

January 12, 2026

## Offshore Energy Agency Appropriations, FY2026

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 annual Interior, Environment, and Related Agencies appropriations acts. Issues include determining the aggregate and program-level appropriations for each entity.

On July 24, 2025, the House Committee on Appropriations reported H.R. 4754 (H.Rept. 119-215), with funding for BOEM, BSEE, and ONRR. On the same day, the Senate Committee on Appropriations reported S. 2431 (S.Rept. 119-46) with FY2026 appropriations for the three entities. FY2026 appropriations were not enacted by the start of the fiscal year, and BOEM, BSEE, and ONRR experienced a lapse in appropriations from October 1, 2025, to November 12, 2025. The three entities are receiving appropriations at FY2025 levels under a continuing resolution (CR)—P.L. 119-137, Division A—through January 30, 2026, unless other appropriations bills are enacted earlier. On January 8, 2026, the House passed H.R. 6938, a “conferenced” package that includes FY2026 Interior appropriations. The House and Senate Appropriations Committees also released a draft joint explanatory statement (JES). It provides that language in H.Rept. 119-215 and S.Rept. 119-46 should be complied with unless otherwise directed in the JES.

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 Trump Administration requested \$148.2 million in total budget authority for BOEM for FY2026 (**Table 1**). This would be a 30% decrease from total FY2025 budget authority of \$211.2 million provided in P.L. 119-4, the Full-Year Continuing Appropriations and Extensions Act, 2025. H.R. 6938 would provide \$191.1 million in total FY2026

budget authority for BOEM, 9% less than enacted for FY2025 and 29% more than the request.

BOEM's funding is contained in a single budget account, titled Ocean Energy Management. Within this account, the **Conventional Energy** activity (\$59.0 million FY2025 enacted; \$72.6 million FY2026 requested; \$70.2 million H.R. 6938) funds administration of oil and gas leasing, including development of five-year leasing programs. BOEM stated that its budget request would promote the expansion of oil and gas leasing and development, including through preparation of a new five-year leasing program. The Senate committee report urged BOEM to publish a proposed rule on carbon capture and sequestration, as required by P.L. 117-58. The draft JES contains no additional relevant direction.

The **Renewable Energy** activity (\$41.1 million FY2025 enacted; \$0 FY2026 requested; \$20.0 million H.R. 6938) supports BOEM's management of renewable ocean energy resources. BOEM requested to eliminate the account and focus resources on “the Bureau's statutory mission and Administration priorities.” The draft JES directs BOEM to provide status reports every 60 days on “the execution of funds to fulfill its legally required responsibilities for all offshore energy activities.”

The **Environmental Assessment** activity (\$79.1 million FY2025 enacted; \$49.1 million FY2026 requested; \$73.1 million H.R. 6938) funds environmental analyses and studies that inform BOEM's planning and policy decisions. The activity includes stakeholder engagement, such as tribal engagement. BOEM stated that its FY2026 request would support environmental work on the oil and gas leasing program and offshore critical minerals, among other priorities, including work to streamline environmental permitting. The House committee report encouraged BOEM to work with other agencies to identify permitting efficiencies. The Senate committee report stated expectations regarding consultations with the fishing industry and tribes for renewable energy permitting. The draft JES contains no additional relevant direction.

The **Marine Minerals** activity (\$13.8 million FY2025 enacted; \$13.8 million FY2026 requested; \$13.8 million H.R. 6938) supports management of offshore non-energy minerals, particularly sand and gravel, as well as BOEM's assessment and leasing of critical minerals on the OCS. The Senate committee report directed BOEM to facilitate critical mineral lease sales in the Pacific and Gulf of America regions and to maintain academic research partnerships; the draft JES adds directions to complete all statutorily required work and consult with local communities.

