

Member Day Statement Chairman Bruce Westerman House Committee on Natural Resources Sustainable Building and Residence Credit September 14, 2023

Chairman Smith, Ranking Member Neal, thank you for the opportunity to participate in this important Ways and Means Committee Members' Day Hearing.

One effort that I have been proud to lead is the Trillion Trees

Act, a bipartisan proposal that seeks to establish the United

States as a global leader of the One Trillion Trees Initiative. This

bill seeks to responsibly grow more trees, use more wood, and

store more carbon, all with a special focus on responsible management of our forests.

Scientific studies have shown that planting 1 trillion new trees globally would sequester 205 gigatons of carbon, an amount equivalent to two-thirds of all man-made emissions since the beginning of the Industrial Revolution. My friend Joe Fox, the former State Forester of Arkansas, likes to say, "Trees are the answer. Now what's your question?"

Trees are one of the best answers we have to pull carbon out of the atmosphere, create a healthier and cleaner environment, and create new jobs. Responsibly growing more timber will yield immense economic and environmental benefits. As Chairman of the Natural Resources Committee, I have continued to stress that a healthy environment and a strong economy are not mutually exclusive. And as a forester, I don't believe there is any greater example of this truth than the responsible utilization of timber and wood products that comes from the wise stewardship of our forests.

I am committed to encouraging more responsible utilization of wood products. One of the best ways we can do that is by incentivizing low carbon building materials, including wood products like mass timber, in residential and commercial construction projects. I have been working with Representative Drew Ferguson this year on this issue, and we have even been discussing ways to expand existing tax credits, such as the Section 45L new energy efficient home credit or the Section

179D commercial buildings energy efficiency tax deduction, to add wood products like mass timber.

The new energy efficient home credit is currently eligible for new or substantially reconstructed homes that meet energy efficiency requirements of the ENERGY STAR home program or DOE Zero Energy Ready Home program. Likewise, the 179D deduction enables building owners to claim a tax credit for installing qualifying energy efficiency systems. Expanding these programs to consider the use of lower carbon material, including wood products, would be a great way to further improve the goals of these credits.

Expanding these tax credits will encourage more traditional wood use and low carbon construction while also helping to inspire new innovative products as well.

My home state of Arkansas is a shining example of the possibilities offered by the responsible use of wood products. Arkansas forests support a flourishing timber industry that is responsible for \$6.5 billion in added value impact per year and directly employs over 27,000 people. Despite consistent increased harvesting, thanks to exemplary forest management, Arkansas is growing over 15 million more tons of wood fiber than is being harvested every single year. Not only is the wood products industry providing critically important economic production, but every single year more and more carbon is being stored. It is vital that we find ways to duplicate this effort more broadly.

Trees are a sustainable, abundant resource that are the greatest carbon capturing device in existence. Not only do trees continue

standing, but after a tree is cut down and used in wood products, it will continue storing that carbon indefinitely. In fact, harvested wood products are naturally comprised of about 50 percent carbon by dry weight. From the tables, chairs, and dais in this room, to the wood used to build our homes, carbon is being stored everywhere that timber products are present.

Wood technology continues to improve, and the possibilities are greater than ever. There are two technologies I'd like to highlight in particular today that would benefit from the Trillion Trees Act, and the tax credit within it.

The first is mass timber, such as cross-laminated timber, or CLT. CLT is made by gluing sawn pieces of lumber together into massive wood panels and is being used for increasingly

large-scale projects. In Arkansas, Walmart is building their new headquarters utilizing CLT. In doing so, this project has sequestered 15 to 20 million pounds of carbon. This project demonstrates the enormous potential that exists to increase the amount of carbon we are storing while improving the health of our forests and providing important economic benefits and jobs.

The second technology I'd like to highlight is biochar. Biochar is made by burning feedstock like low-value wood products or chicken litter in the absence of oxygen, also known as pyrolysis. The Incans used biochar for farming, but it has a wide range of applications that can improve soil nutrients, water retention, and carbon storage. Because biochar can utilize low-value materials, this could be a solution to help create new markets for overstocked and fire-prone Western forests.

In closing, I'd like to thank you all for having me today and encourage your support of the Trillion Trees Act. I believe if we truly work in a bipartisan way, we can leave a healthier environment and better economy for our children and grandchildren. As Chairman of the Natural Resources

Committee, I look forward to working with Ways and Means to advance meaningful solutions like the Trillion Trees Act.

Thank you, and I yield back.