# First Regular Session Seventy-third General Assembly STATE OF COLORADO

## REREVISED

This Version Includes All Amendments Adopted in the Second House

LLS NO. 21-0289.01 Jennifer Berman x3286

**HOUSE BILL 21-1180** 

### **HOUSE SPONSORSHIP**

Valdez D. and Will, Bernett, Catlin, Cutter, Duran, Gray, Hooton, Jackson, Lontine, Lynch, McCormick, McLachlan, Ricks, Roberts, Valdez A.

### SENATE SPONSORSHIP

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#### **House Committees**

Energy & Environment Appropriations

#### **Senate Committees**

Agriculture & Natural Resources Appropriations

## A BILL FOR AN ACT

101 CONCERNING MEASURES TO INCREASE BIOMASS UTILIZATION 102 THROUGHOUT THE STATE.

## **Bill Summary**

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

The bill requires the state forest service to conduct a study of biomass utilization by identifying the potential costs and benefits of increasing biomass utilization throughout the state and any administrative or statutory changes needed to increase biomass utilization. In conducting the study, the state forest service shall engage in shared stewardship by consulting with various state agencies, local officials who serve

SENATE d Reading Unamended

SENATE Amended 2nd Reading May 18, 2021

> HOUSE 3rd Reading Unamended March 29, 2021

HOUSE 2nd Reading Unamended March 26, 2021 communities in the wildland-urban interface, and other interested stakeholders. On or before March 1, 2022, the state forest service shall submit a report summarizing its findings and recommendations from the study to the governor and the legislative committees with jurisdiction over agriculture and natural resources matters.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1.** In Colorado Revised Statutes, add 23-31-317 as 3 follows: 4 23-31-317. Biomass utilization study - legislative declaration 5 - report - definitions - repeal. (1) THE GENERAL ASSEMBLY: 6 (a) FINDS AND DETERMINES THAT: 7 (I) THREE OF THE LARGEST WILDFIRES IN COLORADO'S HISTORY 8 OCCURRED IN 2020, WITH MORE THAN SIX HUNDRED TWENTY-FIVE 9 THOUSAND ACRES BURNED ACROSS THE STATE; 10 (II) IT IS ESTIMATED THAT TWO HUNDRED FOURTEEN MILLION 11 DOLLARS WAS SPENT IN COLORADO IN 2020 TO FIGHT FOREST FIRES; 12 WITH ALMOST THREE MILLION PEOPLE IN COLORADO 13 RESIDING IN THE WILDLAND-URBAN INTERFACE, THESE WILDFIRES 14 THREATEN HUMAN LIFE AS WELL AS PRIVATE PROPERTY, PUBLIC 15 INFRASTRUCTURE, AND THE ENVIRONMENT; 16 (IV) THE FOREST SERVICE HAS IMPLEMENTED A NUMBER OF 17 STRATEGIES TO HELP MITIGATE THE RISK OF WILDFIRE, INCLUDING 18 ENGAGING IN EDUCATIONAL OUTREACH, PROVIDING TECHNICAL 19 ASSISTANCE TO COMMUNITIES IN THE WUI WITH THE DEVELOPMENT OF 20 COMMUNITY WILDFIRE PROTECTION PLANS, AND TREATING FORESTED 21 LANDS TO REDUCE THE AMOUNT OF FUEL: 22 (V) ONE PROMISING STRATEGY FOR WILDFIRE MITIGATION IS TO 23 INCREASE THE UTILIZATION OF BIOMASS TO REDUCE FUEL; AND

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| 1  | (VI) INCREASED BIOMASS UTILIZATION WOULD PROVIDE OTHER                    |
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| 2  | ENVIRONMENTAL BENEFITS SUCH AS:   |
| 3  | (A) USING BIOMASS FOR ELECTRIC AND HEAT GENERATION AS A                   |
| 4  | MEANS TO FURTHER DIVERSIFY COLORADO'S RENEWABLE ENERGY                    |
| 5  | PORTFOLIO AND, IN FURTHERANCE OF THE GOVERNOR'S "GREENHOUSE               |
| 6  | Gas Pollution Reduction Roadmap" released on January 14, 2021,            |
| 7  | PROVIDE A CARBON-NEUTRAL ALTERNATIVE ENERGY SOURCE TO FOSSIL              |
| 8  | FUELS; AND  |
| 9  | (B) APPLYING BIOCHAR TO SOIL AS A MEANS TO IMPROVE SOIL                   |
| 10 | HEALTH AND PROVIDE CARBON SEQUESTRATION; AND                              |
| 11 | (b) DECLARES THAT IT IS IN THE INTEREST OF THE STATE FOR THE              |
| 12 | FOREST SERVICE TO ADMINISTER A GRANT PROGRAM TO DEMONSTRATE               |
| 13 | BIOMASS UTILIZATION AS A MEANS TO INNOVATE WILDFIRE MITIGATION,           |
| 14 | RENEWABLE ENERGY DEVELOPMENT, SOIL HEALTH, CLIMATE CHANGE                 |
| 15 | MITIGATION, AND CARBON SEQUESTRATION.                                     |
| 16 | (2) As used in this section, unless the context otherwise                 |
| 17 | REQUIRES:   |
| 18 | <del></del>   |
| 19 | (a) "BIOCHAR" MEANS A CHARCOAL THAT IS PRODUCED BY                        |
| 20 | PYROLYSIS OF BIOMASS AND IS USED AS A SOIL AMENDMENT.                     |
| 21 | $(\underline{b})$ "Biomass" has the meaning set forth in section 40-2-124 |
| 22 | (1)(a)(I).  |
| 23 | (c) "FOREST SERVICE" HAS THE MEANING SET FORTH IN SECTION                 |
| 24 | 23-31-310 (2)(c).   |
| 25 | $(\underline{d})$ "Fuel" has the meaning set forth in section 23-31-310   |
| 26 | (2)(d).   |
| 27 | (e) "Pyrolysis" has the meaning set forth in section                      |

