

AMENDMENT NO. _____ Calendar No. _____

Purpose: To require the Secretary of Agriculture to establish a forest carbon incentives program to achieve supplemental greenhouse gas emission reductions on private forest land of the United States.

IN THE SENATE OF THE UNITED STATES—114th Cong., 1st Sess.

S. 1

To approve the Keystone XL Pipeline.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mrs. SHAHEEN
to the amendment (No. _____) proposed by Ms.
MURKOWSKI

Viz:

1 At the appropriate place, insert the following:

2 **SEC. ____ . FOREST CARBON INCENTIVES PROGRAM.**

3 (a) DEFINITIONS.—In this section:

4 (1) CLIMATE MITIGATION CONTRACT; CON-
5 TRACT.—The term “climate mitigation contract” or
6 “contract” means a 15-year contract that specifies—

7 (A) the eligible practices that will be un-
8 dertaken;

9 (B) the acreage of eligible land on which
10 the practices will be undertaken;

1 (C) the agreed rate of compensation per
2 acre; and

3 (D) a schedule to verify that the terms of
4 the contract have been fulfilled.

5 (2) CONSERVATION EASEMENT AGREEMENT;
6 AGREEMENT.—The term “conservation easement
7 agreement” or “agreement” means a permanent
8 conservation easement that—

9 (A) covers eligible land that will not be
10 converted for development;

11 (B) is enrolled under a climate mitigation
12 contract; and

13 (C) is consistent with the guidelines for—

14 (i) the Forest Legacy Program estab-
15 lished under section 7 of the Cooperative
16 Forestry Assistance Act of 1978 (16
17 U.S.C. 2103c); or

18 (ii) any other program approved by
19 the Secretary for use under this section to
20 provide consistency with Federal legal re-
21 quirements for permanent conservation
22 easements.

23 (3) ELIGIBLE LAND.—The term “eligible land”
24 means forest land in the United States that is pri-
25 vately owned at the time of initiation of a climate

1 mitigation contract or conservation easement agree-
2 ment.

3 (4) ELIGIBLE PRACTICE.—The term “eligible
4 practice” means a forestry practice, including im-
5 proved forest management that produces marketable
6 forest products, that is determined by the Secretary
7 to provide measurable increases in carbon sequestra-
8 tion and storage beyond customary practices on
9 comparable land.

10 (5) FOREST CARBON INCENTIVES PROGRAM;
11 PROGRAM.—The term “forest carbon incentives pro-
12 gram” or “program” means the forest carbon incen-
13 tives program established under subsection (b)(1).

14 (6) SECRETARY.—The term “Secretary” means
15 the Secretary of Agriculture.

16 (b) SUPPLEMENTAL GREENHOUSE GAS EMISSION
17 REDUCTIONS IN UNITED STATES.—

18 (1) IN GENERAL.—The Secretary shall establish
19 a forest carbon incentives program to achieve sup-
20 plemental greenhouse gas emission reductions and
21 carbon sequestration on private forest land of the
22 United States through—

23 (A) climate mitigation contracts; and

24 (B) conservation easement agreements.

1 (2) PRIORITY.—In selecting projects under this
2 subsection, the Secretary shall provide a priority for
3 contracts and agreements—

4 (A) that sequester the most carbon on a
5 per acre basis; and

6 (B) that create forestry jobs or protect
7 habitats and achieve significant other environ-
8 mental, economic, and social benefits.

9 (3) ELIGIBILITY.—

10 (A) IN GENERAL.—To participate in the
11 program, an owner of eligible land shall enter
12 into a climate mitigation contract.

13 (B) RELATIONSHIP TO OTHER PRO-
14 GRAMS.—An owner or operator shall not be
15 prohibited from participating in the program
16 due to participation of the owner or operator in
17 other Federal or State conservation assistance
18 programs.

19 (4) REVERSALS.—In developing regulations for
20 climate mitigation contracts under this subsection,
21 the Secretary shall specify requirements to address
22 intentional or unintentional reversal of carbon se-
23 questration during the contract and agreement pe-
24 riod.

25 (c) INCENTIVE PAYMENTS.—

1 (1) IN GENERAL.—The Secretary shall provide
2 to owners of eligible land financial incentive pay-
3 ments for—

4 (A) eligible practices that measurably in-
5 crease carbon sequestration and storage over a
6 designated period on eligible land, as specified
7 through a climate mitigation contract; and

8 (B) subject to paragraph (2), conservation
9 easements on eligible land covered under a con-
10 servation easement agreement.

11 (2) NO CONSERVATION EASEMENT AGREEMENT
12 REQUIRED.—Eligibility for financial incentive pay-
13 ments under a climate mitigation contract described
14 in paragraph (1)(A) shall not require a conservation
15 easement agreement.

16 (d) REGULATIONS.—Not later than 1 year after the
17 date of enactment of this Act, the Secretary shall issue
18 regulations that specify eligible practices and related com-
19 pensation rates, standards, and guidelines as the basis for
20 entering into the program with owners of eligible land.

21 (e) SET-ASIDE OF FUNDS FOR CERTAIN PUR-
22 POSES.—

23 (1) IN GENERAL.—At the discretion of the Sec-
24 retary, a portion of program funds made available
25 under this program for a fiscal year may be used—

1 (A) to develop forest carbon modeling and
2 methodologies that will improve the projection
3 of carbon gains for any forest practices made
4 eligible under the program;

5 (B) to provide additional incentive pay-
6 ments for specified management activities that
7 increase the adaptive capacity of land under a
8 climate mitigation contract; and

9 (C) for the Forest Inventory and Analysis
10 Program of the Forest Service to develop im-
11 proved measurement and monitoring of forest
12 carbon stocks.

13 (2) PROGRAM COMPONENTS.—In establishing
14 the program, the Secretary shall provide that funds
15 provided under this section shall not be substituted
16 for, or otherwise used as a basis for reducing, fund-
17 ing authorized or appropriated under other pro-
18 grams to compensate owners of eligible land for ac-
19 tivities that are not covered under the program.

20 (f) PROGRAM MEASUREMENT, MONITORING,
21 VERIFICATION, AND REPORTING.—

22 (1) MEASUREMENT, MONITORING, AND
23 VERIFICATION.—The Secretary shall establish and
24 implement protocols that provide monitoring and
25 verification of compliance with the program, includ-

1 ing both direct and indirect effects and any reversal
2 of sequestration.

3 (2) REPORTING REQUIREMENT.—At least annu-
4 ally, the Secretary shall submit to Congress a report
5 that contains—

6 (A) an estimate of annual and cumulative
7 reductions achieved as a result of the program,
8 determined using standardized measures, in-
9 cluding measures of economic efficiency;

10 (B) a summary of any changes to the pro-
11 gram that will be made as a result of program
12 measurement, monitoring, and verification;

13 (C) the total number of acres enrolled in
14 the program by method; and

15 (D) a State-by-State summary of the data.

16 (3) AVAILABILITY OF REPORT.—Each report
17 required by this subsection shall be available to the
18 public through the website of the Department of Ag-
19 riculture.

20 (4) PROGRAM ADJUSTMENTS.—At least once
21 every 2 years the Secretary shall adjust eligible prac-
22 tices and compensation rates for future climate miti-
23 gation contracts based on the results of monitoring
24 under paragraph (1) and reporting under paragraph
25 (2).

1 (g) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to carry out this section
3 such sums as are necessary.