



Forest Incentives Program Act

Introduced March 26, 2021

SPONSORS

- Senator Jeanne Shaheen (D-NH) and Senator Shelley Moore Capito (R-WV).

ENDORSED BY

FLA endorsed this legislation along with the American Forest Foundation, American Forests, Appalachian Mountain Club, National Alliance of Forest Owners, National Audubon Society, New Hampshire Timberland Owners Association, Northland Forest Products, Pinchot Institute for Conservation, Society for the Protection of New Hampshire Forests, The Lyme Timber Company and The Trust for Public Land

FLA STATEMENT

“The Forest Landowners Association is pleased to endorse this bill as it rewards the sustainable management practices of forest landowners and encourages the use of wood in commercial buildings by providing financial incentives. Sustainable forestry is a shared goal by all who have an interest in our nation’s clean air. Growing, harvesting, and replanting trees is in the national interest of America’s forest products, rural economy, and the environment. We appreciate Senator Shaheen and Capito’s recognition of the role of private working forests as a natural climate solution and the continued role of for the use of wood as a low-carbon building construction material in non-residential buildings.”

HIGHLIGHTS

- Creates a performance-based incentive for forest carbon sequestration, with incentive payments based on carbon sequestration/emissions reductions. The program will give preference for those projects that will sequester more and provides higher payments for longer contracts.
- Allows for contracts to be as short as 15 years but provides higher financial incentive for 30 year contracts.
- Allows for necessary forest management, thinning and harvesting for lands enrolled in the program.
- All eligible landowners can participate regardless of AGI.
- Clearly includes appropriate crediting for harvested wood products in carbon calculations.
- Allows the Secretary of Agriculture to develop forest carbon modeling and methodologies that will improve the projection of carbon gains for any forest practices made eligible under the program.

- Calls for FIA to develop improved measurement and monitoring of forest carbon stocks, which is aligned with forestry stakeholder research priority.
- Includes an incentive program for developers who build new or renovate nonresidential buildings with wood-based materials to reduce greenhouse gas emissions/store carbon. The bill uses a life cycle assessment approach and explicitly focuses on building materials.

Summary of the bill

To require the Secretary of Agriculture to establish a forest incentives program to keep forests intact and sequester carbon on private forest land of the United States, and for other purposes.

SEC. 1. SHORT TITLE.

This Act may be cited as the “Forest Incentives Program Act of 2021”.

SEC. 2. FOREST INCENTIVES PROGRAM.

Provides a per acre payment for practices implemented under 15 or 30-year “carbon incentives contracts” and allows the additional option for permanent conservation easements to protect land from development consistent with Forest Legacy Program guidelines.

- **Eligible practices:** Include improved forest management that produces marketable forest products, including afforestation, reforestation, improved forest management with appropriate crediting for the carbon benefits of harvested wood products, and other practices as the Secretary deems appropriate.
- **Project selection:** Priority will be given to contracts and agreements that 1) sequester the most carbon per acre; and 2) create forestry jobs or protect habitats and achieve significant other environmental, economic, and social benefits.
- **Eligibility:** Owners of eligible land who are already implementing eligible practices may enroll eligible lands in the program.
- **Incentive payments:** Financial incentive payments to be based on the emissions reductions obtained or avoided and the duration of the reductions, with due consideration to prevailing carbon pricing. The longer the term of the contract, the higher rate of compensation.

The Secretary can use a portion of program funds for certain purposes, including:

- To develop forest carbon modeling and methodologies that will improve the projection of carbon gains for any forest practices made eligible under the program;
- To provide additional incentive payments for specified management activities that increase the adaptive capacity of land under a carbon incentives contract; and
- For the Forest Inventory and Analysis Program of the Forest Service to develop improved measurement and monitoring of forest carbon stocks.

SEC. 3. MATERIAL CHOICES IN BUILDINGS FOR SUPPLEMENTAL GREENHOUSE GAS EMISSION REDUCTIONS IN UNITED STATES.

Creates a greenhouse gas incentives program to achieve supplemental greenhouse gas emissions reductions from the material choices in buildings, based on life cycle assessment of the building materials

- Eligible buildings including nonresidential building used for commercial or State or local government purposes. Eligible products are commercial or industrial biological products,

including renewable agricultural and forestry materials, used as structural building material.

- Owners of eligible buildings can receive incentive payments for the use of eligible products in new construction or building renovations to achieve at least a 20% reduction in GHG emissions reduction/carbon sequestration based on a lifecycle assessment of the structural assemblies, as compared to a model building.
- Carbon emissions potential calculation will be done by standard lifecycle assessment practice. The LCA shall take into consideration all lifecycle stages, including resource extraction and processing; product manufacturing; onsite construction of assemblies; transportation; maintenance and replacement cycles over an assumed eligible building service life of 60 years; and demolition.