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## Offshore Energy Agency Appropriations, FY2022

Three entities in the Department of the Interior (DOI) share responsibility for managing the nation’s ocean energy resources on almost 2.5 billion acres of the U.S. outer continental shelf (OCS). The Bureau of Ocean Energy Management (BOEM) administers offshore energy leasing and mineral development; the Bureau of Safety and Environmental Enforcement (BSEE) oversees offshore operational safety and environmental protection; and the Office of Natural Resources Revenue (ONRR) manages public revenues from federally regulated offshore and onshore energy and natural resource projects. BOEM, BSEE, and ONRR receive appropriations in the annual Interior, Environment, and Related Agencies appropriations bill. Issues include determining the aggregate and program-level appropriations for each entity.

FY2022 appropriations for BOEM, BSEE, and ONRR were contained in P.L. 117-103, the Consolidated Appropriations Act, 2022, enacted on March 15, 2022. Because appropriations were not enacted by the start of the fiscal year, several continuing resolutions had earlier provided appropriations at FY2021 levels. Also, on July 29, 2021, the House had passed H.R. 4502 with FY2022 consolidated appropriations (also see H.Rept. 117-83 on H.R. 4372, an earlier stand-alone House bill). On October 18, 2021, the chair of the Senate Committee on Appropriations released a majority draft bill, later introduced as S. 3034, with appropriations for Interior and related agencies.

Total budget authority for BOEM and BSEE includes both discretionary appropriations and *offsetting collections* derived from a portion of OCS rental receipts, cost-recovery fees, and (for BSEE) inspection fees. The discretionary appropriations for each fiscal year are reduced by the amount of eligible fees and receipts collected, so that the final amount appropriated to each agency is the net of those collections. Discussions of account- and activity-level funding in the sections below refer to total budget authority,

regardless of offsets. ONRR’s funding does not include offsetting collections.

### BOEM Appropriations

The Biden Administration requested \$227.8 million in total BOEM budget authority for FY2022 (**Table 1**). This was an 18% increase over the total FY2021 budget authority of \$192.8 million provided in P.L. 116-260, the Consolidated Appropriations Act, 2021. P.L. 117-103 provided \$206.7 million in total FY2021 budget authority for BOEM, 7% more than the FY2021 total budget authority and 11% less than requested by the Administration. House-passed H.R. 4502 would have provided \$223.9 million, and S. 3034 contained \$227.8 million. The total budget authority consists of discretionary appropriations and offsetting collections (see below).

BOEM’s funding is contained in a single budget account, titled Ocean Energy Management. Within this account, the **Conventional Energy** budget activity (\$60.5 million FY2021; \$62.3 million FY2022 request; \$60.5 million enacted) funds administration of oil and gas leasing, including the development of forward-looking five-year leasing programs. BOEM had sought a funding increase primarily to support fixed costs such as health and retirement benefits.

The **Renewable Energy** activity (\$28.5 million FY2021; \$45.8 million FY2022 request; \$36.8 million enacted) supports BOEM’s management of renewable ocean energy resources. BOEM requested added funding to boost its workforce capacity and invest in research and stakeholder engagement. The joint explanatory statement for P.L. 117-103 directed BOEM to consult “early and often with the commercial fishing industry and other stakeholders” on offshore wind siting decisions and to partner with cooperating federal agencies on these decisions.

**Table 1. BOEM, BSEE, and ONRR Appropriations, FY2021 and FY2022**  
(\$ millions)

Agency	FY2021 Enacted (P.L. 116-260)	FY2022 Request	House-Passed H.R. 4502	Senate S. 3034	FY2022 Enacted (P.L. 117-103)	% Change from FY2021
BOEM Total Budget Authority	192.8	227.8	223.9	227.8	206.7	+7%
BOEM Net Appropriation	127.8	184.8	180.9	184.8	163.7	+28%
BSEE Total Budget Authority	198.7	253.4	228.4	252.7	210.9	+6%
BSEE Net Appropriation	125.1	195.4	170.4	194.7	155.9	+25%
ONRR Total Appropriation	148.5	169.6	153.5	169.6	169.6	+14%

**Source:** Data from House and Senate Committees on Appropriations; joint explanatory statement for P.L. 117-103.

**Notes:** Net appropriations reflect estimated reductions to discretionary appropriations based on offsetting collections.

The **Environmental Assessment** activity (\$75.9 million FY2021; \$86.8 million FY2022 request; \$79.8 million enacted) supports BOEM’s responsibilities for assessing the environmental impacts of ocean energy activities to inform planning and policy decisions. BOEM’s requested funding increase mainly was to support its Environmental Studies Program.

