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Offshore Wind: Status and Issues for the 119th Congress

The Outer Continental Shelf Lands Act, as amended (OCSLA; 43 U.S.C. 1337(p)), authorizes the Secretary of the Interior to lease submerged lands on the U.S. outer continental shelf (OCS) for development of renewable energy, including wind energy. The Department of the Interior's (DOI's) Bureau of Ocean Energy Management (BOEM) carries out this responsibility. BOEM has awarded dozens of leases for offshore wind development, primarily in the Atlantic region and also off California (five leases) and in the Gulf of America (one lease). Two wind farms are operating on the federally managed OCS off the coasts of Massachusetts and Rhode Island (in addition to a project in Rhode Island state waters), and several more projects are under construction.

The U.S. offshore wind industry has faced economic and supply-chain challenges in recent years that have led to the postponement or cancellation of some projects. Projects also have faced legal challenges from coastal homeowners and preservationists, the fishing industry, tribes, and those concerned about potential impacts to marine wildlife. Presidents Biden and Trump have differed in their approaches to offshore wind. President Biden promoted a goal to deploy 30 gigawatts of offshore wind capacity by 2030. President Trump has halted offshore wind leasing and permitting on the OCS in light of concerns about the adequacy of previous federal reviews of these activities. The 119th Congress is considering offshore wind leasing, permitting, transmission, tax credits, and related matters through oversight and legislation.

Offshore Wind Leasing

On January 20, 2025, President Trump issued a memorandum on offshore wind, which used presidential authority under Section 12(a) of OCSLA (43 U.S.C. §1341(a)) to “temporarily” withdraw the entire OCS from availability for “any new or renewed wind energy leasing.” The withdrawal means that potential offshore wind lease sales announced by the Biden Administration would not take place, including a sale for the Central Atlantic area and potential further sales in the Atlantic, Pacific, and Gulf of America regions and offshore of U.S. territories.

The memorandum states that further wind leasing on the OCS is prohibited “until this Presidential Memorandum is revoked.” Because OCSLA Section 12(a) does not explicitly provide revocation authority, there is legal uncertainty about whether a President can revoke a Section 12(a) withdrawal, and courts may address this matter. Congress could consider whether to clarify presidential authority in this respect; some 119th Congress bills (e.g., H.R. 513) would modify the Section 12(a) withdrawal authority. Concerning offshore wind leasing specifically, H.R. 1781 and S. 837 would provide that the President’s

memorandum shall have no force or effect, and no federal funds may be used to implement it. If the withdrawal were nullified in this manner by law, DOI could consider whether to proceed with additional OCS wind leasing under its leasing regulations at 30 C.F.R. Part 585, Subpart C, and statutory requirements such as those in Section 50265 of P.L. 117-169 (commonly known as the Inflation Reduction Act, or IRA), which condition BOEM’s wind leasing authority on specified leasing activities for OCS oil and gas. Alternatively, Congress could legislate directly on offshore wind lease sales, either to require or prohibit sales. For instance, H.R. 674 in the 119th Congress would prohibit wind leasing in parts of the Gulf of Maine.

Permitting Activities on Existing Leases

President Trump’s memorandum also directed the Secretary of the Interior and other relevant Secretaries and agency heads to temporarily halt certain permitting and approval activities for offshore (and onshore) wind projects, pending a “comprehensive assessment and review of Federal wind leasing and permitting practices.” The temporary halt applies to issuance of new or renewed approvals, rights of way, permits, leases, and loans for wind projects.

BOEM administers approximately 40 active offshore wind leases, many of which are affected by the temporary halt on offshore wind permitting and approvals. Most lessees have not yet received the necessary permits and approvals for project construction. After a lease is awarded, developers submit construction and operations plans (COPs) to BOEM for approval and apply for necessary permits from other agencies, such as the National Oceanic and Atmospheric Administration (NOAA) and the U.S. Army Corps of Engineers. Agencies must evaluate project proposals in compliance with the National Environmental Policy Act (NEPA; 42 U.S.C. §§4321 et seq.). BOEM typically leads the preparation of an environmental impact statement (EIS) and record of decision, which other agencies may sign onto, to inform conditions for approving COPs and issuing permits. The President’s memorandum halts these activities pending a comprehensive review of federal wind leasing and permitting practices. Accordingly, BOEM has canceled or postponed activities related to EISs for pending offshore wind projects (e.g., in the Atlantic and Pacific regions). Separately, DOI’s FY2026 budget request seeks the elimination of funding for BOEM’s renewable energy program, which would remove agency capacity for project review and permitting.