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| 1  | 40-2-124 (1)(a)(V).  |
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| 2  | (f) "WILDLAND-URBAN INTERFACE" OR "WUI" HAS THE MEANING          |
| 3  | <u>SET FORTH IN SECTION 23-31-310 (2)(f).</u>                    |
| 4  | (3) (a) (I) THE BIOMASS UTILIZATION GRANT PROGRAM IS CREATED     |
| 5  | TO DEMONSTRATE THE UTILIZATION OF BIOMASS THROUGHOUT THE STATE.  |
| 6  | THE FOREST SERVICE, AT THE DISCRETION OF THE STATE FORESTER, MAY |
| 7  | IMPLEMENT THE GRANT PROGRAM BY AWARDING UP TO TWO MILLION FIVE   |
| 8  | HUNDRED THOUSAND DOLLARS IN GRANTS FOR PROPOSED PROJECTS THAT    |
| 9  | SEEK TO DEMONSTRATE THE FOLLOWING REGARDING BIOMASS              |
| 10 | <u>UTILIZATION:</u>  |
| 11 | (A) WILDFIRE PREVENTION AND MITIGATION BENEFITS DERIVED          |
| 12 | FROM ITS UTILIZATION;  |
| 13 | (B) Energy benefits derived from increasing biomass              |
| 14 | ENERGY GENERATION; <u>OR</u>                                     |
| 15 | (C) AGRICULTURAL BENEFITS FROM INCREASING ITS USAGE AS           |
| 16 | BIOCHAR.   |
| 17 | (II) The forest service, at the discretion of the state          |
| 18 | FORESTER, MAY ADMINISTER THE GRANT PROGRAM USING MONEY IN THE    |
| 19 | HEALTHY FORESTS AND VIBRANT COMMUNITIES FUND CREATED IN SECTION  |
| 20 | 23-31-313 (10) AND ANY GIFTS, GRANTS, OR DONATIONS RECEIVED. THE |
| 21 | FOREST SERVICE MAY SEEK AND EXPEND GIFTS, GRANTS, AND DONATIONS  |
| 22 | TO FINANCE THE BIOMASS UTILIZATION GRANT PROGRAM.                |
| 23 | (4) On or before March 1, 2023, and on or before each            |
| 24 | MARCH 1 AFTER A YEAR IN WHICH THE FOREST SERVICE AWARDS ONE OR   |
| 25 | MORE GRANTS UNDER THE BIOMASS UTILIZATION GRANT PROGRAM, THE     |
| 26 | FOREST SERVICE SHALL SUBMIT A REPORT DESCRIBING EACH PROJECT FOR |
| 27 | WHICH IT HAS AWARDED A GRANT IN THE PREVIOUS YEAR, INCLUDING A   |

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| 1  | DESCRIPTION OF THE TYPE OF BIOMASS UTILIZATION THAT THE PROJECT                 |
|----|---|
| 2  | DEMONSTRATES, THE GEOGRAPHIC AREA SERVED BY THE PROJECT, AND                    |
| 3  | THE AMOUNT AWARDED FOR THE PROJECT, TO THE GOVERNOR AND THE                     |
| 4  | AGRICULTURE, LIVESTOCK, AND WATER COMMITTEE OF THE HOUSE OF                     |
| 5  | REPRESENTATIVES AND THE AGRICULTURE AND NATURAL RESOURCES                       |
| 6  | COMMITTEE OF THE SENATE, OR ANY SUCCESSOR COMMITTEES. THE                       |
| 7  | FOREST SERVICE SHALL POST THE REPORT ON ITS WEBSITE.                            |
| 8  | (5) This section is repealed, effective September 1, $\underline{2026}$ .       |
| 9  | BEFORE THE REPEAL, THIS SECTION IS SCHEDULED FOR REVIEW IN                      |
| 10 | ACCORDANCE WITH SECTION 24-34-104.  |
| 11 | SECTION 2. In Colorado Revised Statutes, 24-34-104, add                         |
| 12 | (27)(a)(IX) as follows:   |
| 13 | 24-34-104. General assembly review of regulatory agencies                       |
| 14 | and functions for repeal, continuation, or reestablishment - legislative        |
| 15 | declaration - repeal. (27) (a) The following agencies, functions, or both,      |
| 16 | are scheduled for repeal on September 1, 2026:                                  |
| 17 | (IX) THE BIOMASS UTILIZATION GRANT PROGRAM IMPLEMENTED                          |
| 18 | BY THE STATE FOREST SERVICE PURSUANT TO SECTION 23-31-317.                      |
| 19 | SECTION 3. Act subject to petition - effective date. This act                   |
| 20 | takes effect at 12:01 a.m. on the day following the expiration of the           |
| 21 | ninety-day period after final adjournment of the general assembly; except       |
| 22 | that, if a referendum petition is filed pursuant to section 1 (3) of article V  |
| 23 | of the state constitution against this act or an item, section, or part of this |
| 24 | act within such period, then the act, item, section, or part will not take      |
| 25 | effect unless approved by the people at the general election to be held in      |
| 26 | November 2022 and, in such case, will take effect on the date of the            |
| 27 | official declaration of the vote thereon by the governor.                       |

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