HB 2165 - S COMM AMD

By Committee on Natural Resources, Ocean & Recreation

ADOPTED 04/07/2009

1 Strike everything after the enacting clause and insert the 2 following:

"NEW SECTION. Sec. 1. The legislature finds that forest biomass is an abundant and renewable byproduct of Washington's forest land management. Forest biomass can be utilized to generate clean renewable energy.

In some Washington forests, residual forest biomass is burned on site or left to decompose. The lack of forest products markets in some areas means that standing forest biomass removed for forest health and wildfire risk reduction treatments must occur at substantial cost. Utilizing forest biomass to generate energy can reduce the greenhouse gases emitted by burning forest biomass.

The legislature further finds that the emerging forest biomass energy economy is challenged by: Not having a reliable supply of predictably priced forest biomass feedstock; shipping and processing costs; insufficient forest biomass processing infrastructure; and feedstock demand.

The legislature finds that making use of the state's forest biomass resources for energy production may generate new revenues or increase asset values of state lands and state forest lands, protect forest land of all ownerships from severe forest health problems, stimulate Washington's economy, create green jobs, and reduce Washington's dependence on foreign oil.

It is the intent of the legislature to support forest biomass demonstration projects that employ promising processing technologies. The demonstration projects must emphasize public and private forest biomass feedstocks that are generated as byproducts of current forest practices. The project must reveal ways to overcome the current impediments to the developing forest biomass energy economy, and ways to realize ecologically sustainable outcomes from that development.

- NEW SECTION. Sec. 2. (1) The department may develop and implement forest biomass energy demonstration projects, one east of the crest of the Cascade mountains and one west of the crest of the Cascade mountains. The demonstration projects must be designed to:
- (a) Reveal the utility of Washington's public and private forest biomass feedstock;
 - (b) Create green jobs and generate renewable energy;

- 8 (c) Generate revenues or improve asset values for beneficiaries of 9 state lands and state forest lands;
 - (d) Improve forest health, reduce pollution, and restore ecological function; and
 - (e) Avoid interfering with the current working area for forest biomass collection surrounding an existing fixed location biomass energy production site.
 - (2) To develop and implement the forest biomass energy demonstration projects, the department may form forest biomass energy partnerships or cooperatives.
 - (3) The forest biomass energy partnerships or cooperatives are encouraged to be public-private partnerships focused on convening the entities necessary to grow, harvest, process, transport, and utilize forest biomass to generate renewable energy. Particular focus must be given to recruiting and employing emerging technologies that can locally process forest biomass feedstock to create local green jobs and reduce transportation costs.
 - (4) The forest biomass energy partnerships or cooperatives may include, but are not limited to: Entrepreneurs or organizations developing and operating emerging technology to process forest biomass; industrial electricity producers; contractors capable of providing the local labor needed to collect, process, and transport forest biomass feedstocks; tribes; federal land management agencies; county, city, and other local governments; the department of community, trade, and economic development; state trust land managers; an organization dedicated to protecting and strengthening the jobs, rights, and working conditions of Washington's working families; accredited research institution representatives; an industrial timber land manager; a small forest landowner; and a not-for-profit conservation organization.

NEW SECTION. Sec. 3. By December 2010, the department shall 1 2 provide a progress report to the legislature regarding its efforts to develop, implement, and evaluate forest biomass energy demonstration 3 4 projects and any other department initiatives related to forest biomass. The report may include an evaluation of: 5

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- (1) The status of the department's abilities to secure funding, partners, and other resources for the forest biomass demonstration projects;
- (2) The status of the biomass energy demonstration projects 9 10 resulting from the department's efforts;
- (3) The status and, if applicable, additional needs of forest landowners within the demonstration project areas for estimating 13 sustainable forest biomass yields and availability;
 - (4) Forest biomass feedstock supply and forest biomass market demand barriers, and how they can best be overcome including actions by the legislature and United States congress; and
- 17 (5) Sustainability measures that may be instituted by the state to ensure that an increasing demand for forest biomass feedstocks does not 18 impair public resources or the ecological conditions of forests. 19
- 20 NEW SECTION. Sec. 4. For the purposes of implementing this act, 21 the department may seek grants or financing from the federal government, industry, or philanthropists. 22
- Sec. 5. RCW 76.06.150 and 2004 c 218 s 2 are each amended to read 23 24 as follows:
 - (1) The commissioner of public lands is designated as the state of Washington's lead for all forest health issues.
 - (2) The commissioner of public lands shall strive to promote communications between the state and the federal government regarding forest land management decisions that potentially affect the health of forests in Washington and will allow the state to have an influence on the management of federally owned land in Washington. Such governmentto-government cooperation is vital if the condition of the state's public and private forest lands are to be protected. These activities may include, when deemed by the commissioner to be in the best interest of the state:

1 (a) Representing the state's interest before all appropriate local, 2 state, and federal agencies;

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- (b) Assuming the lead state role for developing formal comments on federal forest management plans that may have an impact on the health of forests in Washington; ((and))
- (c) Pursuing in an expedited manner any available and appropriate cooperative agreements, including cooperating agency designation, with the United States forest service and the United management that allow bureau of land for meaningful participation in any federal land management plans that could affect the department's strategic plan for healthy forests and effective fire prevention and suppression, including the pursuit of any options available for giving effect to the cooperative philosophy contained within the national environmental policy act of 1969 (42 U.S.C. Sec. 4331); and
- (d) Pursuing agreements with federal agencies in the service of forest biomass energy partnerships and cooperatives authorized under sections 2 through 4 of this act.
- 19 (3) The commissioner of public lands shall report to the chairs of 20 the appropriate standing committees of the legislature every year on 21 progress under this section, including the identification, if deemed 22 appropriate by the commissioner, of any needed statutory changes, 23 policy issues, or funding needs.
- 24 **Sec. 6.** RCW 43.30.020 and 1965 c 8 s 43.30.020 are each amended to 25 read as follows:
 - ((For the purpose of this chapter, except where a different interpretation is required by the context:)) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
 - (1) "Department" means the department of natural resources($(\dot{\tau})$).
 - (2) "Board" means the board of natural resources($(\dot{\tau})$).
- 32 (3) "Administrator" means the administrator of the department of 33 natural resources((\div)).
 - (4) "Supervisor" means the supervisor of natural resources($(\dot{\tau})$).
- 35 (5) "Agency" and "state agency" means any branch, department, or unit of the state government, however designated or constituted((\div)).
 - (6) "Commissioner" means the commissioner of public lands.

- (7) "Forest biomass" means the byproducts of: Current forest 1 2 practices prescribed or permitted under chapter 76.09 RCW; current forest protection treatments prescribed or permitted under chapter 3 76.04 RCW; or the byproducts of forest health treatments prescribed or 4 permitted under chapter 76.06 RCW. "Forest biomass" does not include 5 wood pieces that have been treated with chemical preservatives such as: 6 Creosote, pentachlorophenol, or copper-chrome-arsenic; wood from old 7 growth forests, except wood removed for forest health treatments under 8 chapter 76.06 RCW and RCW 79.15.540; wood required by chapter 76.09 RCW 9 for large woody debris recruitment; or municipal solid waste. 10
- NEW SECTION. Sec. 7. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.
- NEW SECTION. Sec. 8. Sections 2 through 4 of this act are each added to chapter 43.30 RCW under the subchapter heading "duties and powers--forested lands.""

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On page 1, line 2 of the title, after "project;" strike the remainder of the title and insert "amending RCW 76.06.150 and 43.30.020; adding new sections to chapter 43.30 RCW; and creating a new section."

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