

AMENDMENT NO. _____ Calendar No. _____

Purpose: To authorize the classification of offshore systems.

IN THE SENATE OF THE UNITED STATES—111th Cong., 2d Sess.

S. 3516

To amend the Outer Continental Shelf Lands Act to reform the management of energy and mineral resources on the Outer Continental Shelf, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENTS intended to be proposed by _____

Viz:

1 On page 46, strike line 12 and insert the following:

2 **SEC. 8. CLASSIFICATION OF OFFSHORE SYSTEMS.**

3 (a) REGULATIONS.—

4 (1) IN GENERAL.—Not later than 2 years after
5 the date of enactment of this Act, the Secretary of
6 the Interior and the Secretary of the Department in
7 which the Coast Guard is operating shall jointly
8 issue regulations requiring systems (including exist-
9 ing systems) used in the offshore exploration, devel-
10 opment, and production of oil and gas in the outer
11 Continental Shelf (as defined in section 2 of the
12 Outer Continental Shelf Lands Act (43 U.S.C.

1 1331) to be constructed, maintained, and operated
2 so as to meet classification, certification, rating, and
3 inspection standards that are necessary—

4 (A) to protect the health and safety of af-
5 filiated workers; and

6 (B) to prevent environmental degradation.

7 (2) THIRD-PARTY VERIFICATION.—The stand-
8 ards established by regulation under paragraph (1)
9 shall be verified through certification and classifica-
10 tion by independent third parties that—

11 (A) have been preapproved by both the
12 Secretary of the Interior and the Secretary of
13 the Department in which the Coast Guard is
14 operating; and

15 (B) have no financial conflict of interest in
16 conducting the duties of the third parties.

17 (3) MINIMUM SYSTEMS COVERED.—At a min-
18 imum, the regulations issued under paragraph (1)
19 shall require the certification and classification by
20 an independent third party who meets the require-
21 ments of paragraph (2) of—

22 (A) mobile offshore drilling units;

23 (B) fixed and floating drilling or produc-
24 tion facilities;

1 (C) drilling systems, including risers and
2 blowout preventers; and

3 (D) any other equipment dedicated to the
4 safety systems relating to offshore extraction
5 and production of oil and gas.

6 (4) EXCEPTIONS.—The Secretary of the Inte-
7 rior and the Secretary of the Department in which
8 the Coast Guard is operating may waive the stand-
9 ards established by regulation under paragraph (1)
10 for an existing system only if—

11 (A) the system is of an age or type where
12 meeting such requirements is impractical; and

13 (B) the system poses an acceptably low
14 level of risk to the environment and to human
15 safety.

16 (b) AUTHORITY OF COAST GUARD.—Nothing in this
17 section preempts or interferes with the authority of the
18 Coast Guard.

19 **SEC. 9. SAVINGS PROVISIONS.**

20 On page 47, strike line 7 and insert the following:

21 **SEC. 10. BUDGETARY EFFECTS.**