The **Marine Minerals** activity (\$10.8 million FY2021; \$15.0 million FY2022 request; \$11.8 million enacted) supports management of offshore non-energy minerals, particularly sand and gravel, as well as BOEM’s assessment of critical minerals on the OCS. The joint explanatory statement specified that BOEM’s critical minerals activities should continue at “not less than” FY2021 enacted levels.

The **Executive Direction** activity (\$17.2 million FY2021; \$17.9 million FY2022 requested and enacted) covers leadership, budgeting, technology, and related activities. The requested increase was primarily for fixed costs and to implement a DOI-wide Diversity, Equity, Inclusion, and Accessibility Initiative.

Net of estimated offsetting collections, the FY2022 request was \$184.8 million, 45% more than the net appropriation in FY2021. P.L. 117-103 provided \$163.7 million as the net appropriation, 28% more than FY2021. The greater percentage increase from last year in the net versus total appropriation reflects that BOEM anticipates less in offsetting rental receipts and cost-recovery fees for FY2022 than were collected in FY2021.

## BSEE Appropriations

The Administration requested \$253.4 million in total budget authority for BSEE for FY2022, a 28% increase over the FY2021 total budget authority of \$198.7 million in P.L. 116-260 (**Table 1**). P.L. 117-103 provided BSEE with total budget authority of \$210.9 million, 6% more than FY2021 and 17% less than requested. House-passed H.R. 4502 would have provided BSEE with total FY2022 budget authority of \$228.4 million, and S. 3034 would have provided \$252.7 million.

BSEE’s funding is appropriated under two budget accounts, Offshore Safety and Environmental Enforcement (OSEE) and Oil Spill Research. Under the OSEE account, the **Operations, Safety, and Regulation** activity (\$152.8 million FY2021; \$164.1 million FY2022 request; \$160.1 million enacted) supports BSEE’s development of regulations and safety standards, review and approval of OCS operating permits, inspections of facilities and equipment, and oversight of operator safety programs, among other activities. BSEE requested increased funding to support its offshore renewable energy program.

The **Environmental Enforcement** activity (\$4.8 million FY2021; \$5.5 million FY2022 requested and enacted) supports BSEE’s compliance with environmental statutes and its oversight and enforcement of environmental compliance by operators on the OCS. BSEE stated that the requested FY2022 increase was for its renewable energy program.

The activities for **Administrative Operations** (\$18.2 million FY2021; \$20.2 million FY2022 request; \$18.8 million enacted) and **Executive Direction** (\$18.1 million FY2021; \$18.4 million FY2022 requested and enacted) fund a range of administrative services as well as BSEE’s executive offices. BSEE’s FY2022 request included funding for zero-emission vehicles and the DOI-wide Diversity, Equity, Inclusion, and Accessibility Initiative, among others.

BSEE also proposed a new budget activity under the OSEE account, titled **Offshore Decommissioning**. BSEE requested \$30.0 million to “properly” decommission orphaned well and pipeline infrastructure. P.L. 117-103 provided \$3.0 million. The joint explanatory statement directed compliance with certain text from the House Appropriations Committee report, requiring a briefing on BSEE’s plans for obtaining financial assurance from operators regarding infrastructure decommissioning, and expressing that the committee “strongly disagrees that the ultimate responsibility for these activities should fall to the American taxpayer.”

The second BSEE account, **Oil Spill Research** (\$14.9 million FY2021; \$15.1 million FY2022 requested and enacted) funds research and planning for oil spill responses and supports Ohmsett, the National Oil Spill Response Research and Renewable Energy Test Facility. BSEE stated that the added funding for FY2022 would go toward research on the safety and sustainability of renewable energy operations.

BSEE’s requested net appropriation after offsetting collections was \$195.4 million, 56% more than the FY2021 net appropriation. P.L. 117-103 provided \$155.9 million as the net appropriation, 25% more than FY2021.

## ONRR Appropriations

ONRR, which manages revenues from both offshore and onshore energy, is funded within the broader appropriation for DOI’s Department-Wide Programs. For FY2022, the Administration requested \$169.6 million for ONRR, an increase of 14% over the FY2021 funding of \$148.5 million (**Table 1**). The requested increase was mainly for information technology (IT) modernization. P.L. 117-103 provided the requested amount.

## General Provisions

Similar to previous Interior appropriations acts, P.L. 117-103 included a general provision (Section 107) authorizing BSEE to collect specified fees for inspections of offshore facilities. BSEE had requested that the fee amounts be increased to account for inflation, but P.L. 117-103 did not alter the fee amounts from recent years.

## For Additional Reading

For a broader overview of FY2022 Interior appropriations, see CRS Report R46908, *Interior, Environment, and Related Agencies: Overview of FY2022 Appropriations*.

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