



Press Release



Salazar Divides MMS's Three Conflicting Missions

Establishes Independent Agency to Police Offshore Energy Operations

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WASHINGTON, DC - Secretary of the Interior Ken Salazar today signed a [Secretarial Order](#) that will lead to the [fundamental restructuring](#) of the Minerals Management Service and the division of its three conflicting missions into separate entities with independent missions.

"The Minerals Management Service has three distinct and conflicting missions that – for the benefit of effective enforcement, energy development, and revenue collection – must be divided," said Secretary Salazar. "The reorganization I am ordering today is the next step in our reform agenda and will enable us to carry out these three separate and equally-important missions with greater effectiveness and transparency. These reforms will strengthen oversight of offshore energy operations, improve the structure for revenue and royalty collections on behalf of the American people, and help our country build the clean energy future we need."

The [reorganization of the MMS](#), which Secretary Salazar will carry out in consultation with Congress and which is the latest in a series of agency reform actions Salazar has taken since January 2009, will establish the:

- **Bureau of Ocean Energy Management:** A new bureau under the supervision of the Assistant Secretary for Land and Minerals Management will be responsible for the sustainable development of the Outer Continental Shelf's conventional and renewable energy resources, including resource evaluation, planning, and other activities related to leasing.
- **Bureau of Safety and Environmental Enforcement:** A bureau under the supervision of the Assistant Secretary for Land and Minerals Management that will be responsible for ensuring comprehensive oversight, safety, and environmental protection in all offshore energy activities.
- **Office of Natural Resources Revenue:** An office under the supervision of the Assistant Secretary for Policy, Management, and Budget that will be responsible for the royalty and revenue management function including the collection and distribution of revenue, auditing and compliance, and asset management.

"The employees of the MMS deserve an organizational structure that fits the missions they are asked to carry out," added Salazar. "With this restructuring, we will bring greater clarity to the roles and responsibilities of the Department while strengthening oversight of

the companies that develop energy in our nation's waters."

The changes Salazar announced today are the latest in a series of reforms to MMS that began in January 2009. Those reforms include: the establishment of new ethics standards; termination of the controversial royalty-in-kind program; balancing of the agency's mandate to include offshore wind and renewable energy production; implementing recommendations of the Inspector General and independent reviewers; directing an independent Marine Board review of MMS's inspection program for offshore facilities; cancelling proposed offshore lease sales in Bristol Bay and the Arctic Ocean; and establishing a clear, orderly, and science-based process for determining which areas on the Outer Continental Shelf may be appropriate for oil and gas development.

Secretary of the Interior James Watt created the Minerals Management Service by Secretarial Order on January 19, 1982, consolidating minerals revenue management from the U.S. Geological Survey, the Bureau of Land Management and the Bureau of Indian Affairs. Since then, MMS has been managing the collection of revenues generated from programs including: oil and gas, coal, metals, potash, and renewable energy resources. Since 1982, MMS has collected over \$210 billion in revenues and distributed them to States, Tribes, counties, and the federal treasury. MMS collects approximately \$13 billion annually and approximately 95% of the revenue that the Department of the Interior collects as a whole.

MMS is also the federal agency that manages the nation's natural gas, oil and other mineral resources on the Outer Continental Shelf. MMS develops and implements plans for leasing conventional and renewable energy resources in the Outer Continental Shelf. It is also responsible for overseeing offshore energy operations and ensuring compliance with relevant laws and regulations.

For an outline of the MMS reorganization, [click here](#). To view the Secretarial Order, [click here](#).

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