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Offshore Wind: Status and Issues for 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) has carried out this responsibility. In July 2026, the Secretary of the Interior ordered that BOEM and a sister agency be merged into a new Marine Minerals Administration. BOEM has awarded dozens of leases for offshore wind development. Four commercial wind farms are generating power on the federally managed OCS in the Atlantic region (in addition to a project in state waters).

The second Trump Administration has shifted federal offshore wind policies from those in place during the Biden Administration. President Trump halted OCS wind leasing and permitting and has directed other actions to reverse prior federal support for offshore wind. Also, in P.L. 119-21, the FY2025 budget reconciliation law, Congress limited offshore wind tax credits and rescinded unobligated balances for federally funded activities related to interregional and offshore wind electricity transmission. The industry has also faced economic challenges in recent years related to rising costs and supply chain delays, as well as lawsuits from coastal homeowners, the fishing industry, tribes, and those opposing potential impacts to marine wildlife. Congress continues to consider issues related to offshore wind leasing, permitting, transmission, tax credits, and related matters through oversight and legislation.

Offshore Wind Leasing

President Trump issued a memorandum on wind leasing and permitting on January 20, 2025. The memorandum "temporarily" withdrew the entire OCS from availability for "any new or renewed wind energy leasing," citing presidential authority in Section 12(a) of OCSLA (43 U.S.C. §1341(a)). This withdrawal halted work on offshore wind lease sales that had been proposed by the Biden Administration. BOEM also rescinded a 2024 regulation requiring the Secretary of the Interior to publish schedules of future offshore renewable energy lease sales. The President's 2025 memorandum stated that further wind leasing on the OCS is prohibited "until this Presidential Memorandum is revoked." Because OCSLA does not explicitly provide revocation authority, there is legal uncertainty about whether a President can revoke a Section 12(a) withdrawal. Courts may address this matter. Some Members in the 119th Congress have introduced bills (H.R. 1781 and S. 837) to provide that the President's memorandum would have no force or effect and that no federal funds could be used to implement it. If the withdrawal were nullified in this manner, 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 relevant statutes. Alternatively, Congress could legislate directly on offshore wind lease sales (e.g., to either require or prohibit sales).

The President's memorandum also ordered the Secretary of the Interior—in consultation with the Attorney General, as needed—to review the "ecological, economic, and environmental necessity" and "any legal bases" for terminating or amending existing wind leases, while stating that the memorandum does not affect rights under existing leases. On March 23, 2026, DOI announced it would cancel two existing leases under settlement agreements involving payments to the lessee from the Treasury's Judgment Fund. DOI announced similar agreements for 10 additional leases in subsequent months. All these leases were in the early stages of the permitting process and had not yet received construction approvals.

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." This temporary halt applied to issuance of new or renewed approvals, rights of way, permits, leases, and loans for wind projects.

At the time, BOEM administered approximately 40 active offshore wind leases, many of which were affected by the halt on offshore wind permits and approvals. Most lessees had not yet received the necessary permits and approvals for project construction. After a lease is awarded, developers must 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 ensure their permitting and approval actions comply with the National Environmental Policy Act (NEPA; 42 U.S.C. §§4321 et seq.). BOEM has typically led the preparation of an environmental impact statement (EIS) and record of decision, which other agencies may sign on to, to inform conditions for approving COPs and issuing permits. The President's memorandum halted these activities pending a comprehensive review of federal wind leasing and permitting practices. Separately, the agency's FY2027 budget request sought elimination of its renewable energy budget account, which, if adopted, would likely reduce agency capacity for wind project review and permitting.

For 11 active commercial-scale projects, all in the Atlantic region, the approvals and permits to authorize construction and operations had been issued prior to the President's memorandum. These projects are at various stages of completion. The South Fork Wind Farm, Vineyard Wind 1,

and Revolution Wind projects are fully constructed, and the Coastal Virginia Offshore Wind project was reported to be 85% complete as of the end of October 2026. All four projects have begun delivering power to the grid. Some, but not all, of the other projects have begun construction. Although these projects have received federal approvals, BOEM has reevaluated some previous approvals. In 2025, BOEM issued stop-work orders to multiple permitted projects based on feedback received in DOI permit reviews, including concerns about national security and interference with other ocean uses. Several lawsuits led to preliminary injunctions prohibiting the Administration from enforcing specific suspensions and stop-work orders. More broadly, in December 2025, the U.S. District Court for the District of Massachusetts vacated multiple agencies' pauses on wind energy authorizations. The Administration has filed motions seeking additional permit remands.

