



Forest Service  
U.S. DEPARTMENT OF AGRICULTURE

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# **Inflation Reduction Act Forest Landowner Support**

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Conservation Finance Network Roundtable

April 25, 2024

# Inflation Reduction Act Provisions for Forest Landowner Support

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- (1) \$150,000,000 for the competitive grant program for providing a **cost share to carry out climate mitigation or forest resilience practices**;
- (2) \$150,000,000 for the competitive grant program to support **the participation of underserved forest landowners in emerging private markets** for climate mitigation or forest resilience;
- (3) \$100,000,000 for the competitive grant program to support the **participation of forest landowners who own less than 2,500 acres of forest land in emerging private markets** for climate mitigation or forest resilience;
- (4) \$50,000,000 for the competitive grant program to provide **payments** to owners of private forest land for implementation of forestry practices on private forest land, that are determined by the Secretary, based on the best available science, to provide measurable increases in **carbon sequestration and storage** beyond customary practices on comparable land

## First Competitive Funding Opportunities: Provisions 2 and 3

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- (2) \$150,000,000 for the competitive grant program to **support the participation of underserved forest landowners in emerging private markets** for climate mitigation or forest resilience;
- (3) \$100,000,000 for the competitive grant program to **support the participation of forest landowners who own less than 2,500 acres of forest land in emerging private markets** for climate mitigation or forest resilience;

# Emerging Markets for Climate Mitigation or Forest Resilience

- Greenhouse gases
- Water quality
- Biodiversity/habitat
- Wetland and floodplain restoration
- Non-timber forest products
- Agroforestry



# First Competitive Funding Opportunities: Provisions 2 and 3

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## Notice of Funding Opportunity 1

Track A: proposed budgets between \$2 million-\$25 million (due Oct. 21, 2023)

Track B: proposed budgets under \$2 million (rolling deadline through Aug. 21, 2024)

Project Timelines: Three to five years

## Notice of Funding Opportunity 2

Eligibility: federally recognized Tribes, Alaska Native Corporations and Villages, and Tribal Organizations (proposals accepted through Aug. 21, 2024)





# Proposed Strategies for Addressing Barriers

- Increase **market transparency**: empower landowners to make informed decisions
- Provide technical assistance related to **heirs' property**
- **Aggregate** landowners to decrease transaction costs
- Require **benefit sharing** as emerging market prices shift
- Cover **upfront costs** through innovative financing mechanisms
- Consider opportunity costs and **landowner options** in market commitments
- Quantify **“co-benefits”** of projects (including socio-economic) to attract price premiums and diverse revenue streams



# Please reach out!

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