

SENATE BILL REPORT

SHB 1422

As of March 31, 2011

Title: An act relating to authorizing the department of natural resources to conduct a forest biomass to aviation fuel demonstration project to facilitate Washington leading the nation in aviation biofuel production.

Brief Description: Authorizing a forest biomass to aviation fuel demonstration project.

Sponsors: House Committee on Technology, Energy & Communications (originally sponsored by Representatives Stanford, Orcutt, Chandler, Warnick, Van De Wege, Green, Smith, Jacks, Blake, Sullivan, McCoy, Kretz, Tharinger, Ryu, Short, Sells, Lytton, Liias, Frockt, Moscoso, Billig, Probst, Rolfes, Dunshee, Maxwell, Upthegrove and Kenney; by request of Commissioner of Public Lands).

Brief History: Passed House: 2/22/11, 93-1.

Committee Activity: Natural Resources & Marine Waters: 3/14/11.

SENATE COMMITTEE ON NATURAL RESOURCES & MARINE WATERS

Staff: Sherry McNamara (786-7402)

Background: The Department of Natural Resources (DNR) manages 5.6 million acres of forest, range, agricultural, aquatic, and commercial lands for the people of Washington. Much of this land, 3 million acres, is state trust lands that provide revenue to help pay for construction of public schools, universities, and other state institutions, and fund services in many counties.

In 2009 the Legislature authorized DNR to conduct two biomass demonstration projects, one east and one west of the Cascade mountains. The demonstration projects were designed to:

- reveal the utility of Washington's public and private forest biomass feedstocks;
- create green jobs;
- generate renewable energy;
- generate revenues or improve asset values for beneficiaries of state lands and state forest lands;
- improve forest health;
- reduce pollution; and
- restore ecological function.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

In designing the demonstration projects, DNR is required to avoid interfering with the current working area for forest biomass collection surrounding an existing fixed location biomass energy production site.

Forest biomass is residual biomass material generated from logging or thinning activities on forests, which consists of branches, tree tops, and needles.

Summary of Bill: DNR may develop and implement a forest biomass to aviation fuel demonstration project. The project must be designed to:

- show opportunities for state lands to generate trust income through the development of aviation biofuel production capacity;
- create green jobs;
- avoid interfering with the current biomass supply areas;
- comply with the state's existing energy efficiency goals; and
- be consistent with report findings from the University of Washington and DNR concerning operationally and ecologically sustainable feedstocks and production processes.

DNR is authorized to form forest biomass aviation fuel partnerships to develop and implement the demonstration project.

By December 2012, DNR in collaboration with the Department of Commerce and research institutions must convene an expert panel to provide a report to the Legislature detailing a strategy for developing a broad forest biomass to aviation biofuel sector in the state. The report must, among other things identify:

- existing and potential sites where bioprocessing could be co-located;
- state and other public resources that can be used to accelerate the supply chain development;
- opportunities to collaborate with other states and federal agencies;
- linkages with the President's Biofuels Interagency Working Group; and
- funding opportunities.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This legislation pushes us forward in developing new technologies and opening the door to an aviation biofuel sector in our state. There is a unique opportunity before us to establish a renewable fuel for a very important industry in our state, aviation. This bill will establish a demonstration project that will produce a worthwhile, high-value product. We need a sustainable, renewable aviation fuel that is less carbon intensive. Research has shown biofuel from forest waste has met and exceeded expectations in flight performance. We can benefit from this bill, by increasing the number of jobs in the timber industry and becoming less dependent on foreign fuel. This bill

and the grant that Washington State University (WSU) has applied for are compatible and will help produce the next generation biofuels for aviation.

Persons Testifying: PRO: Representative Stanford, prime sponsor; Commissioner Goldmark, Craig Partridge, DNR; Larry Brown, Machinist Union, Bob Guenther, International Brotherhood Electrical Workers 77; Sean O'Sullivan, Association of Western Pulp and Paper Workers; Mike Hurd, Boeing; Dan Coyne, WSU; Stephen Bernath, Department of Ecology.