

The Deepwater Horizon explosion on April 20th has led to the largest oil spill in our nation's history, and the most significant one since the Exxon Valdez incident 20 years ago. It is an unprecedented environmental catastrophe for the Gulf Coast. Although the successful capping of the wellhead on July 15th was welcome news, recovery is likely to take a generation.

Since oil began flowing into the Gulf, Congress and the Administration have conducted hearings and investigations into every facet of the disaster. As Chairman of the Homeland Security Appropriations Subcommittee, which oversees the U.S. Coast Guard, I have been closely monitoring the Coast Guard's management of the response efforts, and I am grateful for the ongoing efforts of tens of thousands of Americans who are working around the clock to contain and recover the oil and protect the Gulf environment.

In the aftermath of the spill, I've made certain that the Fiscal Year 2011 homeland security funding bill, which I am responsible for drafting, would provide new resources to bolster the Coast Guard's oil spill response mission. The legislation includes \$38.5 million to better equip the men and women who are the first to respond to such emergencies, and to improve the Coast Guard's safety inspection of offshore drilling operations.

In addition to providing more federal resources for oil spill response, the BP incident has made clear that we need to make significant policy reforms in the areas of legal liability, offshore drilling oversight, and overall energy policy. One of the most immediate concerns is ensuring that those responsible for the spill bear its costs.

Under the Oil Pollution Act of 1990, the responsible parties are liable for oil spill removal costs and economic damages resulting from a spill, but their economic damages are capped. At the President's insistence, BP announced the creation of an independently-administered \$20 billion escrow account to cover claims against the company by Gulf Coast residents. This is an encouraging first step, but we will need to remain diligent to ensure that the responsible parties – and not taxpayers – foot the total clean-up bill. [The CLEAR Act \(H.R. 3534\)](#), which was passed by the House, would remove the \$75 million cap on economic damages paid by oil spillers to families and small businesses.

We've also got to take steps to reduce the likelihood of future spills. The CLEAR Act would impose strong new safety measures, including independent certification of critical equipment,

increased inspections, and stiffer penalties for safety violations. The legislation also would completely reform the scandal-ridden agency responsible for conducting oversight and collecting royalties from oil and gas companies.

The BP disaster has reaffirmed my longstanding concerns about drilling in the Outer Continental Shelf, particularly off the Outer Banks of North Carolina. I agree with the President's determination following the Gulf spill that more thorough environmental and safety reviews are required before any new areas are approved for offshore drilling. It is evident that current environmental oversight and response planning are not adequate, particularly in light of the risks that deepwater drilling poses. Where drilling already is occurring, we must ensure that the companies have viable strategies to deal with oil spills immediately, which is also required under the CLEAR Act.

Ultimately, the Deepwater spill has proven that we need a comprehensive energy overhaul to transition away from fossil fuels – upon which our nation has been dependent for far too long – and move toward renewable energy sources. In June 2009, the House approved the [American Clean Energy and Security Act \(H.R. 2454\)](#), which would reduce our dependence on foreign oil and offshore drilling, create a new generation of clean energy jobs, and drastically reduce our greenhouse gas emissions that contribute to climate change. That bill awaits action in the Senate.

In the meantime, we must recognize that this disaster is far from over. We need to diligently oversee the latest procedures designed to permanently seal the well, while recognizing that our country will be dealing with the environmental fallout of this spill for years to come. I will continue to closely monitor the ongoing recovery effort and to work with my colleagues to hold BP and those responsible for this tragedy accountable.