



Chairman Ken Calvert

Subcommittee on the Interior, Environment, and Related Agencies, House Committee on Appropriations

**FY15 Budget Hearing
Bureau of Ocean Energy Management (BOEM)
&
Bureau of Safety and Environmental Enforcement (BSEE)
April 4, 2014
Opening Statement As Prepared**

The Committee will come to order.

Good morning, and welcome to the fiscal year 2015 budget hearing for the Bureau of Ocean Energy Management (BOEM) and the Bureau of Safety and Environmental Enforcement (BSEE) -- the two agencies charged with the management, safety and environmental protection of energy produced on the Outer Continental Shelf.

Energy is the backbone of the United States economy and reliable domestic sources of energy are vital for our economic growth and homeland security. We depend on your efforts to help produce domestic energy and domestic jobs in a responsible way, and the revenue from oil and gas production is a substantial boost to the Treasury.

We also depend on your efforts now more than ever as energy costs continue to rise and given this Administration's clear approach to restrict production from other energy sectors, namely the coal industry. Without cheap, reliable energy, businesses that operate in the United States will look elsewhere, and we cannot afford that.

Unfortunately, production in the Gulf is still 20 percent below levels prior to the Administration's moratorium on deep water drilling in the Gulf. Some companies have invested billions of dollars in the Arctic with nothing to show for their efforts. Unfortunately, despite good intentions, production has yet to expand in the Arctic. Thankfully, the future for increased production in the Gulf looks bright, or at least the projections for the Gulf are quite positive.

Nevertheless companies are operating in a new regulatory climate with more stringent safety standards and additional requirements for cleanup plans. While we all agree that it is important to "get-it-right", uncertainty created by indecisiveness or bureaucratic overreach will inevitably raise energy costs and extend drilling periods. I look forward to working with you to ensure that we "get-it-right" so that we are responsibly recovering more of our resources, reducing energy costs, and ensuring a proper return on our investments.

Also, we have had many conversations about staffing needs since BOEM and BSEE were established in 2011. We recognized both Bureaus' difficulty filling many positions due to competition from the oil and gas industry. We also recognize the needs of an aging workforce and for the need to keep up with attrition. So we included the authority needed to pay higher salaries for certain positions in the Omnibus. With that said, I do have some questions about the requested increase in personnel for BSEE. After four years in a row of significant increased hiring, we'll want to know where both Bureaus are in terms of staffing and what are the long term goals.

I am pleased to now yield to the Ranking member, Mr. Moran for his opening remarks.

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