

With Rep. Peter Welch's support, the U.S. House on Friday passed sweeping legislation to strengthen oil drilling safety regulations, increase oversight and hold accountable those who break the law.

The CLEAR Act (H.R. 3534), which passed by a vote of 209 to 193, included three provisions coauthored by Welch. His amendments would close an oil royalty loophole that could cost the taxpayer \$53 billion, prevent companies like BP from dodging liability by setting up subsidiaries, and commission a study of whether to require relief wells in tandem with drilling wells.

"While we can never undo the tremendous environmental and economic damage caused by the Deepwater Horizon explosion, we can – and must – take decisive action to prevent another such tragedy from occurring ever again," Welch said. "These common sense rules address an industry run amok and a regulator asleep at the switch."

The CLEAR ACT, a portion of which passed the House Energy and Commerce Committee – on which Welch serves – in July:

- Imposes new safety standards for offshore drilling, requiring the independent certification of critical equipment, increased inspections and stiffer penalties for safety violations.
- Eliminates liability limits by requiring oil companies responsible for spills to pay 100 percent of the cost – not the current \$75 million limit.
- Reforms federal oversight by dividing up the Minerals Management Service to eliminate conflicts of interest and closing the revolving door between the industry and regulators.
- Invests in the cleanup of the Gulf Coast by establishing a restoration program and a land and water conservation fund.

Welch worked alongside Rep. Edward Markey (D-Mass.) to include in the bill a major provision closing a loophole that could cost taxpayers \$53 billion in the next 25 years. Current law allows oil companies that acquired drilling leases in the Gulf of Mexico between 1996 and 2000 to drill on public land for free. Welch's and Markey's provision would ensure that oil companies pay their fair share for drilling rights.

Below, watch the video of Welch questioning Department of the Interior officials about the loophole during a July 22nd hearing of the Oversight and Government Reform Committee.

Along with Reps. Gerald Connolly (D-Va.) and Rush Holt (D-N.J.), Welch successfully sponsored an amendment that prevents oil companies from shifting the responsibility for cleanup costs to the taxpayer. Under current law, a subsidiary of an oil company can declare bankruptcy if faced with extensive liabilities, shielding the parent company from responsibility.

An amendment Welch and Rep. Jane Harman (D-Calif.) offered in the Energy and Commerce Committee commissions a study of the economic, environmental and safety impact of requiring additional relief wells to be drilled in tandem with those already required.

On Wednesday, Welch will continue his statewide clean energy tour, calling for job-creating energy policies and highlighting Vermont's leadership in the field.