



NATIONAL ASSOCIATION OF STATE FORESTERS

444 North Capitol Street NW | Suite 387 | Washington, DC 20001 | www.stateforesters.org

July 8, 2022

The Honorable Debbie Stabenow
Chairwoman, Senate Committee on Agriculture, Nutrition, and Forestry
328A Russell Senate Office Building
Washington, D.C. 20510

Dear Chairwoman Stabenow,

The National Association of State Foresters (NASF) would like to thank you for your ongoing support of policies that promote forest health and sound forest management and request your attention to a relevant issue within the budget reconciliation package currently moving through the Senate.

NASF represents the directors of the forestry agencies in all 50 states, five U.S. territories, three nations in compacts of free association with the U.S., and the District of Columbia. Collectively, they promote the proper management and protection of state and privately-owned forests and are frequent collaborators in the management of federally owned forests. NASF ascribes to the view that benefitting from the economic value of forests does not threaten environmental and social values as much as it is key to supporting the delivery of environmental and social benefits. Strong forest products markets, especially new uses for wood fiber, are critical to keeping forests healthy, as well as reducing fuel build-up that can lead to catastrophic wildfires.

With the creation of new forest products markets that support healthy forests in mind, we would like to ask for your attention to policy being considered by Senate Democrats and Democratic leadership in the reconciliation package moving through the chamber. Specifically, changes to Section 45Q of the US tax code are being considered to incentivize Carbon Capture and Storage (CCS) and carbon removal technologies. Within this process, we request that Bioenergy with Carbon Capture and Storage (BECCS) be included to benefit from the same level of support in 45Q as other carbon removal technologies. This modification will effectively enable the creation of a new U.S. end-to-end BECCS industry with significant benefits for our nation's forests and the communities that depend on them, including:

- Creation of thousands of new jobs across the forestry supply chain, putting the industry at the heart of the efforts to power our country and economy sustainably
- Enhanced markets and additional revenue streams for forest landowners
- Increasing demand for sawmill residues such as chips, shavings, and sawdust, along with forest thinnings for which there is currently a decreasing market
- Prevention of forest residuals from being burned at roadside or left to decompose, reducing carbon that would otherwise have been emitted directly into the atmosphere

Under current 45Q proposals, Direct Air Capture is set to receive \$180/Ton of carbon removed from the atmosphere, while BECCS is only set to receive \$85/Ton. We request that BECCS be supported at the same level as Direct Air Capture, given the ability for the technology to provide

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Jay Farrell

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the same carbon sequestration benefits, while also reducing the potential for forest-based carbon emissions (i.e. – wildfire, insect and disease mortality, etc). At this level of tax support, our industry partners would be in a position to deploy BECCS facilities in the U.S. immediately.

In 2018 NASF published a Policy Statement on *Emerging Markets for Wood and Their Positive Impact on Forest Resource Management*. I have attached this statement to our letter, but in essence it outlines why State Foresters see support for new markets for wood as so important across all geographies and ownerships of our nation. This especially includes uses for biomass and small-diameter thinnings for which markets are currently lacking. If the 45Q tax provisions can adequately incentivize the growth of BECCS, it would have significant beneficial impacts on our nation's forests, both public and private, and position the United States to be a global leader in developing the technology to simultaneously sequester carbon and reduce forest-based emissions while improving the management and health of our nation's forests.

We thank you for your support on this issue and look forward to continuing working with you on this legislation and advancing policy priorities that benefit our sector.

Sincerely,

A handwritten signature in blue ink that reads "Christopher R. Martin". The signature is fluid and cursive, with the first name being the most prominent.

Christopher Martin
NASF President
Connecticut State Forester

CC:

Senate Majority Leader, Chuck Schumer
Chairman, Senate Committee on Energy and Natural Resources, Joe Manchin
Chairman, Senate Committee on Finance, Ron Wyden
Secretary, United States Department of Agriculture, Thomas J. Vilsack