For 11 active commercial-scale projects, all in the Atlantic region, the approvals and permits to authorize construction and operations already had been issued prior to the President’s memorandum. These projects are at various stages of completion. The 12-turbine South Fork Wind

Farm offshore of Rhode Island and Massachusetts is fully constructed and operating. The 62-turbine Vineyard Wind 1 project off Massachusetts is partly constructed and has begun delivering power to the grid. Some but not all of the other projects have initiated construction, either offshore or at onshore connection points. Although these projects have already received federal approvals, there could be situations where a permitted project would need to seek additional approvals. For instance, following a July 2024 turbine blade break that scattered debris in the water, Vineyard Wind submitted and obtained approval for an addendum to its COP addressing its procedures for correcting the failure.

DOI also has indicated an intent to proactively reevaluate some previously granted approvals. For example, on April 16, 2025, BOEM issued a stop-work order to Empire Wind, a permitted project off the New York coast that had begun offshore construction. BOEM stated that this decision was based on feedback received in the context of DOI's broad review of permitting practices. BOEM lifted the stop-work order on May 19, 2025. More generally, the President's memorandum, while stating that its provisions do not affect rights under existing leases, also orders the Secretary of the Interior, in consultation with the Attorney General as needed, to review "the ecological, economic, and environmental necessity of terminating or amending any existing wind energy leases, identifying any legal bases for such removal."

Some Members of Congress and other stakeholders support the President's approach of halting offshore wind permitting pending further study of marine wildlife effects and other potential impacts. Some 118th Congress bills, including House-passed H.R. 1, would have required similar studies. In response to a 2023 request from some Members, the Government Accountability Office issued a report in April 2025 that found both positive and negative potential impacts from offshore wind and recommended improvements to DOI consultation with stakeholders.

Other Members of Congress have opposed the President's actions as endangering jobs in the offshore wind industry and limiting a renewable energy source that could help meet growing electricity demand. Some observers have noted broad challenges to the industry related to global financial and supply-chain difficulties that could be exacerbated by executive actions. For example, in May 2025, Atlantic Shores Offshore Wind (a project that already had received federal approval) petitioned to terminate its power agreement with the state of New Jersey, citing both economic challenges and federal "efforts to impede the project," including reconsideration by the Environmental Protection Agency of its air permit. Some 119th Congress bills would counter the Administration's policies. For instance, H.R. 3742 would require that DOI "seek to issue permits" sufficient to achieve specified offshore wind production goals and would authorize establishment of an entity to finance and construct offshore wind transmission infrastructure, among other provisions.

Offshore Wind Transmission

Separately from the President's wind memorandum, he also issued on January 20, 2025, Executive Order (E.O.) 14154,

"Unleashing American Energy." Among other actions, this E.O. directed agencies to pause the disbursement of funds appropriated through the IRA or the Infrastructure Investment and Jobs Act (IIJA; P.L. 117-58) and to review processes, policies, and programs for issuing specified grants, loans, contracts, and other disbursements. The effects of E.O. 14154 on IRA funding appropriated for activities related to interregional and offshore wind electricity transmission are uncertain. A federal district court preliminarily enjoined the Trump Administration from enforcing certain directives to pause federal funds under existing awards.

Hearings in the 119th Congress in March and April 2025 examined whether more electricity generation and transmission are needed to meet projections of increased electricity demand. Congress may consider whether additional funding or authorities regarding interregional electricity transmission planning and offshore wind are needed. For example, in the 119th Congress, H.R. 1 would rescind the unobligated balance for IRA-funded activities related to interregional and offshore wind electricity transmission. Another bill, H.R. 603, would amend the Federal Power Act to direct the Federal Energy Regulatory Commission to issue regulations to improve interregional electricity transfer capabilities.

Offshore Wind Tax Credits

The pause ordered under E.O. 14154 on the disbursement of funds appropriated through the IRA and IIJA does not apply to the offshore wind tax credits enacted or modified by the IRA. Developers can claim the energy investment tax credit (ITC), the clean electricity investment tax credit (CEITC), the Production Tax Credit (PTC), or the Clean Electricity Production Tax Credit (CEPTC), and manufacturers of offshore energy components can claim the advanced manufacturing production credit (AMPC).

H.R. 1 as passed by the House in the 119th Congress would limit the use of the CEITC and the CEPTC to offshore wind facilities that begin construction within 60 days of enactment, are placed in service before 2029, and meet various other requirements. In addition, the AMPC would be available only for wind energy components sold before 2028. A number of other restrictions, including foreign entity restrictions and the elimination of tax credit transferability, also would be applied to the AMPC.

For Additional Reading

CRS Report R40175, *Offshore Wind Energy Development: Legal Framework*

CRS Insight IN1980, *Offshore Wind Provisions in the Inflation Reduction Act*

CRS Report R47894, *Potential Impacts of Offshore Wind on the Marine Ecosystem and Associated Species: Background and Issues for Congress*

CRS In Focus IF12782, *Offshore Energy Agency Appropriations, FY2025*

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