

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

ENGROSSED

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

LLS NO. 21-0289.01 Jennifer Berman x3286

HOUSE BILL 21-1180

HOUSE SPONSORSHIP

Valdez D. and Will,

SENATE SPONSORSHIP

Coram,

House Committees

Energy & Environment
Appropriations

Senate Committees

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

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

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

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 (III) 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;

1 (VI) INCREASED BIOMASS UTILIZATION WOULD PROVIDE OTHER
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 (VII) THROUGH A COLLABORATIVE EFFORT BETWEEN STATE
12 AGENCIES, LOCAL OFFICIALS, AND INTERESTED STAKEHOLDERS THAT
13 EMBODIES THE PRINCIPLE OF SHARED STEWARDSHIP, A STUDY SHOULD BE
14 CONDUCTED TO DETERMINE HOW BEST TO INCREASE BIOMASS UTILIZATION
15 THROUGHOUT THE STATE; AND

16 (b) DECLARES THAT THE FOREST SERVICE SHOULD STUDY THE
17 COSTS AND BENEFITS OF INCREASING BIOMASS UTILIZATION THROUGHOUT
18 THE STATE TO HELP IDENTIFY HOW BEST TO BRING COLORADO TO THE
19 FOREFRONT OF BIOMASS UTILIZATION AS A MEANS TO INNOVATE WILDFIRE
20 MITIGATION, RENEWABLE ENERGY DEVELOPMENT, SOIL HEALTH, CLIMATE
21 CHANGE MITIGATION, AND CARBON SEQUESTRATION.

22 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
23 REQUIRES:

24 (a) "AIR CURTAIN INCINERATOR":

25 (I) HAS THE MEANING SET FORTH IN 40 CFR 60.51b; AND

26 (II) IS ALSO KNOWN AS AN "AIR CURTAIN BURNER".

27 (b) "BIOCHAR" MEANS A CHARCOAL THAT IS PRODUCED BY

1 PYROLYSIS OF BIOMASS AND IS USED AS A SOIL AMENDMENT.

2 (c) "BIOMASS" HAS THE MEANING SET FORTH IN SECTION 40-2-124
3 (1)(a)(I).

4 (d) "FOREST SERVICE" HAS THE MEANING SET FORTH IN SECTION
5 23-31-310 (2)(c).

6 (e) "FUEL" HAS THE MEANING SET FORTH IN SECTION 23-31-310
7 (2)(d).

8 (f) "PYROLYSIS" HAS THE MEANING SET FORTH IN SECTION
9 40-2-124 (1)(a)(V).

10 (g) "SHARED STEWARDSHIP" MEANS THE PRINCIPLES OF
11 COLLABORATION THAT THE UNITED STATES FOREST SERVICE PROMOTES
12 WITH RESPECT TO IDENTIFYING PRIORITIES FOR ITS WORK TO INCREASE
13 CRITICAL FOREST TREATMENTS, SUPPORT COMMUNITIES, AND IMPROVE
14 FOREST CONDITIONS.

15 (h) "WILDLAND-URBAN INTERFACE" OR "WUI" HAS THE MEANING
16 SET FORTH IN SECTION 23-31-310 (2)(f).

17 (3) (a) AS SOON AS PRACTICABLE, THE FOREST SERVICE SHALL
18 COMMENCE A STUDY TO IDENTIFY:

19 (I) THE ENVIRONMENTAL AND ECONOMIC BENEFITS OF INCREASING
20 BIOMASS UTILIZATION THROUGHOUT THE STATE, INCLUDING POTENTIAL:

21 (A) WILDFIRE PREVENTION AND MITIGATION BENEFITS DERIVED
22 FROM ITS UTILIZATION;

23 (B) ENERGY BENEFITS DERIVED FROM INCREASING BIOMASS
24 ENERGY GENERATION; AND

25 (C) AGRICULTURAL BENEFITS FROM INCREASING ITS USAGE AS
26 BIOCHAR;

27 (II) THE ANTICIPATED COSTS INVOLVED IN INCREASING SUPPLY

1 AND DEMAND FOR BIOMASS UTILIZATION THROUGHOUT THE STATE,
2 INCLUDING POTENTIAL:

3 (A) COSTS TO THE STATE TO PURCHASE ONE OR MORE AIR CURTAIN
4 INCINERATORS;

5 (B) REDUCTIONS IN STATE REVENUE IF TAX CREDITS RELATED TO
6 BIOMASS GENERATION AND UTILIZATION ARE CREATED OR THE STATE
7 SALES TAX EXEMPTION IN SECTION 39-26-723 FOR BEETLE-KILLED WOOD
8 PRODUCTS IS CONTINUED; AND

9 (C) COSTS TO UPDATE EXISTING DATA REGARDING STATEWIDE
10 MARKETS FOR WOOD PRODUCTS; AND

11 (III) POTENTIAL BARRIERS TO INCREASING UTILIZATION,
12 INCLUDING THE IDENTIFICATION OF ANY ADMINISTRATIVE OR STATUTORY
13 CHANGES NEEDED TO EFFECTUATE INCREASED BIOMASS UTILIZATION
14 THROUGHOUT THE STATE.

15 (b) IN CONDUCTING THE STUDY, THE FOREST SERVICE SHALL
16 ENGAGE IN SHARED STEWARDSHIP BY WORKING COLLABORATIVELY WITH
17 THE DEPARTMENT OF AGRICULTURE, THE DIVISION OF FIRE PREVENTION
18 AND CONTROL IN THE DEPARTMENT OF PUBLIC SAFETY, ANY OTHER
19 INTERESTED STATE AGENCIES, LOCAL OFFICIALS WHO SERVE COMMUNITIES
20 IN THE WUI, AND ANY OTHER INTERESTED STAKEHOLDERS.

21 (4) ON OR BEFORE MARCH 1, 2022, THE FOREST SERVICE SHALL
22 SUBMIT A REPORT SUMMARIZING ITS FINDINGS AND RECOMMENDATIONS
23 FROM THE STUDY, INCLUDING ANY RECOMMENDATIONS REGARDING
24 LEGISLATION, TO THE GOVERNOR AND THE AGRICULTURE, LIVESTOCK, AND
25 WATER COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE
26 AGRICULTURE AND NATURAL RESOURCES COMMITTEE OF THE SENATE, OR
27 ANY SUCCESSOR COMMITTEES. THE FOREST SERVICE SHALL POST THE

1 REPORT ON ITS WEBSITE.

2 (5) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2022.

3 **SECTION 2. Act subject to petition - effective date.** This act
4 takes effect at 12:01 a.m. on the day following the expiration of the
5 ninety-day period after final adjournment of the general assembly; except
6 that, if a referendum petition is filed pursuant to section 1 (3) of article V
7 of the state constitution against this act or an item, section, or part of this
8 act within such period, then the act, item, section, or part will not take
9 effect unless approved by the people at the general election to be held in
10 November 2022 and, in such case, will take effect on the date of the
11 official declaration of the vote thereon by the governor.