**Table 1. BOEM, BSEE, and ONRR Appropriations, FY2025 and FY2026 (\$ millions)**

Agency	FY2025 Enacted (P.L. 119-4)	FY2026 Request	House-Reported H.R. 4754	Senate-Reported S. 2431	Conference Bill H.R. 6938	H.R. 6938 % Change from FY2025
BOEM Total Budget Authority	211.2	148.2	182.2	200.1	191.1	-9%
BOEM Net Appropriation	156.2	90.2	124.2	142.1	133.1	-15%
BSEE Total Budget Authority	220.4	143.4	197.3	221.4	211.9	-4%
BSEE Net Appropriation	156.4	78.4	132.3	156.4	146.9	-6%
ONRR Total Appropriation	167.9	147.2	158.4	167.9	159.9	-5%

**Sources and Notes:** Data from House and Senate Appropriations Committees. Net appropriations reflect estimated reductions to discretionary appropriations from offsetting collections. Net budget authority figures for BOEM and BSEE in H.R. 4754 and S. 2431 are based on estimated offsetting collections at the time of publication of H.Rept. 119-215 and S.Rept. 119-46.

The **Executive Direction** activity (\$18.1 million FY2025 enacted; \$12.7 million FY2026 requested; \$14.0 million H.R. 6938) covers leadership, budgeting, technology, and related activities. BOEM stated that the requested funding would continue leadership, management, and coordination activities.

Net of estimated offsetting collections, BOEM's FY2026 request was \$90.2 million, 42% less than BOEM's FY2025 net appropriation of \$156.2 million. Net of estimated offsetting collections, H.R. 6938 would provide \$133.1 million for BOEM, 15% less than enacted for FY2025 and 48% more than the FY2026 request.

### BSEE Appropriations

The Administration requested \$143.4 million in total budget authority for BSEE for FY2026, a 35% decrease compared with the FY2025 total budget authority of \$220.4 million in P.L. 119-4. H.R. 6938 would provide total FY2026 budget authority of \$211.9 million for BSEE, 4% less than FY2025 and 48% more than requested (**Table 1**).

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 (\$160.3 million FY2025 enacted; \$101.9 million FY2026 requested; \$156.8 million H.R. 6938) 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 and oil spill preparedness, among other activities. BSEE's proposed changes for FY2026 included elimination of its renewable energy program, while retaining statutorily required safety and enforcement activities for existing offshore renewable energy projects.

The **Environmental Enforcement** activity (\$5.6 million FY2025 enacted; \$3.5 million FY2026 requested; \$5.6 million H.R. 6938) supports BSEE's compliance with environmental statutes and its oversight and enforcement of environmental compliance by operators on the OCS. BSEE stated that in FY2026, it would update policies to accord with Administration priorities and recent changes to environmental compliance procedures.

The activities for **Administrative Operations** (\$18.5 million FY2025 enacted; \$11.6 million FY2026 requested;

\$15.5 million H.R. 6938) and **Executive Direction** (\$18.0 million FY2025 enacted; \$11.3 million FY2026 requested; \$15.9 million H.R. 6938) fund a range of administrative services as well as BSEE's executive offices. BSEE noted the 2025 consolidation of some relevant services in DOI's Office of the Secretary and stated BSEE would fund those services through DOI's Working Capital Fund.

BSEE's **Offshore Decommissioning** activity (\$2.9 million FY2025 enacted; \$0 FY2026 requested; \$2.9 million H.R. 6938) supports closure and removal of orphaned infrastructure when leases reach the end of their lifetimes. BSEE requested no funding for FY2026 and stated it would use prior-year annual and supplemental funding to continue activities. S.Rept. 119-46 stated that the funding is to provide BSEE with a "foundation" for contracting decommissioning work and that once the current needs are provided for, this line item would be discontinued. The draft JES contains no additional relevant direction.

The second BSEE account, **Oil Spill Research** (\$15.1 million FY2025 enacted; \$15.1 million FY2026 requested; \$15.1 million H.R. 6938), funds research and planning for oil spill responses and supports Ohmsett, the National Oil Spill Response Research and Renewable Energy Test Facility.

Net of estimated offsetting collections, BSEE's FY2026 request was \$78.4 million, 50% less than the FY2025 net appropriation of \$156.4 million. Net of estimated offsetting collections, H.R. 6938 would provide \$146.9 million, 6% less than FY2025 and 87% more than the FY2026 request.

### ONRR Appropriations

ONRR, which manages revenues from both offshore and onshore energy, is funded under the broader appropriation for DOI's Department-Wide Programs. For FY2026, the Administration requested \$147.2 million for ONRR, a 12% decrease from the FY2025 funding of \$167.9 million (**Table 1**). H.R. 6938 would provide \$159.9 million, 5% less than enacted for FY2025 and 9% more than the FY2026 request.

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