

108TH CONGRESS
1ST SESSION

H. R. 2654

To amend the Outer Continental Shelf Lands Act to direct the Secretary of the Interior to issue regulations under which the Secretary may authorize use of a decommissioned offshore oil and gas platform for culture of marine organisms, an artificial reef, or scientific research, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2003

Mr. VITTER introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Outer Continental Shelf Lands Act to direct the Secretary of the Interior to issue regulations under which the Secretary may authorize use of a decommissioned offshore oil and gas platform for culture of marine organisms, an artificial reef, or scientific research, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Rigs to Reefs Act of
3 2003”.

4 **SEC. 2. AUTHORITY TO USE DECOMMISSIONED OFFSHORE**
5 **OIL AND GAS PLATFORMS FOR**
6 **MARICULTURE, ARTIFICIAL REEF, OR SCI-**
7 **ENTIFIC RESEARCH.**

8 (a) IN GENERAL.—The Outer Continental Shelf
9 Lands Act (43 U.S.C. 1301 et seq.) is amended by insert-
10 ing after section 9 the following:

11 **“SEC. 10. USE OF DECOMMISSIONED OFFSHORE OIL AND**
12 **GAS PLATFORMS FOR MARICULTURE, ARTIFI-**
13 **CIAL REEF, OR SCIENTIFIC RESEARCH.**

14 “(a) IN GENERAL.—The Secretary shall issue regula-
15 tions under which the Secretary may authorize use of an
16 offshore oil and gas platform that is decommissioned from
17 service for oil and gas purposes for culture of marine orga-
18 nisms, an artificial reef, or scientific research.

19 “(b) LIMITATION ON LIABILITY.—A person that used
20 an offshore oil and gas platform for oil and gas purposes
21 and that does not have any ownership or control of the
22 platform shall not be liable under Federal law for any
23 costs or damages arising from such platform after the date
24 the platform is used for culture of marine organisms, an
25 artificial reef, or scientific research under this section, un-
26 less such costs or damages arise from—

1 “(1) use of the platform by the person for de-
2 velopment or production of oil or gas; or

3 “(2) another act or omission of the person.

4 “(c) OTHER LEASING AND USE NOT AFFECTED.—

5 This section, and the use of any offshore oil and gas plat-
6 form for culture of marine organisms, an artificial reef,
7 or scientific research under this section, shall not affect—

8 “(1) the authority of the Secretary to lease any
9 area under this Act; or

10 “(2) any activity otherwise authorized by a
11 lease under this Act.”.

12 (b) DEADLINE FOR REGULATIONS.—The Secretary
13 of the Interior shall issue regulations under subsection (a)
14 by not later than 180 days after the date of the enactment
15 of this Act.

16 (c) STUDY AND REPORT ON EFFECTS OF REMOVAL
17 OF PLATFORMS.—Not later than one year after the date
18 of the enactment of this Act, the Secretary of Interior,
19 in consultation with other Federal agencies as necessary,
20 shall study and report to the Congress regarding how the
21 removal of offshore oil and gas platforms from the outer
22 Continental Shelf would affect existing fish stocks and
23 coral populations.

1 **SEC. 3. CREDIT FOR COSTS RELATING TO CONVERTING**
2 **OFFSHORE OIL AND GAS PLATFORMS FOR**
3 **USE IN CULTURING MARINE ORGANISMS.**

4 (a) IN GENERAL.—Subpart D of part IV of sub-
5 chapter A of chapter 1 of the Internal Revenue Code of
6 1986 (relating to business-related credits) is amended by
7 adding at the end the following new section:

8 **“SEC. 45G. CREDIT FOR COSTS RELATING TO CONVERTING**
9 **OFFSHORE OIL AND GAS PLATFORMS FOR**
10 **CULTURING MARINE ORGANISMS.**

11 “(a) GENERAL RULE.—For purposes of section 38,
12 the marine organisms culturing credit is an amount equal
13 to 30 percent of the qualified marine organisms culturing
14 expenditures of the taxpayer during the taxable year.

15 “(b) QUALIFIED MARINE ORGANISMS CULTURING
16 EXPENDITURES.—For purposes of subsection (a), the
17 term ‘qualified marine organisms culturing expenditures’
18 means, with respect to a platform owned by the tax-
19 payer—

20 “(1) amounts paid or incurred for maintaining
21 an offshore oil and gas platform from the time such
22 platform is decommissioned from service for oil and
23 gas purposes to the time it is converted for use in
24 the culture of marine organisms, including costs of
25 moving such platform to the reefing location, if ap-
26 plicable,

1 “(2) an amount equal to the excess (if any)
2 of—

3 “(A) the costs of converting such platform
4 for use in the culture of marine organisms, over

5 “(B) the amount that could have been re-
6 ceived if such platform were sold as scrap on
7 shore.

8 “(c) ELECTION.—This section shall apply to any tax-
9 payer for any taxable year only if such taxpayer elects (at
10 such time and in such manner as the Secretary may by
11 regulations prescribe) to have this section apply for such
12 taxable year.”.

13 (b) CONFORMING AMENDMENTS.—

14 (1) Subsection (b) of section 38 of such Code
15 is amended by striking “plus” at the end of para-
16 graph (14), by striking the period at the end of
17 paragraph (15) and inserting “, plus”, and by add-
18 ing at the end the following new paragraph:

19 “(16) the marine organisms culturing credit de-
20 termined under section 45G(a).”.

21 (2) NO CARRYBACK BEFORE EFFECTIVE
22 DATE.—Subsection (d) of section 39 of such Code
23 (relating to carryback and carryforward of unused
24 credits) is amended by adding at the end the fol-
25 lowing new paragraph:

1 “(11) NO CARRYBACK OF SECTION 45G CREDIT
2 BEFORE EFFECTIVE DATE.—No portion of the un-
3 used business credit for any taxable year which is
4 attributable to the credit determined under section
5 45G may be carried back to a taxable year ending
6 before January 1, 2004.”.

7 (3) The table of sections for subpart D of part
8 IV of subchapter A of chapter 1 of such Code is
9 amended by adding at the end the following new
10 item:

 “Sec. 45G. Credit for costs relating to converting offshore oil and
 gas platforms for culturing marine organisms.”.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to taxable years beginning after
13 December 31, 2003.

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