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*12.45 pm*  
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AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To improve the bill.

IN THE SENATE OF THE UNITED STATES—110th Cong., 2d Sess.

**S. 3036**

**AMENDMENT No. 4932**

To direct		on
At	By <u>Craig</u>	ins
of	To: _____	
	<u>S. 3036</u>	
Refer	<u>10</u>	id
	<b>Page(s)</b>	

GPO: 2006 30-772 (Mac)

AMENDMENTS intended to be proposed by Mr. CRAIG *on behalf of himself and Mr. Domenici, Mr. Barrasso, Mr. Allard*

Viz:

1 On page 16, strike lines 19 through 24 and insert  
 2 the following:

3 (1) ADDITIONAL; ADDITIONALITY.—

4 (A) IN GENERAL.—The terms “additional”  
 5 and “additionality” mean the extent to which  
 6 reductions in greenhouse gas emissions or in-  
 7 creases in sequestration are incremental to  
 8 business-as-usual, measured as the difference  
 9 between—

1 (i) baseline greenhouse gas fluxes of  
2 an offset project; and

3 (ii) greenhouse gas fluxes of the offset  
4 project.

5 (B) BIOLOGICAL SEQUESTRATION.—The  
6 terms “additional” and “additionality” mean,  
7 with respect to biological sequestration, the ex-  
8 tent to which reductions in greenhouse gas  
9 emissions or increases in sequestration are in-  
10 cremental to the baseline, measured as the dif-  
11 ference between—

12 (i) the baseline established for the ap-  
13 plicable base year; and

14 (ii) verified net changes in greenhouse  
15 gases or carbon stocks.

16 On page 25, lines 20 and 21, strike “sections 1313(a)  
17 and 1314(b)” and insert “section 1313(a)”.

18 Beginning on page 74, strike line 6 through 9 and  
19 insert the following:

1 **TITLE III—REDUCING EMIS-**  
2 **SIONS THROUGH DOMESTIC**  
3 **OFFSETS**

4 On page 78, lines 4 and 5, strike “international al-  
5 lowances under section 322 and”.

6 On page 84, strike lines 7 through 14 and insert the  
7 following:

8 (B) changes in carbon stocks attributed to  
9 land use change and forestry activities, includ-  
10 ing—

11 (i) afforestation or reforestation of  
12 acreage not forested as of October 18,  
13 2007;

14 (ii) sustainably managed forests re-  
15 sulting in positive changes in carbon  
16 stocks, including—

17 (I) long-lived wood products in  
18 use for a period of at least 100 years;  
19 and

20 (II) wood stored in landfills in  
21 accordance with guidelines established  
22 pursuant to section 1605(b) of the

1 Energy Policy Act of 1992 (42 U.S.C.  
2 13385(b)); and  
3 (iii) conservation of grassland and for-  
4 ested land;

5 On page 98, line 7, strike “and”.

6 On page 98, between lines 7 and 8, insert the fol-  
7 lowing:

8 (C) guidelines established pursuant to sec-  
9 tion 1605(b) of the Energy Policy Act of 1992  
10 (42 U.S.C. 13385(b)) for use in the quantifica-  
11 tion of forestry and agriculture offsets; and

12 On page 98, line 8, strike “(C)” and insert “(D)”.

13 On page 98, strike lines 20 through 23 and insert  
14 the following:

15 (B) except in any case in which a forest is  
16 managed under a third-party certification sys-  
17 tem (including but not limited to, the Sustain-  
18 able Forestry Initiative, the Forest Stewardship  
19 Council, and the American Tree Farm System),  
20 require that leakage be subtracted from reduc-  
21 tions, destruction, avoidance in greenhouse gas

1 emissions or increases in sequestration attrib-  
2 utable to a project.

3 Beginning on page 98, strike line 24 and all that fol-  
4 lows through page 99, line 18, and insert the following:

5 (2) ADDITIONALITY DETERMINATION AND  
6 BASELINE ESTIMATION.—The standardized methods  
7 used to determine additionality and establish base-  
8 lines shall, for each project type, at a minimum—

9 (A) in the case of a biological sequestration  
10 project, determine the greenhouse gas flux or  
11 change in carbon stocks using a base year as  
12 the baseline carbon stocks, to be established  
13 using forest and agriculture inventory quan-  
14 tification methods in accordance with section  
15 1605(b) of the Energy Policy Act of 1992 (42  
16 U.S.C. 13385(b));

17 (B) in the case of an emission reduction  
18 project, use as a basis emissions from com-  
19 parable land or facilities; and

20 (C) in the case of a sequestration project  
21 or emission reduction project, specify a selected  
22 time period.

