

SENATE BILL REPORT

SB 5273

As Reported by Senate Committee On:
Natural Resources & Marine Waters, February 21, 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: Senators Hargrove, Swecker, Rockefeller, Schoesler, Ranker, Morton, Hatfield, Delvin, Sheldon, Regala and Hewitt; by request of Commissioner of Public Lands.

Brief History:

Committee Activity: Natural Resources & Marine Waters: 1/27/11, 2/21/11 [DPS, DNP, w/oRec].

SENATE COMMITTEE ON NATURAL RESOURCES & MARINE WATERS

Majority Report: That Substitute Senate Bill No. 5273 be substituted therefor, and the substitute bill do pass.

Signed by Senators Ranker, Chair; Morton, Ranking Minority Member; Hargrove, Stevens and Swecker.

Minority Report: Do not pass.

Signed by Senator Fraser.

Minority Report: That it be referred without recommendation.

Signed by Senator Regala, Vice Chair.

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.

There are three primary sources of woody biomass in the state. Wood products residue is the wood waste generated at sawmills and wood products mills. Urban wood waste includes

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

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

Summary of Bill (Recommended Substitute): 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 collocated;
- state and other public resources that can be used to accelerate the supply chain development;
- opportunities to collaborate with other states and federal agencies; and
- funding opportunities.

EFFECT OF CHANGES MADE BY NATURAL RESOURCES & MARINE WATERS COMMITTEE (Recommended Substitute):

- Removes section 2 which allowed DNR to develop and implement a forest biomass to aviation fuel demonstration project.
- Amends the title to relate to a study by DNR on forest biomass to aviation fuel.

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 on Original Bill: PRO: Two historical industries in our state are being brought together: forestry and aviation. This bill will allow us to add an additional revenue stream to the beneficiaries of our state trust lands. It will add new green jobs to our economy. We are finding new opportunities for using our resources. With forest health issues, in particular in Eastern Washington, we can use this bill and the removal of biomass to rebuild the infrastructure we have lost in Eastern Washington. We see this as the highest and best use for forest biomass making aviation fuel. We support this bill and want to be a partner; however, we do have concerns about wood chip supply. We do not want to be in a competition for biomass and have the cost increase to a point where we can no longer afford it. It is vital for Washington to be in the supply chain of providing biofuel for aviation. It is important to look at innovative ways to pull biomass out of forests.

OTHER: We are supportive of utilizing forest biomass to generate clean renewable fuels that reduce greenhouse gases and we will continue to follow the research and science as it relates to the sustainability of this project and others.

Persons Testifying: PRO: Peter Goldmark, Commissioner of Public Lands; Sean O'Sullivan, Association of Western Pulp and Paper Workers; Craig Partridge, DNR; Bill Stauffacher, Northwest Pulp and Paper Association; Stephen Bernath, Department of Ecology.

OTHER: Miguel Perez-Gibson, Washington Environmental Council.