivotal role in ensuring that offshore operations are conducted in a safe and environmentally sustainable manner.

The 2021 budget proposes \$12.7 million for Oil Spill Research. The request will address key knowledge and technology gaps in oil spill responses, focusing on deepwater and Arctic environments.

**Management Reforms**—The 2021 budget helps to advance several significant management reforms. The budget supports the Administration's priority workforce goal to incentivize employee performance to better recognize high-performing employee contributions to mission achievement across the bureau. In 2021, the Department proposes to consolidate all agency ethics staffing and funding within the Departmental Ethics Office in the Office of the Solicitor. The 2021 budget therefore assumes a transfer of \$232,000 and 1 FTE associated with current bureau ethics activities.

**Fixed Costs**—Fixed costs of \$2.7 million are fully funded.

# SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

# Comparison of 2021 Request with 2020 Enacted <sup>1/</sup>

|   | 2020 Enacted |         | 2021 Request |         | Change |        |
|---|--------------|---------|--------------|---------|--------|--------|
|   | FTE          | Amount  | FTE          | Amount  | FTE    | Amount |
| Current   |              |         |              |         |        |        |
| Offshore Safety and Environmental Enforcement <sup>2/</sup> | 734          | 118,545 | 734          | 116,649 | 0      | -1,896 |
| Oil Spill Research  | 22           | 14,899  | 22           | 12,700  | 0      | -2,199 |
| Subtotal, Current   | 756          | 133,444 | 756          | 129,349 | 0      | -4,095 |
| Offsetting Collections                                      | 0            | 69,479  | 0            | 74,637  | 0      | +5,158 |
| Allocation and Reimbursable                                 |              |         |              |         |        |        |
| Reimbursable  | 125          | 0       | 125          | 0       | 0      | 0      |
| Subtotal, Allocation and Reimbursable                       | 125          | 0       | 125          | 0       | 0      | 0      |
| Total, Bureau of Safety and                                 |              |         |              |         |        |        |
| <b>Environmental Enforcement</b> ( <i>w</i> / <i>oc</i> )   | 881          | 202,923 | 881          | 203,986 | 0      | +1,063 |

<sup>17</sup> Offsetting collections in the 2020 enacted column reflect CBO scoring and match the amounts included in the enacted appropriations language. The 2021 President's Budget Appendix differs slightly due to scoring differences between OMB and CBO. Total budget authority for this account (appropriations and offsetting collections) matches both the appropriation and the President's Budget Appendix. A more detailed explanation of scoring differences can be found in Appendix A of the Department's 2021 Budget in Brief.

<sup>2/</sup> The 2021 request for the Offshore Safety and Environmental Enforcement account reflects a cancellation of \$5.0 million in prior-year balances.

# **HIGHLIGHTS OF BUDGET CHANGES**

By Appropriation Activity/Subactivity

#### APPROPRIATION: Offshore Safety and Environmental Enforcement<sup>1/</sup>

|   | 2019 Actual | 2020 Enacted | 2021 Request | Change |
|---|-------------|--------------|--------------|--------|
| Environmental Enforcement   |             |              | <u> </u>     | ¥      |
| Appropriation   | 2,179       | 2,070        | 1,967        | -103   |
| Offsetting Collections  | 2,495       | 2,688        | 3,168        | +480   |
| Subtotal, Environmental Enforcement                               | 4,674       | 4,758        | 5,135        | +377   |
| Operations, Safety and Regulation                                 |             |              |              |        |
| Appropriation   | 92,365      | 95,709       | 95,206       | -503   |
| Offsetting Collections  | 53,975      | 56,102       | 58,870       | +2,768 |
| Subtotal, Operations, Safety and                                  |             |              |              |        |
| Regulation  | 146,340     | 151,811      | 154,076      | +2,265 |
| Administrative Operations   |             |              |              |        |
| Appropriation   | 11,337      | 10,829       | 9,909        | -920   |
| Offsetting Collections  | 6,792       | 7,321        | 8,629        | +1,308 |
| Subtotal, Administrative Operations                               | 18,129      | 18,150       | 18,538       | +388   |
| Executive Direction   |             |              |              |        |
| Appropriation   | 14,972      | 14,725       | 14,567       | -158   |
| Offsetting Collections  | 3,125       | 3,368        | 3,970        | +602   |
| Subtotal, Executive Direction                                     | 18,097      | 18,093       | 18,537       | +444   |
| TOTAL APPROPRIATION (w/o oc)                                      | 120,853     | 123,333      | 121,649      | -1,684 |
| Total Offsetting Collections                                      | 66,387      | 69,479       | 74,637       | +5,158 |
| TOTAL APPROPRIATION (w/oc,  |             |              |              |        |
| w/o cancellation and rescission)                                  | 187,240     | 192,812      | 196,286      | +3,474 |
| Cancellation of Prior-Year BA                                     | 0           | 0            | -5,000       | -5,000 |
| Rescission of Prior-Year BA                                       | 0           | -4,788       | 0            | +4,788 |
| TOTAL APPROPRIATION ( <i>w</i> /oc, cancellation, and rescission) | 187,240     | 188,024      | 191,286      | +3,262 |

<sup>17</sup> Offsetting collections in the 2020 enacted column reflect CBO scoring and match the amounts included in the enacted appropriations language. The 2021 President's Budget Appendix differs slightly due to scoring differences between OMB and CBO. Total budget authority for this account (appropriations and offsetting collections) matches both the appropriation and the President's Budget Appendix. A more detailed explanation of scoring differences can be found in Appendix A of the Department's 2021 Budget in Brief.

# APPROPRIATION: Offshore Safety and Environmental Enforcement (continued)

|                                      | 2021 Change<br>from<br>2020 Enacted |
|--------------------------------------|-------------------------------------|
| TOTAL APPROPRIATION                  | +3,262                              |
| Environmental Enforcement            | +377                                |
| General Program Activities           | +27                                 |
| Fixed Costs                          | +350                                |
| Operations, Safety and Regulation    | +2,265                              |
| General Program Activities           | +678                                |
| Fixed Costs                          | +1,587                              |
| Administrative Operations            | +388                                |
| General Program Activities           | +220                                |
| Transfer Ethics Program to Solicitor | -232                                |
| Fixed Costs                          | +400                                |

# Detail of Budget Changes

|   | 2021 Change          |  |
|---|----------------------|--|
|   | from                 |  |
|   | 2020 Enacted         |  |
| Executive Direction<br>General Program Activities<br>Fixed Costs                                    | +444<br>+94<br>+350  |  |
| Rescission/Cancellation of Prior-Year BA  | -212                 |  |
| Subtotals for Changes Across Multiple<br>Subactivities<br>General Program Activities<br>Fixed Costs | [+1,019]<br>[+2,687] |  |

# APPROPRIATION: Oil Spill Research

|                     | 2019 Actual    | 2020 Enacted | 2021 Request | Change |
|---------------------|----------------|--------------|--------------|--------|
| TOTAL APPROPRIATION | 14,899         | 14,899       | 12,700       | -2,199 |
|                     |                |              |              |        |
|                     | Detail of Budg | get Changes  |              |        |
|                     | 2021 Change    |              |              |        |
|                     | from           |              |              |        |
|                     | 2020 Enacted   |              |              |        |
| TOTAL APPROPRIATION | -2,199         |              |              |        |
| Research            | -2,199         |              |              |        |