SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 1666 (Rogers) - Forest management: biomass innovation parks: wood products

Version: July 2, 2026
Urgency: No
Hearing Date: August 3, 2026

Policy Vote: N.R. & W. 7 - 0
Mandate: No
Consultant: Ashley Ames

Bill Summary: This bill would establish the Biomass Innovation Parks Grants and Financing Program to identify biomass innovation parks to process wood waste that originates in California and find other uses for these materials.

Fiscal Impact:

- The California Natural Resources Agency (CNRA) estimates ongoing costs of $495,000 each year for the first 3 years and $240,000 annually thereafter to stand up and administer a new Biomass Innovation Park Grants and Financing Program, develop guidelines and evaluation criteria, and coordinate with the California Department of Forestry and Fire Protection (CalFire), California Department of Food and Agriculture (CDFA), Governor's Office of Land Use and Climate Innovation (LCI), and the California Air Resources Board (CARB) on various activities, including the development of regional feedstock assessments, and the establishment of a forest biomass tracking system, among other things. CNRA notes that the Climate Bond (Proposition 4) does not designate funds to CNRA for administering this program, and it's unclear if the voter-approved bond act could be amended in a way to reassign administration of these funds to CNRA.
- CARB estimates ongoing costs of $326,000 (Cost of Implementation Account) to determine appropriate carbon-beneficial products or end uses of the projects in the biomass parks, among other things.
- LCI and the Strategic Growth Council (SGC) collectively estimate ongoing costs of approximately $115,000 annually (General Fund) to coordinate and consult on activities outlined in the bill. While LCI staff have expertise in issues related to forestry and biomass supply, data science, land use planning, and program management. LCI notes its costs would be much higher if it is expected to take on a larger grant management and implementation role (beyond coordination and consultation).
- The Building Standards Commission (BSC) within the Department of General Services (DGS) anticipates the increased workload to research, develop, and propose for adoption new measures that incentivize engineered wood products pursuant to AB 1666 would range in cost from minor and absorbable to up to approximately $66,250 annually (General Fund).
- HCD estimates increased costs of an unknown amount to incorporate the use of and give preference to California-sourced wood products in its housing grant programs (General Fund or special fund).

- CalFire estimates ongoing costs of $1.2 million in the first year and $750,000 annually thereafter (General Fund) until the 2032 sunset in order to work with BSC to develop a strategy to support the procurement of wood products (including mass timber) for State-funded construction projects by September 30, 2027, as well as to provide subject-matter expertise in areas such as innovative wood products and their societal benefits, the wood-product market and supply chain, and procurement processes.
- CDFA, DOC, and the California Energy Commission (CEC) anticipate minor and absorbable costs (various funds).
- Cost pressures of an unknown but likely significant amount, possibly in the tens of millions of dollars (Proposition 4 bond funds and other funds) to provide funding and support for the new program established by this bill and to the extent that existing funding is redirected or the makeup of funded activities changes as a result of this bill.

Background: Biomass is renewable organic material derived from plants and animals that can be burned directly for heat and energy or processed into liquid and gaseous fuels. It supplied roughly 5% of U.S. energy consumption in 2023, drawing on sources such as wood and wood processing waste and agricultural crops and residues.

For forest health, removing small-diameter woody biomass through prescribed fire or mechanical and manual treatment can approximate natural fire regimes, restoring a healthier balance of forest material and improving resilience to wildfire. That material carries little economic value, however, because its uses in wood products are limited, so it is frequently pile burned after removal — releasing carbon emissions that could be avoided by incentivizing conversion into energy through pyrolysis (heating organic material in the absence of oxygen) or comparable methods. Such incentives could also help forest health projects "pencil out" by creating an economic reason to remove non-merchantable biomass.

Roughly 40% of California's approximately 100 million acres is forest, and state, federal, and private operations — logging, thinning, fuels reduction, and ecosystem restoration — generate enormous volumes of woody biomass. Some is removed for use, but as much as half stays in the forest, where scattered mastication residues and timber harvest slash become additional dry surface fuel that raises the intensity and severity of any wildfire moving through. Woody biomass is also commonly piled and burned, producing air pollution including black carbon, or left to decay, producing methane, a greenhouse gas 28 times more potent than carbon dioxide.

