



Farm Bill Legislative Side-By-Side

WOOD INNOVATIONS GRANTS PROGRAM

Program Description

The USDA Forest Service's [Wood Innovations Grants Program](#) stimulates, expands, and supports U.S. wood product markets and wood energy markets to support the long-term management of forest lands.

Climate Highlights

The Wood Innovations Grants Program, launched in 2015, includes focus areas such as mass timber, renewable wood energy, and sustainable forest management that mitigates and builds resilience to climate change impacts like [wildfires](#). [Mass timber](#) is a sustainable building material made from wood panels that can replace carbon-intensive steel and concrete in construction. In [fiscal year \(FY\) 2021](#), the program provided \$8.9 million for 44 projects, 21 of which focused on mass timber such as cross-laminated timber.

Funding

Congress appropriated \$30 million for the program in FY 2023 and \$30 million in FY 2024. In addition, the *Inflation Reduction Act* ([P.L.117-169](#)) authorized \$100 million for the Wood Innovations Grants Program, and the *Infrastructure Investment and Jobs Act* (IIJA) ([P.L.117-58](#)) allocated [\\$60 million](#) over five years for the Community Wood Grant and Wood Innovations Grants programs. There is no specific funding authorization for the Wood Innovations Grants Program in the 2018 Farm Bill ([P.L.115-334](#)).

Legislative Side-By-Side

The following Side-by-Side compares the House and Senate versions of the Farm Bill's Wood Innovations Grants Program with current law. Underlined text indicates suggested additions to current law. Struck text indicates suggested deletions to current law. "No change" indicates that the entire section was left unaltered.

Current Law 7 USC §7655d (February 2023)	House Version House Agriculture Committee amended text pages 655 – 657 (May 2024)	Senate Version
<p>(a) Definitions In this section:</p> <p>(1) Eligible entity The term "eligible entity" means— (A) an individual; (B) a public or private entity (including a center of excellence that consists of 1 or more partnerships between forestry, engineering, architecture, or business schools at 1 or more institutions of higher education); or (C) a State, local, or Tribal government.</p> <p>(2) Secretary The term "Secretary" means the Secretary, acting through the Chief of the Forest Service.</p>	<p>No change</p>	<p>This resource will be updated as the Senate legislative Farm Bill text is released.</p>
<p>(b) Grant program</p> <p>(1) In general The Secretary, in carrying out the wood innovation grant program of the Secretary described in the notice of the Secretary entitled "Request for Proposals: 2016 Wood Innovations Funding Opportunity" (80 Fed. Reg. 63498 (October 20, 2015)), may make a wood innovation grant to 1 or more eligible entities each year for the purpose of advancing the use of innovative wood products.</p> <p>(2) Proposals To be eligible to receive a grant under this subsection, an eligible entity shall submit to the Secretary a proposal at such time, in such manner, and containing such information as the Secretary may require.</p>	<p>(b) Grant program</p> <p>(1) In general The Secretary, in carrying out the wood innovation grant program of the Secretary described in the notice of the Secretary entitled "Request for Proposals: 2016 Wood Innovations Funding Opportunity" (80 Fed. Reg. 63498 (October 20, 2015)), may make a wood innovation grant to 1 or more eligible entities each year for the purpose of advancing the use of innovative wood products, <u>including the construction of new facilities that advance the purposes of the program and for the hauling of material removed to reduce hazardous fuels to locations where that material can be utilized.</u></p> <p>(2) Proposals To be eligible to receive a grant under this subsection, an eligible entity shall submit to the Secretary a proposal at such time, in such manner, and containing such information as the Secretary may require.</p>	
<p>(c) Incentivizing use of existing milling capacity</p>	<p>(c) Incentivizing use of existing milling capacity</p>	

<p>In selecting among proposals of eligible entities under subsection (b)(2), the Secretary shall give priority to proposals that include the use or retrofitting (or both) of existing sawmill facilities located in counties in which the average annual unemployment rate exceeded the national average unemployment rate by more than 1 percent in the previous calendar year.</p>	<p>In selecting among proposals of eligible entities under subsection (b)(2), the Secretary shall give priority to proposals that include the use or retrofitting (or both) of existing sawmill facilities located in counties in which the average annual unemployment rate exceeded the national average unemployment rate by more than 1 percent in the previous calendar year.</p> <p>(c) Targeting to support economic development, enhanced building design, and impact assessment</p> <p><u>In selecting among proposals of eligible entities under subsection (b)(2), the Secretary shall give priority to proposals for projects that—</u></p> <p><u>(1) Include the use or retrofitting (or both) of existing sawmill facilities located in counties in which the average annual unemployment rate exceeded the national average employment rate by more than 1 percent in the previous calendar year;</u></p> <p><u>(2) recognize or enhance carbon reduction strategies in building design and interior wood products, including forest impacts, which can be improved or by North American manufacturing; or</u></p> <p><u>(3) includes in the proposal of the entity an analysis of the benefits that forest management under the proposal will have on the resilience and economy of the community, including benefits associated with—</u></p> <p><u>(A) wood products from anticipated wood supply areas;</u></p> <p><u>(B) wildfire risk reduction;</u></p> <p><u>(C) increased fiber flow;</u></p> <p><u>(D) the increase of forest or mill jobs; and</u></p> <p><u>(E) support for forested communities</u></p>	
<p>(d) Matching requirement</p> <p>As a condition of receiving a grant under subsection (b), an eligible entity shall provide funds equal to the amount received by the eligible entity under the grant, to be derived from non-Federal sources.</p>	<p>(d) Matching requirement</p> <p>As a condition of receiving a grant under subsection (b), an eligible entity shall provide funds equal to <u>50 percent</u> of the amount received by the eligible entity under the grant, to be derived from non-Federal sources.</p>	

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This resource will be updated as final House and Senate legislative Farm Bill texts are released.

This resource is available electronically (with hyperlinks and endnotes) at www.eesi.org/papers.

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