1 On page 112, between lines 2 and 3, insert the fol-  
2 lowing:

3 **SEC. 312. DOMESTIC FORESTRY CARBON MANAGEMENT**  
4 **TOOLS.**

5 (a) DEFINITION OF RENEWABLE BIOMASS.—Section  
6 211(o)(1) of the Clean Air Act (42 U.S.C. 7545(o)(1)) is  
7 amended by striking subparagraph (I) and inserting the  
8 following:

9 “(I) RENEWABLE BIOMASS.—The term ‘re-  
10 newable biomass’ means—

11 “(i) planted crops and crop residue  
12 harvested from agricultural land cleared or  
13 cultivated at any time prior to the date of  
14 enactment of the Lieberman-Warner Cli-  
15 mate Security Act of 2008 that is—

16 “(I) actively managed; or

17 “(II) fallow and nonforested;

18 “(ii) renewable materials (such as  
19 trees, wood, brush, thinnings, chips, and  
20 slash) that—

21 “(I) are removed—

22 “(aa) to reduce hazardous  
23 fuels;

24 “(bb) to reduce or contain  
25 disease or insect infestation; or

1                   “(cc) to restore forest  
2 health;

3                   “(II) would not otherwise be used  
4 for higher-value products; and

5                   “(III) are removed from National  
6 Forest System land or public lands  
7 (as defined in section 103 of the Fed-  
8 eral Land Policy and Management  
9 Act of 1976 (43 U.S.C. 1702)) in ac-  
10 cordance with—

11                   “(aa) applicable land man-  
12 agement plans; and

13                   “(bb) the requirements for  
14 old-growth maintenance, restora-  
15 tion, and management direction  
16 of paragraphs (2), (3), and (4) of  
17 subsection (e) and the require-  
18 ments for large-tree retention of  
19 subsection (f) of section 102 of  
20 the Healthy Forests Restoration  
21 Act of 2003 (16 U.S.C. 6512); or

22                   “(iii) renewable materials (such as  
23 trees, wood, brush, thinnings, chips, and  
24 slash) that are removed from non-Federal  
25 forest land or from forest land belonging to

1 an Indian tribe, or an Indian individual,  
2 that is held in trust by the United States  
3 or subject to a restriction against alien-  
4 ation imposed by the United States, in-  
5 cluding—

6 “(I) animal waste and byproducts  
7 (including fats, oils, greases, and ma-  
8 nure);

9 “(II) algae; and

10 “(III) separated yard waste or  
11 food waste, including recycled cooking  
12 and trap grease.”.

13 (b) TAX CREDIT RATE PARITY FOR OPEN-LOOP BIO-  
14 MASS FACILITIES.—

15 (1) IN GENERAL.—Section 45(b)(4)(A) of the  
16 Internal Revenue Code of 1986 (relating to credit  
17 rate) is amended by striking “(3),”.

18 (2) EFFECTIVE DATE.—The amendment made  
19 by this subsection shall apply to electricity produced  
20 and sold in calendar years beginning after the date  
21 of the enactment of this Act.

22 (c) STEWARDSHIP END-RESULT CONTRACTING  
23 PROJECTS.—Section 8 of the Cooperative Forestry Assist-  
24 ance Act of 1978 (16 U.S.C. 2104) is amended—



1           (1) by redesignating subsection (h) as sub-  
2           section (j) and moving that subsection so as to ap-  
3           pear at the end of the section; and

4           (2) by inserting after subsection (g) the fol-  
5           lowing:

6           “(h) CANCELLATION OR TERMINATION COSTS.—

7           “(1) IN GENERAL.—Notwithstanding section  
8           304B of the Federal Property and Administrative  
9           Services Act of 1949 (41 U.S.C. 254c) or any other  
10          provision of law, the Secretary shall not obligate  
11          funds to cover the cost of cancelling a Forest Service  
12          stewardship multiyear contract under section 347 of  
13          the Department of the Interior and Related Agencies  
14          Appropriations Act, 1999 (16 U.S.C. 2104 note; sec-  
15          tion 101(e) of division A of Public Law 105–277)  
16          until the contract is cancelled.

17          “(2) COST OF CANCELLATION OR TERMI-  
18          NATION.—The costs of any cancellation or termi-  
19          nation of a multiyear stewardship contract may be  
20          paid from any appropriations that are made avail-  
21          able to the Forest Service.

22          “(3) ANTI-DEFICIENCY ACT VIOLATIONS.—In a  
23          case in which payment or obligation of funds under  
24          this subsection would constitute a violation of sec-  
25          tion 1341 of title 31, United States Code (commonly

1 known as the ‘Anti-Deficiency Act’), the Secretary  
2 shall seek a supplemental appropriation.”.

3 Beginning on page 112, strike line 3 and all that fol-  
4 lows through page 116, line 16.

5 On page 150, strike lines 15 through 22 and insert  
6 the following:

7 (3) Increase the quantity of offset allowances.