Drought and tree mortality have increased California's forestry waste while adding fuel for fires. The California Energy Commission estimates about 47 million bone dry tons of biomass resource potential statewide, and the Board of Forestry and Fire Protection projects that state requirements to treat forest fuels across a combined one million acres annually will yield 10 to 15 million bone dry tons of forest waste biomass each year. Pursuing innovative and recommended fuel load reduction strategies alongside end-use markets for biomass could encourage and accelerate healthy forest management that limits wildfire spread while reducing greenhouse gas emissions.

Proposed Law: Existing law directs CNRA to convene a working group focused on expanding markets for wood products capable of using woody biomass, particularly material removed from high fire hazard zones as identified by the Department of Forestry and Fire Protection (PRC §717). It also tasks CARB with creating a Carbon Capture, Removal, Utilization, and Storage Program required, in part, to assess the effectiveness, safety, and viability of carbon capture, storage, and removal technologies and, where appropriate, facilitate the capture and sequestration of carbon dioxide from them (HSC §39741.1). Separately, CARB is authorized to establish an embodied carbon trading system subject to specified requirements (HSC §38561.6). The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Proposition 4) makes $50 million available, upon appropriation, to DOC or the CEC for California projects providing long-term capital infrastructure to put forest and other vegetative waste removed for wildfire mitigation to noncombustible uses that maximize GHG emission reductions, deliver local air quality benefits, and strengthen local community resilience to climate change impacts (PRC §91530).

This bill would:

1. Enact the Biomass Innovation Parks Act, which would establish the Biomass Innovation Park Grants and Financing Program, to be administered by CNRA.

    a. Require CNRA, in coordination with the CDFA and CalFire, on or before September 30, 2027, to identify one or more biomass innovation parks, as provided.

    b. Require CNRA, in coordination with CDFA and CalFire, to develop guidelines and facilitate a planning process for the purposes of identifying the parks and guidelines for purposes of soliciting proposals from an eligible applicant.

        i. Require the guidelines to include specified things, including, among other things, that each park shall only process wood waste, as defined, that originated in California, that each park only host projects that use a noncombustion technology to convert wood waste into carbon-beneficial products or end uses, as specified, and that each park establish a community benefits program.

        ii. In order to facilitate the planning process, authorize CNRA, in coordination with CDFA and CalFire, to develop guidance on specified things, including, among others, guidance for a public agency and private industry to partner on a park proposal.

2. Require CNRA, in coordination with LCI and CalFire, to develop regional wood availability assessments and to adopt a tracking system to trace and authenticate forest biomass origins, among other things.

3. Require the Strategic Growth Council and the Department of Housing and Community Development to consider incorporating the use of wood products in housing grant programs, as provided.

4. Require the California Building Standards Commission to identify and adopt new measures that incentivize wood products produced in California.

5. Require the State Board of Forestry and Fire Protection, in coordination with the Department of General Services, on or before September 30, 2027, to develop a strategy to support the procurement of wood products, including, but not limited to, mass timber, in relation to state-funded projects involving the construction or reconstruction of buildings.

6. Require CNRA to report to the Legislature on or before December 31, 2027, specified information pertaining to the identified parks.

Related Legislation:

AB 998 (Conolly, 2023) would have required the CEC to report on the utility-scale biomass combustion facilities still in operation as of January 1, 2024, and specifies information the report must contain. The bill died in this committee

AB 625 (Aguiar Curry) would have established the Forest Waste Biomass Utilization Program to develop an implementation plan to meet the goals and recommendations of the state's wood utilization policies and priorities and focused market strategy of specified statewide forest management plans, and to develop a workforce training program to complement the workforce needs associated with the implementation plan. The bill died in this committee.

Staff Comments: BSC notes that in the event that additional legislation chapters this session that would affect BSC (e.g. AB 1915, AB 2252, etc.), the compounding fiscal impacts of AB 1666 and these other bills, taken together, may cease to be absorbable and could necessitate hiring a limited-term or permanent PY, likely at the Associate Architect level. This would necessitate an increase to the DGS Service Revolving Fund (Fund 0666), which would result in a corresponding increase to the total amount state agencies would need to pay their proportionate share of beginning in Fiscal Year 2027-28. In this event, AB 1666 would not only affect BSC and HCD, but would also have an unknown fiscal impact to the State Fire Marshal, Office of Statewide Hospital Planning and Development, Division of the State Architect, Energy Commission, and other proposing and adopting agencies.

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