



# Forest Carbon Solutions for Mitigating Climate Change

A Toolkit for State Governments  
created by the Forest Climate Working Group

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# What's in the Toolkit?

- Strategic Carbon—  
Working Forest Carbon  
Incentives Model
- Maintaining and  
Enhancing State Tax  
Incentives
- Expanding use of wood in  
building construction



# Strategic Carbon—Working Forest Carbon Incentives Model



Senator Shaheen (D-NH) S 1733

- Incentives for practices or easements
- Practice Based Payments
- Pooled, short-term contracts
- Measurement/monitoring efficiency
- Think USDA programs—Conservation Stewardship or Conservation Reserve Programs

# Types of Practices

- ❑ **Afforestation**
- ❑ **Reforestation**
- ❑ **Improved forest management**
  - ❑ Regeneration after disturbance/harvest
  - ❑ Replanting understocked forests
  - ❑ Reducing competition – thinning and improvement
  - ❑ Wildfire/fuels management
  - ❑ Changing rotation (time to harvest/regeneration)
  - ❑ Harvest efficiency
  - ❑ Fertilization
- ❑ **Avoiding conversion (from forest land use)**



State	Average annual allowances	Annual value of 5% Set-Aside at \$6/allowance (RGGI)	Annual value of 5% Set-Aside at \$12/allowance (California)
[Short tons of CO <sub>2</sub> ]			
Arizona	32,483,748	\$9,745,124	\$19,490,249
California	50,503,684	\$15,151,105	\$30,302,210
Georgia	50,010,236	\$15,003,071	\$30,006,142
Kentucky	69,675,466	\$20,902,640	\$41,805,279
Maryland	15,837,042	\$4,751,113	\$9,502,225
Michigan	51,954,533	\$15,586,360	\$31,172,720
Minnesota	24,882,547	\$7,464,764	\$14,929,528
North Dakota	23,082,903	\$6,924,871	\$13,849,742
Tennessee	31,097,567	\$9,329,270	\$18,658,540
Virginia	29,150,680	\$8,745,204	\$17,490,408
West Virginia	56,731,540	\$17,019,462	\$34,038,924

# Maintaining and Enhancing State Tax Incentives

- Current Use Taxes
- Adding enhancements
- Incentives for long-term forest retention
- New Tax Incentives
  - Practice based
  - Tax credits



# Expanding use of wood in building construction

- Awareness
- Carbon preference
- Use LCA—count towards GHG goals
- Tax incentives for low carbon buildings (i.e. think tax incentives for energy star installations)

