

115TH CONGRESS  
2D SESSION

# H. R. 4857

To amend the Internal Revenue Code of 1986 to enhance the requirements for secure geological storage of carbon dioxide for purposes of the carbon dioxide sequestration credit.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 19, 2018

Mr. CRAMER (for himself, Mr. SAM JOHNSON of Texas, Mr. MCKINLEY, Mr. HARPER, and Mr. PALAZZO) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to enhance the requirements for secure geological storage of carbon dioxide for purposes of the carbon dioxide sequestration credit.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “CO<sub>2</sub> Regulatory Cer-  
5 tainty Act”.

1 **SEC. 2. SECURE GEOLOGICAL STORAGE OF CARBON DIOX-**  
2 **IDE.**

3 Section 45Q(d)(2) of the Internal Revenue Code of  
4 1986 is amended to read as follows:

5 “(2) SECURE GEOLOGICAL STORAGE.—

6 “(A) IN GENERAL.—Not later than De-  
7 cember 31, 2018, the Secretary, in consultation  
8 with the Administrator of the Environmental  
9 Protection Agency, the Secretary of Energy,  
10 and the Secretary of the Interior, shall establish  
11 regulations for determining adequate security  
12 measures for the geological storage of carbon  
13 dioxide under paragraph (1)(B) or (2)(C) of  
14 subsection (a) such that the carbon dioxide does  
15 not escape into the atmosphere.

16 “(B) REQUIREMENTS.—The regulations  
17 established pursuant to subparagraph (A) shall  
18 provide that—

19 “(i) for purposes of paragraph (1)(B)  
20 of subsection (a), carbon dioxide shall be  
21 considered disposed of in secure geological  
22 storage if such carbon dioxide is stored in  
23 compliance with rules promulgated by the  
24 Environmental Protection Agency under  
25 subpart RR of part 98 of title 40, Code of  
26 Federal Regulations (as in effect on the

1 date of the enactment of this paragraph)  
2 under the Clean Air Act (42 U.S.C. 7401  
3 et seq.), and rules under the Safe Drinking  
4 Water Act (42 U.S.C. 300f et seq.), which  
5 are applicable to carbon dioxide disposed of  
6 in secure geological storage and not used  
7 as a tertiary injectant in a qualified en-  
8 hanced oil or natural gas recovery project,  
9 and

10 “(ii) for purposes of paragraph (2)(C)  
11 of subsection (a), carbon dioxide shall be  
12 considered disposed of in secure geological  
13 storage if such carbon dioxide is stored in  
14 compliance with rules promulgated by the  
15 Environmental Protection Agency which  
16 are applicable to carbon dioxide used as a  
17 tertiary injectant in a qualified enhanced  
18 oil or natural gas recovery project under—

19 “(I) subpart UU of part 98 of  
20 title 40, Code of Federal Regulations  
21 (as in effect on the date of the enact-  
22 ment of this paragraph) under the  
23 Clean Air Act, and

24 “(II) subpart C of part 146 of  
25 title 40, Code of Federal Regulations

1 (as in effect on the date of the enact-  
2 ment of this paragraph) under the  
3 Safe Drinking Water Act, to the ex-  
4 tent such rules are applicable to Class  
5 II wells.”.

6 **SEC. 3. QUALIFIED ENHANCED OIL OR NATURAL GAS RE-**  
7 **COVERY PROJECT.**

8 Section 45Q(d)(4) of the Internal Revenue Code of  
9 1986 is amended—

10 (1) by striking “by substituting” and inserting  
11 “determined—

12 “(A) by substituting—”,

13 (2) by striking the period and inserting “,  
14 and”, and

15 (3) by inserting at the end the following:

16 “(B) without regard to subparagraph  
17 (A)(iii) thereof.”.

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