

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 26-0369.01 Sam Anderson x4218

HOUSE BILL 26-1213

HOUSE SPONSORSHIP

Smith and McCormick,

SENATE SPONSORSHIP

Wallace,

House Committees

Agriculture, Water & Natural Resources

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CONTINUATION OF THE BIOMASS UTILIZATION**
102 **GRANT PROGRAM, AND, IN CONNECTION THEREWITH,**
103 **IMPLEMENTING THE RECOMMENDATION CONTAINED IN THE**
104 **2025 SUNSET REPORT BY THE DEPARTMENT OF REGULATORY**
105 **AGENCIES TO REPEAL THE BIOMASS UTILIZATION GRANT**
106 **PROGRAM.**

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 <http://leg.colorado.gov/>.)

Sunset Process - House Agriculture, Water, and Natural

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

HOUSE
2nd Reading Unamended
March 9, 2026

Resources Committee. The bill implements the recommendation of the department of regulatory agencies' 2025 sunset review and report on the biomass utilization grant program by repealing the biomass utilization grant program.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **repeal** 23-31-317 as
3 follows:

4 **23-31-317. Biomass utilization study - legislative declaration**
5 **- report - definitions - repeal.**

6 ~~(I) The general assembly:~~

7 ~~(a) Finds and determines that:~~

8 ~~(I) Three of the largest wildfires in Colorado's history occurred in~~
9 ~~2020, with more than six hundred twenty-five thousand acres burned~~
10 ~~across the state;~~

11 ~~(II) It is estimated that two hundred fourteen million dollars was~~
12 ~~spent in Colorado in 2020 to fight forest fires;~~

13 ~~(III) With almost three million people in Colorado residing in the~~
14 ~~wildland-urban interface, these wildfires threaten human life as well as~~
15 ~~private property, public infrastructure, and the environment;~~

16 ~~(IV) The forest service has implemented a number of strategies to~~
17 ~~help mitigate the risk of wildfire, including engaging in educational~~
18 ~~outreach, providing technical assistance to communities in the WUI with~~
19 ~~the development of community wildfire protection plans, and treating~~
20 ~~forested lands to reduce the amount of fuel;~~

21 ~~(V) One promising strategy for wildfire mitigation is to increase~~
22 ~~the utilization of biomass to reduce fuel; and~~

23 ~~(VI) Increased biomass utilization would provide other~~

1 environmental benefits such as:

2 (A) ~~Using biomass for electric and heat generation as a means to~~
3 ~~further diversify Colorado's renewable energy portfolio and, in~~
4 ~~furtherance of the governor's "Greenhouse Gas Pollution Reduction~~
5 ~~Roadmap" released on January 14, 2021, provide a carbon-neutral~~
6 ~~alternative energy source to fossil fuels; and~~

7 (B) ~~Applying biochar to soil as a means to improve soil health and~~
8 ~~provide carbon sequestration; and~~

9 (b) ~~Declares that it is in the interest of the state for the forest~~
10 ~~service to administer a grant program to demonstrate biomass utilization~~
11 ~~as a means to innovate wildfire mitigation, renewable energy~~
12 ~~development, soil health, climate change mitigation, and carbon~~
13 ~~sequestration.~~

14 (2) ~~As used in this section, unless the context otherwise requires:~~

15 (a) ~~"Biochar" means a charcoal that is produced by pyrolysis of~~
16 ~~biomass and is used as a soil amendment.~~

17 (b) ~~"Biomass" has the meaning set forth in section 40-2-124~~
18 ~~(1)(a)(I).~~

19 (c) ~~"Forest service" has the meaning set forth in section 23-31-310~~
20 ~~(2)(c).~~

21 (d) ~~"Fuel" has the meaning set forth in section 23-31-310 (2)(d).~~

22 (e) ~~"Pyrolysis" has the meaning set forth in section 40-2-124~~
23 ~~(1)(a)(V).~~

24 (f) ~~"Wildland-urban interface" or "WUI" has the meaning set forth~~
25 ~~in section 23-31-310 (2)(f).~~

26 (3) (a) ~~The biomass utilization grant program is created to~~
27 ~~demonstrate the utilization of biomass throughout the state. The forest~~

1 service, at the discretion of the state forester, may implement the grant
2 program by awarding up to two million five hundred thousand dollars in
3 grants for proposed projects that seek to demonstrate the following
4 regarding biomass utilization:

5 (I) ~~Wildfire prevention and mitigation benefits derived from its~~
6 ~~utilization;~~

7 (II) ~~Energy benefits derived from increasing biomass energy~~
8 ~~generation; or~~

9 (III) ~~Agricultural benefits from increasing its usage as biochar.~~

10 (b) ~~The forest service, at the discretion of the state forester, may~~
11 ~~administer the grant program using money in the healthy forests and~~
12 ~~vibrant communities fund created in section 23-31-313 (10) and any gifts,~~
13 ~~grants, or donations received. The forest service may seek and expend~~
14 ~~gifts, grants, and donations to finance the biomass utilization grant~~
15 ~~program.~~

16 (4) ~~On or before March 1, 2023, and on or before each March 1~~
17 ~~after a year in which the forest service awards one or more grants under~~
18 ~~the biomass utilization grant program, the forest service shall submit a~~
19 ~~report describing each project for which it has awarded a grant in the~~
20 ~~previous year, including a description of the type of biomass utilization~~
21 ~~that the project demonstrates, the geographic area served by the project,~~
22 ~~and the amount awarded for the project, to the governor and the~~
23 ~~agriculture, livestock, and water committee of the house of~~
24 ~~representatives and the agriculture and natural resources committee of the~~
25 ~~senate, or any successor committees. The forest service shall post the~~
26 ~~report on its website.~~

27 (5) ~~This section is repealed, effective September 1, 2026. Before~~

1 the repeal, this section is scheduled for review in accordance with section
2 ~~24-34-104~~.

3 **SECTION 2.** In Colorado Revised Statutes, 24-34-104, **repeal**
4 (27)(a)(IX) as follows:

5 **24-34-104. General assembly review of regulatory agencies**
6 **and functions for repeal, continuation, or reestablishment - legislative**
7 **declaration - repeal.**

8 (27) (a) The following agencies, functions, or both, are scheduled
9 for repeal on September 1, 2026:

10 (IX) ~~The biomass utilization grant program implemented by the~~
11 ~~state forest service pursuant to section 23-31-317;~~

12 **SECTION 3. Act subject to petition - effective date.** This act
13 takes effect at 12:01 a.m. on the day following the expiration of the
14 ninety-day period after final adjournment of the general assembly (August
15 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
16 referendum petition is filed pursuant to section 1 (3) of article V of the
17 state constitution against this act or an item, section, or part of this act
18 within such period, then the act, item, section, or part will not take effect
19 unless approved by the people at the general election to be held in
20 November 2026 and, in such case, will take effect on the date of the
21 official declaration of the vote thereon by the governor.