Some Members of Congress and other stakeholders support the President's approach of halting or reconsidering offshore wind permits pending study of permitting practices and project impacts. Some Members have introduced bills (e.g., H.R. 6930, 119th Congress) to require 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 development and recommended improvements to DOI consultation with stakeholders.

Other Members of Congress have opposed the Administration's actions as endangering offshore wind jobs and limiting a renewable energy source that could help meet growing electricity demand. Some observers have expressed concern that revoking authorizations for projects in the construction phase may create general uncertainty around U.S. energy investment and steer energy companies toward other nations, including China. Broad permitting legislation introduced in the 119th Congress (S. 5653, the Bipartisan American Affordability and Jobs Act [BAAJA] of 2026) includes "project certainty" provisions that bill sponsors stated would allow energy projects to "retain their permits absent extraordinary circumstances." Other 119th Congress bills (e.g., H.R. 3742, H.R. 4776) also contain provisions to facilitate permitting, either for energy projects generally or for offshore wind specifically.

Offshore Wind Transmission

On January 20, 2025, the President also issued Executive Order (EO) 14154, "Unleashing American Energy." This EO, among other actions, directed agencies to pause the disbursement of funds appropriated through P.L. 117-169, commonly known as the Inflation Reduction Act (IRA), or P.L. 117-58, the Infrastructure Investment and Jobs Act (IIJA), and to review processes, policies, and programs for issuing specified grants, loans, contracts, and other disbursements. The IRA included funding appropriated for activities related to interregional and offshore wind electricity transmission planning, modeling, and analysis. A federal district court preliminarily enjoined the Administration from enforcing certain directives to pause federal funds under existing awards. P.L. 119-21 rescinded unobligated balances for these and other IRA-funded activities. In addition, the Department of Energy's FY2027 budget request opposed "federal subsidies that prop up intermittent energy sources," which includes wind.

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 what role, if any, offshore wind and interregional electricity transmission might have in meeting this potential demand. For example, in the 119th Congress, the House passed H.R. 1047, to direct the Federal Energy Regulatory Commission (FERC) to issue regulations to reform the interconnection queue process to prioritize dispatchable power generation (such as fossil fuel or nuclear power plants) over nondispatchable power generation (such as solar and wind power plants). Other introduced bills included H.R. 603, to direct FERC to issue regulations to improve interregional electricity transfer capabilities and consider transmission benefits that could include offshore wind; H.R. 5600, to give FERC siting authority for some offshore transmission lines; and H.R. 3742, to authorize the Secretary of Energy to conduct offshore transmission infrastructure studies and establish programs to incentivize construction of installation vessels. BAAJA (S. 5653), among other relevant changes, would identify DOI as the lead agency for offshore energy transmission.

Offshore Wind Tax Credits

The pause ordered under EO 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, the clean electricity investment tax credit (CEITC), the Production Tax Credit, or the Clean Electricity Production Tax Credit (CEPTC). Manufacturers of offshore energy components can claim the advanced manufacturing production credit (AMPC).

P.L. 119-21 limits the use of the CEITC and the CEPTC to offshore wind facilities that began construction on or before the date of enactment, are placed in service before 2028, and meet various other requirements. In addition, the AMPC is limited to wind energy components sold before 2028. Other restrictions, including foreign entity restrictions and the elimination of tax credit transferability, are also applied to the AMPC.

Additional Reading

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

CRS Insight IN11980, *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 IF13348, *Offshore Energy Agency Appropriations, FY2027*

Laura B. Comay, Specialist in Natural Resources Policy
Corrie E. Clark, Specialist in Energy Policy
Donald J. Marples, Specialist in Public Finance

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